

*Review of the 2017
Recommended
Operating Budget*



*Suffolk County Legislature
Budget Review Office*

October 14, 2016

SUFFOLK COUNTY LEGISLATURE



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Robert Lipp
Director

BUDGET REVIEW OFFICE

October 14, 2016

To: DuWayne Gregory, Presiding Officer
and All Suffolk County Legislators

From: Robert Lipp, Director *Robert Lipp*
Budget Review Office

Subject: **Review of the 2017 Recommended Operating Budget**

Accompanying this letter of transmittal is the Budget Review Office assessment of the County Executive's 2017 Recommended Operating Budget. There are many issues in this budget that should be addressed, including elimination of the Public Health Nursing program, elimination of the Health Education and Tobacco Control program, decrease in income eligibility for the Day Care program, elimination of ten Suffolk County Transit (SCT) bus routes, transfer of a net 72 positions from the Police District to the General Fund, property tax increases in the 2017 Recommended Budget that are \$2 million less than the NYS property tax cap allows, numerous fee increases that amount to \$50 million across all funds, \$26.7 million in revenue from the proceeds of BANs to pay for Police SCAT pay (terminal sick and vacation) that requires State enabling legislation that has yet to be granted, and more.

The recommended budget will require the Legislature to make difficult choices regarding tradeoffs between service provision and fiscal reality. Among those tradeoffs are several shortfalls in the budget, but little to no funding to serve as offsets.

We look forward to assisting the Legislature in addressing these challenges. On a personal note, 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.

Table of Contents

Introduction.....	1
Summary of Findings & Recommendations	4
Sales Tax Revenue.....	12
The Economy	17
2016 and 2017 Fee Increases	23
The 2017 Recommended Property Tax Warrant.....	27
The New York State Property Tax Cap.....	29
General Fund Revenue.....	31
Off Track-Pari-Mutuel Tax (001-MS-C-1150).....	42
Out-of-County Tuition	45
Personnel Costs and Issues Overview	48
Employee Benefits	62
Debt Service.....	71
NY State Environmental Facilities Corporation (EFC) Funding.....	75
Fees For Services: Non-Employees (4560)	78
Self Insurance Fund (038)	80
County Road Fund (105).....	84
Police District Fund (115)	86
Hotel Motel Tax Fund (192).....	88
Sewer District #3 – Southwest (203).....	95
Assessment Stabilization Reserve Fund (404)	97
Sewer Infrastructure Program Fund (406)	102
Suffolk County Water Protection Fund (477).....	104
Grants Management.....	107
Format for Departmental Presentation	108
Departments and Agencies	109
Audit and Control.....	110
Board of Elections	114
Civil Service	118
County Clerk	121
Suffolk County Board of Ethics.....	123
District Attorney.....	125
Economic Development and Planning.....	127

Executive Office.....	134
Fire, Rescue and Emergency Services.....	136
Health Services	141
Human and Community Services	149
Information Technology Services	154
Labor, Licensing, and Consumer Affairs	157
Law	161
Legal Aid Society	164
Legislature.....	167
Office of the Medical Examiner.....	169
Parks, Recreation, and Conservation	172
Police.....	177
Probation.....	186
Public Administrator.....	190
Public Works.....	191
Real Property Tax Service Agency.....	199
Sheriff	201
Social Services (DSS)	204
Soil and Water Conservation District	213
Traffic Violations Bureau	215
Contract Agency Listing	221

Introduction

“Conundrum: “a confusing or difficult problem”
Merriam-Webster's Learner's Dictionary

How are we able to provide services at needed levels when facing a structural deficit that is far in excess of \$100 million in each of the past several years? It is a conundrum.

Why bring this up in our Review of the 2017 Recommended Operating Budget?

The short answer is that the County's structural deficit is increasingly driving our decisions. As a result, some initiatives, that may be considered crucial, are funded without regard for our ability to pay, while others are funded at less than needed levels because of our deficit position.

It is important to note that in recent years the County Executive and Legislature have made numerous changes to generate cost savings (in part by reducing the size of the County's workforce) and have added significant revenue enhancements (including several fee increases). Unfortunately, that has not been sufficient to offset weaknesses in the economy that have resulted in the loss of sales tax revenue.

Meanwhile, in spite of these negative impacts to our ability to pay, the County continues to finance operations by (1) deferring expenses, (2) borrowing from the NYS Retirement System, (3) borrowing from the ASRF, (4) issuing debt to pay for operating expenses, such as retro pay for Correction Officers and now proposing the same for Police SCAT pay, and (5) relying on one shots, such as the sale of the former Foley Nursing Home. Our concern here is that we may be reaching a point where these types of funding measures may no longer be available at needed levels.

Our fiscal problems go back well before the current administration, starting with the Great Recession when sales tax revenue exhibited negative growth rates in 2008 and 2009. Since it has taken years to reach this point, it will take a long range plan to straighten out our finances. There are options, but so far none of them have been palatable enough to embrace.

That being said, we now turn our focus back to the short run task of adopting an operating budget for 2017, recognizing that the actions we take affect our structural deficit. Once the budget is finalized, our recommendation is to turn our attention to the structural deficit and develop a long range plan to address it.

In what follows, we focus on some of the major concerns in the 2017 Recommended Operating Budget. In particular, an estimate of the magnitude of the structural deficit, the policy issues and themes that underlie the 2017 Recommended Operating Budget, and some of the larger shortfalls that we have identified.

Policy Issues and Themes Implicit in the Budget

- Public Health Nursing: This function is eliminated in the recommended budget. To restore it would require no net cost increase to that unit, but the resulting loss of staff in the Jail Medical Unit would require about \$560,000 to properly staff.

- Health Education and Tobacco Control: This function is also eliminated. Restoration could be accomplished at no additional net cost, assuming availability of additional State aid. If additional aid is not available, the net restoration cost would be approximately \$188,000.
- Day Care: The recommended budget implicitly includes a decrease in income eligibility for Day Care, from 125% of the poverty level to 100%. To restore income eligibility to 125% would require an additional \$1.5 million.
- The Bus System: Ten Suffolk County Transit (SCT) bus routes are eliminated to save approximately \$4 million annually.
- Bond Anticipation Notes (BANs): The 2017 Recommended Budget includes \$26.7 million in revenue from the proceeds of BANs to pay for Police SCAT pay (terminal sick and vacation), of which \$18.9 million is included in the Police District and the remaining \$7.8 million in the General Fund. The County sets a bad precedent when paying for operating expenses with borrowing. Currently, the County does not have authorization to issue BANs for terminal pay. NY State would have to pass enabling legislation. The plan, as we understand it, is to request borrowing over the next two years (2017 and 2018), of up to a maximum of \$60 million.
- Transfer of positions from the Police District to the General Fund: A net of 72 positions are transferred in 2017. The estimated impact is a decrease in Police District costs of \$11.3 million and an increase in the General Fund of the same amount.
- Town Revenue Sharing: Police District sales tax revenue is recommended to decrease by \$26.1 million, while town revenue sharing is increased by \$1 million. If the towns were allocated the same portion of Police District sales tax revenue as last year's 13.61%, the budgeted amount would be just over \$1.3 million, as opposed to the 2017 recommended amount of \$9,588,343.
- Property tax revenue: The NYS property tax cap allows for an increase of an additional \$2 million more than is included in the 2017 Recommended Budget. Property taxes are recommended to increase by \$20.3 million in the Police District, decrease by \$14 million in the Southwest Sewer District, and increase by the usual 3% in the other County sewer districts.
- Fees: For the second year in a row, the budget includes numerous fee increases. The 2016 Adopted Budget included an estimated \$42.2 million in new and increased fee revenue and the 2017 Recommended Budget includes an estimated \$50 million more. In light of the size of the structural deficit, in spite of the large sums of recurring revenue that some of these fees bring in, we are still unable to make a dent in the structural deficit. That being said, some of these fees have been met with a great deal of criticism, including the false alarm program, the \$300 mortgage fee, the one percent administrative processing fee on all contract agencies, and the red light camera program, to name a few.
- Grant Management Fund 003: There are pros and cons to the recommended creation of the new Grants Management Fund. Whether or not to make this change is a policy decision.

Shortfalls in the Budget

- Community Mental Hygiene: About \$3.8 million in contract agencies in Community Mental Hygiene were inadvertently unfunded in the budget, but associated revenue was included. These are contract obligations with NYS and therefore should be restored.
- No cuts to Suffolk County Accessible Transit (SCAT) are proposed; however, 2017 recommended funding appears deficient by \$2.3 million.

- Expenditures for light, power, and water appear to be understated by \$1.6 million in 2016 and \$3.7 million in 2017.
- Overtime: The 2017 recommended overtime budgets in the Sheriff and Police departments are underfunded by \$14.3 million. The breakdown is \$5 million in the Sheriff's Department and \$9.3 million in the Police Department (\$1.4 million in the General Fund and \$7.9 million in the Police District).
- Fees included in the 2016 Adopted Budget: Overall, implicit in the 2017 Recommended Budget is a 2016 estimated shortfall of \$8 million that is General Fund related (funds 001 and 105), and \$3.9 million that is Police District related (funds 115 and 136).
- Sales tax revenue: 2016 estimated sales tax revenue is \$34.8 million less than adopted (\$32.2 million of the shortfall is in the General Fund and \$2.6 million in Fund 477).

The Structural Deficit

- We estimate the structural deficit using two different methods, Based on the use of loans or one-shots to balance the budget, the structural deficit is sized at \$135.3 million, and based on the loss of sales tax revenue it is estimated to be \$179.7 million.
 - ✓ The structural deficit implicit in the 2017 Recommended Budget can be thought of as equal to the value of any loans or one-shots that are used to fund operating expenditures at a level that is unsustainable. In the recommended budget the structural deficit is estimated to be \$135.3 million, which is comprised of
 - \$35.2 million in pension amortization.
 - \$60.0 million in interfund revenue from the Assessment Stabilization Reserve Fund (ASRF).
 - \$13.4 million in net revenue from sale of the Foley Nursing Home.
 - \$26.7 million from BAN proceeds to pay for Police Department SCAT pay.
 - Another way of looking at the size of the structural deficit is to consider the County's fiscal difficulties a sales tax problem. Using this approach, the structural deficit can be estimated to be \$179.7 million.
 - ✓ The high water mark for sales tax collections was 2007. It took the County five years (not until 2012) to realize sales tax revenues that were greater than collections in 2007. If annual growth was zero for the subsequent four year period (2008 to 2011), the County would have realized an additional \$179.7 million or an average of \$44.9 million more per year. Over that period expenditures continued to grow and sales tax revenue never caught up. Instead, we have relied in part on one shots and loans to make up the difference.

In closing, the above overview of the 2017 Recommended Operating Budget is by design far from a complete picture. What you will find from reading the full report are several areas where departments could use additional resources or are underfunded to pay for current obligations. A summary of our recommendations is being compiled and should be completed shortly after this report is released. One theme implicit in this report is a lack of surplus funds in the 2017 Recommended Budget to address areas that in our estimation are in need of additional funding. The recommended budget will require the Legislature to make difficult decisions regarding tradeoffs between service provision and fiscal reality.

Summary of Findings & Recommendations

Sales Tax

- ❖ The sales tax is Suffolk County's single largest source of revenue. In 2015, this tax represented 59.2% of General Fund revenue. In the 2017 Recommended Budget, sales tax is estimated to account for 55.9% in 2016 and recommended at 59.4% in 2017.
- ❖ In the Review of the 2016 Recommended Operating Budget, we modified our approach to forecasting sales tax revenue. Instead of including data going back to 1993, we restricted our analysis to the post Great Recession period (2009 to present) in recognition of the significant shift in spending habits. The methodology used this year is very similar.
- ❖ Sales of goods and services on the internet have also contributed to lost sales tax revenue for the County. A Budget Review Office study completed in March 2016 concluded that, from almost nothing in 1998, sales tax losses to e-commerce grew to approximately \$22 million in 2015, an average increase of more than \$1 million per year. By 2020 we predict the loss figure will reach \$30 million.
- ❖ The 2017 Recommended Budget includes estimated sales tax growth of 0.85% in 2016 and 2.00% in 2017. The forecasts that were the basis for these figures were completed prior to the completion of the third quarter of 2016. Since these forecasts were completed, sales tax revenue has improved considerably. To attain the 2016 estimated amount in the budget would require only one-tenth of one percent (0.10%) growth in the fourth quarter. This suggests that the 0.85% growth estimated for 2016 is conservative.
- ❖ Based in part on improved sales tax revenue in the third quarter of 2016, the Budget Review Office projects sales tax growth of 1.23% in 2016 and 2.30% in 2017. However, while our forecast differs slightly from the Executive's, it is reasonably close, and we do not recommend any changes.

The Economy

- ❖ Despite robust economic growth at both the national and, to a lesser extent, the state level, the local economy and Suffolk's sales tax revenue, which strongly depends on that economy, continue to underperform.
- ❖ Since interest rates have a greater impact on the expense side than on the revenue side of the budget, the fact that they remain relatively low by historical standards benefits the County. However, there are signs that interest rates, especially short-term rates, may rise sharply in 2017, which would negatively impact the County's bottom line for short-term borrowing.
- ❖ Low oil prices continue to negatively impact sales tax revenue. BRO estimates that the County will collect approximately \$28 million less in sales tax revenue in 2016 and 2017, compared to long-term averages, due to lower oil prices. Conversely, BRO estimates that the County's expenses for Gasoline and Motor Oil will be \$4.7 million lower as a result of cheaper oil.

Fee Increases

- ❖ The 2017 Recommended Operating Budget includes a variety of fee increases that total \$50 million; \$12.3 million associated with increases to existing fees and \$37.7 million associated with implementing new fees. In order to enact a portion of the various fee increases, separate resolutions are required to be adopted.

The 2017 Recommended Property Tax Warrant

- ❖ The recommended budget includes an increase in the county property tax (excluding sewers) of \$20.3 million, a 3.5% increase over last year's \$585.1 million warrant. The entire increase is in the Police District, where it represents a 3.9% increase. The only other change is a decrease of \$17 in the General Fund and Police District portion of the MTA tax. The budget recommends a three percent increase for all sewer districts except Southwest which is slated to see its tax revenue reduced by \$14 million (-30.8%).
- ❖ The proposed county property tax implies an estimated average homeowner tax bill of \$1,093, which represents an increase of \$36 or 3.5%. Average taxes per homeowner will increase by \$44 in the five western towns and increase by \$4 in the five eastern towns.

The New York State Property Tax Cap

- ❖ The County's maximum allowable property tax increase in 2017 is \$8,509,668 (1.33%). An increase beyond this amount would require a 60% vote by the Legislature.
- ❖ The recommended budget includes an increase of \$6,509,448 (1.02%); \$2,000,220 less than the amount allowed by the cap. Therefore, the Legislature can make a policy decision to increase taxes by an additional \$2,000,220 and still remain within the cap.
- ❖ By fund, the 2017 budget recommends: an increase of \$20,286,062 (3.89%) in the Police District, an increase of 3%, totaling \$223,386, across all Sewer Districts except Southwest, and a \$14 million decrease (-30.8%) in the Southwest Sewer District.

General Fund Revenue

- ❖ The 2017 Recommended Budget has a General Fund Property Tax Warrant of \$49,037,038, which is unchanged from the previous seven years.
- ❖ The 2015 adopted General Fund property tax was \$49,037,038, but the actual amount recognized was \$58,943,196; a surplus of \$9.9 million. The 2016 estimated budget anticipates that collections will be equal to the adopted amount.
- ❖ The recommended 2017 Other Unclassified Revenues is projected to be \$35.7 million more than estimated for 2016. The increase is due to an additional \$33.3 million in the Real Property Tax Service Agency (RPT-1355-2770) for a new \$300 mortgage fee.
- ❖ The 2016 estimate for the Medical Marijuana Excise Tax (001-AAC-1007) is \$8,000, which is \$1.49 million less than adopted, and the same as recommended for 2017.
- ❖ The 2017 Recommended Budget creates a new Grants Management Fund (Fund 003) to provide greater review and oversight of grant proceeds and more accurate tracking of grant related revenues.
- ❖ In the aggregate, state aid is estimated to increase by \$20.4 million from 2015 to 2016, but decrease by \$13.4 million from 2016 to 2017.
- ❖ For all departments, federal aid is estimated to be \$12.6 million more in 2016 than in 2015 and \$4.9 million more than adopted. Federal aid, in the aggregate, is recommended at a decrease of approximately \$12.6 million in 2017.

OTB

- ❖ The 2016 Adopted Budget included \$2 million in revenue from Video Lottery Terminals (VLTs). The 2016 estimate includes no revenue from VLTs due to the fact that the gaming facility is not expected to begin operations in 2016.
- ❖ Revenue from VLTs is included in 2017; however, we recommend that revenue from horse wagering and VLTs be accounted for in separate revenue accounts to comply with previous legislation.

Out-of-County Tuition

- ❖ The 2017 Tax Warrant is \$1,263,520 less than the 2016 Tax Warrant due to decreased out-of-county tuition expenses as well as adjustments to reconcile the 2016 warrant with actual expenditures.
- ❖ Based on updated information from Audit and Control, we recommend decreasing the 2016 estimated expenditures by \$492,181 and the 2017 recommended expenditures by \$452,331. We recommend decreasing the 2017 recommended revenue by \$44,512. When taken together, these changes are budget neutral, but necessary to show consistency between the budget and the tax warrant.

Personnel Costs and Issues

- ❖ The 2017 Recommended Budget includes \$1.7 billion across all funds for salaries, benefits, and other personnel costs; representing approximately 58% of the \$3 billion recommended budget (excluding the Vanderbilt Museum).
- ❖ The recommended budget estimates that personnel costs will increase by 2.2% from 2015 to 2016 and projects that personnel costs will increase by another 3.3% from 2016 to 2017.
- ❖ The total increase in personnel costs is not captured in the recommended budget because millions of dollars in grant funded positions, which were included in previous recommended budgets, are not accounted for in 2017. Instead, the expenditures and corresponding revenues will be appropriated during the upcoming year.
- ❖ The 2017 Recommended Budget includes a net decrease of 57 authorized positions by abolishing 64 positions, creating three new positions, making one interim position permanent, and three anomalies, which if not addressed, would result in the authorization of additional positions.
- ❖ The recommended budget transfers 58 grant funded positions from Health Services, Probation, and FRES from the General Fund to the new Grants Management Fund. In other departments such as the District Attorney and Medical Examiner, grant funded positions were transferred from grant appropriations to the department's main appropriation in the General Fund. In each case, no revenues or expenditures are accounted for in the budget; both will be appropriated by resolution during 2017.
- ❖ The recommended budget transfers 79 positions from the Police District to the General Fund and seven positions from the General Fund to the Police District resulting in a net transfer of 72 positions from the Police District to the General Fund. According to the Executive, the transfers are necessary to align personnel with the taxing jurisdictions they serve. We estimate that these transfers will result in a net shift in cost from the Police District to the General Fund of approximately \$11.3 million in 2017.

- ❖ Thirty-seven employees in the Division of Preventative Medicine, which includes Public Health Nursing and Tobacco Education, are transferred to various other units within the Department of Health Services. The four remaining vacancies are abolished.
- ❖ From the start of 2016 through September, the number of active county employees on the payroll declined by 180. This net reduction includes separations, as well as the addition of new employees. It does not include the two police classes totaling 175, of which 60 were hired in September and the remaining 115 are scheduled to be hired in October. Adding the 175 new Police Officers in 2016 will result in the highest sworn staffing levels since February of 2012.
- ❖ In the aggregate, the 2016 Adopted Budget included less salary appropriations than needed to fund all positions that were filled at the time of the budget's adoption. Through a combination of higher than average attrition and strict position control, 2016 salaries are estimated to be \$390,839 less than adopted across all funds and \$545,378 less than adopted in the General Fund. In general, the 2016 estimate for Permanent Salaries is reasonable; however, we estimate that salaries are understated by \$1.2 million in the District Attorney.
- ❖ In general, the 2017 Recommended Budget is reasonable. Although the amount of funding available varies by department, most departments have sufficient funding for all currently filled positions provided that the county workforce experiences normal attrition and vacancies are not immediately backfilled.
- ❖ In the General Fund, we estimate that there is little funding available to fill vacant positions; however, there are sufficient appropriations in 2017 for a class of 11 Probation Officers and 14 Deputy Sheriffs to be hired this fall and a class of 40 Correction Officers to be hired in January of next year. There are also funds included to fill positions in Audit and Control, Consumer Affairs, and Social Services.
- ❖ Provided that there are more than usual retirements, the recommended transfers from the Police District to the General Fund are approved by the Legislature, and Police Officers in the Police District are promoted to Detective in the General Fund, there are sufficient funds in 2017 for a class of 175 recruits this year and a class of 65 recruits next year.
- ❖ In the E-911 Fund (102), there is approximately \$475,000 available to fill vacancies in 2017. These funds are in addition to \$100,000 in temporary salaries included in the Police Department for a pilot program that uses temporary employees to reduce mandated overtime in the emergency call center.
- ❖ The 2017 Recommended Budget includes \$65.8 million for overtime salaries, which is \$18.1 million less than estimated for 2016. Overtime expenses have not been less than \$70 million since 2009. Absent a drastic change in the way that the County deploys its human resources, the recommended budget is likely understated again in 2017. From 2013 to 2016, the average annual shortfall from overtime is \$17.5 million.
- ❖ The 2017 Recommended Budget includes \$26.7 million in revenue from Bond Anticipation Notes (BANs), which is approximately equal to the expenditures budgeted in the General Fund and Police District for terminal pay (objects 1020, 1050, and 1380). The County will require permission from New York State to borrow for this expense; however, it is unclear if the State will grant the County the authority to issue the BANs.
- ❖ Three unions will be going into 2017 without a contract. The Deputy Sheriffs Benevolent Association (DSBA) and the Probation Officers Association (POA) have been without a contract since 2010. The contract with the County's largest union, the Association of Municipal

Employees (AME), expires at the end of 2016. The recommended budget includes funding for the settlement of contracts. If contracts are not settled in 2017, these funds may be used to offset projected deficits elsewhere in the budget.

Employee Benefits

- ❖ The recommended budget for employee healthcare in 2017 is proposed to grow by approximately \$29 million, or 7.7%, as compared to 2016 cost estimates.
- ❖ Cost mitigating actions negotiated by the County and the employees' labor unions, to contain growth in drug costs, have fallen short by \$19.8 million in meeting the parties' expectations based upon the most recent accounting for 2013 and 2014.
- ❖ BRO estimates that the recommended budget understates EMHP costs by \$7 million over the course of this year and next, or \$4.4 million in 2016 and \$2.6 million in 2017; however, these differences, 1.2% in 2016 and 0.6% in 2017, are not statistically significant.
- ❖ The recommended budget includes \$189.4 million, in the aggregate, for the County's total 2017 NYS retirement liability. The total liability assumes maximum amortization for 2017 and represents both the ERS and the PFRS regular contributions in addition to debt service payments of approximately \$35.1 million associated with the County's amortization of a portion of the regular contributions due for each of the last six years.
- ❖ Address the policy decision of amortizing a portion of the County's 2017 New York State Local Retirement System pension obligation. Utilization of the maximum allowable amortization of \$35.2 million is implicit within the recommended budget.
- ❖ The recommended budget includes \$15.6 million for Benefit Fund contributions in the aggregate, or \$6.2 million more than estimated for 2016, which is predominantly explained by its inclusion of 10/12 of projected 2017 AME Benefit Fund contributions and the first annual repayment for suspended contributions.
- ❖ The 2017 Recommended Budget includes \$66.3 million for the County's Social Security liability across all funds and is reasonable assuming personal service costs are fully expended as budgeted.

Debt Service

- ❖ The County continues to rely heavily on short-term market borrowing in the form of RANs, TANs and DTANs to help manage cash flow. Total borrowing from these sources is expected to exceed \$500 million in 2017.
- ❖ In August 2016, the County issued a \$20.4 million BAN through the NYS Environmental Facilities Corporation (EFC) in connection with Capital Project 8197, Planning and Design for Nitrogen Reduction Projects. None of the areas covered in the project are part of an existing sewer district therefore, the debt is an obligation of the General Fund.
- ❖ The 2017 recommended budget includes \$26.7 million in BAN revenue (\$7.8 million in the General Fund and \$18.9 million in the Police District), slated to be used for SCAT pay for public safety employee retirements. The County does not currently have authorization to issue the BAN, which requires enabling legislation from NY State.
- ❖ The 2016 estimated amounts overstate expenses in the General Fund for serial bond debt service by \$246,793. In 2017, the recommended budget understates the expense for serial

bond principal in the General Fund by \$1.3 million, but overstates the expense for General Fund serial bond interest by \$1.1 million. The net overstatement across the two years is \$90,476.

- ❖ The 2017 recommended revenue for Earnings on Investment Capital (001-DBT-2956) of \$5,518,478 is overstated by \$844,499.

NY State Environmental Facilities Corporation (EFC) Funding

- ❖ Starting in 2015, the County began receiving various types of funding from EFC for sewer and sewer infrastructure projects. To date, it has borrowed a total of \$75 million of a total available to date of \$172.7 million for six separate projects.
- ❖ The financing is most often provided in the form of a Bond Anticipation Note (BAN), although in one case, Capital Project 8126, Improvements to SCSD #18 - Hauppauge Industrial, a 29-year serial bond was used, and in another case, CP 8108, Outfall at Sewer District #3, Southwest, part of the funding came in the form of an outright grant.
- ❖ The BANs issued by EFC are either interest-free, or contain an interest-free portion in addition to a market-rate portion. Even in the case of the market-rate borrowings, the County realizes a savings compared to borrowing the money on its own, since EFC's credit rating is superior to Suffolk's. All BANs are expected to convert at maturity into serial bonds under the EFC.
- ❖ In the case of the serial bond issue for Capital Project 8126, Improvements to SCSD #18 - Hauppauge Industrial, EFC pays half the interest expense, while County Sewer District 18 pays the other half. The sewer district also pays administrative fees that average \$38,000 per year.

Self-Insurance Fund (038)

- ❖ Since 2006, the County has borrowed for 71% of the cost of settlements. Debt service associated with borrowing is becoming an increasing share of settlement costs. Over the past eleven years, debt service has averaged \$2.3 million, but is estimated at \$5.4 million in 2016 and is recommended at \$6 million in 2017. Debt service on past settlements now exceeds the average annual cost for new settlements.
- ❖ Starting in 2017, the County will only approve settlements in the first half of each year in order to ensure that bond issues will take place in the year that they are authorized.

County Road Fund (105)

- ❖ Motor Vehicle Registration Surcharge revenue within the recommended budget is overstated by \$5,094,284 in the aggregate (2016-2017) based upon BRO projections and should be reduced by a like amount.
- ❖ Consideration should be given to moving Fund 001 highway related expenditures into Fund 105 in conjunction with a reduction to the interfund transfer made by Fund 105 to Fund 001 to reimburse it for the highway related expenditures that it incurs. This would allow for line item expenditure detail, which is not seen utilizing the current methodology, resulting in increased transparency.

Police District Fund (115)

- ❖ The 2017 recommended revenue in the Police District has become more reliant on revenue such as the Traffic Violations Bureau and the False Alarm Program, both of which may be overestimated. Other increases in revenue include property taxes and a bond anticipation note

for SCAT pay that is still pending State approval. Conversely, there is a decrease in Police District sales tax revenue of \$26.1 million

- ❖ The 2017 recommended increase in Police District expenditures is limited by transferring a net 72 positions from the Police District to the General Fund. We estimate that these transfers will result in a net shift in cost from the Police District to the General Fund of approximately \$11.3 million in 2017.

Hotel/Motel Tax Fund (192)

- ❖ The 2017 recommended Hotel Motel Tax related revenue of approximately \$10.6 million is reasonable based on a two year projection, reflecting growth in 2016 and 2017. No new positions have been added to Fund 192 in 2017.

Sewer District #3 – Southwest (203)

- ❖ The 2017 recommended revenue of \$66,536,930 is \$13,082,895 or 16.4% less than the 2016 estimate, which can be attributed mainly to a decrease in Real Property Taxes (203-AAC-1001) of \$14 million or 30.8%.
- ❖ The 2017 recommended expenditures of \$66,536,930 are approximately \$23.7 million or 26.3% less than the 2016 estimated expenditures of \$90,232,345, which is primarily attributed to a \$20.4 million decrease to the interfund transfer to Fund 405-Southwest Assessment Stabilization Reserve Fund.
- ❖ The Southwest Sewer District will again direct funds into Fund 405-Southwest Assessment Stabilization Reserve as indicated by a recommended interfund transfer of \$26.2 million. The Southwest ASRF is recommended with a January 1, 2017 fund balance of \$155.6 million and is recommended to end the year with a balance of \$155 million.

Assessment Stabilization Reserve Fund (404)

- ❖ The recommended Status of Fund 404 proposes a 2016 year end fund balance of \$16.5 million and 2017 year end fund balance of \$20.9 million based upon the inclusion of \$26.4 million of the cumulative unappropriated monies representing 67.5% of the excess fund balance to be used for expanded sewer purposes per Local Law No. 44-2011 and its subsequent invalidation by the Appellate Division.
- ❖ The revenue detail included for Fund 404 indicates that Fund 406 is estimated to transfer \$33,453,194 to Fund 404 in 2016. This line is erroneous and should be changed to indicate a transfer from Fund 406 to Fund 404 in the amount of \$7,087,000 representing declined loans only. This revenue line makes it appear that Fund 406 is transferring the unappropriated excess reserve balance of \$26,366,194 in addition to the declined loans, which is not the case.
- ❖ The 2017 Recommended Budget increases the transfer from Fund 404, through Fund 425, to the General Fund by \$60 million compared to the 2016 Adopted Budget.

Sewer Infrastructure Program Fund (406)

- ❖ The recommended Status of Fund 406 proposes a 2016 year-end and 2017 beginning fund balance of \$29.1 million.
- ❖ Increase the 2016 estimated expenditures by \$10,813,664 and reduce the ensuing 2016 year-end fund balance and 2017 beginning fund balance by \$10,813,664 to more accurately portray what BRO calculates the actual expenditures and fund balances to be.

- ❖ Require line item expenditure and revenue detail, in conjunction with the Fund 406 Status of Fund table, to be included in this and all future operating budgets' presentation of Fund 406.

Suffolk County Water Protection Fund (477)

- ❖ A major issue with the water quality protection component of Fund 477 has been insufficient recurring revenue to fund water quality projects. At its August 2016 meeting, the Water Quality Review Committee recommended reviewed projects to be financed with serial bond funding, via the "2014 Enhanced Water Quality Program," instead of through Fund 477.
- ❖ No new positions have been added to Fund 477 in 2017. The Budget Review Office continues to recommend caution in the use of this fund for employee salaries to permit its continued use for water quality related projects.
- ❖ In addition to remaining previous appropriations for land acquisition, the 2017 recommended year-end fund balance for land acquisition is \$23,367,047. This is comprised of approximately \$7.74 million in net new 2017 revenue and approximately \$15.62 million in prior fund balance.

Sales Tax Revenue

Introduction

The sales tax is Suffolk County's single largest source of revenue. In 2015, this tax represented 59.2% of General Fund revenue. In the 2017 Recommended Budget sales tax is estimated to account for 55.9% in 2016 and recommended at 59.4% in 2017. Despite its importance as a revenue source to the County, the volatile nature of sales tax collections, which tend to mirror the ups and downs of the economy itself, greatly complicates the County's budgeting process, especially when the economy slows, as it did during the recent Great Recession.

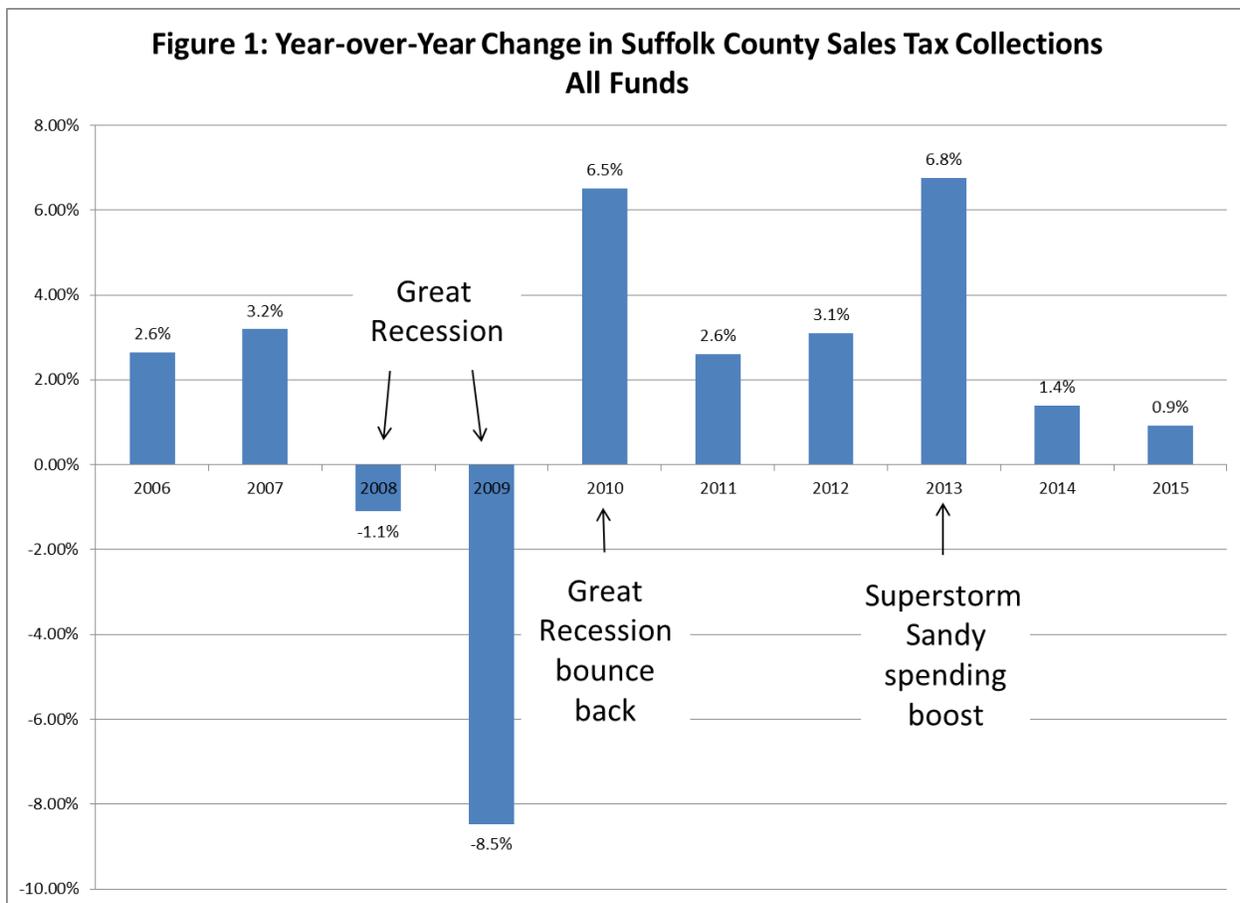


Figure 1 shows changes in County sales tax collections over the last ten years. Perhaps the most striking features of this graph are the large drops in 2009 and to a lesser extent in 2008, during the Great Recession. In these two years, as a result of this economic downturn, the County experienced its first ever declines (after adjusting for rate changes) in sales tax collections. Revenue decreased year-over-year by 1.1% in 2008 and by an additional 8.5% in 2009. The year prior to the Great Recession, 2007, was the pre-recession peak for sales tax collections. It took the County five years – until 2012 – to top this mark. In fact, so profound was the impact of the Great Recession that, despite 6.5 percent sales tax growth in 2010 and 2.6 percent growth in 2011, the County collected \$179.7 million less in revenue from 2008 to 2011 than it would have had sales tax not grown at all during those four years. Over this period, expenditures continued to grow, and sales

tax revenues never caught up. Instead, we have relied in part on one shots and loans to make up the difference.

In 2010, the economy rebounded, and, due in part to the lower level of receipts the year before, collections in 2010 grew by 6.5%. After a drop-off in 2011, when year-over-year sales tax receipts grew by just 2.6%, collections grew at a faster rate in each of the two succeeding years, 3.1% in 2012 and 6.8% in 2013. The relatively large increase in 2013 is due to rebuilding in the aftermath of Superstorm Sandy. The 6.8% figure in 2013 was the largest growth in sales taxes the County had seen since 2004. Sales tax growth since 2013, however, has been disappointing. Total sales tax collections increased by just 1.4% in 2014 and 0.9% in 2015.

Sales Tax Projections

In last year's Review of the 2016 Recommended Operating Budget, we modified our approach to forecasting sales tax revenue. Instead of including data going back to 1993, we restricted our analysis to the post Great Recession period (2010 to present) in recognition of the significant shift in spending habits.

Sales tax write-ups in past reviews have cited a number of factors that may account for recent sluggishness in sales tax collections: the "high bar" set by large Superstorm Sandy-boosted numbers in 2013, two harsh winters, sluggish local wage growth, the increasing prevalence of internet sales, recent declines in gas prices, and changing demographics as large numbers of baby boomers retire.

Motor Fuels and Home Energy

In last year's forecast we assumed that declining gasoline prices would not continue into 2016. Unfortunately, that was not the case. Instead, the average downstate price of regular gasoline fell to just below \$2.50 per gallon in the first quarter of 2015. By the fourth quarter, it fell below \$2.30, and in February of this year, the price finally bottomed out at below \$2.00 per gallon. Gas prices have begun to rise, and our forecast on data from the Energy Information Agency at the US Department of Energy, calls for prices to continue to increase from an average of \$2.19 estimated for this year to \$2.39 in 2017.

Another component of the sales tax has also contributed to sluggish overall sales tax growth in 2016, the home energy tax. This is a tax at the rate of 2.5% on utility bills (about 70% of the total) and home heating oil (about 30% of the total). In 2015, motor fuels taxes declined by 26% and home energy taxes fell by 10.6%. During the first two quarters of this year, however, the situation is reversed. Motor fuel taxes have fallen by an additional 16%, while home energy sales tax revenue has fallen by almost one-third. Much of this decrease is attributable to the mild winter and spring. The fall of sales tax revenue from both of these energy sources was not anticipated in our forecast last year.

It is important to note that the growth rate of Suffolk sales taxes net of motor fuel and home energy sales taxes grew by 3.2% in the first two quarters of 2016. This number is in line with our forecast for 2016 that was made at this time last year. Unfortunately, we assumed no further loss in sales tax revenue from motor fuels and home energy.

Internet Sales

Another factor that may also account for slow growth in sales tax revenue is untaxed internet sales. In March of this year, the Budget Review Office studied sales taxes lost to e-commerce. It is difficult to predict the impact of internet sales because the data are not readily available. That being said, we found that the loss was much less than anecdotal evidence would suggest. Our conclusion

was that, from almost nothing in 1998, sales tax losses to e-commerce grew to approximately \$22 million in 2015, an average increase of more than \$1 million per year. By 2020 we predict the loss figure will reach \$30 million.

The “Amazon Law”, passed in New York State in 2008 and the “Expedia Law”, passed in 2010, have helped to reduce sales tax losses from internet sales. A third State law, proposed last year but not enacted, would have required large vendors like Amazon to collect taxes on sales by third party merchants using their sites. If this law passes, BRO estimates that it could capture about half (\$10-\$11 million) of the total amount of e-commerce sales taxes not currently collected.

According to our source in the State Taxation and Finance Department, the proposed law did not pass due to opposition from the tech industry, based largely in New York City. The law was not reintroduced in this year’s State budget, but, again according to our source, the proposal may be reintroduced next year, and “it would help to have counties voice their support for the proposal.”

The Forecast

In Table 1, we present the Executive’s recommended revenue along with Budget Review Office projections. The 2017 Recommended Budget includes estimated sales tax growth of 0.85% in 2016 and 2.00% in 2017. It should be noted that when the 2017 Recommended Budget was issued in September, third quarter sales tax revenue was not available. Since then, third quarter results have become available. The final two checks of the quarter were 11 percent higher than the same checks in 2015. As a result, sales tax revenue for the quarter as a whole increased by 2.75%, bringing the year-to-date growth rate up to 1.16%. By comparison, at the end of the second quarter, year-to-date growth was only 0.17%.

To attain the 2016 estimated amount in the budget would require only one-tenth of one percent (0.10%) growth in the fourth quarter. This suggests that the 0.85% growth estimated to for 2016 is quite conservative.

As discussed earlier, we expect gasoline prices downstate to average \$2.39 per gallon in 2017, almost a full dollar per gallon below the \$3.31 average for the 2008-2015 period. Our forecast of the motor fuels portion of the sales tax alone suggests that the lower price will cost the County \$19 million in lost sales tax revenue in 2017.

Residential energy tax revenues began to increase in the third quarter of 2016. Third quarter collections, \$9.92 million, grew by 6.1 percent compared to the third quarter of 2015. This is the first time since the second quarter of 2014 that residential energy taxes have increased year-over-year. The increase is driven by increasing utility prices and a return to more seasonal weather. It seems that home energy sales tax will continue to rise next year, again driven by utility prices.

In contrast to the numbers in the 2016 Recommended Budget, the Budget Review Office projects sales tax growth of 1.23% in 2016 and 2.30% in 2017. This forecast results in a sales tax surplus over two years (2016 and 2017) of \$13.5 million in the General Fund and \$546,300 in the Water Protection Fund (477).

Given the unanticipated weak performance of sales tax revenue since 2014 and the volatile nature of energy prices, it is problematic at this point to propose increasing sales tax forecasts implicit in the recommended budget. That being said, we believe the County has reached a turning point and sales tax receipts are likely to outperform the budgeted amounts.

Table 1
Suffolk County Sales Tax Revenue

	2015 Actual	2016 Adopted	2016 Estimated	2017 Recommended
Budgeted				
General Fund (001)	\$1,189,242,493	\$1,217,445,572	\$1,185,215,672	\$1,236,185,779
Police District (115)	\$48,363,917	\$63,105,354	\$63,105,354	\$37,036,962
Suffolk County Water Protection Fund (477)	\$74,147,274	\$77,178,969	\$74,582,564	\$76,138,921
All Funds	\$1,311,753,684	\$1,357,729,895	\$1,322,903,590	\$1,349,361,662
Growth rate (All Funds)	0.91%		0.85%	2.00%
Budget Review Office (BRO) Projection				
General Fund (001)			\$1,190,062,628	\$1,244,845,209
Police District (115)			\$63,105,354	\$37,036,962
Suffolk County Water Protection Fund (477)			\$74,720,272	\$76,547,513
All Funds			\$1,327,888,254	\$1,358,429,684
Growth rate (All Funds)			1.23%	2.30%

	2016 - 2017 Combined	2016 BRO <i>minus</i> Budgeted	2017 BRO <i>minus</i> Budgeted
Budget Review Office (BRO) Projected Surplus			
General Fund (001)	\$13,506,386	\$4,846,956	\$8,659,430
Police District (115)	\$0	\$0	\$0
Suffolk County Water Protection Fund (477)	\$546,300	\$137,708	\$408,592
All Funds	\$14,052,686	\$4,984,664	\$9,068,022

Once again, while our forecast differs slightly from the Executive's, it is reasonably close, and we do not recommend any changes.

Sales Tax Rates and Current Collections

Table 2 gives a breakdown of sales tax rates in Suffolk County. The County collects 8.625% on almost all taxable items, 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 four percent of the 4.25% County portion of the sales tax. The General Fund does not receive the full four percent. In recent years the budget allocated a sum certain to the Police District.
- Police District (115): The Police District's share of the sales tax was \$48.4 million in 2015, \$63.1 million in 2016 and \$37 million (recommended) in 2017. The amount of sales tax allocated to the Police District cannot exceed three-eighths of a cent (0.375%), which works out to 8.8% (0.375%/4.25%) of Suffolk's total sales tax take. In recent times, however, Police District sales

tax revenues have not come close to this limit. Fund 115 sales tax revenue was \$48.4 million in 2015, \$67.4 million less than the limit. The 2016 amount, \$63.1 million, is estimated to be \$56.7 million less than the limit. Finally, the \$37 million recommended figure for Police District sales taxes in 2017 is \$82 million less than the limit. This decline in sales tax allocations to the Police District is due in part to revenue from the Traffic Violations Bureau, which prior to 2015 was allocated to the General Fund, a new source of revenue adopted in 2016 for alarm fees and fines, and transfer of staff from the Police District to the General Fund. Also, since the passage of the New York State Property Tax Cap law, which first took effect in 2012, Suffolk County has used a large proportion of the increase allowed under the Cap law to increase the Police District property tax, which allows a greater share of sales tax revenue to remain in the General Fund.

- 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 Suffolk County Environmental Trust Fund), and 11.75% for water quality protection.
- New York State sales tax (including the portion going to the MTA): The State portion of the sales tax is four percent and the New York State Metropolitan Transportation Authority (MTA) portion is 0.375%, for a total of 4.375%.

Table 2
Suffolk County Sales Tax Rates

	2015 Actual	2016 Estimated	2017 Recommended
State	4.00%	4.00%	4.00%
NYS Metropolitan Transportation Authority (MTA)	0.375%	0.375%	0.375%
General Fund (001)	4.0% less Police District allocation	4.0% less Police District allocation	4.0% less Police District allocation
Police District (115)	\$48,363,917	\$63,105,354	\$37,036,962
Suffolk County Water Protection Fund (477)	0.25%	0.25%	0.25%
Total	8.625%	8.625%	8.625%
State & MTA	4.375%	4.375%	4.375%
County Total	4.25%	4.25%	4.25%

Budget Review Office Recommendations

Seek State Legislation and adopt a Home Rule Message in support of requiring large vendors to collect sales taxes from third party merchants who use these vendors' websites to sell merchandise.

The Economy

Introduction

Despite robust economic growth at both the national and, to a lesser extent, the state level, the local economy continues to underperform. This report will examine some of the factors driving the national, state and local economies. Consideration will also be given to the impact of the economy on the County's budget more generally.

The National Economy

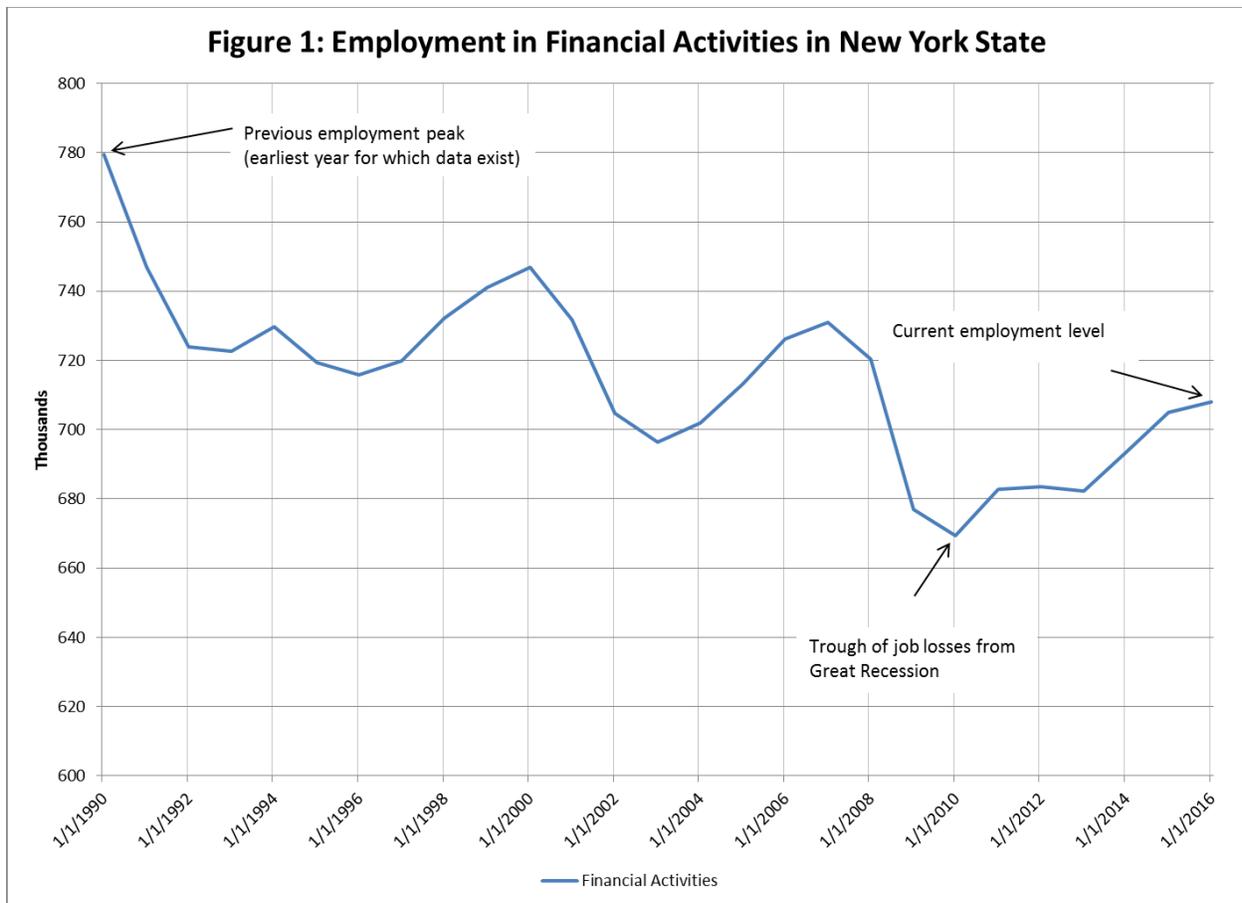
The national economic expansion continues to outperform the local economy. According to a forecast by Moody's Economy.com, real Gross Domestic Product (GDP) driven largely by the growth of consumption is growing strongly and appears likely to end 2016 almost three percent above the level of GDP in 2015. Consumer spending grew rapidly in 2015, and has continued to grow through the first two quarters of 2016. Low mortgage interest rates have stimulated the housing market, which has driven construction hiring at the national level. These same low rates have also allowed individuals and businesses to refinance existing mortgages at a savings, which has freed up cash for consumption, or for savings, both of which are positives for the economy.

Lower oil prices have had a mixed impact on the national economy. On the down side, continuing weak petroleum prices have caused a slump in business investment, which despite the concentration of the oil industry in just a few parts of the country, has bled into the national income and product accounts, where it created a noticeable dip, and continues to act as a drag on GDP growth. Overall, however, in the long run, lower oil prices reduce the cost of doing business and lower output prices, placing downward pressure on the rate of inflation, increasing demand across most sectors of the economy, and resulting in an increase in economic activity.

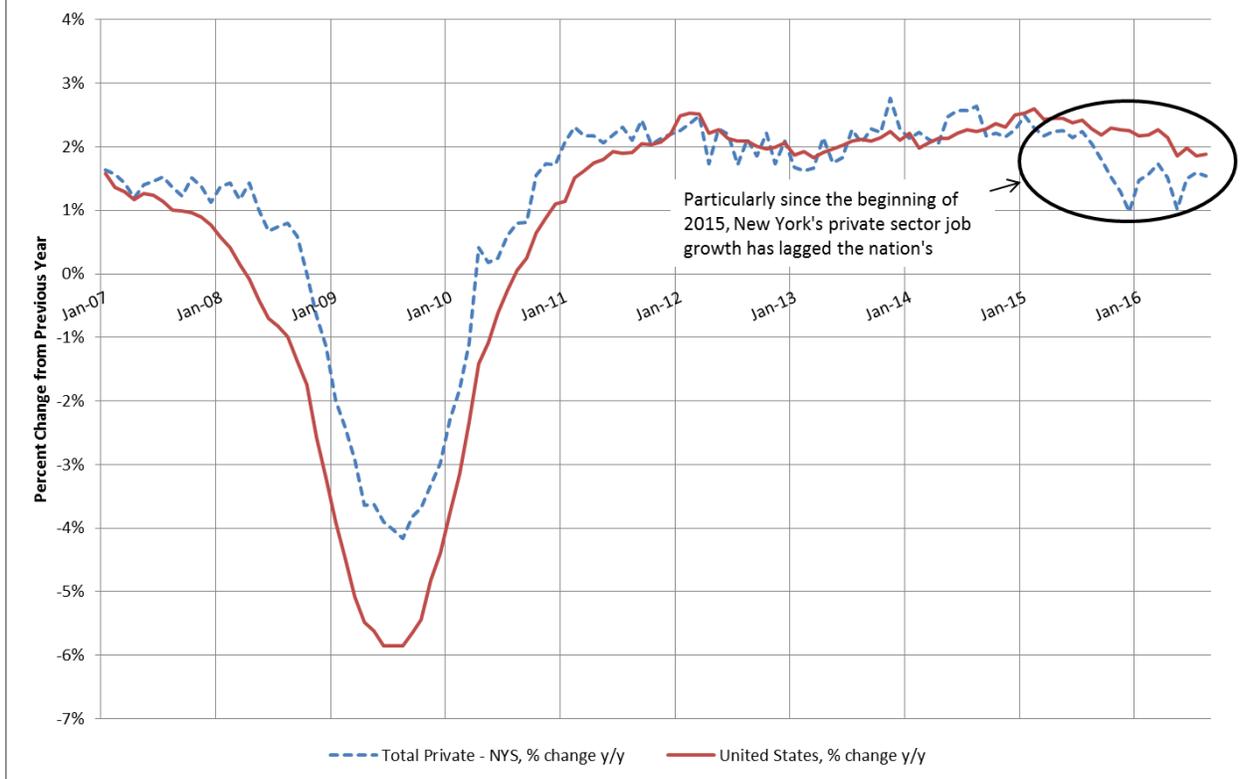
The New York State Economy

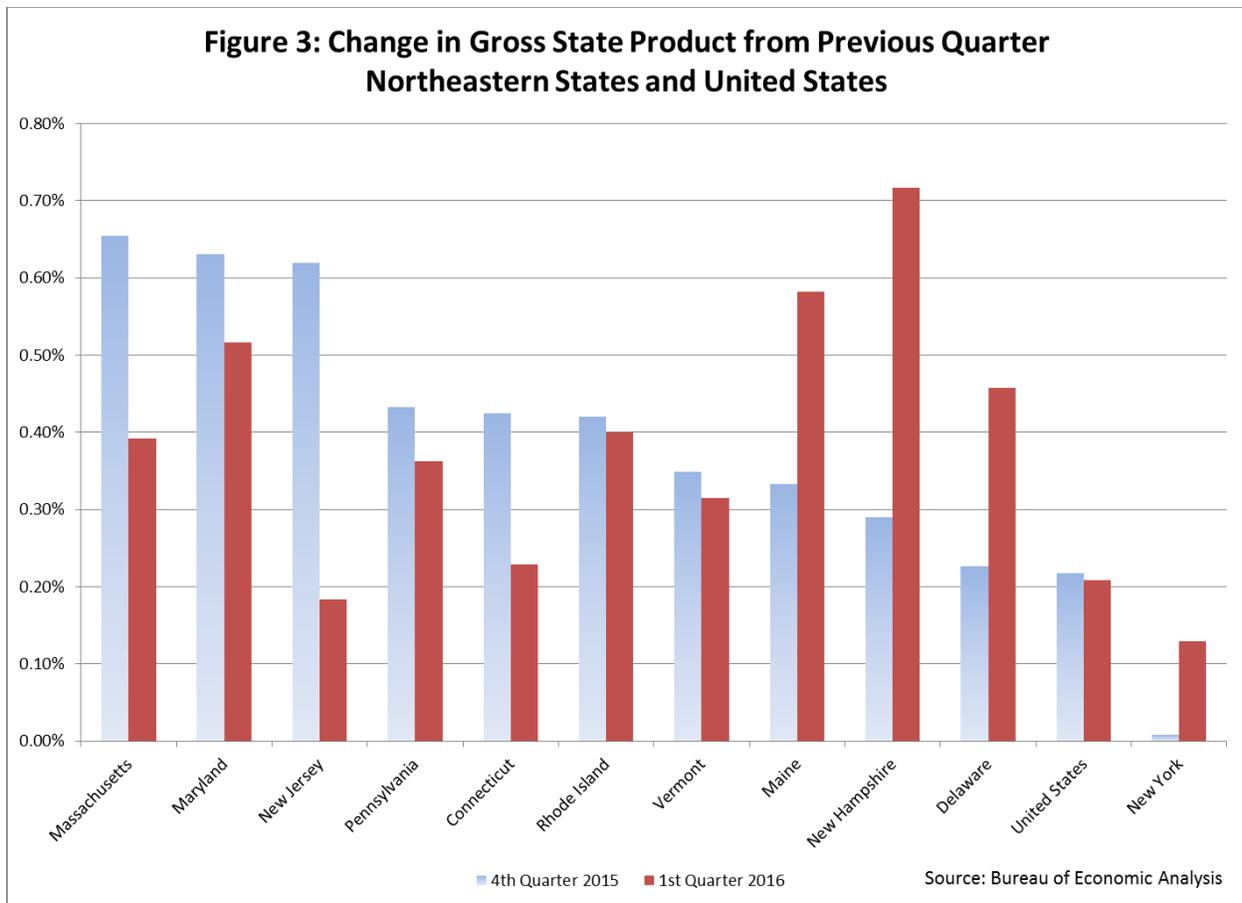
Growth of New York State's economy is less robust than that of the US. In its pre-Great Recession heyday, New York City's financial sector, which accounted for nearly one dollar in three of the city's total payroll expenditures and almost as great a share of total income, helped pull the growth rate of the state's Gross State Product (GSP) up by an average of 4.6% per year in the three year's immediately preceding the Great Recession (2005-2007). While growth statewide was strong, there were local economies in some upstate areas that were on life support.

Today, the state's employment in financial services (which is heavily concentrated in New York City) is down almost ten percent from its pre-recession peak (see Figure 1). Also, the State's total private sector job growth has begun lagging that of the US (see Figure 2). Finally, in the most recent two quarters for which data are available, New York State has lagged the United States and every other Northeastern state in terms of growth in total output, as measured by the quarter-to-quarter change in Gross Domestic or Gross State Product (see Figure3).



**Figure 2: Year-over-Year Percent Change in Private Sector Jobs
United States vs New York**
(not seasonally adjusted)





On the bright side, the recent vote by the United Kingdom to leave the European Union (aka Brexit) may have a silver lining for New York’s financial industry, as global financial firms may seek to move to New York, fleeing uncertainty about the UK’s relationships with its former trading partners around the globe.

How Does Our Region’s Economy Compare to the State and National Economies?

Long Island’s recent economic performance has been much more uneven than that at either the national as a whole or the State of New York. Some factors affecting local economic growth are:

- **Lack of open space for development:** Most of the open space on Long Island has already been developed. This makes new development costly, both in terms of money and human capital. The residential housing sector, partly as a consequence of the lack of open space, has been stagnant. On the mixed use residential - commercial side, while there are several large projects such as the Ronkonkoma Hub, Wyandanch Rising and The Meadows in Yaphank in the pipeline, these are not likely to have a noticeable impact on the economy for several years.
- **High costs of doing business:** High energy costs, taxes, and housing prices place Long Island at a competitive disadvantage. This makes development less attractive than it would otherwise be.
- **A stagnant housing sector:** A June 2011 report from the New York State Comptroller’s Office reported that Long Island had been particularly hard hit by the foreclosure crisis in the wake of the Great Recession. One of the factors driving this crisis on Long Island was the high cost of real estate, which meant that Long Island residents faced higher mortgage payments than in

other parts of the state and also tempted many to sign up for sub-prime mortgages. While more than five years have passed since that report came out, there still appears to be considerable sluggishness in the local housing market. Despite a surge in home prices in 2015 connected with mortgage interest rates near record lows, the median price for a house in Suffolk County remains nearly 20% below its pre-Great Recession peak. The County is currently experiencing a high level of housing foreclosures - an average of more than 320 per month in 2016, compared to fewer than 140 per month from 2009-2015. Because of New York's strict foreclosure laws, designed to protect homeowners from wrongful eviction, a foreclosure proceeding in New York typically takes almost three years to complete. Some can take much longer.

From an economic point of view, New York's long foreclosure process puts our state at a disadvantage compared to states with laws that allow quicker foreclosures. The more quickly a house is resold, the more quickly it begins to generate revenues for the real estate firms that handle the sale, for the construction companies that perform repairs and renovations and for the furniture and appliance stores that sell to the new owners. In that sense, it is possible to read the high levels of foreclosures as a positive sign, since they will help to stimulate the economy. However, they also help to explain why our economy is lagging the State and US economies.

- The existing infrastructure does not lend itself to economic development: Our congested transportation network and reliance on cars, plus the lack of sewerage limits our ability to expand. These infrastructure issues are being addressed by the County Executive, but once again, it will take years before their benefit will be realized.

Long Island's economy does not seem to have benefited from the same stimulating effect from cheaper oil prices as did the US as a whole. Part of this may have to do with how wealthy Long Islanders feel – as opposed to how wealthy they actually are - and how they expect to do economically in the future. A Newsday article published on October 13, 2016 exposed the region's vanishing middle class. According to a study by the Long Island Association cited in the article, those making between 51% and 200% of region's median income fell from 66.9% of local households in 1990 to 57.8% in 2014. Not coincidentally, the region lost almost half of its manufacturing jobs – long considered the source of the American middle class – over the same period. These declines, combined with the factors cited earlier – high costs for housing, energy and taxes, a general shortage of open space – mean that, although Long Islanders really are better off because of lower oil and gas prices, they do not feel better off - nor for many does there seem to be much hope of their lot improving in the future. As a result, they are not spending as large a share of the windfall from cheaper gas and oil, and, Suffolk County's economy (and sales tax revenue) is suffering as a result.

The Budget

Sales Tax

As noted in our write-up on Sales Tax Revenue (included separately in this review), recent sales tax numbers have lagged historical trends. Declining revenue from the home energy and motor fuels portions of the sales tax and losses from internet sales are all thought to be causes. The outlook may soon improve, since most forecasters predict that 2016 is the trough for petroleum prices. A recent study done by the Budget Review Office that forecasted sales tax net of motor fuel and home energy showed sales taxes increasing by 3.2% in the first two quarters of this year compared to the same period in 2015. Gasoline and home energy prices are expected to have bottomed out and should no longer be a drag on sales tax revenue growth of 2017.

Interest Rates

Interest rates are another economic variable that has an impact on the budget. The impact is larger on the expense side of the budget than on the revenue side. In that context the current low interest rate environment continues to be a positive for the budget, although recent indications are that the Federal Reserve will raise short-term rates again either late this year or early next, and there is evidence the 3-month T-bill rate may nearly double to a full percent (100 basis points) by the end of 2017. Regardless of what the final number is, having to pay even a low level of interest is still an added expense that our financially strapped County can ill afford.

Energy Prices

While, as noted above, the recent decline in global oil prices has negatively impacted the County's sales tax collections, there is a partial savings on the cost side of the budget. 2016 fuel costs are estimated to be \$2.6 million less than in 2015, and 2017 costs are projected to be \$2.1 million less than in 2015; a savings of \$4.7 million on Gasoline and Motor Oil in just two years compared to the 2015 baseline. While this amount is admittedly well below the approximately \$28 million we estimate the County will lose in motor fuel sales taxes over these same years, it does at least serve to soften the blow.

MC Economy 17

2016 and 2017 Fee Increases

2016 Adopted Fee Increases (Table 1)

Last year's 2016 Adopted Operating Budget included \$42,220,991 in new and increased fee revenue. In order to approximate the shortfall in these fee revenues included in the 2016 Adopted Budget, we calculate the difference between 2016 estimated and 2016 adopted revenues in the 2017 Recommended Budget. The results are presented in Table 1. Overall, implicit in the 2017 Recommended Budget is an estimated \$12.3 million shortfall (across all funds) associated with 2016 adopted fee increases. Most important are the impacts on the General Fund and Police District. The shortfall in the General Fund is estimated at \$3.2 million. If we include the County Road Fund 105 (\$4.8 million), the shortfall that is the responsibility of the General Fund is \$8 million. As for the Police District, enhanced revenues added in 2016 are estimated to come in \$3.9 million less than adopted, with \$3.4 million of this shortfall due to the new alarm program and \$489,000 from the Traffic Violations Bureau Fund 136, which would in turn reduce the transfer of revenue to the Police District.

2017 Fee Increases (Table 2) and New Fees (Table 3)

Implicit in the 2017 Recommended Operating Budget are a variety of fee increases that total \$50 million, of which \$12.3 million is associated with increases in existing fees (Table 2) and \$37.7 million in new fees (Table 3). The largest revenue enhancements are:

- (1) \$33.3 million from a new \$300 mortgage fee (Table 3).
- (2) \$5.5 million from a \$60 increase in the current \$55 TVB ticket administrative fee. Additional revenues generated by the TVB are transferred to the Police District (Table 2).
- (3) \$4.15 million from a \$25 increase in the Real Property Tax Map Certification Fee (Table 2).

Table 1
Fee Increases in the 2016 Adopted Budget

Dept	Revenue Code	Description	2016 Estimated less 2016 Adopted
County Road Fund 105			
DPW	1760	Motor Vehicle Reg Surcharge	(\$4,802,360)
Police District Fund 115			
POL	1523	Alarm Program Revenue	(\$3,388,989)
General Fund			(\$3,172,275)
RPT	1291	Rptsa Tax Map Cert Fees	(\$2,548,490)
HSV	2602	Food PH Sanitation Fine	(\$275,000)
HSV	2607	Pollution Control Fine	(\$232,500)
HSV	1625	Wastewater Mgmt Fee	(\$197,000)
HSV	1612	Food PH Sanitation Fee	(\$86,425)
PKS	2050	Golf Charges	(\$62,045)
PKS	2040	Marinas And Dock Charges	(\$33,166)
HSV	1623	Pollution Control Fee	\$0
LAB	2546	Licensing And Complaints	\$0
LAB	2770	Other Unclassified Revenues - late fees and return check fee	\$0
PKS	2025	Beach And Pool Charges	\$20,163
PKS	2001	Park And Recreation Charges	\$96,637
PKS	2003	Camping Fees	\$145,551
Sewer District #3 Southwest Fund 203			(\$782,045)
DPW	2123	Scavenger Waste	(\$686,776)
DPW	2374	Sewer Services	(\$95,869)
DPW	2593	Permits - Scavenger	\$600
Traffic Violations Bureau Fund 136 - Surplus fee revenue is transferred to the Police District			
TVB	2638	Administrative Fee for Defaults	(\$489,000)
Building Sanitation / Administration Fund 259			
DPW	2777	Miscellaneous Admin Revenues - sewer agency applications	(\$15,000)
F.S. Gabreski Airport Fund 625			\$318,548
EDP	1770	Airport Fees & Rents	\$286,340
EDP	1771	Take - Off Fees	\$32,208
Total 2016 Adopted revenue shortfall in fee increases, all funds			(\$12,331,121)
<i>General Fund financed operations (Funds 001, 105 and 625)</i>			(\$7,974,635)
<i>Police District financed operations (funds 155 and 136)</i>			(\$3,877,989)

Table 2 2017 Recommended Fee Increases						
FUND	REV CODE	DEPT	UNIT	DESCRIPTION	County Executive Estimated Impact	ACTION
136	2648	TVB	1130	Traffic Violations Bureau	\$5,500,000	This fee increases the TVB ticket administrative fee by \$60, from \$55 to \$115 - Surplus fee revenue is transferred to the Police District
001	1291	RPT	1355	RP Tax Map Cert Fees	\$4,150,000	\$25 increase
001	1560	PRO	3168	Probation Administration Fees	\$312,800	10% increase
001	2025	PKS	7110	Vehicle Use Fees	\$272,295	10% increase
001	2050	PKS	7110	Golf	\$271,694	10% increase
001	1612	HSV	4015	Food PH Sanitation Fee	\$253,300	10% increase
001	2003	PKS	7110	Camping	\$189,489	10% increase
001	1625	HSV	4400	Wastewater Mgmt Fee	\$162,000	10% increase
001	2632	LAB	6610	Violations Collections	\$160,000	program expansion
001	2770	EDP	8715	Other Unclassified Revenues	\$154,079	Increase from 1% to 3%
001	1623	HSV	4400	Pollution Control Fee	\$130,300	10% increase
001	1260	CLK	1410	County Clerk Subscription Fees	\$117,752	3% increase: Local law No. 13-2012 requires the County Clerk Subscription fee rate to be increased by 3% (or CPI) each year.
001	1240	CIV	1430	Civil Service Fees (exams)	\$100,000	20% increase
001	2547	LAB	6610	Item Pricing Waivers	\$100,000	Program Expansion: This is not a new or increased fee, but rather an increase in enforcement of existing item pricing laws, which is likely to result in an increase in waiver applications. The budget includes funds for additional investigators to increase enforcement and inspections.
001	2607	HSV	4400	Pollution Control Fine	\$71,000	10% increase
001	2001	PKS	7110	Green Key Fee, Park & Recreation Charges, and Rowboats	\$57,153	10% increase
001	1611	HSV	4015	Housing PH Sanitation Fee	\$54,000	20% increase
001	1613	HSV	4015	Radiation PH Fee	\$35,200	20% increase
001	1616	HSV	4618	Emergency Medical Fees	\$35,000	20% increase
001	1622	HSV	4400	Water Resources Fee	\$27,040	20% increase
001	2416	BOE	1450	Rental Equipment	\$24,622	20% increase
001	2602	HSV	4015	Food PH Sanitation Fine	\$23,500	10% increase
001	2609	HSV	4400	Wastewater Mgmt Fine	\$20,000	20% increase
001	2040	PKS	7110	Boat Launching & various Marina Fees	\$14,484	10% increase
001	2180	HSV	4400	Health Svc Denitrification	\$7,000	20% increase
001	1614	HSV	4015	Other Sanitation Fee	\$6,000	20% increase
001	2655	BOE	1450	Minor Sales	\$4,724	20% increase
001	2601	HSV	4015	Housing PH Sanitation Fine	\$4,600	20% increase
001	2414	PKS	7110	Special equipment	\$3,022	10% increase
001	1233	AAC	1315	Tax Deeds And Search	\$2,116	20% increase
001	1624	HSV	4400	Ecology Fee	\$1,380	20% increase
001	2606	HSV	4400	Water Resources Fine	\$880	20% increase
001	2621	HSV	4009	Tobacco Enforcement Fees&Fines	\$500	20% increase
Total 2017 Recommended revenue for fee increases					\$12,265,931	The \$12,265,931 total is broken down into \$6,765,931 in the General Fund and the remaining \$5.5 million, in the TVB, which benefits the Police District.

Table 3
2017 Recommended New Fees

Dept-Revenue Code-Description	County Executive Estimated Impact	Comment
001-RPT-2770-Other Unclassified Revenues	\$33,300,000	\$300 mortgage fee (based on 111,000 documents)
001-DPW-2770-Other Unclassified Revenues	\$1,900,000	Station parking fees
001-DPW-1440-Service Fees - Miscellaneous	\$1,272,205	1% processing fee
001-HSV-1440-Service Fees - Miscellaneous	\$549,206	1% processing fee
001-DPW-1440-Service Fees - Miscellaneous	\$420,590	1% processing fee
001-EXE-1440-Service Fees - Miscellaneous	\$153,450	1% processing fee
001-DSS-1440-Service Fees - Miscellaneous	\$84,197	1% processing fee
001-PRO-1440-Service Fees - Miscellaneous	\$33,208	1% processing fee
001-EDP-1440-Service Fees - Miscellaneous	\$18,837	1% processing fee
001-POL-1440-Service Fees - Miscellaneous	\$12,717	1% processing fee
001-DPW-2770-Vendor Registration Fee	\$750,000	\$125 annual fee
001-PKS-2032-Advertising Revenue	\$150,000	\$1,000 sign fee
001-MED-1225-Blood draws and conferences	\$125,500	Medical Examiner/Police
001-POL-2778-Event permits	\$100,000	Private event security charge
001-FRE-1581-Fire Equipment Testing Fees	\$100,000	Inspections at schools and certification of private inspecting entities for hoods and standpipes
001-PKS-2033-County Events	\$20,000	Facility use fee at County Parks
Total 2017 Recommended revenue for new fees	\$37,717,705	

Budget Review Office Recommendations

In order to enact a portion of the various fee increases included in the 2017 Recommended Budget, separate resolutions are required to be adopted.

The 2017 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. Sewer districts are excluded from this analysis. 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 the table displays total property taxes raised by the County, while the right side estimates average homeowner tax bills.

As the accompanying table shows, the recommended budget includes an increase in the county property tax (excluding sewers) of \$20.3 million, a 3.5% increase over last year's \$585.1 million warrant. This entire \$20.3 million increase occurs in the Police District, where it represents a 3.9% increase. The only other change is a slight decrease of \$17 in the General Fund and Police District portion of the MTA tax (when we add the only other MTA taxing fund, the Southwest Sewer District, there is no change in the MTA). It should also be noted that the budget recommends the usual three percent increase for all sewer districts except Southwest. By contrast, the Southwest Sewer District is slated to see its tax revenue reduced by \$14 million (-30.1%).

The proposed County property tax translates into an estimated average homeowner tax bill of \$1,093. This represents an increase of \$36 or 3.5%. County property taxes, however, only account for about 11% of an average homeowner's tax bill. Total property taxes in 2016, including County, town, fire, school and other taxing jurisdictions, averaged an estimated \$10,029 per homeowner. On average, homeowners in the western towns of Babylon, Brookhaven, Huntington, Islip and Smithtown will see their County property taxes increase by an average of approximately \$44, while their counterparts in the eastern towns of East Hampton, Riverhead, Shelter Island, Southampton and Southold will see taxes increase by approximately \$4. This difference in average tax bills is due to the increase in the Police District, which covers only the five western towns.

Suffolk County Property Tax Warrant									
Total Tax Levy appearing on the tax warrant (County portion)					Average Homeowner Tax Bills (County portion)				
	2016 Adopted	2017 Recommended	Change	Percent Change (County portion of tax warrant)	2016 Adopted	2017 Recommended	Change	Percent Change (County portion of tax warrant)	Percent Change In Total Tax Bill (County, town, school and special district taxes)
10/5/16 6:30 PM									
County Portion of the Tax Warrant:									
General Fund	\$49,037,038	\$49,037,038	\$0	0.0%	\$83.30	\$83.73	\$0.43	0.5%	0.0%
College	\$5,250,467	\$5,250,467	\$0	0.0%	\$8.92	\$8.97	\$0.05	0.6%	0.0%
Police District	\$521,492,609	\$541,778,671	\$20,286,062	3.9%	\$1,163.08	\$1,207.03	\$43.95	3.8%	0.4%
District Court	\$6,513,302	\$6,513,302	\$0	0.0%	\$13.56	\$13.92	\$0.37	2.7%	0.0%
MTA Tax (excludes sewers)	\$2,829,655	\$2,829,638	-\$17	0.0%	\$9.90	\$9.00	-\$0.90	-9.1%	0.0%
Combined Funds	\$585,123,071	\$605,409,116	\$20,286,045	3.5%	\$1,057	\$1,093	\$36	3.5%	0.37%
Combined Funds Breakdown:									
Babylon	\$71,370,245	\$73,440,998	\$2,070,753	2.9%	\$1,054	\$1,085	\$32	3.0%	0.3%
Brookhaven	\$177,567,439	\$190,161,472	\$12,594,033	7.1%	\$1,056	\$1,127	\$71	6.7%	0.8%
Huntington	\$126,004,139	\$127,450,989	\$1,446,850	1.1%	\$1,685	\$1,724	\$39	2.3%	0.3%
Islip	\$122,355,787	\$124,934,571	\$2,578,784	2.1%	\$1,192	\$1,218	\$26	2.1%	0.2%
Smithtown	\$65,958,091	\$66,340,336	\$382,245	0.6%	\$1,637	\$1,646	\$8	0.5%	0.1%
East Hampton	\$6,200,555	\$6,615,945	\$415,390	6.7%	\$311	\$330	\$19	6.1%	0.2%
Riverhead	\$1,253,665	\$1,236,368	-\$17,297	-1.4%	\$69	\$67	-\$1	-1.9%	0.0%
Shelter Island	\$661,827	\$716,865	\$55,038	8.3%	\$221	\$226	\$5	2.4%	0.1%
Southampton	\$11,722,778	\$12,446,537	\$723,759	6.2%	\$219	\$219	\$0	0.1%	0.0%
Southold	\$2,028,545	\$2,065,034	\$36,489	1.8%	\$131	\$133	\$2	1.5%	0.0%
County Total	\$585,123,071	\$605,409,116	\$20,286,045	3.5%	\$1,057	\$1,093	\$36	3.5%	0.4%
5 Western Towns	\$563,255,701	\$582,328,367	\$19,072,666	3.4%	\$1,250	\$1,294	\$44	3.5%	0.4%
5 Eastern Towns	\$21,867,370	\$23,080,748	\$1,213,379	5.5%	\$203	\$207	\$4	2.2%	0.1%

The numbers above are based on final equalization rates for each Town in Suffolk except Smithtown and East Hampton, whose equalization rates were still tentative at the time this report is being written.

The New York State Property Tax Cap

The New York State property tax cap law places limits on the ability of local governments and school districts to raise property taxes from one year to the next by more than 2% or the rate of inflation, whichever is less. The calculation of the actual cap (shown in Table 1) is slightly more complex. The County's maximum allowable property tax increase in 2017 is \$8,509,668 (1.33%). An increase of more than this amount would require a 60% vote by the Legislature (11 Legislators).

The property tax cap is calculated on the total value of all County taxing funds combined. As such, the entire allowable increase of \$8,509,668 can be applied to a single County fund or divided across any combination of funds. The recommended budget calls for an increase of \$6,509,448 (1.02%), \$2,000,220 less than the amount allowed by the cap. Therefore, the Legislature can make a policy decision to increase taxes by an additional \$2,000,220 and still remain within the cap.

By fund, the 2017 budget recommends: an increase of \$20,286,062 (3.89%) in the Police District, an increase of 3%, totaling \$223,386, across all Sewer Districts except Southwest, and a \$14.0 million decrease (-30.76%) in the Southwest Sewer District (see Table 2). This is the second consecutive year that the recommended budget includes an actual decrease in property taxes for the Southwest Sewer District. The budget applies the \$14.0 million freed up by the decrease in Southwest taxes towards the Police District property tax increase.

Table 1
Calculation of NYS Property Tax Cap for 2017

	Components Included in Tax Cap Calculation	Tax Cap Calculation	Comment
Total Real Property Tax Levy in prior year (2016)	\$638,106,514		2015 Property Taxes for combined General Fund, Police District, MTA Payroll Tax, District Court, Sewers, Community College funds
plus Total Reserve Amount from prior year		\$638,106,514	= \$638,106,514 + \$0
times Tax Base Growth Factor (see note at right)	1.0067	\$642,381,828	= (\$638,106,514 + \$0) * 1.0067
plus PILOTS Receivable in prior year	\$8,993,772	\$651,375,600	= \$642,381,828 + \$8,993,772
minus tax levy necessary to support expenditures for tort actions for any amount that exceeds 5 percent of the local government's tax levy in the prior fiscal year	\$0		
times Allowable Levy Growth Factor	1.0068	\$655,804,954	= \$651,375,600 * 1.0068
less PILOTS Receivable in current year (2017)	\$9,193,772	\$646,611,182	= \$655,804,954 + \$9,193,772
plus Increases in retirement expenses in excess of 2% increase in the average contribution rate (not available when amortizing)	\$0	\$646,611,182	= \$646,611,182 + \$0
plus Total Tax levy necessary for expenditures from court orders or judgments resulting from tort actions from prior year that exceed 5% of last year's tax levy	\$0	\$646,611,182	= \$646,611,182 + \$0
plus Available Carryover from prior year (2015)	\$5,000	\$646,616,182	2016 Allowable Property Tax = \$646,611,182 + \$5,000
equals Allowable Increase for current FY (2016)		\$8,509,668	2016 Allowable Increase = \$646,616,182 - \$638,106,514
2016 Allowable Percent Increase		1.33%	2016 Allowable Percent Increase = \$8,509,668 / \$638,106,514

Table 2				
2016 Recommended and Maximum Allowable Property Taxes Based on the NYS Cap				
Description	2016 Adopted	2017 Recommended	\$ Increase	% Increase
Property Tax				
General Fund (001-1001)	\$49,037,038	\$49,037,038	\$0	0.00%
Police District (115-1004)	\$521,492,609	\$541,778,671	\$20,286,062	3.89%
MTA Payroll Tax (121-1005)	\$2,852,204	\$2,852,204	\$0	0.00%
District Court (133-1001)	\$6,513,302	\$6,513,302	\$0	0.00%
Southwest Sewer District (203-1001)	\$45,514,689	\$31,514,689	-\$14,000,000	-30.76%
All Other Sewers (various-1001)	\$7,446,205	\$7,669,591	\$223,386	3.00%
Community College (818-1001)	\$5,250,467	\$5,250,467	\$0	0.00%
All County Funds	\$638,106,514	\$644,615,962	\$6,509,448	1.02%

MC NYS Tax Cap 17

General Fund Revenue

This section provides a general overview of the revenue sources included in the recommended budget for the General Fund. It summarizes the effects of the recommended budget and highlights broad trends. For more specific detail on individual department revenues, see the separate departmental write-ups in this report. The following chart includes a list of General Fund revenues in the recommended budget that are over \$10 million, sorted from largest to smallest (2017 Recommended), and where in this report to find the relevant BRO analysis.

General Fund (001) Revenue					
Revenue name	2015 Actual	2016 Adopted	2016 Estimated	2017 Recommended	Analysis of Revenue
State Admin Sales & Use Tax	\$1,189,242,493	\$1,217,445,572	\$1,185,215,672	\$1,236,185,779	See separate section of this report.
State Aid	\$233,950,994	\$244,873,485	\$254,369,202	\$240,980,689	Included in this section and various departmental write-ups.
Federal Aid	\$217,912,212	\$225,645,250	\$230,530,649	\$217,936,276	Included in this section and various departmental write-ups.
Other Revenue	\$179,344,741	\$179,418,437	\$249,485,242	\$138,016,261	Include in this section and various departmental write-ups.
Real Property Taxes	\$58,943,196	\$49,037,038	\$49,037,038	\$49,037,038	Included in this section.
Interest & Penalties on Real Property Taxes	\$44,893,204	\$42,500,000	\$45,000,000	\$45,000,000	Included in this section.
Real Property Tax Service Agency Map Certification Fees	\$10,604,780	\$35,333,333	\$32,784,843	\$37,350,000	See departmental write-up on Real Property Tax Service Agency.
Other Unclassified Revenues	\$875,721	\$1,286,506	\$1,302,538	\$37,039,896	See departmental write-up on Real Property Tax Service Agency and section on new and increased fees.
Transfer from Water Protection	\$23,838,349	\$24,813,039	\$23,978,294	\$24,478,663	See separate section of this report.
Transfer From County Road	\$7,645,790	\$13,562,569	\$8,219,790	\$16,470,026	See separate section of this report.
County Clerk Fees	\$14,563,449	\$15,000,000	\$14,569,718	\$15,000,000	See departmental write-up on Real Property Tax Service Agency.
Out-of-County Tuition Chargebacks	\$15,374,568	\$14,726,697	\$14,808,214	\$14,407,688	See separate section of this report.
Repayments: Handicapped Child	\$10,090,468	\$9,990,240	\$10,105,512	\$10,105,512	See departmental write-up on Social Services.
Total	\$2,007,279,963	\$2,073,632,166	\$2,119,406,712	\$2,082,007,828	

Real Property Taxes (001-ACC-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 charging property owners once the levy 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 2017 Recommended Budget has a General Fund Property Tax Warrant of \$49,037,038, which is unchanged from the previous seven years. Since 2010, the Tax Warrant has reflected a charge to pay for the County's portion of the MTA payroll tax, as per Local Law No. 31-2009. That legislation

mandated the collection and payment of the MTA Tax to be included on a separate line on tax bills to fund the cost of this payroll tax.

The General Fund property tax is unique because 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. However, unlike the other taxing jurisdictions, General Fund property tax revenue often deviates, significantly, from the adopted budget. This is as a consequence of making these other taxing jurisdictions whole.

The 2015 adopted General Fund property tax was \$49,037,038, but the actual amount recognized was \$58,943,196; a surplus of \$9.9 million. The 2016 estimated budget anticipates that collections will be equal to the adopted amount. 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 \$4 billion in 2006 and breaking the \$5 billion mark in 2012. The warrant was almost \$5.7 billion this year (2016). 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, interest and penalties (001-AAC-1090) on delinquent taxes increase, and as they are paid, a surplus develops.

In terms of the appropriateness of the 2016 estimated property tax, the method used to calculate property taxes makes it difficult to accurately predict what the actual amount will be. The 2016 estimated property tax is forecasted to be \$9.9 million less than the 2015 actual. However, considering that there was a shortfall in collections, for ten years (2005-2014), the fact that the 2016 property tax is estimated at the adopted level is a sign that certain aspects of the economy are improving. The recommended budget presumes that General Fund Property tax revenue will come in at the adopted amount in 2017 as well – the County does not adopt budgets with an allowance for a property tax surplus or shortfall, which is a deficiency in the budget that should be addressed.

Other Unclassified Revenues (Revenue Code 2770)

The recommended 2017 Other Unclassified Revenues is projected to be \$35.7 million more than estimated for 2016. The increase is due to an additional \$33.3 million in the Real Property Tax Service Agency (RPT-1355-2770) for a new \$300 mortgage fee. Please see our separate departmental review for additional details.

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

This revenue represents the net gain or loss to the County upon the sale of properties that were acquired for non-payment of taxes. This revenue primarily reflects gains or losses from auction sales but is also affected by 72-h transfers to municipalities, sale to adjacent neighbors, and other methods of surplus property disposal. Gains on some sales are offset by losses on others. Transfers of land for affordable housing are typically for one dollar, regardless of the County's investment. The 2015 actual revenue was \$6,336,568. The 2016 estimate of \$6,094,120 is approximately \$1.4 million less than adopted. As of September 1, 2016, the County has realized approximately \$3.5 million. Depending on the dollar amount of auction closings that occur from now until the end of the year, the 2016 estimate may be optimistic.

The 2017 recommended revenue of \$6.25 million may be achievable, but appears optimistic based on the value of properties expected to be sold at this October's auction of tax-acquired property. Per the Division of Real Property Acquisition and Management, approximately 193 parcels are for

sale, with a total upset price of approximately \$7 million. However, the County investment in these properties is approximately \$8.8 million. Without taking into account other methods of property disposal, auction receipts would need to total \$15.05 million to achieve a \$6.25 million net. The Budget Review Office continues to recommend online and other promotion of the auction to increase competitive bidding. Ideally, consider converting to an online auction process that could be held over time and that would not necessarily require an in-person presence. Determine whether auction notice could be included on tax bills.

Sale of Real Property (001-DPW-2660)

The 2015 actual General Fund revenue of \$557,590 is comprised of \$548,790 in the Department of Parks, Recreation, and Conservation, related to a New York State eminent domain proceeding, and an additional \$8,800 in the Department of Public Works (DPW). The 2016 estimated General Fund revenue of \$14,065,000 includes \$13,405,000 for the former County nursing home and \$660,000 for the sale of land in Selden to Empire State College (previously included in the 2015 estimate). Adopted 2016 revenue of \$350,000, related to the sale of property on Udall Road, is not included in the 2016 estimate. The 2017 Recommended Budget includes revenue of \$200,000, for the sale of unspecified surplus properties.

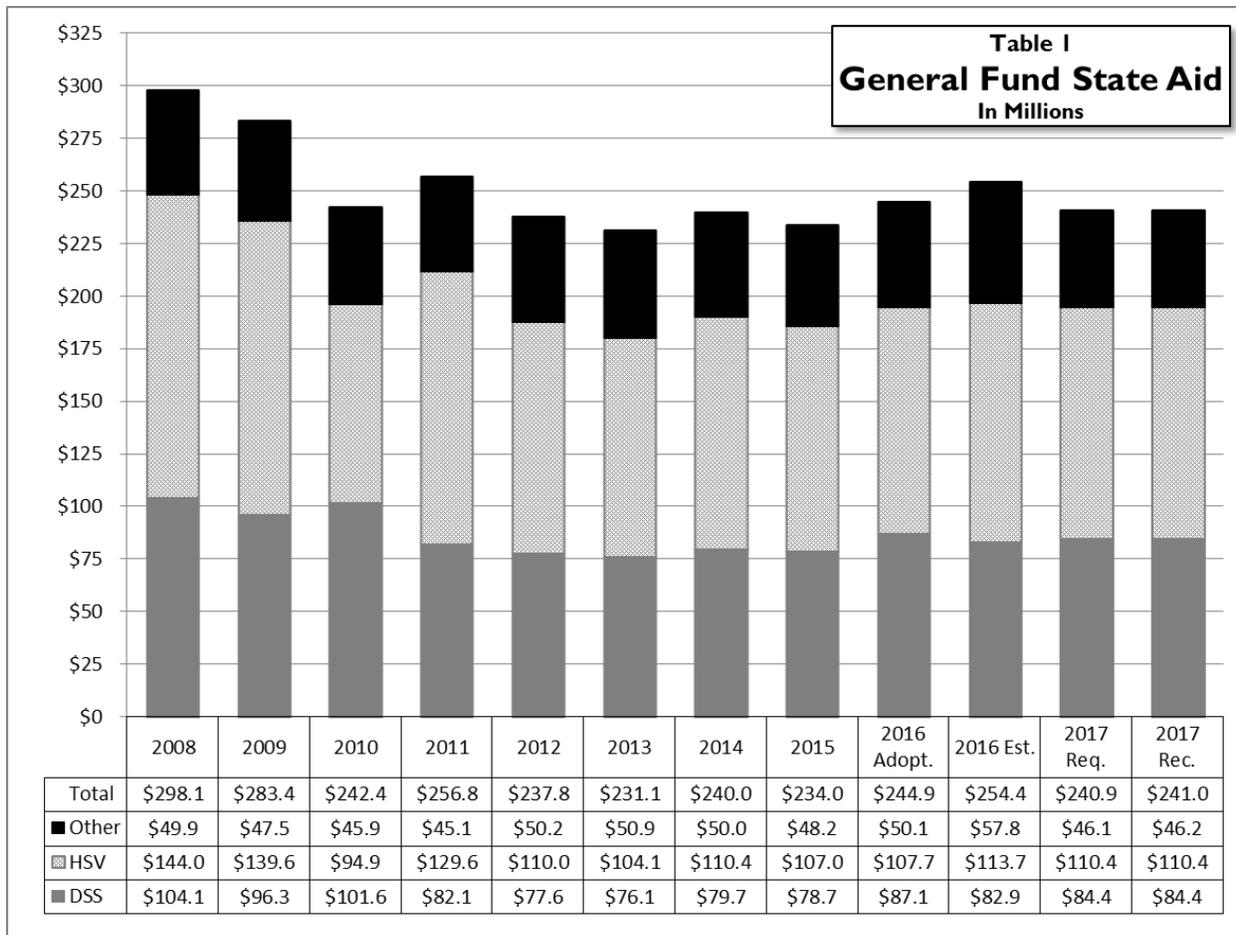
Medical Marijuana Excise Tax

The 2016 estimate for the Medical Marijuana Excise Tax (001-AAC-1007) is \$8,000, which is \$1.49 million less than adopted. The 2017 recommended amount is also \$8,000. Based on year-to-date revenue, the 2016 estimated and 2017 recommended amounts are reasonable.

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 governing rules as to the apportionment of aid. Therefore, it is always difficult to gauge the future amounts of state and federal aid as a whole. Furthermore, the 2017 recommended budget creates a new Grant Management Fund (Fund 003) to provide greater review and oversight of grant proceeds and more accurate tracking of grant related revenues. The County will no longer budget for recurring grants in advance. Instead, the grants will be accepted and appropriated via legislative resolution during the year. The effect is that both revenue and expenditures that were included in the budget in previous years are not reflected in the recommended budget. See the separate section in this report on the Grant Management Fund (003) for further details.

The Department of Health Services (HSV) and the Department of Social Services (DSS) are the biggest recipients of state aid. Across all departments, state aid is estimated to increase by \$20.4 million from 2015 to 2016, but decrease by \$13.4 million from 2016 to 2017. Table 1 depicts the allocations of state aid received for the General Fund from 2008 through the 2017 Recommended Budget.



In 2010, the County received \$41 million in federal aid 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).

In the aggregate, State aid for the Department of Health Services is estimated to be \$6.7 million more in 2016 than in 2015; due primarily to a \$3.2 million increase for community support services programs, \$1.4 million increase for preschool programs, \$1.3 million increase for septic-cesspool wastewater treatment programs, and \$2.1 million increase for narcotics addiction control and other mental health programs, and a \$2.1 million decrease in aid for public health programs.

In the aggregate, the 2016 estimated state aid for Health programs is \$6.0 million more than adopted. Compared to the 2016 Adopted Budget, the estimated state aid is \$2.7 million less for early intervention and preschool programs and \$289,677 less for substance abuse: compulsive gambling programs. These reductions are more than offset by \$3.7 million more for public health programs, \$2.6 million more for community support services programs, and \$1.3 million more for septic-cesspool wastewater treatment programs. Compared to the 2016 estimate, the recommended budget anticipates that state aid for Health Services will decrease by \$3.3 million in 2017. The reductions in the recommended budget can be attributed to \$1.3 million less for septic-cesspool wastewater treatment programs, \$1 million less for public health, and \$535,325 less for community support services programs.

State aid for the Department of Social Services is estimated to be \$4.2 million more than in 2015, but \$4.2 million less than adopted in 2016. The largest estimated increase from 2015 to 2016 is for Social Services Administration, which is \$5.8 million more. The increase in estimated state aid compared to 2015 is partially offset by a decrease of \$2 million for Home Relief. The reduction from the adopted budget is due to a \$3.2 million decrease for Social Services Administration and a \$1.9 million decrease for Home Relief. The recommended budget projects state aid for DSS to increase by \$1.5 million in 2017. The increase is primarily due to \$808,800 more for Home Relief and \$564,169 more for Social Services Administration.

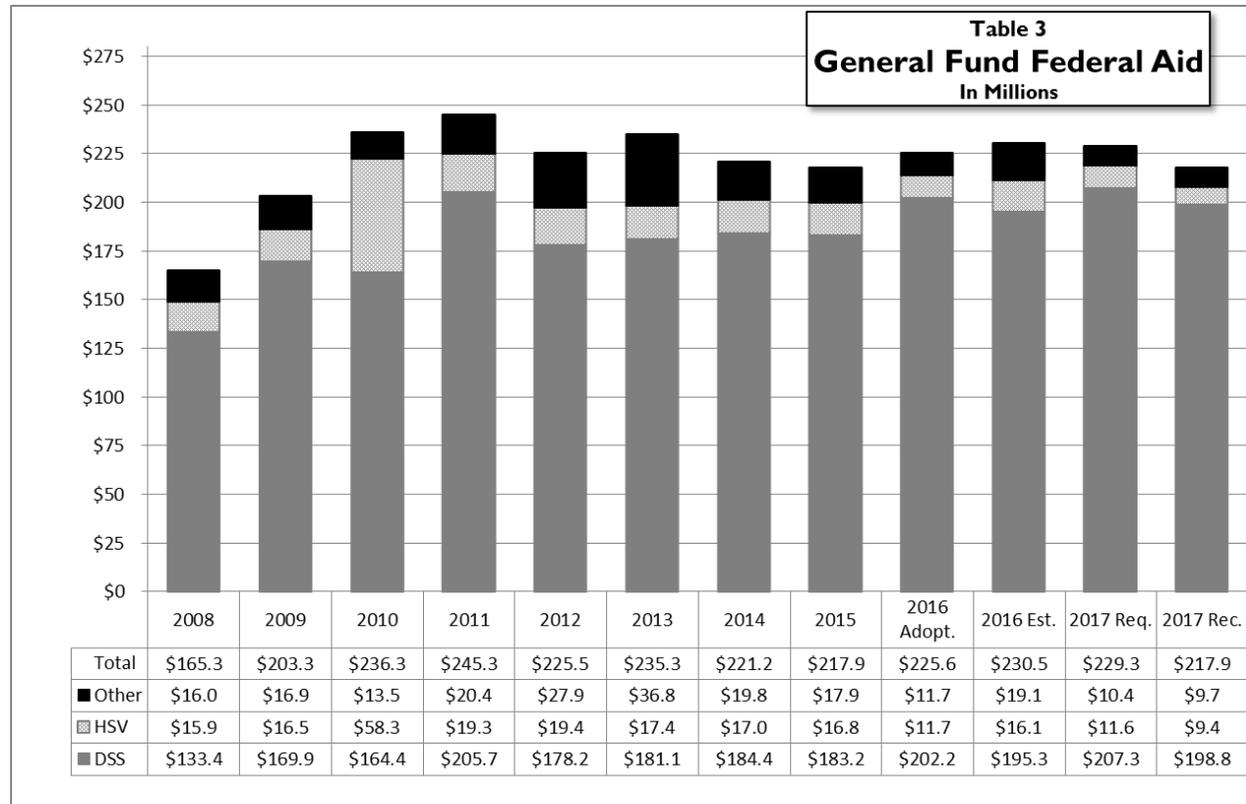
State aid for other departments is typically estimated at a higher amount than adopted because a large percentage of this revenue is from grant funds that are appropriated during the year, via resolution. Accordingly, estimated state aid in 2016 for departments other than DSS and Health Services is \$7.6 million more than adopted. More significantly, the 2016 estimate is \$9.5 million more than actually received in 2015. The increase is due to a variety of funding sources, the largest of which were an additional \$4.9 million for indigent defense, and an additional \$1.5 million for Juvenile Support Programs in Probation. The 2017 Recommended Budget assumes a decrease of \$11.6 million compared to the 2016 estimate; this is to be expected because of the way grants are budgeted, but also because during 2017 grants are expected to be appropriated in the proposed new Grant Management Fund 003.

Table 2 shows that, in the aggregate, state aid represented 11.66% of actual General Fund revenue in 2015. The 2016 estimated budget attributes 12% of General Fund revenue to state aid. The 2017 Recommended Budget forecasts that state aid will account for 11.57% of total General Fund revenues. The recommended budget assumes that state aid will represent a smaller portion of total General Fund revenues in 2017 than in 2016; this is in large part due to the aforementioned new approach for grant management.

Year	Total Fund 001 Revenue	State Aid 001 Revenue	Change in State Aid from Previous Year	Percent of Total Revenue Attributed to State Aid
2009	\$1,752,005,323	\$283,426,489	NA	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	\$1,847,037,659	\$237,810,380	-7.40%	12.88%
2013	\$2,101,542,545	\$231,135,955	-2.81%	11.00%
2014	\$1,976,521,910	\$240,011,490	3.84%	12.14%
2015	\$2,007,279,963	\$233,950,994	-2.53%	11.66%
2016 Est.	\$2,119,406,712	\$254,369,202	8.73%	12.00%
2017 Rec.	\$2,082,007,828	\$240,980,689	3.84%	11.57%
Average	\$1,949,291,934	\$246,769,513	-0.61%	12.75%

Table 3 depicts the allocations of federal aid to the General Fund from 2008 through the 2017 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. Federal aid was unusually high for the Department of Health Services in 2010 due to the one-time replacement of state aid with ARRA funds. For all departments, federal aid is estimated to be \$12.6 million more in 2016 than in 2015 and \$4.9 million more than adopted. Federal aid is in the aggregate recommended at a decrease of approximately \$12.6 million in 2017.



The \$16.1 million in estimated federal aid for Health Services in 2016 is \$4.4 million more than adopted due to the acceptance of grants during the year. The acceptance of grants during the year is also the largest contributing factor to the 2017 Recommended Budget being \$6.7 million less than the 2016 estimate.

Federal aid for Social Services in 2016 is estimated to be \$12.1 million more than in 2015, but \$6.9 million less than adopted. While revenue is anticipated to be \$2.6 million more than adopted for several aided programs, others are estimated to be \$9.6 million less. The three major estimated decreases are \$4.7 million for Social Services Administration and \$1.5 million each for Title IV Child Support and the Child Care Block Grant. The reduction in funding for Social Services Administration is partially explained by the fact the the unit is expenditure and caseload driven. The 2017 Recommended Budget projects that federal aid to DSS will increase by \$3.5 million. The increase is primarily due to \$1.4 million more for Dependent Children, \$1 million more for Social Services Administration, and \$651,780 more for the Food Stamp Program.

Federal aid for other departments is estimated to be \$19.1 million in 2016, which in the aggregate is \$1.2 million more than 2015 and \$7.4 million more than adopted. The 2016 estimated budget exceeds the adopted budget due to the acceptance of unbudgeted grants during the year. Most of these grants are for public safety. The 2017 Recommended Budget is \$9.3 million less than the 2016

estimate for federal revenue to departments other than DSS and Health Services, as a result of not budgeting the aforementioned grants.

Federal aid represented 10.86% of all General Fund revenues in 2015 and is estimated to be 10.88% in 2016. The recommended budget attributes 10.47% of all General Fund revenues to federal aid. Table 4 shows the change in General Fund federal aid, as well as overall General Fund revenue since 2009.

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
2009	\$1,752,005,323	\$203,336,580	NA	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	\$1,847,037,659	\$225,483,201	-8.09%	12.21%
2013	\$2,101,542,545	\$235,301,704	4.35%	11.20%
2014	\$1,976,521,910	\$221,187,411	-6.00%	11.19%
2015	\$2,007,279,963	\$217,912,212	-1.48%	10.86%
2016 Est.	\$2,119,406,712	\$230,530,649	5.79%	10.88%
2017 Rec.	\$2,082,007,828	\$217,936,276	-5.46%	10.47%
Average	\$1,949,291,934	\$225,924,303	1.14%	11.64%

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	2015 Actual	2016 Estimate	2017 Recommended
4609	Dependent Children	\$60,584,898	\$68,089,484	\$69,509,684
4610	Social Services Administration	\$30,893,446	\$34,855,339	\$35,922,293
3610	Social Services Administration	\$27,766,093	\$33,551,212	\$34,115,381
4620	Child Care Block Grant	\$33,687,865	\$33,576,056	\$33,576,056
3640	Home Relief	\$21,215,847	\$19,224,000	\$20,032,800
4619	Child Care (Adc - Fc)	\$19,791,050	\$19,721,120	\$19,712,790
4611	Food Stamp Program	\$15,911,122	\$16,808,223	\$17,460,003
3662	Foster Care Block Grant	\$16,929,764	\$16,929,764	\$16,929,764
Other	Other DSS State and Federal Aid	\$35,153,541	\$35,474,371	\$35,965,445
Total DSS State and Federal Aid		\$261,933,626	\$278,229,569	\$283,224,216
Approp.	Program Name	2015 Actual	2016 Estimate	2017 Recommended
6140	Safety Net	\$78,868,905	\$72,000,000	\$71,000,000
6109	Family Assistance	\$60,845,529	\$68,625,000	\$70,000,000
6010	Family, Children & Adult Services	\$38,651,619	\$38,939,801	\$39,739,591
6170	DSS: Day Care	\$35,365,528	\$33,000,000	\$32,000,000
6012	Handicapped Child Maint. Program	\$29,890,555	\$30,000,000	\$30,300,000
6015	DSS: Public Assist. Admin	\$18,294,477	\$19,749,085	\$20,779,065
6118	Institutional Foster Care	\$16,747,339	\$16,750,000	\$16,750,000
6120	DSS: Adoption Subsidy	\$16,021,189	\$15,250,000	\$15,250,000
Other	Other Aided DSS Programs	\$46,922,997	\$49,155,665	\$49,209,735
Total Expenditures in DSS Programs		\$341,608,137	\$343,469,551	\$345,028,391
			2015 - 2016	2016 -2017
Change in Revenue			\$16,295,943	\$4,994,647
			6.22%	1.80%
			2015 - 2016	2016 -2017
Change in Expenditures			\$1,861,414	\$1,558,840
			0.54%	0.45%

DSS revenue from state and federal aid is estimated to increase by \$16.3 million, or 6.22%, from 2015 to 2016, while related program expenditures are expected to increase by \$1.9 million, or 0.54%. The net savings to the County is \$14.4 million. State and federal aid for DSS is projected to increase from 2016 to 2017 by \$4.9 million or 1.8%. The recommended budget increases aided DSS

expenditures by \$1.6 million or 0.45%, a net savings of \$3.4 million. The two year impact is a \$17.8 million net reduction in local cost.

The difference between the growth in revenue and expenditures is mostly attributable to DSS identifying certain expenses related to Safety Net Family (Emergency related expenses) that the Department began charging through Emergency Assistance to Families (EAF). The change in how these costs are claimed resulted in the associated expenditures being claimed through Family Assistance (TANF) at a near 100% federal aid reimbursement rate instead of through Safety Net, which is an approximate 29% state aid reimbursement rate.

The Department of Health Services also receives a substantial amount of state and federal aid. Table 6 links major aid sources to their related expenditure programs (it does not show expenditures that are not tied to state or federal aid).

Rev Code	Revenue Source	2015 Actual	2016 Estimate	2017 Recommended
3279	Sate Aid: Preschool	\$58,282,236	\$59,706,254	\$60,103,317
3493	Community Support Svc Program	\$19,600,726	\$22,872,939	\$22,337,614
3401	Public Health	\$13,086,539	\$10,941,893	\$10,000,000
3278	State Aid: Early Intervention	\$8,302,009	\$8,449,096	\$8,554,958
4491	Alcoholism	\$5,664,975	\$6,381,964	\$6,394,634
3486	Narcotic Addictions Control	\$2,907,114	\$3,981,218	\$3,988,695
3487	Mathadone Maintenance	\$2,193,525	\$2,657,922	\$2,657,922
4490	Mental Health	\$2,223,345	\$2,220,028	\$2,220,028
Other	Other HSV State and Federal Aid	\$11,508,094	\$12,633,858	\$3,509,800
Total HSV State and Federal Aid		\$123,768,563	\$129,845,172	\$119,766,968
Approp.	Program Name	2015 Actual	2016 Estimate	2017 Recommended
2960	Education Handicapped Children	\$118,924,766	\$122,722,694	\$123,375,111
4101	Patient Care Programs	\$24,577,779	\$22,372,396	\$20,493,919
4330	Hs: Community Support Svc	\$20,562,611	\$22,697,824	\$20,394,311
4310	Div of Comm Mental Hygiene	\$12,177,153	\$16,037,427	\$15,419,923
4400	Hs: Environmental Health	\$7,098,199	\$7,877,801	\$8,285,351
4005	Hs: General Admin	\$6,570,391	\$7,290,173	\$7,273,070
4320	Hs: Mental Health Pgms	\$6,769,197	\$6,707,449	\$7,057,121
4321	Methadone Clinics	\$4,937,696	\$5,492,464	\$5,866,801
Other	Other Aided HSV Programs	\$32,904,203	\$29,085,435	\$16,713,684
Total Expenditures in HSV Programs		\$234,521,995	\$240,283,663	\$224,879,291
			2015 - 2016	2016 - 2017
Change in Revenue			\$6,076,609	-\$10,078,204
			4.91%	-7.76%
			2015 - 2016	2016 - 2017
Change in Expenditures			\$5,761,668	-\$15,404,372
			2.46%	-6.41%

In the aggregate, the Department of Health Services revenue from state and federal aid is estimated to increase by \$6.1 million or 4.91% from 2015 to 2016. Related Health Services program expenditures are expected to increase this year by \$5.8 million or 2.46%. The net result is a County savings of \$314,941. In 2017, state and federal aid for Health Services is projected to decrease by

\$10.1 million or 7.76%; aided expenditures are expected to decrease by \$15.4 million, or 6.41%. The result is a savings of \$5.3 million; however, the recommended budget inadvertently omitted \$3.8 million in expenditures for Community Mental Hygiene contracts while still including the offsetting revenue. This issue will need to be addressed in the adopted 2017 budget. See the Health Services review in this report for more information. Adding back the expenditures is necessary to retain the corresponding aid. After this adjustment is made, the reduction in expenditures from 2016 to 2017 is \$11.6 million instead of \$15.4 million. The combined savings to the County is reduced from \$5.3 million to \$1.5 million. Over two years (2015-2017) the net local cost for health programs is expected to decrease by \$1.8 million.

This is partly due to the fact that in 2015, the County completed the transition of health centers to Hudson River Health Care, which is a Federally Qualified Health Center. As a result of the elimination of both aid and expenditures related to the health centers, such as Public Health Aid to Municipalities, the Family Planning program, and the County's HIV programs, local cost has dropped. Health Services' revenue is going down by 1.35% more than expenditures in 2017 because the County is no longer directly in the patient care business, but the County is still incurring the costs associated with the employees that were previously assigned to Patient Care and have been reassigned to perform other functions within the department.

State and federal aid, for all departments, is estimated to be approximately 22.88% of total General Fund revenues in 2016 and 22.04% in 2017. As seen in Table 7, both are less than the average since 2009.

Year	Total Fund 001 Revenue	Combined State and Federal Aid	Percent of Total Revenue Attributed to State and Federal Aid
2009	\$1,752,005,323	\$486,763,069	27.78%
2010	\$1,792,138,343	\$478,711,186	26.71%
2011	\$1,865,687,119	\$502,159,926	26.92%
2012	\$1,847,037,659	\$463,293,581	25.08%
2013	\$2,101,542,545	\$466,437,659	22.20%
2014	\$1,976,521,910	\$461,198,901	23.33%
2015	\$2,007,279,963	\$451,863,206	22.51%
2016 Est.	\$2,119,406,712	\$484,899,851	22.88%
2017 Rec.	\$2,082,007,828	\$458,916,965	22.04%
Average	\$1,949,291,934	\$472,693,816	24.38%

Off Track-Pari-Mutuel Tax (001-MS-C-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 82% from 1998 to 2015. The following table shows OTB revenue to the County since 1998.

Year	County Share of	
	OTB Revenue	% Change
1998	\$5,441,241	NA
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	\$1,251,936	7.2%
2013	\$1,272,129	1.6%
2014	\$1,192,553	-6.3%
2015	\$955,508	-19.9%
2016 Estimated	\$823,616	-13.8%
2017 Recommended*	\$2,850,000	246.0%
*Includes \$2 million from Video Lottery Terminals		

Issues for Consideration

Revenue from Pari-Mutuel Wagering

The 2016 Adopted Budget included \$3.25 million in OTB revenue; \$1.25 million from pari-mutuel wagering and \$2 million in revenue from Video Lottery Terminals (VLTs). The 2016 estimate includes \$823,616 from pari-mutuel wagering and no revenue from VLTs due to the fact that the gaming facility is not expected to begin operations in 2016. The estimate is reasonable, but optimistic based on year-to-date revenue of \$547,542 on 9/16/16. The 2017 Recommended Budget assumes \$850,000 from pari-mutuel wagering and \$2 million from VLTs. Although horse racing revenue has trended consistently downward for the past decade, the recommended amount of revenue for pari-mutuel wagering is reasonable, especially if the VLT parlor opens in 2017 and includes a simulcast facility on site, which will expose people to horse racing that would not otherwise visit an OTB or Qwikbetz location.

Video Lottery Terminals

Under the New York Gaming Economic Development Act of 2013, Suffolk County OTB was authorized to operate a gaming facility with up to 1,000 video lottery terminals. Suffolk OTB selected Delaware North, a Buffalo, NY based company that provides gaming, lodging, food, and venue management services nationwide, to develop and operate the VLT parlor.

Pursuant to the OTB bankruptcy agreement, Suffolk County will receive at least \$2 million in revenue for the first two years of VLT operations. Depending on the profitability of the facility, revenues to the County could exceed that amount. Revenue to Suffolk County from VLTs will flow similarly to traditional OTB revenues; after the appropriate amounts of funding have been apportioned to state education, the racing industry, and other entities, the remaining funds are used to offset the operating costs of OTB. Any residual funding available after OTB obligations are met is then rendered to the County. With apportionments being tied to percentages governed by state legislation and bankruptcy agreements, the largest variable in determining the county share of the revenue is the amount going to cover OTB expenses.

Three years after the state authorization, OTB and Delaware North have had difficulty finding an acceptable site for the VLT parlor. OTB purchased 31 acres in Medford for \$11 million to construct the facility; however, after numerous protests and lawsuits from local governments and civic associations, OTB and Delaware North sought additional locations. The Village of Islandia recently approved a measure that would allow Delaware North to buy the Marriot Hotel on the Long Island Expressway for \$34 million and locate the VLTs on site. However, residents have filed a law suit with New York State to block the measure. At this time it is unclear whether or not construction will proceed. If the VLT parlor does not open in 2017, the inclusion of revenue in the operating budget will result in a deficit as was the case in 2014 and 2016.

Revenue Tracking

The 14th Resolved Clause of Resolution Nos. 897-2013 and 898-2013 required that revenue to the County from horse wagering and Video Lottery Terminals be accounted for in separate revenue codes in the operating budget in order to track the proceeds from each individually. The 2016 Adopted Budget and the 2017 Recommended Budget do not comply with this directive.

Budget Review Office Recommendations

We recommend that revenue from horse wagering and VLTs be accounted for in separate revenue accounts to comply with previous legislation. We also recommend correcting the name of horse racing revenue from “Off Track Pari-Mutual Tax” to “Off Track Pari-Mutuel Tax.” The following changes are budget neutral.

Revenue								
Fd	Dept	Rev	Revenue Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	MSC	1150	Off Track Pari - Mutual Tax	\$513,772	-\$513,772	\$1,777,830	-\$1,777,830	M
001	MSC	1150	Off Track Pari - Mutual Tax	\$309,844	-\$309,844	\$1,072,170	-\$1,072,170	D
001	MSC	1150	Off Track Pari - Mutuel Tax	\$0	\$513,772	\$0	\$530,230	M
001	MSC	1150	Off Track Pari - Mutuel Tax	\$0	\$309,844	\$0	\$319,770	D
001	MSC	xxxx	Proceeds from Video Lottery Terminals	\$0	\$0	\$0	\$1,247,600	M
001	MSC	xxxx	Proceeds from Video Lottery Terminals	\$0	\$0	\$0	\$752,400	D

BP OTB 17

Out-of-County Tuition

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. The County has been exercising this option since 2012. Before 2012, the last time the County exercised its legal right to chargeback the towns was 1994.

Out-of-county tuition expenditures are apportioned based on which township students attending out-of-county community colleges reside during the most recently completed academic year. The recommended budget is prepared before the County Comptroller receives all the information needed to determine the final actual costs for the preceding academic year. Subsequent to the release of the recommended budget, actual numbers are made available to the Budget Review Office by Audit and Control.

The 2016 estimate for out-of-county tuition expenditures for the 2015-2016 academic year is \$14,300,000. According to Audit and Control, actual out-of-county tuition expenditures for the 2015-2016 academic year were \$13,807,819, which is \$384,493 less than what the towns were billed for these expenditures on the 2016 Tax Warrant. This amount needs to be subtracted from the 2017 Tax Warrant; however, \$39,849 needs to be added to the 2017 Tax Warrant for bills received by the County during 2016 for previous academic years. The result is a total net adjustment of -\$344,644.

Recommended expenditures for out-of-county tuition in 2017 are \$14,300,000, which assumes that expenditures will be the same as estimated in 2016. The assumption is reasonable, but as is the case with the 2016 estimate, the 2017 Recommended Budget should be reduced to reflect the actual figures made available by Audit and Control.

2017 Tax Warrant

The 2017 Tax Warrant is \$13,463,175, which assumes a projected out-of-county tuition cost for the 2016-2017 academic year of \$13,807,819 adjusted for reconciliations from the 2016 Tax Warrant as well as expenses from previous years that were never billed to the towns. The following chart shows the calculation by town.

2017 Property Tax Warrant						
Township	Adopted 2016 Budget for 2015-2016 Exp	Actual Exp for 2015-2016 Academic Year	2016 Adjustment	Adj. for Unbilled Previous Years	Total Adj to 2017 Warrant	2017 Warrant
	(1)	(2)	(3)= (2) - (1)	(4)	(5)= (3) + (4)	(6)= (2) + (5)
Babylon	\$4,018,450	\$3,525,597	-\$492,854	\$11,880	-\$480,973	\$3,044,623
Brookhaven	\$2,840,532	\$2,972,210	\$131,679	\$2,760	\$134,439	\$3,106,649
East Hampton	\$105,279	\$145,942	\$40,663	\$0	\$40,663	\$186,605
Huntington	\$3,076,644	\$3,085,097	\$8,453	\$13,639	\$22,092	\$3,107,189
Islip	\$2,511,418	\$2,444,495	-\$66,922	\$10,192	-\$56,730	\$2,387,765
Riverhead	\$101,937	\$122,516	\$20,579	\$1,128	\$21,707	\$144,222
Shelter Island	\$0	\$0	\$0	\$0	\$0	\$0
Smithtown	\$1,082,590	\$1,042,620	-\$39,970	\$250	-\$39,720	\$1,002,900
Southampton	\$292,503	\$277,787	-\$14,716	\$0	-\$14,716	\$263,072
Southold	\$162,959	\$191,554	\$28,595	\$0	\$28,595	\$220,149
Total	\$14,192,312	\$13,807,819	-\$384,493	\$39,849	-\$344,644	\$13,463,175

The 2017 Tax Warrant is \$1,263,520 less than the 2016 Tax Warrant due to decreased out-of-county tuition expenses as well as adjustments to reconcile the 2016 warrant with actual expenditures. The following chart shows the change from 2016 to 2017 by town.

Comparison of 2016 Warrant and 2017 Warrant			
Township	2016 Warrant	2017 Warrant	Increase/Decrease from 2016 to 2017
Babylon	\$4,057,510	\$3,044,623	-\$1,012,887
Brookhaven	\$3,072,982	\$3,106,649	\$33,667
East Hampton	\$66,159	\$186,605	\$120,446
Huntington	\$3,253,084	\$3,107,189	-\$145,896
Islip	\$2,639,332	\$2,387,765	-\$251,566
Riverhead	\$64,906	\$144,222	\$79,317
Shelter Island	-\$1,079	\$0	\$1,079
Smithtown	\$1,073,373	\$1,002,900	-\$70,472
Southampton	\$238,468	\$263,072	\$24,603
Southold	\$261,961	\$220,149	-\$41,812
Total	\$14,726,696	\$13,463,175	-\$1,263,520

Budget Review Office Recommendations

Based on updated information from Audit and Control, we recommend the following changes, which taken together, are budget neutral, but necessary to shown consistency between the budget and the tax warrant:

Expenditures										
Fd	Dept	Unit	Obj	Act	Object/Activity Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	MSC	2490	4780	0000	Out Of County Tuition	\$14,300,000	-\$492,181	\$14,300,000	-\$452,331	M

Revenue										
Fd	Dept	Rev	Revenue Name			2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	MSC	2250	Out Cty Tuition: Other Govts			\$14,808,214	\$0	\$14,407,688	-\$944,512	M

BP Out-of-County 17

Personnel Costs and Issues Overview

The 2017 Recommended Budget includes \$1.7 billion across all funds for salaries, benefits, and other personnel costs; representing approximately 58% of the \$3 billion recommended budget (excluding the Vanderbilt Museum). 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 estimates that personnel costs will increase by 2.2% from 2015 to 2016 and projects that personnel costs will increase by another 3.3% from 2016 to 2017.

In the aggregate, the 2017 Recommended Budget is \$30 million more than the 2016 estimate, which is comprised of a \$55 million increase in personnel expenditures and a \$25 million decrease in non-personnel expenses. The total increase in personnel costs is not captured in the recommended budget because millions of dollars in grant funded positions, which were included in previous recommended budgets, are not accounted for in 2017. Instead, the expenditures and corresponding revenues will be appropriated during the upcoming year. The following table shows the growth in personnel costs since 2011. Note that employee benefits are increasing at 8.5% while salaries (1000s) are decreasing slightly. The disparity is partially attributed to the fact that the County suspended contributions to the AME Benefit Fund for most of 2016, but will resume payments in 2017, and the aforementioned change in accounting for grant funded salaries.

Year	Salaries and other Compensation (1000s)	Change from Prev. Year	Employee Benefits	Change from Prev. Year	All Personnel Expenses	Change from Prev. Year
2011	\$955,474,284	NA	\$506,193,385	NA	\$1,461,667,668	NA
2012	\$978,660,075	2.43%	\$546,027,542	7.87%	\$1,524,687,617	4.31%
2013	\$932,104,476	-4.76%	\$567,526,263	3.94%	\$1,499,630,739	-1.64%
2014	\$935,694,019	0.39%	\$593,720,633	4.62%	\$1,529,414,652	1.99%
2015	\$973,038,927	3.99%	\$643,417,660	8.37%	\$1,616,456,588	5.69%
2016 Est	\$1,003,466,269	3.13%	\$647,687,682	0.66%	\$1,651,153,951	2.15%
2017 Rec	\$1,003,288,935	-0.02%	\$702,915,503	8.53%	\$1,706,204,438	3.33%

Despite there being approximately 1,200 fewer active employees on the September 11, 2016 payroll than there were at the start of 2012, the recommended budget estimates that personnel costs will be \$126 million more in 2016 than in 2012, and \$182 million more in 2017 than in 2012. By reducing staff, the County has avoided millions of dollars in expenditures; however, with the exception of 2013, the first year after the 2012 layoffs and the year that the County Nursing Home closed, personnel costs have increased over the prior year.

Authorized positions

The 2017 Recommended Budget includes a net decrease of 57 authorized positions by abolishing 64 positions, creating three new positions, making one interim position permanent, and three anomalies, which if not addressed, would result in the authorization of additional positions (See next section: New Positions). The following table compares the number of authorized positions in the County's operating budgets since 2010.

Adopted in Budget Year	Authorized Positions All Funds	Difference from Previous Line
2010	11,824	N/A
2011	11,573	-251
2012	10,937	-636
2013	11,077	140
2014	10,894	-183
2015	10,940	46
2016 Adopted	10,868	-72
2016 Modified*	10,877	9
2017 Recommended	10,820	-57
*Rec. Budget shows 10,881. See <i>New Positions</i> Section		

The 2011 Adopted Budget abolished 191 of the 312 positions vacated in connection with the 2010 Early Retirement Incentive Program. In 2012, more than 600 (filled and vacant) positions were abolished resulting in approximately 300 layoffs from February through July. The number of authorized positions increased in 2013 to accommodate the expanded needs of the Jail Medical Unit at the new Yaphank Correctional facility, to provide the Police Department with additional Detective and Superior Officer titles, and to staff the newly created Traffic Violations Bureau. The 2014 Adopted Budget included a net reduction of 183 authorized positions, due primarily to the closure of the John J. Foley Skilled Nursing Facility in the summer of 2013. Several positions were added in the 2015 Adopted Budget, including nine in the Executive and six each in the Traffic and Parking Violations Agency and the Department of Information Technology Services. In 2016, five positions were abolished in connection with the merger of Audit and Control and Finance and Taxation, 33 positions were abolished due to the takeover of the Tri-Community Health Center by Hudson River, and 44 Park Police positions were abolished following the transfer of employees to the Police Department.

New positions

The recommended budget includes three new positions, makes one interim position permanent, and includes three anomalies, which if not addressed, would result in the authorization of additional positions. Two positions in the Medical Examiner are created to address the growing caseload in the Crime Laboratory's Biological Sciences Section. One Chief Division Administrator of Social Services position is created to assist with oversight and supervision in DSS.

In February of 2016 an interim Deputy Commissioner position was created and filled in the Police Department. The recommended budget adds a permanent position of the same title in 2017 as interim positions automatically expire at the end of the year in which they were created.

One position in Economic Development and Planning, one position in Social Services, and one position in Soil and Water Conservation were erroneously included in the June 19, 2016 Position Control Register, but have since been removed. When the recommended budget was put together it picked up these positions and included them in the 2016 modified column as well as the 2017

recommended column in the staffing pages. Adopting the budget as recommended would technically authorize an additional three positions.

The following table lists each new position by fund, department, and title. For more information on each, see the individual department write-ups in this report.

New Positions					
Status	Fund	Department	Title	Grade	No.
Other	001	Econ Dev & Planning	Community Dev & Planning Speclst	21	1
New	001	Medical Examiner	Laboratory Technician	15	1
New	001	Medical Examiner	Forensic Scientist I-Ser	21	1
Interim	001	Police	Dep Commissioner of Police	39	1
New	001	Social Services	Chief Div Admin of Soc Services	35	1
Other	360	Social Services	Social Services Exam II	19	1
Other	001	Soil and Water Conservation	Account Clerk Typist	11	1
Total					7

Abolished Positions

The recommended budget includes no layoffs, but abolishes 64 vacant positions, of which 62 are in the Department of Health Services. As a result of transitioning county health centers to the FQHC model run by Hudson River, 20 positions at the Riverhead Health Center are abolished and nine positions at the Brentwood Health Center are abolished. All filled positions in the Division of Preventative Medicine are transferred to other divisions within the Department of Health Services; the four vacancies in the Division are abolished. One expired grant position is abolished in the District Attorney and one Senior Citizen Aide position is abolished in the Office for the Aging. The following chart shows the abolished positions by department and title.

Abolished Positions				
Fund	Department	Title	Grade No.	
001	District Attorney: Give Grant	Research Technician	17	1
001	Executive: Office for the Aging	Senior Citizen Aide	04	1
001	Health Services: Riverhead Health Center	Clinic Administrator	27	1
001	Health Services: Riverhead Health Center	Clinical Nurse Practitioner	27	3
001	Health Services: Riverhead Health Center	Custodial Worker I	08	1
001	Health Services: Riverhead Health Center	Custodial Worker III	16	1
001	Health Services: Riverhead Health Center	Head Clerk	18	1
001	Health Services: Riverhead Health Center	Jail Medical Attendant	15	1
001	Health Services: Riverhead Health Center	Medical Assistant (Sp Spk)	09	1
001	Health Services: Riverhead Health Center	Medical Assistant	09	5
001	Health Services: Riverhead Health Center	Medical Program Admin	38	2
001	Health Services: Riverhead Health Center	Medical Records Clerk (Sp Spk)	11	4
001	Health Services: Riverhead Health Center	Medical Records Clerk	11	9
001	Health Services: Riverhead Health Center	Medical Social Worker II	23	1
001	Health Services: Riverhead Health Center	Medical Svcs Specialist	23	1
001	Health Services: Riverhead Health Center	Neighborhood Aide	13	1
001	Health Services: Riverhead Health Center	Physician II	37	1
001	Health Services: Riverhead Health Center	Principal Clerk	14	1
001	Health Services: Riverhead Health Center	Public Health Nurse I	21	2
001	Health Services: Riverhead Health Center	Reg Nurse Supvr-Clinic	22	1
001	Health Services: Riverhead Health Center	Registered Nurse	19	11
001	Health Services: Riverhead Health Center	Senior X-Ray Technician	18	1
001	Health Services: Brentwood Health Center	Clerk Typist (Span Speak)	09	1
001	Health Services: Brentwood Health Center	Clinic Aide	06	1
001	Health Services: Brentwood Health Center	Medical Assistant (Sp Spk)	09	2
001	Health Services: Brentwood Health Center	Public Health Nurse I	21	2
001	Health Services: Brentwood Health Center	Registered Nurse	19	3
001	Health Services: Preventative Medicine	Comm Svc Worker (Sp Spkng)	12	1
001	Health Services: Preventative Medicine	Secretarial Assistant	17	1
001	Health Services: Public Health Nursing	Public Health Nurse I	21	1
001	Health Services: Public Health Nursing	Public Health Nursing Dir	32	1
Total				64

Major Transfers and Reorganizations

The recommended budget transfers 58 grant funded positions from Health Services, Probation, and FRES from the General Fund to the new Grants Management Fund. In other departments such as the District Attorney and Medical Examiner, grant funded positions were transferred from grant appropriations to the department’s main appropriation in the General Fund. In each case, no revenues or expenditures are accounted for in the budget; both will be appropriated by resolution during 2017.

The recommended budget transfers 79 positions from the Police District to the General Fund and seven positions from the General Fund to the Police District resulting in a net transfer of 72 positions from the Police District to the General Fund. According to the Executive, the transfers are necessary to align personnel with the taxing jurisdictions they serve. As shown in the following table, we estimate that these transfers will result in a net shift in cost from the Police District to the General Fund of approximately \$11.3 million in 2017.

Net Transfer of Police Personnel from Police District (115) to General Fund (001)								
Transfer	Sworn	Civilian	Salary	FICA	Ben. Fund	Health	Overtime	Total
115 to 001	55	24	\$9,418,450	\$629,243	\$151,312	\$1,436,378	\$670,324	\$12,305,707
001 to 115	3	4	\$777,679	\$45,726	\$12,208	\$127,274	\$31,989	\$994,877
Net	52	20	\$8,640,771	\$583,517	\$139,104	\$1,309,104	\$638,334	\$11,310,830

Thirty-seven employees in the Division of Preventative Medicine, which includes Public Health Nursing and Tobacco Education, are transferred to various other units within the Department of Health Services. The four remaining vacancies are abolished.

Reclassifications and Additions to the Salary and Classification Plan

The recommended budget reclassifies several titles, but no changes to the classification and salary plan can be implemented without a duly adopted resolution of the Suffolk County Legislature. The recommended budget includes a resolution making the amendments on pages 34 and 35; however, the resolution included in the recommended budget cannot be voted on and is expunged in the omnibus resolution each year. If the Legislature supports some or all of these amendments to the classification and salary plan, the changes should be incorporated in the omnibus budget amending resolution or a stand-alone resolution.

Executive: Veterans Service Agency

Senior Veterans Service Officer is increased from grade 16, which is the same grade as Veterans Service Officer, to grade 18. There are currently no Senior Veterans Service Officer positions. The difference in cost between a grade 16 and grade 18 is approximately nine percent; an average annual cost of \$4,757. According to the recommended budget, the upgrade is necessary to assist with managerial functions.

Labor, Licensing, and Consumer Affairs

The recommended budget deletes the Director of Living Wage Compliance title (grade 31) and adds the Local Law Compliance Coordinator title (grade 26) due to the evolving duties of the Local Law Compliance Unit. There is currently one vacant Director of Living Wage Compliance position. The recommended budget does not abolish this position or create the new one. The difference in cost between a grade 31 and grade is 26 is approximately 24%; an average annual decrease in cost of \$18,608.

Police

The recommended budget does not create a new position, but adds the title of Assistant Commissioner of Police (Strategic Communications) (grade 38) to the Classification and Salary Plan “to coordinate communication through various channels to help the Department reach concrete goals and initiatives.” The annual salary cost for this position would be \$105,055 at entry level step and \$157,107 at top step.

Public Works

The recommended budget does not create a new position, but adds the title of Assistant Chief Engineer (Public Works) (grade 35) to the Classification and Salary Plan. The annual salary cost for this position would be \$85,176 at entry level step and \$141,372 at top step. According to DPW, this title will be assigned to an employee who assists the Chief Engineer in overseeing, planning, organizing, and directing all functions of the nine sections within the Engineering Division.

Support Services Supervisor (grade 21) is increased to grade 24. There is currently one filled position and no vacancies for this title. The estimated salary increase in 2017 is \$5,969.

Social Services

The recommended budget adds the title of Chief Division Administrator of Social Services (grade 35) to the Classification and Salary Plan and creates one new position of that title in DSS. The annual salary cost for this position would be \$85,176 at entry level step and \$141,372 at top step. We estimate that this position will be filled closer to top step than entry level as this title is likely to be assigned to an existing Division Administrator of Social Services.

Traffic and Parking Violations Agency

Four existing titles are recommended to be increased in grade starting January 1, 2017. Traffic Court Clerk and Traffic Court Clerk (Spanish Speaking) are increased from grade 12 to grade 14, Senior Traffic Court Clerk is increased from grade 14 to grade 16, and Traffic Court Supervisor is increased from grade 17 to grade 18.

There are currently 19 Traffic Court Clerk positions; 14 filled and five vacant. There are currently no Traffic Court Clerk (Spanish Speaking) positions. The additional cost for the 14 filled positions in 2017 is approximately \$42,334. There is no immediate impact for the five vacant positions; however, the positions will cost approximately nine percent more when they are filled; an average annual additional cost of \$3,910 per position.

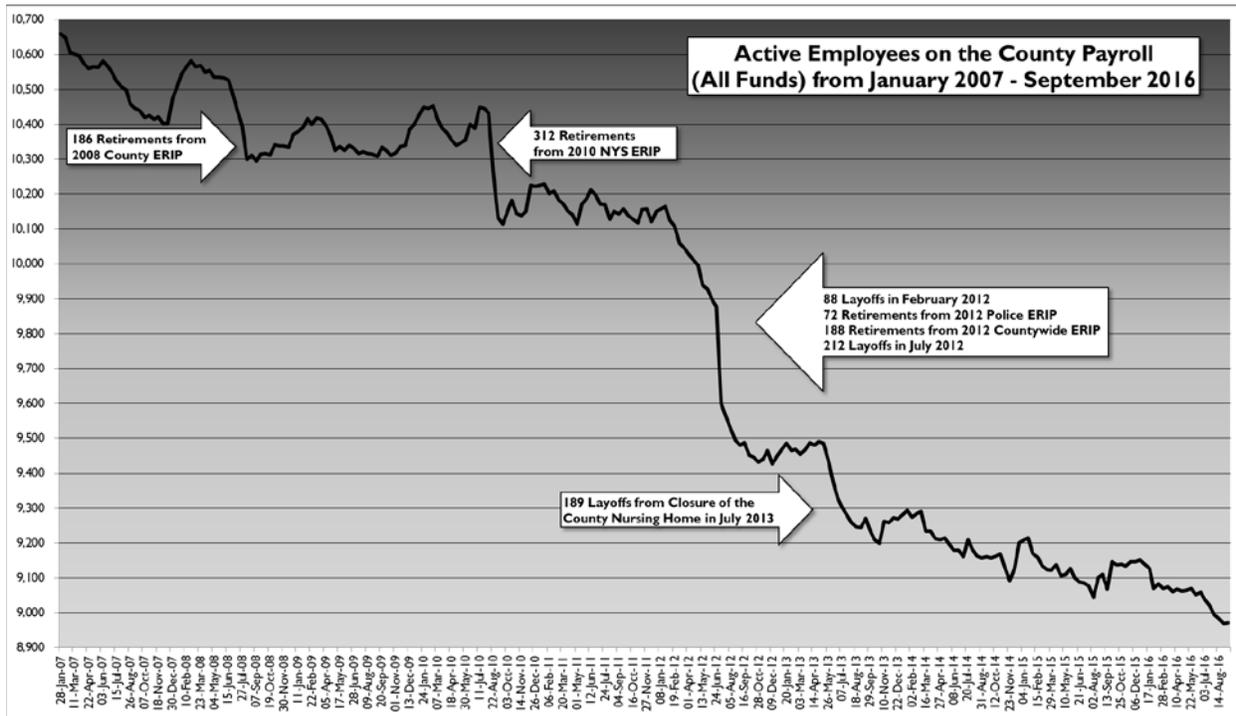
There are currently no Senior Traffic Court Clerk positions in the County. The difference in cost between a grade 14 and grade 16 is approximately 10%; an average annual cost of \$4,689.

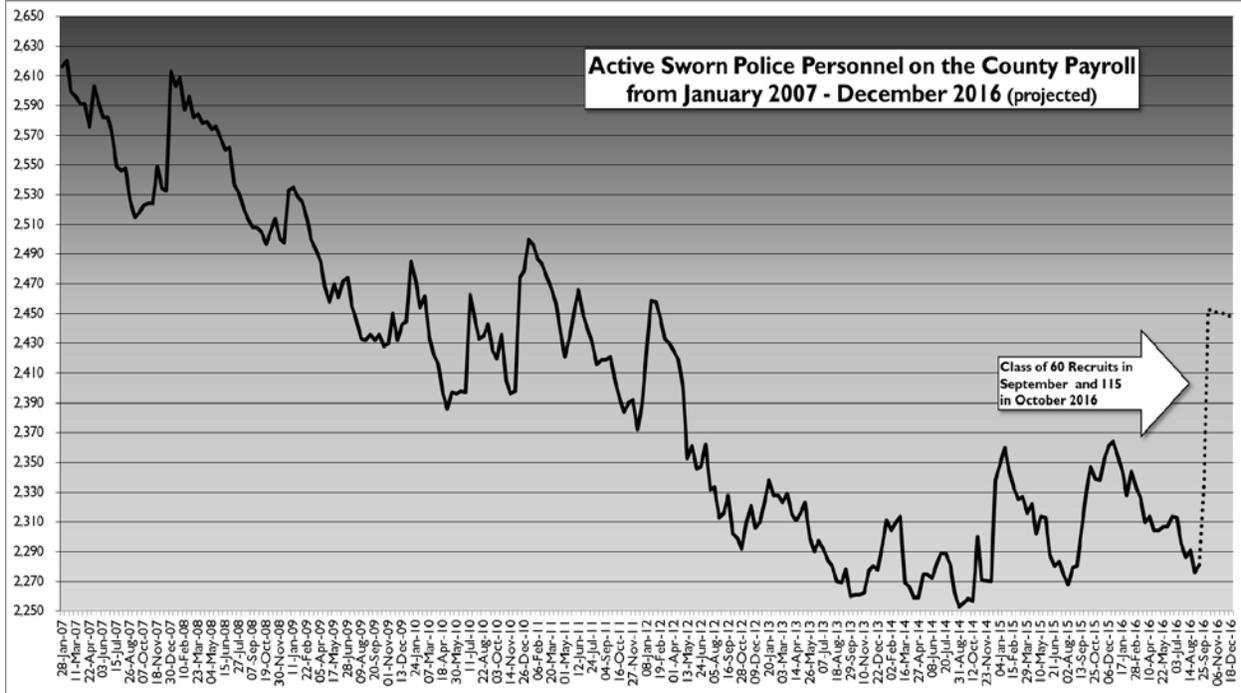
There is one vacant Traffic Court Supervisor position. Increasing the grade from 17 to 18 will result in an increased cost of approximately five percent or \$2,492 per year on average, when the position is filled.

Filled Positions (active employees on the payroll)

From the start of 2016 through September, the number of active county employees on the payroll declined by 180. This net reduction includes separations, as well as the addition of new employees. It does not include the two police classes totaling 175, of which 60 were hired in September and 115 are scheduled to be hired in October. Through retirement incentives, layoffs, and natural attrition, the net number of active employees on the county payroll has declined by 1,689 or 16%

from 10,660 in January 2007 to 8,971 on September 11, 2016. The following chart shows the change in the number of active employees since January 2007.





The following table summarizes the current number of authorized positions in each department based upon the September 11, 2016 position control register. Approximately 17% of the 10,877 authorized positions are vacant. The number of filled positions is greater than the number of active employees because at any given time a percentage of the workforce is out on disability, leave of absence, maternity, suspension, etc.

Authorized Positions on September 11, 2016			
Department	Total No.		
	Positions	Filled	Vacant
Audit and Control	110	99	11
Board of Elections	123	122	1
Booard of Ethics	2	2	0
Civil Service	81	77	4
County Clerk	103	98	5
District Attorney	396	382	14
Economic Development & Planning	93	81	12
Executive	163	134	29
Fire Rescue & Emergency Services	89	86	3
Health Services	863	642	221
Information Technology Services	116	106	10
Labor, Licensing & Consumer Affairs	224	174	50
Law	132	113	19
Legislature	134	126	8
Medical Examiner	110	104	6
Parks	143	125	18
Police	3,539	2,847	692
Probation	433	329	104
Public Administrator	6	6	0
Public Works	839	673	166
Real Property Tax Service	24	17	7
Sheriff	1,387	1,256	131
Social Services	1,713	1,391	322
Soil & Water Conservation	6	4	2
Traffic & Parking Violations Agency	48	31	17
Total	10,877	9,025	1,852

Permanent Salary Appropriations

The County typically 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

In 2015, actual salary expenditures were \$16.1 million less than adopted across all funds; \$11.6 million in the General Fund. In last year's review of the recommended budget we cautioned that the County was not likely to benefit from the large fund balance typically generated from unspent salaries in 2016. In the aggregate, the 2016 Adopted Budget included less salary appropriations than needed to fund all positions that were filled at the time of the budget's adoption. Through a combination of higher than average attrition and strict position control, 2016 salaries are estimated to be \$390,839 less than adopted across all funds and \$545,378 less than adopted in the General Fund. Even though a salary deficit was avoided in 2016, balancing the 2017 budget has become more challenging than in past years due to the absence of a large starting fund balance.

The Budget Review Office monitors permanent salary expenditures throughout the fiscal year. Our independent analysis of the permanent salary appropriations concludes that generally the 2016 estimate for permanent salaries is reasonable. Across all funds and departments, our projection is \$161,943 more than the 2016 estimate; a difference of 0.02% on almost \$780 million. In the General Fund, our estimate is \$782,673 higher than estimated by the Executive. The difference is attributed to the District Attorney where we estimate that salaries are understated by \$1.2 million.

In general, the 2017 Recommended Budget is reasonable. Although the amount of funding available varies by department, most departments have sufficient funding for all currently filled positions provided that the county workforce experiences normal attrition and vacancies are not immediately backfilled. In the General Fund, we estimate that there is little funding available to fill vacant positions; however, there are sufficient appropriations in 2017 for a class of 11 Probation Officers and 14 Deputy Sheriffs to be hired this fall and a class of 40 Correction Officers to be hired in January of next year. There are also funds included to fill positions in Audit and Control, Consumer Affairs, and Social Services.

One concern with General Fund salaries is the new method employed for accounting for grant funded positions. In the past, if grants were reduced, paying for grant funded positions resulted in a deficit; however, the budget still included sufficient authorized appropriations to cover the expense. Although, unlikely, the discontinuation of state or federal grants could result in a situation where there are filled positions and no available appropriations for salaries. Our conclusion that recommended General Fund salaries are reasonable is predicated on the fact that several millions of dollars in unbudgeted grant funds are available in 2017 as anticipated.

We project approximately 90 sworn retirements in 2016. Assuming the same amount of retirements in 2017, recommended Police District salaries would be insufficient by approximately \$3.5 million. However, based on the retirement eligibility of sworn personnel, it is not unreasonable to expect 20 to 25 more retirements in 2017 compared to 2016. Provided that there are additional retirements, the recommended transfers from the Police District to the General Fund are approved by the Legislature, and Police Officers in the Police District are promoted to Detective in the General Fund, there are sufficient funds in 2017 for a class of 175 recruits this year and a class of 65 recruits next year.

In the E-911 Fund (102), there is approximately \$475,000 available to fill approximately 12 of the existing 25 vacancies in 2017. These funds are in addition to \$100,000 in temporary salaries included in the Police Department for a pilot program that uses temporary employees to reduce mandated overtime in the emergency call center.

The 2017 Recommended Budget includes approximately \$345,000 in Fund 136 for the Traffic and Parking Violations Agency to fill vacancies and pay for the recommended amendments to the

Classification and Salary Plan, which provide salary grade increases to four of the department's titles.

The recommended budget includes approximately \$260,000 for vacant sewer district positions in 2017; \$77,000 for Southwest Sewer District (Fund 203) and \$183,000 for Sewer Maintenance (Fund 261).

Overtime Salaries

The next largest salary cost after Permanent Salaries is overtime. Together, Permanent Salaries (1100) and Overtime Salaries (1120 & 1620) are estimated at approximately 86% of employee compensation (1000s). The County typically under-budgets overtime salaries. The following table shows that from 2013 to 2016 the average annual shortfall from overtime is \$17.5 million.

Overtime Salaries (in Millions)										
Fund	2013 Adpt	2013 Act	2014 Adpt	2014 Act	2015 Adpt	2015 Act	2016 Adpt	2016 Est	2017 Req	2017 Rec
General Fund	\$29.3	\$41.2	\$34.1	\$39.9	\$35.0	\$47.7	\$34.4	\$43.8	\$40.9	\$34.6
Police District	\$21.7	\$24.9	\$25.6	\$32.3	\$27.7	\$37.0	\$27.8	\$35.1	\$33.4	\$26.5
Other	\$4.6	\$5.8	\$4.3	\$5.0	\$4.6	\$5.3	\$4.3	\$5.0	\$5.4	\$4.7
Total	\$55.5	\$71.9	\$64.0	\$77.3	\$67.3	\$90.0	\$66.5	\$83.9	\$79.7	\$65.8
Deficit	2013	2014	2015	2016	Avg.					
Act-Adpt	-\$16.4	-\$13.3	-\$22.7	-\$17.4	-\$17.5					

The 2017 Recommended Budget includes \$65.8 million for overtime salaries, which is \$18.1 million less than estimated for 2016. Overtime expenses have not been less than \$70 million since 2009. Absent a drastic change in the way that the County deploys its human resources, the recommended budget is likely understated again in 2017.

More than half of the County's overtime expenses are for the Police Department; the Sheriff's Office accounts for approximately one-third. Employees in Police, Sheriff, and Public Works typically earn over 92% of all overtime salaries. The following chart shows overtime expenses by department.

Overtime Salaries by Department					
Department	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Police	\$47,376,285	\$32,845,348	\$45,248,865	\$42,885,667	\$32,656,820
Sheriff	\$29,937,359	\$22,359,863	\$27,346,691	\$25,423,111	\$22,947,740
Public Works	\$6,129,759	\$4,835,370	\$4,900,956	\$5,192,034	\$5,009,034
Other	\$6,560,081	\$6,431,001	\$6,417,992	\$6,216,066	\$5,185,295
Total	\$90,003,484	\$66,471,582	\$83,914,504	\$79,716,878	\$65,798,889

Terminal Pay

Terminal pay varies significantly based on the number of retirements and the types of employees retiring. The largest payments are typically to sworn police personnel. In 2015, the average terminal

payment to AME White Collar Unit employees was \$11,381, for members of the Superior Officers Association it was \$292,117. The County typically only budgets terminal pay for sworn personnel in the Police Department, Deputy Sheriffs, Correction Officers, and District Attorney Detective Investigators. For other bargaining units, the cost of terminal pay is typically less than the salary that the employee would have been paid if they remained on the payroll; Permanent Salary appropriations are transferred to terminal pay accounts to cover the expense.

Another significant variable affecting terminal pay is deferrals. Many of the recent labor agreements with the public safety unions contained provisions where pay is withheld until separation. When pay is deferred it is reflected as a savings in the budget (object 1380), when an employee leaves county service, it becomes an expense. In 2016 deferred pay is estimated at a net savings of \$4.6 million; the 2017 Recommended Budget includes a net cost of \$3.1 million, which indicates that payments on past deferrals are now greater than the amount of pay currently being deferred. The 2017 Recommended Budget includes \$26.7 million in revenue from Bond Anticipation Notes (BANs), which is approximately equal to the expenditures budgeted in the General Fund and Police District for terminal pay (objects 1020, 1050, and 1380). The County will require permission from New York State to borrow for this expense; however, it is unclear if the State will grant the County the authority to issue the BANs.

Other Salaries

In addition to salaries, overtime, and terminal pay, the recommended budget includes \$127 million for other personnel expenses, the largest of which are Longevity, Holiday Pay, Workers' Compensation, and Temporary Salaries. The following table shows all personnel expenses by major category for the General Fund, Police District, and all other funds combined. Permanent Salaries and Interim Salaries are shown together for the sake of comparison between the 2016 Adopted Budget and the 2016 estimate. In some departments grant appropriations were adopted as Permanent Salaries (1100), but are estimated as Interim Salaries (1110). As previously stated, most grant funded salaries are not accounted for at all in the 2017 Recommended Budget.

Personnel Costs and Issues Overview

Personnel Costs (1000s) by Fund and Major Category						
General Fund Personnel Costs (1000s) by Category	Percent of Total 2015	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Clothing and Cleaning Allowance	0.3%	\$1,762,484	\$1,846,100	\$1,755,100	\$1,843,375	\$1,769,925
Holiday Pay	2.2%	\$11,562,404	\$10,315,987	\$11,450,883	\$13,081,190	\$11,567,704
Longevity	2.0%	\$10,480,022	\$11,523,350	\$11,626,162	\$11,671,625	\$11,941,875
Night Differential	0.6%	\$3,365,136	\$2,835,665	\$3,287,822	\$3,367,159	\$3,821,322
Other*	0.4%	\$1,900,900	\$4,094,992	\$1,951,588	\$10,539,121	\$10,428,695
Overtime	9.1%	\$47,731,523	\$34,353,288	\$43,797,221	\$40,916,612	\$34,569,925
Permanent & Interim Salaries	82.0%	\$430,579,183	\$442,686,172	\$445,521,928	\$468,571,154	\$457,442,607
Temporary Salaries	1.0%	\$5,118,242	\$5,597,700	\$5,892,019	\$6,735,951	\$5,359,540
Terminal Pay**	1.6%	\$8,576,932	\$10,744,585	\$9,227,925	\$12,309,316	\$9,283,801
Workers Comp & Disability	0.8%	\$4,274,262	\$3,449,383	\$3,473,140	\$3,500,543	\$3,299,543
General Fund Total	100%	\$525,351,088	\$527,447,222	\$537,983,788	\$572,536,046	\$549,484,937
Police District Personnel Costs (1000s) by Category	Percent of Total 2015	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Clothing and Cleaning Allowance	0.6%	\$2,045,663	\$2,028,400	\$2,053,700	\$2,117,600	\$2,076,000
Holiday Pay	5.3%	\$19,131,550	\$16,605,467	\$19,558,897	\$20,300,053	\$16,534,821
Longevity	3.9%	\$14,044,889	\$16,744,836	\$16,789,794	\$16,632,787	\$16,200,437
Night Differential	5.7%	\$20,736,131	\$21,329,305	\$21,733,452	\$23,529,129	\$22,576,779
Other	0.3%	\$1,082,171	\$1,154,212	\$994,468	\$1,178,864	\$1,161,471
Overtime	10.2%	\$36,968,770	\$27,819,535	\$35,072,421	\$33,438,155	\$26,491,022
Permanent & Interim Salaries	68.6%	\$248,745,762	\$255,684,410	\$259,162,271	\$261,516,445	\$249,323,626
Temporary Salaries	1.6%	\$5,862,859	\$5,908,359	\$6,352,968	\$6,645,139	\$6,527,855
Terminal Pay***	1.5%	\$5,255,499	\$18,649,958	\$8,577,825	\$22,755,705	\$17,118,881
Workers Comp & Disability	2.4%	\$8,544,200	\$7,883,760	\$8,631,908	\$9,276,415	\$9,276,415
Police District Total	100%	\$362,417,494	\$373,808,242	\$378,927,704	\$397,390,292	\$367,287,307
Other Funds Personnel Costs (1000s) by Category	Percent of Total 2015	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Clothing and Cleaning Allowance	0.1%	\$76,013	\$78,600	\$80,850	\$84,700	\$85,150
Holiday Pay	0.7%	\$620,095	\$680,058	\$679,845	\$690,610	\$682,210
Longevity	1.5%	\$1,266,703	\$1,329,250	\$1,279,063	\$1,297,150	\$1,290,400
Night Differential	0.0%	\$0	\$0	\$0	\$0	\$0
Other	2.1%	\$1,780,476	\$1,506,903	\$1,595,494	\$1,476,210	\$1,476,385
Overtime	6.2%	\$5,303,191	\$4,298,759	\$5,044,862	\$5,362,111	\$4,737,942
Permanent & Interim Salaries	86.8%	\$74,018,361	\$79,203,974	\$75,894,621	\$77,767,604	\$76,859,009
Temporary Salaries	1.2%	\$1,034,404	\$1,278,522	\$1,159,959	\$1,899,481	\$1,311,522
Terminal Pay	0.8%	\$697,521	\$0	\$570,902	\$0	\$3,250
Workers Comp & Disability	0.6%	\$473,582	\$65,381	\$249,181	\$64,923	\$70,823
Other Funds Total	100%	\$85,270,346	\$88,441,447	\$86,554,777	\$88,642,789	\$86,516,691
All Funds Personnel Costs (1000s) All Categories		2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
All Funds Total		\$973,038,927	\$989,696,911	\$1,003,466,269	\$1,058,569,127	\$1,003,288,935
*Includes \$2.5 million in salary contingency in 2016 Adopted and \$8.7 million in 2017 Recommended						
**Includes \$2.7 million in deferred pay in 2015 Actual and \$2.2 million in 2016 Estimated						
***Includes \$7.2 million in deferred pay in 2015 Actual and \$2.9 million in 2016 Estimated						

Collective Bargaining Agreements

There are currently agreements in place with six of eight bargaining units. The three sworn police unions, Police Benevolent Association (PBA), Superior Officers Association (SOA), and Suffolk Detectives Association (SDA) have contracts through 2018. The Detective Investigators union in the District Attorney and the Correction Officers Association (COA) in the Sheriff also have contracts through 2018. Three unions will be going into 2017 without a contract. The Deputy Sheriffs Benevolent Association (DSBA) and the Probation Officers Association (POA) have been without a contract since 2010. The contract with the County's largest union, the Association of Municipal Employees (AME), expires at the end of 2016. The recommended budget includes funding for the settlement of contracts. If contracts are not settled in 2017, these funds may be used to offset projected deficits elsewhere in the budget.

BP Personnel 17

Employee Benefits

Overview

The predominant cost drivers within employee benefits in Suffolk continue to be healthcare and retirement. The recommended budget for employee healthcare in 2017 is proposed to grow by approximately \$29 million, or 7.7%, as compared to 2016 cost estimates. Cost mitigating actions negotiated by the County and the employees' labor unions, to contain growth in drug costs, have fallen short in meeting the parties' expectations based upon the most recent accounting for 2013 and 2014. In the aggregate, in terms of retirement, the state's contribution costs to Suffolk County decreased again in 2017, as they did in 2016, unfortunately at a decreased rate. In 2016, our state retirement contribution liability decreased by approximately \$26.4 million; however, the decrease in 2017 is approximately \$3 million. The County finds itself in the position of needing to continue to amortize a portion of the required contribution. The recommended budget implies utilization of the maximum allowable amortization in 2017 of \$35.2 million, which is \$10 million less than the 2016 allowable amount. The County now finds itself in the unenviable position of having to make debt service payments on all previous amortizations that total \$35.1 million in 2017. That is, in 2017 we will be paying back previous borrowings (\$35.1 million with new borrowing (\$35.2 million) of approximately the same amount.

Healthcare Benefit Issues for Consideration

Employee Medical Health Plan

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. As of September 2016, the County's health insurance plan provided coverage to 20,974 enrollees, representing 46,590 lives.

According to the Kaiser Family Foundation and Health Research and Educational Trust survey of non-federal private and public employers, "In 2016, the average annual premiums for employer-sponsored health insurance are \$6,435 for single coverage and \$18,142 for family coverage. The average family premium rose 3% over the 2015 average premium while the increase in the premium for single coverage was not statistically significant. Premiums for family coverage have increased 20% since 2011 and 58% since 2006. Seventeen percent of covered workers are in plans with an annual total premium for family coverage of at least \$21,771..."¹ In comparison, the 2016 annual premium for family coverage in EMHP of \$20,094 is \$1,235 or 6.5% more than the average family coverage premium for all plans in the Northeast of \$18,859.

The accompanying table compares the Executives budgeted EMHP costs to projections made by the County's health care consultant (Lockton) and by BRO. Both the health care consultant and BRO project higher costs than are included in the 2017 Recommended Budget. Lockton's forecast is considerably higher (3.4% in 2016 and 4.3% in 2017), while BRO's difference is more modest (1.2% in 2016 and 0.6% in 2017).

The difference between budgeted spending and the consultant's cost projection is primarily in the area of prescription claims in 2016. In 2017 most of the difference is in prescription claims as well, plus major medical claims and hospital claims.

¹ KFF/HRET Employer Health Benefits 2016 Summary of Findings pg. 1

In the past we have found that Lockton's projections tend to be too high for a variety of factors. Among other things, we find that they do not sufficiently account for the difference between trend growth in the County's budgeted health care costs and market trends implicit in Lockton's projections. In addition, 2017 consultant cost projections are predicated upon a net increase of 207 enrollees or approximately one percent, from 21,073 to 21,280. As of September 2016, the County's health insurance plan consisted of fewer enrollees, 20,974, representing an increase of 113 from one year ago. Accounting for these and other factors, we would not endorse using Lockton's significantly higher cost estimates.

As for BRO's estimates, we account for numerous factors, including budget and market trends that lead us to the conclusion that the budget understates EMHP costs by \$7.0 million over the course of this year and next, or \$4.4 million in 2016 and by \$2.6 million in 2017. We find that these differences, 1.2% in 2016 and 0.6% in 2017, are not statistically significant. As such, we do not recommend increasing the estimates in the budget, but point out that this is one of several risk factors in the budget that could lead to a shortfall.

Employee Medical Health Plan (EMHP) Total Cost (in millions of dollars)

	Total Cost for EMHP	Difference from Recommended	% Difference from Recommended
<u>2016 Estimated</u>			
<i>(in the 2017 Recommended Budget)</i>			
Executive's Recommended Budget	\$379.7	\$0.0	0.0%
Lockton (health care consultant)	\$392.7	\$13.0	3.4%
BRO	\$384.1	\$4.4	1.2%
<u>2017 Recommended</u>			
Executive's Recommended Budget	\$406.9	\$0.0	0.0%
Lockton (health care consultant)	\$424.5	\$17.6	4.3%
BRO	\$409.5	\$2.6	0.6%

The health insurance fund typically receives the vast majority of its revenue from interfund transfers and the remaining portion from COBRA, other premiums, interest, rebates, employee contributions, and recoveries from providers.

The 2016 estimated revenues of \$379.7 million are \$4.9 million or 1.3% less than the 2016 adopted revenue in the aggregate, explained predominantly by a combination of increases and reductions to interfund revenue. The largest reduction of \$7 million is attributed to the interfund transfer from the General Fund. The estimated revenues are reasonable based upon year-to-date transfers.

The 2017 recommended revenues of \$405 million are \$25.3 million or 6.7% greater than estimated for 2016. This increase is explained predominantly by a \$27 million increase in interfund revenue offset by a \$1.9 million reduction in prescription rebate revenue that was received in 2016 as a result of the reconciliation and recovery of a prescription cost per claim guarantee associated with 2014 expenditures. The proposed revenues are reasonable.

SCEMHP Memorandum of Agreement

A memorandum of agreement was entered into by Suffolk County and the labor unions on July 31, 2012 wherein the parties agreed to continue all terms and conditions of the October 15, 2007 Suffolk County Employee Medical Health Plan (SCEMHP) Memorandum of Agreement (MOA) through December 31, 2020 with certain modifications contained within the new agreement. One modification, contained within Section 2 of the agreement, states that the parties agree there will be a change in the Prescription Benefit Manager (PBM) by January 1, 2013 or as soon as practical and that the unions shall provide at least \$17 million in PBM modifications and prescription benefits modifications. In addition, during the same bi-annual periods, the parties agreed that the average cost of benefits under the SCEMHP shall remain equal to the Kaiser Family Foundation and Health Research and Educational Trust, Employer Health Benefits Survey calculated premium increases in the Northeast Region.

Upon completion of the calculations previously described, the two figures (PBM savings/losses and SCEMHP Plan savings/losses compared to Kaiser) shall be added for one total figure of savings/losses. If the total is a savings, the amount shall be carried over as a credit to the unions during the next bi-annual reconciliation period. If the total is a loss, the unions shall implement EMHP modifications within three months of the reconciliation to generate sufficient recurring savings prospectively to make up for the prior shortfall in accordance with the procedure established in the 2007 SCEMHP Memorandum of Agreement.

The EMHP's benefits consultant reconciliation of the savings/losses in 2013 and 2014 indicate that deficient PBM savings were partially offset by SCEMHP Plan savings, as compared to Kaiser, resulting in total losses of \$19,771,587 over the two year period. Two modifications were implemented to EMHP's prescription benefits effective January 1, 2016; a compound management program for compound medications and an RX intercept program for specialty medications. Additional prescription benefit plan modifications were enacted during 2016; effective November 1, 2016 combination acid reflux medications and counterirritants are excluded from the Plan's prescription benefits, and effective July 1, 2016, ADHD medications became subject to the Plan's step therapy program. It is unknown at this time if these modifications have proven adequate in generating sufficient recurring savings to make up for the prior shortfall in accordance with the procedure established in the 2007 SCEMHP MOA. A reconciliation of savings corresponding to PBM modifications and prescription benefits modifications covering 2015-2016 will be performed by the Plan's healthcare consultant and is anticipated to be completed by mid-2017. BRO has reached out in an effort to determine if a preliminary reconciliation of 2015 is available; we are still waiting for a response.

Non-Healthcare Benefit Issues for Considerations

Retirement

The Employer Contribution Stabilization Program was signed into New York State law on August 11, 2010 as Chapter 57 of the Laws of 2010. Participation in the Program was 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 County opted into the Alternative Contribution Stabilization Program in the 2014 Adopted Budget, which increased the repayment period to 12 years. The interest rates charged by the Comptroller on the portion of the annual contribution that has been amortized change from one rate year to the next based upon market performance. The following table details the amount of amortization utilized by Suffolk

within the Employees' Retirement System (ERS) and the Police and Firemen's Retirement System (PFRS) annually.

Suffolk County Pension Amortization (in millions)			
	Total		
Year	ERS	PFRS	Amortization
2011	\$ 19.1	\$ -	\$ 19.1
2012	\$ 24.8	\$ 20.9	\$ 45.7
2013	\$ 48.3	\$ 12.4	\$ 60.7
2014	\$ 55.9	\$ 31.2	\$ 87.1
2015	\$ 37.4	\$ 22.4	\$ 59.8
2016	\$ 25.6	\$ 19.1	\$ 44.7
2017 Rec.	\$ 21.4	\$ 13.8	\$ 35.2
Total	\$ 232.5	\$ 119.8	\$ 352.3

The 2017 recommended NYS retirement employer regular contribution of \$154.4 million (excluding SCCC) is \$13.3 million or 9.5% more than the 2016 contribution of \$141 million and assumes amortization of \$35.2 million of the liability due February 2017. The \$154.4 million 2017 recommended contribution represents the non-amortizable portion of the contribution that we must pay to the State. Even though the County's regular retirement contribution liability has decreased by approximately \$3 million in 2017 as compared to 2016; the non-amortizable portion has increased by \$13.3 million as a result of the State weaning municipalities from the utilization of amortization. The approximately \$3 million reduction in regular contributions is experienced as a result of a \$9 million reduction in ERS in conjunction with a \$6.1 million increase in PFRS. The maximum allowable amortization peaked in 2014 at \$87.1 million and has been reduced annually since that time. BRO estimates a \$10 million reduction to allowable amortization between 2016 and 2017 and projects that the maximum allowable amortization will continue to decrease in future years.

The recommended budget includes \$189.4 million, in the aggregate, for the County's total 2017 NYS retirement liability. The total liability represents both the ERS and the PFRS regular contributions in addition to debt service payments of approximately \$35.1 million associated with the County's amortization of a portion of the regular contributions due for each of the last six years. The County does experience some relief in 2017 as 2016 was the last year in which we made repayments to the retirement system of approximately \$3.8 million annually from 2012-2016 associated with the cost of the 2010 Early Retirement Incentive Program (ERIP).

It appears that 2017 is the year that the debt service payments associated with past amortizations are approximately equal to the allowable amortization. In essence, the State is providing us with a loan in the amount needed to make the annual payment of debt service to re-pay them for past loans. BRO projects debt service payments for past amortizations in 2018 to exceed allowable amortizations by approximately \$8 million. If the policy decision to amortize \$35.2 million of the County's 2017 pension liability, which is implicit in the recommended budget, is maintained, it would result in future payments of approximately \$3.5 million annually, over the next 12 years, based upon a 2.63% rate of interest, beginning with the County's payment of its 2018 pension liability.

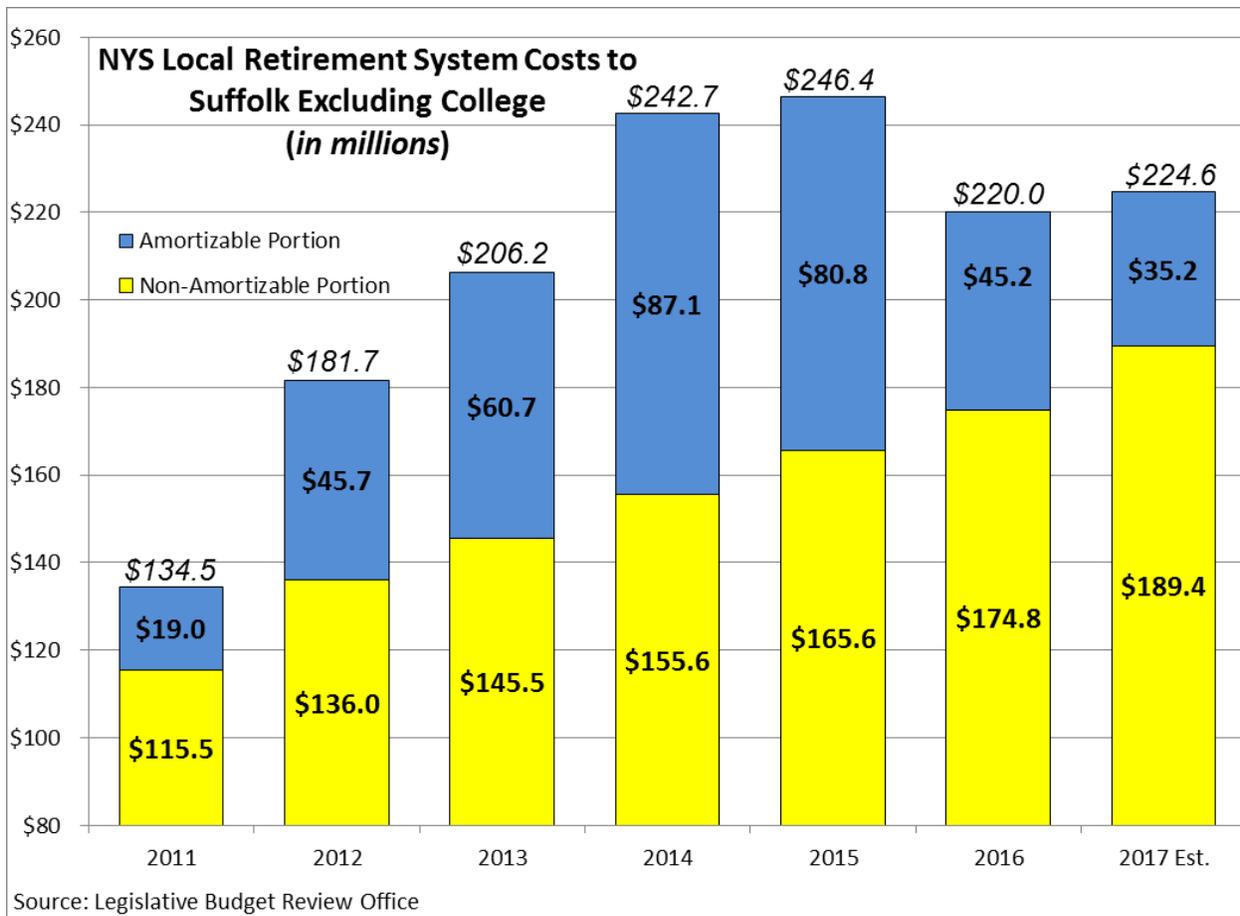
The following table is provided to illustrate the estimated financial impact to the County resultant from utilization of amortization either under the original Employer Contribution Stabilization Program or the Alternate Contribution Stabilization Program. The table assumes that \$35.2 million of the County's 2017 pension liability will be amortized.

Suffolk County's NYSLRS Pension Amortization Obligations						
Year	Amortization Principal (1)	Interest Rate (2)	Term (years) (3)	Annual Debt Service (4)	Budgeted Debt Service (5)=Σ(4)	Total Cost to County (6)=(3)*(4)
2011	\$19,080,351	5%	10	\$2,470,993	\$0	\$24,709,930
2012	\$45,702,894	3.75%	10	\$5,564,845	\$2,470,993	\$55,648,450
2013	\$60,720,968	3%	10	\$7,118,350	\$8,035,838	\$71,183,500
2014	\$87,101,698	3.76%	12	\$9,152,095	\$15,154,188	\$109,825,140
2015	\$59,795,324	3.50%	12	\$6,187,856	\$24,306,283	\$74,254,324
2016	\$44,642,145	3.31%	12	\$4,568,238	\$30,494,139	\$54,818,856
2017 BRO Proj. 2018 Est.	\$35,234,777	2.63%	12	\$3,462,031	\$35,062,377	\$41,544,370
Total	\$352,278,157			\$38,524,408		\$431,984,570

The table above indicates that the County will incur interest expense of approximately \$79.7 million [Total (6)-(1)] over the life of the amortizations, assuming amortization of \$35.2 million of the County's 2017 pension liability. The annual debt service of \$3.5 million on the 2017 recommended amortization of \$35.2 million will be reflected in the 2018 bill and will bring the County's annual debt service liability, for portions of the required contributions that the County opted to amortize, to \$38.5 million. Implicit in the 2017 retirement bill is \$35.1 million of debt service for amortization repayments representing 15.7% of the total bill of \$224.7 million (excluding the College) and 18.6% of the minimum payment due of \$189.4 million, which assumes amortization of \$35.2 million of the 2017 liability.

It is in the County's best interest to pay its current pension liability, in any given year, in full when it is financially feasible. If it is not feasible to meet the current liability in full, in coming years, we would recommend utilizing amortization to the smallest degree possible. The County's continued reliance upon deferral of payment for this current liability will only contribute to the structural instability of future budgets.

The following graph illustrates Suffolk County's NYSLRS liability, excluding the College, along with allowable amortization since amortization became an option in 2011. In 2015, the County only amortized \$59.8 million of the \$80.8 million allowed by the State.



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, 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 funds current liabilities only as compared to the annualized required contribution (ARC) funding methodology that accounts for both current and accrued liabilities.

GASB Statement No. 45 requires the County to measure and disclose a dollar figure for its 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 GASB 45 Actuarial Valuation Fiscal Year Ending December 31, 2015 indicates that the County's unfunded actuarial accrued liability (UAAL) for OPEB is \$4.88 billion as of December 31, 2015, which is approximately \$277 million less than the liability on December 31, 2014 of \$5.15 billion. The decrease in liabilities is resultant from enrolling Medicare retirees in a prescription drug plan through Express Scripts and an update to the mortality table utilized by the actuary in computing our liabilities. 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 eight 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 in the Correction Officer Association and Deputy Sheriff Police 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. Currently, five of the County's eight labor unions will enter fiscal year 2017 with labor agreements in place. Benefit fund contribution levels will remain the same for any bargaining units entering 2017 without renegotiated labor agreements, such as the Suffolk County Probation Officers Association (SCPOA), the Deputy Sheriffs Police Benevolent Association (DSPBA), and the Association of Municipal Employees (AME). The following table provides the 2017 Benefit Fund contributions by bargaining unit and labor union.

2017 Benefit Fund Contributions		
Bargaining Unit	Labor Union	2017 Contribution Rate
1	PBA	\$2,163
2	AME	\$1,456
5	SOA	\$2,163
6	AME-BL	\$1,456
10	COA	\$1,456
11	DSPBA	\$1,456
12	DIPBA	\$2,163
15	SDA	\$2,163
16	SCPOA	\$1,381

Four of the agreements also include 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 dearth of information available with respect to Benefit Fund reserves makes it difficult to project the precise impact resultant from the aforementioned provisions of several current labor agreements upon the operating budget in 2017.

Resolution No. 270-2016 was approved by the Legislature on April 12, 2016. This resolution allowed for an amendment to the collective bargaining agreement between the County and AME bargaining units two and six. The memorandum of agreement provided that the County's obligation to contribute to the AME Benefit Fund would be suspended effective March 1, 2016 and resume effective March 1, 2017 in exchange for no lag payroll for AME members in 2016. Additionally, the agreement stated that upon resumption of the contributions, the County would make an additional annual contribution of 1/12 of the total amount of contributions, suspended until March 1, 2028 or until the full amount of suspended contributions is repaid. BRO projected suspended contributions of approximately \$6.5 million in 2016 and \$1.3 million in 2017 and annual repayments of approximately \$650,000 beginning March 1, 2017.

The recommended budget includes \$15.6 million for Benefit Fund contributions in the aggregate, or \$6.2 more than estimated for 2016, which is explained by its inclusion of 10/12 of projected 2017 AME Benefit Fund contributions and the first annual repayment for suspended contributions. The Police District Fund (Fund 115) includes approximately \$750,000 more for Benefit Fund contributions that is explained by the addition of 175 police recruits in 2016 and an increased PBA Benefit Fund contribution rate of \$2,163 annually.

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 2016 wage base for OASDI is \$118,500, which is unchanged from 2015.

The Social Security Administration typically uses the average wage index to update the Social Security contribution and benefit base or taxable maximum to calculate the OASDI portion of the tax. The Social Security Administration's Office of the Chief Actuary (OCA) has projected, under two out of three of its methods of forecasting, that the Social Security wage base will increase from \$118,500 for 2016 to \$126,000 for 2017.

The OASDI 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 2016 Social Security liability of \$64.4 million across all funds is \$1.2 million less than the adopted budget of \$65.6 million and represents 6.42% of estimated personal services costs. This estimate appears reasonable based upon year-to-date expenditures, as of September 16, 2016, that represent 6.49% of year-to-date actual personal services costs in conjunction with the County's diminished social security liability on personal services costs as employees reach the OASDI taxable maximum limit on their earnings. The County's 2014 actual FICA expense ratio across all funds decreased by 0.2% in 2015 and another 0.1% in 2016.

The estimated 2016 General Fund Social Security expenditure of \$35.3 million is \$1.5 million less than adopted and represents 6.56% of estimated General Fund personal services expenditures. This estimate appears reasonable based upon year-to-date expenditures representing 6.6% of year-to-date actual personal services costs.

The estimated 2016 Police District Fund Social Security appropriation of \$22.5 million is \$516,129 more than the 2016 Adopted Budget of \$22 million and represents 5.95% of estimated personal services within the Police District Fund. This estimate is also reasonable and consistent with the 2013-2015 average actual FICA expense ratio of 5.92% within the Police District Fund.

The 2017 Recommended Budget includes \$66.3 million for the County's Social Security liability across all funds and is reasonable assuming personal service costs are fully expended as budgeted. This level of funding represents 6.61% of the 2017 recommended total personal services costs and is 0.05% less than the 2014-2015 average actual FICA expense ratio of 6.66%. The higher FICA expense ratio in 2017 (6.61%) than in 2016 (6.42%) may be explained by the recommended funding's inclusion of an anticipated increase in the taxable maximum in calculating the OASDI portion of the tax. The recommended budget for the County's Social Security liability across all funds is reasonable.

Unemployment Insurance

The County reimburses the State dollar-for-dollar for all unemployment claims paid to former employees on a quarterly basis. The 2016 estimated unemployment insurance expenditures total of

\$408,500 for all funds is \$121,000 or 22.9% less than the adopted budget of \$529,500. As of September 16, 2016, \$193,556, representing the first and second quarterly payments, has been expended. The 2016 estimate appears reasonable based upon year-to-date expenditures.

The 2017 Recommended Budget includes \$414,500 for unemployment across all funds, which is in line with the County's estimated expenditure in 2016 of \$408,500 and is reasonable. The recommended funding includes \$304,000 for unemployment expenses within the General Fund, representing 73.3% of unemployment funding across all funds, which appears realistic based upon 2016 General Fund estimated unemployment expenditures of an identical amount.

Budget Review Office Recommendations

Address the policy decision of amortizing a portion of the County's 2017 New York State Local Retirement System pension obligation.

RD Employee Benefits 17

Debt Service

Serial Bonds

Serial bonds are general obligation debt used to finance most capital improvements. Principal and interest payments on bonds, which may have been issued as long as 20 years ago, appear as debt service costs in the operating budget.

This report tracks serial bond debt for the two main funds in the budget, the General Fund and the Police District. The 2016 estimated amounts overstate expenses in the General Fund for serial bond debt service by \$246,793. In the Police District, we agree with the Executive's figures for debt service.

In 2017, the recommended budget understates the expense for serial bond principal in the General Fund by \$1.3 million but overstates the expense for General Fund serial bond interest by \$1.1 million. The net understatement is \$156,311. Likewise in the Police District, the 2017 recommended budget understates serial bond principal by \$86,000 but overstates serial bond interest by \$101,000, for a net overstatement of \$14,400. A possible explanation for this discrepancy is that the 2016 Series B serial bond, due to be issued on October 25, is slated to have a term of only ten years, in order to save on interest costs. Interest costs, as noted above, are thus lower than the Executive's recommendations, but this same shorter term means that principal payments are higher, since the total amount borrowed must be repaid over fewer years.

Bond Anticipation Notes

Bond Anticipation Notes (BANs) are issued for one year. When BANs mature, 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. The County then issued BANs for capital projects in the next four years (2009 to 2012): \$17,537,214 in 2009, \$29,224,970 in 2010, \$5,126,000 in 2011, and \$3.5 million in 2012. In 2013, the County issued a \$37 million BAN, not to finance capital projects, but rather to pay for the settlement of Correction Officers' retro pay. When this last BAN matured in May 2014, the County paid \$889,934 in principal and rolled the remaining \$36,110,066 into another BAN that matured on May 1, 2015, at which time it repaid an additional \$8.4 million in principal. The balance, \$27,748,054, was immediately rolled over into another BAN that matured on May 1, 2016, at which time the County paid another principal payment of \$8.79 million. The remaining balance of \$18,957,221 was again rolled over and comes due on April 14, 2017, at which time the County is likely to renew the BAN one final time.

The recommended budget correctly includes \$329,682 in interest expense for BANs in 2016 and \$378,091 in 2017. It also correctly accounts for the principal repayment in 2016 and 2017.

On August 4, 2016, the County closed on \$20.4 million worth of BAN financing with the Environmental Facilities Corporation ("EFC") in connection with the Suffolk County Coastal Resiliency Initiative ("SCCRI"). The BAN, half of which is interest-free and half of which bears interest at a market rate of 0.72%, was issued pursuant to Resolution Nos. 721-2015 and 1167-2015. This funding covers the planning phase for a \$383 million project approved by the Governor's Office of Storm Resiliency to sewer parcels in the watersheds of four rivers (Carll's, Connetquot, Forge and Patchogue) on Suffolk's south shore. The \$20.4 million covers planning for only the first three of these rivers. The County and Village of Patchogue were not able to reach an agreement by the closing date for the BAN; therefore, the Village will have to arrange separately for its share, \$1.7 million, of the funding for the planning phase.

None of the sites included in this project are part of an existing sewer district. The \$20.4 million BAN is an obligation of the County's General Fund, under Capital Project 8197. Similar to other EFC-sponsored BANs, the County will draw funds as needed against the BAN, with money coming first from the interest-free allocation (until that \$10.2 million is exhausted) and then from the interest-bearing portion. According to the agreement Suffolk signed with the EFC, the County will begin repaying principal on August 1, 2018 at the rate of \$3.26 million annually (assuming that the BAN has been fully drawn by August 1, 2017). It is expected that the BAN will convert to serial bonds on the maturity date, August 4, 2021, by which time (again, assuming the BAN has been fully drawn by August 1, 2017) the County will have paid off the interest-free allocation in full and have paid an additional \$2.86 million towards debt service on the interest-bearing portion.

The recommended budget also includes \$26.7 million in BAN revenue in 2017, with \$7.8 million of this revenue going to the General Fund and \$18.9 million to the Police District. The revenue is slated to be used for SCAT pay (terminal sick and vacation accruals) for public safety unions. Currently, the County does not have authorization to issue BANs for terminal pay. NY State would have to pass enabling legislation. The plan, as we understand it, is to request borrowing over the next two years (2017 and 2018), of up to a maximum of \$60 million.

Tax Anticipation Notes and Revenue Anticipation Notes

Tax Anticipation Notes (TANs) are short-term notes issued for one year or less for cash flow purposes in anticipation of the receipt of property taxes and delinquent property taxes (DTANs). Two borrowings take place each year: TANs used to be issued at the beginning of January. Since 2009, the County has for the most part, issued TANs in December. As for DTANs, they are issued in the fall.

The County needs these large, short-term borrowings due to cash shortages that arise because the timing of expenditures is sometimes out of sync with revenues. Two major factors for current high levels of cash flow borrowing are:

1. The Suffolk County Tax Act (SCTA): The SCTA requires the County General Fund to make all property taxing jurisdictions whole (schools, towns, special districts, and County). As a result, the bulk of property tax revenue coming to the County, totaling over \$500 million, is not received until June, when the towns hand over their tax rolls to the County.
2. The Pension Bill: On the expense side of the budget, the County's pension bill has created a major cash flow problem since 2008 when the County switched from prepaying the bill in December to the required February payment.

Suffolk borrowing for DTANs peaked in 2010 and 2011, at \$120 million each year. In 2012, the County borrowed \$105 million. In each of the following three years (2013-2015) it borrowed \$100 million. The 2016 DTAN is scheduled to be issued on October 25, 2016, again for \$100 million.

Cash flow problems also play a role in the next County TAN borrowing. For the eighth year in a row, the County expects to issue a TAN in late December, instead of at the beginning of January, as had previously been the case. This TAN is expected to match the \$410 million issue amount of the previous three TANs.

Even with the recurring annual DTAN and TAN borrowings, the County's tight budgets have made it difficult to have sufficient cash on hand to pay bills. As a result, in either April or May of each of the last five years (2012-2016), the County has issued a Revenue Anticipation Note (RAN). Prior to these five borrowings, the last time the County had issued RANs was during the recession in the early 1990s.

In 2012 and 2014, Suffolk borrowed RANs worth \$85 million. In 2013, the figure was \$115 million. In the past two years, the amount borrowed in RANs has declined. Suffolk's 2015 RAN was for \$55 million, while the 2016 RAN was for \$45 million. It is anticipated that Suffolk will have to issue another RAN in 2017.

Revenue Related to Borrowing

There are several revenue codes in the budget associated with the debt issues discussed in this section. In particular:

- **001-DBT-2710-Premium and Accrued Interest on Borrowing:** This revenue code represents premiums investors offer when bidding to purchase County RANs and TANs. Exceptionally, since 2013, this line has also included premiums associated with the BANs that paid for Correction Officers' retroactive pay. These were deemed to be non-capital debts, and the premiums were therefore also included here, instead of in 001-DBT-2956-Earnings on Investment Capital. The 2016 estimated premium revenue, \$4,925,160, appears correct, but the 2017 recommended premium, \$5,518,478, seems a bit optimistic. BRO's estimate is \$4,673,979. Given the volatile nature of debt premiums, they are difficult to predict. Therefore, while the budgeted amount may come in, it is more likely that will not be the case. Given the County's structural deficit, it would be difficult to come up with an offset if the recommended amount is not received. BRO's estimate would be the preferred more conservative approach.
- **001-DBT-2737-Received Reserve for Debt Svc:** This revenue code represents transfers from reserve for bonded debt. It is credited for various reasons, including aid for capital projects received after bonds were issued, and certain unused serial bond proceeds remaining in a capital project when it is closed (that would otherwise have gone to revenue code 2956).
- **001-DBT-2780-Proceeds: Debt:** This revenue code typically represents revenue from bonds issued for payment of court ordered settlements.
- **001-DBT-2954-Capital Project Close Out:** This represents unexpended and unencumbered balances of borrowed funds from completed capital projects. NYS law requires balances to first be used to retire outstanding debt. As such, only the current year's debt service can be transferred.
- **001-DBT-2956-Earnings on Investment Capital:** This revenue is from premiums offered by investors as part of their bid when purchasing County BANs and serial bonds, as well as for other payments used to defray miscellaneous costs. For 2016, estimated revenue is \$452,000. In 2017, the budget includes \$488,000 in this line. Both these figures may relate to Highway Impact Fees.

Budget Review Office Recommendations

The sum of the following recommended actions results in a net cost to the General Fund of \$754,017:

Expenditures										
Fd	Dept	Unit	Obj	Act	Object/Activity Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	DBT	9710	6900	0000	Serial Bonds	\$94,518,898	\$0	\$88,655,954	\$1,298,881	M
001	DBT	9710	7800	0000	Interest On Bonds	\$33,288,519	-\$246,793	\$33,523,331	-\$1,142,570	M

Revenue										
Fd	Dept	Rev	Revenue Name			2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	DBT	2710	Prem & Accrued Int On Borrowng			\$4,925,160	\$0	\$5,518,478	-\$844,499	M

MC Debt Service 17

NY State Environmental Facilities Corporation (EFC) Funding

Background

The New York State Environmental Facilities Corporation (EFC) was created in 1970 by an act of the State Legislature and has since issued more than \$13 billion in both tax-exempt and taxable bonds for the purposes of providing low-cost financing for local wastewater and drinking water infrastructure.

Starting in 2015, the County began receiving various types of funding from EFC for several sewer and sewer infrastructure projects. (See Table 1)

Description	Fund	CPs	Type of Funding	Issue/Creation Date	Principal/Grant Amount	Interest	Amount borrowed to date
Expansion of Suffolk County Sewer District No. 3 - Southwest	203	8183.310	BAN, converts to serial bond at maturity	4/1/2015	\$29,472,400	0.00%	\$29,472,400
					\$29,472,400	0.39%	\$18,136,401
Improvements to SCSD #18 - Hauppauge Industrial	218	8126.311	Serial bond	8/20/2015	\$27,438,877	\$8,425,044	\$27,438,877
Outfall at Sewer District #3 - Southwest	203	8108.112, 8108.311	Grant	9/24/2015	\$3,627,500	n/a	\$0
			BAN, converts to serial bond at maturity.		\$9,072,500	0.00%	\$3,427,340
Suffolk County Coastal Resiliency Initiative (SCCRI): Planning and Design for Nitrogen Reduction Projects	001	8197.110	BAN, converts to serial bond at maturity	8/4/2016	\$20,395,378, of which half (\$10.2 million) is interest-free and half bears interest at a low rate (0.72%)	0.00%	\$0
						0.72%	\$0
Outfall at Sewer District #3 - Southwest	203	8108.113, 8108.312	BAN, converts to serial bond at maturity	9/15/2016	\$53,264,469	0.00%	\$0

As the table shows, the EFC funding is a combination of interest-free and interest-bearing loans, or, in one case, a grant. In all cases, the EFC holds the funds and reimburses the County for approved tasks within each capital project, but the debt remains an obligation of either a County sewer district, or, in the case of the Suffolk County Coastal Resiliency Initiative (SCCRI) funding, of the General Fund.

Details of Individual Projects

Expansion of Suffolk County Sewer District No. 3 - Southwest, CP 8183.310

In April 2015, the County borrowed \$58,944,800 for Capital Project 8183.310-Expansion of Suffolk County Sewer District No. 3 – Southwest pursuant to Resolution No. 1143-2010. This borrowing is a 3 year BAN that the county issued to the EFC.

The BAN was issued in 2 parts:

- \$29,472,400 is at 0% interest and gets drawn against first
- \$29,472,400 is at 0.39% (market rate)

The calculation of the principal and semi-annual interest payments are contingent on timing and amounts of the advances (draws) the County receives from the BAN proceeds.

The County began drawing funds against this BAN in November 2015. To date, the 0% portion of the Note and \$18,136,401 of the market rate portion have been exhausted. It is expected that the County will retire the BAN with proceeds from a sale of EFC Bonds in 2018.

Improvements to SCSD # 18 – Hauppauge Industrial, CP 8126.311

In August 2015, the County entered into an agreement with the EFC to obtain leveraged, long term financing - a serial bond - for the expansion and improvement of Sewer District 18, Hauppauge Industrial. The EFC holds the proceeds of the bond, and reimburses the County as individual bills are vetted and approved.

The serial bond has a 29-year term and matures on September 1, 2044. The debt service, which is an obligation of Sewer District 18, consists of level debt service payments of approximately \$1.3 million per year paid bi-annually. The EFC provides a subsidy worth half the interest cost, but the Sewer District must pay annual administrative costs that average approximately \$38,000 and are proportional to the outstanding principal.

Outfall at Sewer District # 3 - Southwest, CPs 8108.112 and .311

In September 2015, the County entered into an agreement with the EFC to obtain financing for the Final Effluent Pumping Station (FEPS) project at the Southwest Sewer District. The financing was issued pursuant to Bond Authorizing Resolution No. 1203-2011, as amended by Resolution No. 1010-2014, for CPs 8108.112 and .311 - Increase and Improvement of Facilities of Suffolk County Sewer District No. 3- Southwest - Outfall (Final Effluent Pumping Station).

This financing was for a total of \$12.7 million of which approximately \$3,627,500 will be in the form of a Storm Mitigation Grant. The remaining \$9,072,500 was borrowed by the EFC, which issued a BAN that is expected to be rolled over for five-years. The County draws down the proceeds as project costs are billed. The BAN was issued on September 24, 2015. It is interest-free and will mature on September 24, 2020. The final grant amount will be 25% of total project costs (not to exceed a previously provided project total) and is contingent on the BAN's conversion to long term financing with EFC.

The County began drawing funds against this BAN in December 2015. To date, \$3,427,339.87 of the BAN proceeds have been advanced. The principal payments will commence on or about September 24, 2017 and are estimated to be \$181,450 annually - assuming that the BAN has been fully drawn against by September 24, 2016. It is expected that the County will retire the BAN with proceeds from a sale of EFC Bonds in 2020.

Suffolk County Coastal Resiliency Initiative (SCCRI): Planning and Design for Nitrogen Reduction Projects, CP 8197.110 (General Fund Obligation)

On August 4, 2016, the County closed on \$20.4 million worth of BAN financing with the Environmental Facilities Corporation in connection with the Suffolk County Coastal Resiliency Initiative ("SCCRI"), which provides for the planning and design for nitrogen reduction projects under CP 8197.110. The BAN, half of which is interest-free and half of which bears interest at a rate of 0.72%, was issued pursuant to Resolution Nos. 721-2015 and 1167-2015. This funding covers the planning phase for a \$383 million project approved by the Governor's Office of Storm Resiliency to expand sewer service into parcels in the watersheds of four rivers (Carll's, Connetquot, Forge and Patchogue) on Suffolk's south shore. The \$20.4 million covers planning for only the first three of these rivers. The County and Village of Patchogue were not able to reach an agreement by the closing date for the BAN; therefore, the Village will have to arrange separately for its share, \$1.7 million, of the funding for the planning phase.

None of the sites included in this project are part of an existing sewer district. The \$20.4 million BAN is an obligation of the County's General Fund, under Capital Project 8197. Similar to other EFC-sponsored BANs, the County will draw funds as needed against the BAN, with money coming first from the interest-free allocation (until that \$10.2 million is exhausted) and then from the interest-bearing portion. According to the agreement Suffolk signed with the EFC, the County will begin repaying principal on August 1, 2018 at the rate of \$3.26 million annually (assuming that the BAN has been fully drawn by August 1, 2017). It is expected that the BAN will convert to serial bonds on the maturity date, August 4, 2021, by which time (again, assuming the BAN has been fully drawn by August 1, 2017) the County will have paid off the interest-free allocation in full and have paid an additional \$2.86 million towards debt service on the interest-bearing portion.

Outfall Pipe at Sewer District 3, CP 8197.113 and .312

On September 15, 2016, the County closed on a financing with the Environmental Facilities Corporation in connection with the Outfall at Sewer District # 3 – Southwest.

A three year BAN was issued in the amount of \$53,264,469. It is expected there will be additional BANs issued for this project as cash flow needs and construction progress, up to the \$207 million total cost of the project. It is also expected that the BAN will convert to serial bonds in 2021.

The BAN was issued pursuant to Resolution No. 426-2015 and is an obligation of Fund 203 under Capital Project 8108.113 and .312.

The principal payments will commence on September 15, 2018, and the first payment is estimated to be \$1,065,290 (assuming that the BAN has been fully drawn by September 15, 2017). EFC is using a factor of 2.0% to calculate the principal payments based on the 40 year period of probable usefulness (PPU) of the project.

The three year BAN (\$53 million) is interest free. Subsequent borrowings for this project will occur at the prevailing market rate of interest (to be determined).

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. The following chart includes a list of the recommended Fees for Services expenditures by department.

Fees For Services Expenditures by Department					
Department	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Audit & Control	\$430,110	\$478,593	\$478,593	\$502,250	\$498,593
Board Of Elections	\$37,387	\$58,900	\$58,900	\$50,000	\$50,000
Civilservice/Human Resources	\$852,236	\$454,000	\$353,656	\$449,000	\$410,000
County Clerk	\$90,158	\$38,000	\$447,982	\$40,000	\$40,000
District Attorney	\$558,630	\$687,500	\$578,720	\$690,000	\$675,000
Economic Development and Planning	\$807,885	\$2,706,435	\$1,280,116	\$2,216,435	\$1,126,090
Employee Benefits	\$11,813,135	\$12,598,898	\$12,490,935	\$11,876,275	\$11,876,275
Executive	\$477,722	\$838,315	\$384,800	\$553,315	\$497,200
Fire,Rescue, Emergency Svcs	\$115,546	\$9,874	\$214,751	\$10,394	\$4,844
Health Services	\$14,828,378	\$15,713,707	\$17,498,654	\$17,685,443	\$15,865,959
Information Technology Services	\$35,153	\$300,000	\$75,000	\$300,000	\$75,000
Labor, Licensing, and Consumer Affairs	\$2,986,216	\$1,426,262	\$1,574,393	\$1,037,500	\$1,037,500
Law	\$1,211,147	\$1,105,324	\$1,191,324	\$1,105,324	\$1,205,324
Legislature	\$34,886	\$125,000	\$115,000	\$108,000	\$108,000
Miscellaneous	\$618,323	\$645,900	\$654,500	\$645,900	\$655,900
Office of the Medical Examiner	\$147,219	\$55,650	\$236,375	\$54,250	\$45,000
Parks	\$20,078	\$43,585	\$36,551	\$41,750	\$41,450
Police	\$2,239,461	\$2,019,400	\$631,975	\$2,193,529	\$234,595
Probation	\$383,777	\$379,750	\$524,611	\$385,250	\$475,250
Public Administrator	\$7,500	\$7,125	\$7,500	\$12,000	\$12,000
Public Works	\$2,622,417	\$2,937,791	\$3,165,975	\$3,329,319	\$3,246,069
Sheriff	\$150,951	\$238,976	\$208,976	\$289,626	\$208,976
Social Services	\$3,553,342	\$4,013,409	\$3,803,528	\$4,199,648	\$3,950,001
Suffolk County Ethics Board	\$62,085	\$110,675	\$110,675	\$176,500	\$110,675
Traffic Violations Bureau	\$10,001,761	\$9,688,385	\$9,539,731	\$7,823,950	\$9,223,950
Vanderbilt Museum	\$252,411	\$140,000	\$446,358	\$375,000	\$375,000
Total	\$54,337,915	\$56,821,454	\$56,109,579	\$56,150,658	\$52,048,651

The 2017 Recommended Operating Budget includes \$52 million for Fees for Services, or 1.76% of total expenditures across all funds. The 2017 recommended amount is approximately seven percent or \$4.1 million less than the 2016 estimate. Significant changes include:

- Health Services: A net decrease of \$1.6 million, which is mainly due to a decrease in grant appropriations including \$1.2 million in state grants for septic-cesspool wastewater treatment programs, and more than \$600,000 in federal grants under the National Estuary Program.

- **Employee Benefits:** A decrease of \$614,660 is due to a reduction of \$684,357 for Major Medical – Administration and a reduction of \$266,139 for Hospital – Administration, partially offset by an increase of \$286,000 for the County’s health insurance consultant, and increase of \$49,000 for administration of other components of the Employee Medical Health Plan (EMHP).
- **Labor, Licensing, and Consumer Affairs:** A decrease of \$536,893 for labor programs provided by outside contractors is based on a reduction in Workforce Innovation and Opportunity Act aid.
- **County Clerk:** A decrease of \$407,982, which is mainly due to a \$405,107 state grant for a Local Government Records Management Improvement Program received in 2016, but not included in 2017.
- **Police:** A decrease of \$397,380, which is due primarily to the discontinuation of the Shot Spotter Program.
- **Traffic and Parking Violations Agency:** A net decrease of \$315,781 accounts for decreased costs associated with the award of a contract for a case management software program for all traffic and parking violations, which is partially offset by increased costs associated with the payment to the red light camera vendor (Xerox).
- In the aggregate, the 2017 recommended amount is \$4.1 million or seven percent less than requested. The difference in recommended funds for Fees for Services compared to the request is due to: (1) approximately \$1.9 million less for Police, which is due to the fact that revenue sharing to Public Safety Answering Points (PSAPs) is included in object 4983 instead of 4560, starting in 2016 and a \$350,000 reduction for Shot Spotter, (2) \$1.8 million less for Health Services of which \$750,000 less is for the Patient Care Programs, \$600,000 less is for Jail Medical and \$469,454 less for a variety of other programs, (3) \$1.1 million less for the Economic Development and Planning, which is \$850,000 less for economic development administration and \$261,000 less for the aviation division. These funds were primarily intended to hire various consultants for marketing of economic development initiatives and marketing of the Francis S. Gabreski Airport.
- Recommended funding exceeds the requested amount by \$1.4 million in the Traffic Violations Bureau. The difference is based on the Executive’s projection of Red Light Camera Ticket Fines (Revenue Code 2643) compared to the TPVA’s lower estimate.

Self Insurance Fund (038)

Suffolk County assumes most of the financial risk against claims resulting from workers' compensation injuries, medical malpractice, automobile accidents, negligence, etc. The County also maintains stop-loss insurance coverage for highly unusual or catastrophic events, which limits risk exposure to a predetermined threshold for a covered event; the excess loss is paid for by the third party insurer.

First instance funding against all insurance risk exposures is provided through the County's Self Insurance Fund. This allotment of funds is provided for through budgetary transfers from each fund based upon claims payments and risk analysis. The General Fund and the Police District Fund have the greatest exposure and therefore, the greatest cost. In the event Self Insurance Fund appropriations are inadequate to cover losses resulting from court awards or negotiated settlements, the County is able to bond the required settlement payment and pay off the resulting debt over a period of time.

In addition to workers' compensation and settlements paid from cash reserves, the fund covers the cost of insurance premiums, debt service on bonded settlements, and other internally incurred costs for the administration of the Insurance and Risk Management Division and the Insurance Tort Unit of the Department of Law.

Status of Funds

When the County authorizes bonds to pay for settlements, the revenue is included in the budget in the same year that the expense is incurred. However, when bonded settlements are approved in the second half of the year, it is often too late to include the settlements in the fall borrowing. When bond proceeds are received from the spring borrowing in the following year the revenue is accrued back to the year that the expenditures were incurred. Starting in 2016, the County's outside auditors are requiring that revenue from bond proceeds only be included in the budget in the year the bonds were issued. As a result of this requirement, \$151,801 in revenue for expenses already paid this year will not be recognized until 2017, resulting in an estimated 2016 year-end deficit of the same amount (See the following table). Going forward, the County will only approve settlements in the first half of each year in order to ensure that bond issues will take place in the year that they are authorized.

Status of Fund 038		
2016	As of Date	2017
Estimated	Period of Time	Recommended
(\$1,678,141)	Fund Balance, January 1	(\$151,801)
\$54,946,794	Plus Revenues, Jan. 1-Dec. 31	\$56,312,164
\$53,268,653	Total Funds Available	\$56,160,363
\$53,420,454	Less Expenditures, Jan. 1-Dec. 31	\$56,160,363
(\$151,801)	Fund Balance, Dec. 31	\$0

Revenue

Interfund transfers account for the majority of revenue to Fund 038, representing 82% of all revenue in 2015; however, they represent 95% of total revenue in the 2017 Recommended Budget

because the recommended budget does not typically anticipate bond proceeds for liability settlements. The following chart shows a breakdown of revenues to the Self Insurance Fund.

038-Self Insurance Fund Revenue	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Total Revenue	\$58,918,083	\$55,948,706	\$54,946,794	\$56,230,305	\$56,312,164
Interfund Revenue	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Fund 001-General Fund	\$24,203,744	\$26,962,671	\$24,847,885	\$26,903,521	\$26,541,291
Fund 016-Interdepartment Operation & Service	\$388,732	\$496,430	\$457,493	\$496,430	\$468,751
Fund 039-Employee Medical Health Plan	\$17,525	\$19,149	\$17,647	\$19,149	\$19,843
Fund 102-Public Safety E-911	\$214,455	\$328,115	\$302,380	\$328,115	\$367,634
Fund 105-County Road Fund	\$431,462	\$489,052	\$450,694	\$489,052	\$463,957
Fund 115-Police District	\$18,201,996	\$19,373,863	\$17,854,296	\$19,373,863	\$19,863,145
Fund 136-Traffic Violations Bureau	\$40,526	\$60,136	\$55,419	\$60,136	\$66,274
Fund 192-Hotel/Motel Tax	\$21,863	\$25,932	\$23,898	\$25,932	\$27,293
Fund 203-Southwest Sewer District	\$528,513	\$547,351	\$504,420	\$547,351	\$575,731
Fund 259-Building/Sanitation Administration	\$166,555	\$178,660	\$164,647	\$178,660	\$155,167
Fund 261-Sewer Maintenance	\$697,408	\$786,222	\$724,556	\$786,222	\$701,771
Fund 320-Workforce Investment	\$93,446	\$123,693	\$113,991	\$123,693	\$127,042
Fund 351-Community Development	\$8,762	\$11,560	\$10,653	\$11,560	\$11,641
Fund 360-Medicaid Compliance	\$1,208,187	\$1,196,732	\$1,102,868	\$1,196,732	\$1,083,361
Fund 477-Water Protection	\$195,332	\$195,562	\$180,223	\$195,562	\$188,335
Fund 625-Gabreski Airport	\$8,762	\$7,381	\$6,802	\$7,381	\$12,181
Fund 818-Suffolk County Community College	\$2,056,399	\$2,785,547	\$2,485,547	\$2,826,296	\$2,826,296
Total	\$48,483,667	\$53,588,056	\$49,303,419	\$53,569,655	\$53,499,713
Other Revenue	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Compensation For Loss	\$846,787	\$600,000	\$700,000	\$700,000	\$700,000
Insurance Recovery (Work Comp)	\$1,606,352	\$1,700,000	\$1,900,000	\$1,900,000	\$1,900,000
Other	\$74,931	\$60,650	\$60,649	\$60,650	\$60,650
Proceeds: Debt	\$7,906,346	\$0	\$2,982,726	\$0	\$151,801
Total	\$10,434,416	\$2,360,650	\$5,643,375	\$2,660,650	\$2,812,451

Expenditures

Workers' compensation is by far the fund's largest expense. The \$32.8 million spent on workers' compensation in 2015 accounted for 54% of the fund's total budget; 65% of all liability expenditures. Workers' compensation costs increased 1.9% from \$32.2 million in 2014 to \$32.8 million in 2015. Due to increased costs in the maximum weekly benefit as well as escalating medical costs, the 2016 Adopted Budget included \$34.6 million; a 5.4% increase. According to Risk Management, the County has benefited from favorable decisions in workers' compensation cases in 2016 resulting in an estimated expense of \$31.3 million, which is the lowest it has been since 2012. Risk Management does not anticipate that this trend will continue in 2017. Accordingly, the Division requested \$34.6 million in 2017; the recommended budget provides \$34.4 million.

Based on year-to-date expenditures, the 2016 estimate for workers' compensation is reasonable. Although almost ten percent more than estimated in 2016, the 2017 recommended budget is also reasonable as Risk Management has indicated that recent changes in the courts are likely to reverse

the favorable trend that began in 2016. In addition to the increased costs for workers' compensation medical expenses, the maximum weekly benefit was increased again on July 1, 2016 from \$844.29 to \$864.32; the maximum weekly benefit has more than doubled since 2006.

Liability settlements are typically the next largest expense to the Self Insurance Fund. In recent years, the County has paid for an overwhelming majority of settlements by issuing serial bonds. As a result, Fund 038 debt service has become one of the fund's fastest growing expenses. The following table shows Self Insurance Fund expenditures by major category.

038-Self Insurance Fund Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Total Expenses	\$61,022,145	\$55,948,706	\$53,420,454	\$56,078,504	\$56,160,363
Personnel, Supplies, and Operational Expenses	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Law: Insurance Tort Unit	\$2,226,837	\$2,313,555	\$2,443,874	\$2,445,881	\$2,492,598
Insurance & Risk Management	\$1,402,278	\$1,500,826	\$1,462,541	\$1,513,553	\$1,533,674
Employee Benefits	\$2,159,157	\$2,116,766	\$2,071,873	\$2,101,511	\$2,195,676
Total	\$5,788,271	\$5,931,147	\$5,978,288	\$6,060,945	\$6,221,948
Liability Expenses	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Auto Liability	\$953,624	\$626,000	\$1,110,100	\$626,000	\$731,000
Auto Physical Damage	\$1,398,849	\$1,500,500	\$1,460,100	\$1,500,500	\$1,500,500
Bus-3CD	\$4,221,480	\$1,051,000	\$879,200	\$1,051,000	\$1,001,000
Employee Practices Liability	\$59,999	\$50,000	\$0	\$50,000	\$50,000
General Liability	\$5,859,895	\$781,000	\$2,330,200	\$781,000	\$831,000
Medical Malpractice	\$825,000	\$50,000	\$28,506	\$50,000	\$50,000
Unallocated Insurance	\$4,529,898	\$5,076,641	\$4,533,942	\$5,076,641	\$5,050,000
Vdt Claims	\$58,405	\$60,000	\$94,000	\$60,000	\$65,000
Workers' Compensation	\$32,846,935	\$34,626,000	\$31,347,200	\$34,626,000	\$34,411,000
Total	\$50,754,085	\$43,821,141	\$41,783,248	\$43,821,141	\$43,689,500
Other Expenses	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Debt Service	\$4,249,723	\$5,974,032	\$5,433,049	\$5,974,032	\$6,006,360
Transfer to Interdepartment Oper Fd	\$230,066	\$222,386	\$225,869	\$222,386	\$242,555
Total	\$4,479,789	\$6,196,418	\$5,658,918	\$6,196,418	\$6,248,915

The above liability expenses include the cost of settlements, which are typically recommended and adopted at a fraction of their eventual cost. The 2015 Adopted Budget included \$1.5 million for settlements (objects 4880 and 8505, not shown separately in the previous table); actual expenses were \$10.6 million. The 2016 Adopted Budget included \$1.2 million; the 2016 estimate is \$3.3 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.

Since 2006, the County has borrowed for 71% of the cost of settlements. Debt service associated with borrowing is becoming an increasing share of settlement costs. Over the past eleven years, debt service has averaged \$2.3 million, but is estimated at \$5.4 million this year and is recommended at \$6 million in 2017. Debt service on past settlements now exceeds the average annual cost for new settlements. The following table shows settlement financing since 2006.

Self-Insurance Fund (038) Liability Settlements				
	Revenue	Expenditures		
	Bond Proceeds (038-2780) (1)	Settlements: (Obj 4880 and 8505) (2)	% of Settlements Financed by Bonds (3) = (1) / (2)	Debt Service on Bond Proceeds (038-9710) (4)
2006	\$0	\$2,676,096	0%	\$1,399,547
2007	\$2,500,000	\$4,873,179	51%	\$1,413,120
2008	\$1,475,000	\$4,522,143	33%	\$1,588,852
2009	\$3,125,000	\$4,813,298	65%	\$1,264,556
2010	\$2,372,583	\$4,492,050	53%	\$1,506,721
2011	\$9,548,987	\$9,848,218	97%	\$1,673,519
2012	\$6,105,000	\$7,004,886	87%	\$1,444,069
2013	\$2,471,624	\$3,900,670	63%	\$2,488,819
2014	\$5,002,309	\$5,606,858	89%	\$3,183,849
2015	\$7,906,346	\$10,626,721	74%	\$4,249,723
2016 Est.	\$3,298,506	\$3,298,506	100%	\$5,433,049
2017 Rec.	\$151,801	\$1,400,000	11%	\$6,006,360
Summary of Liability Settlements (2006-2016)				
Total	\$43,805,355	\$61,662,624	71%	\$25,645,823
Average	\$3,982,305	\$5,605,693	65%	\$2,331,438

Budget Review Office Recommendations

When the County's fiscal situation improves, the Legislature should consider increasing cash reserves for settlements to reduce the need to issue serial bonds to cover liability expenses. Based on average settlement payments shown in the previous table, in order to avoid borrowing altogether, the operating budget would need to include \$5.6 million. In 2017, this would equate to an additional \$4.2 million over the recommended amount.

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 pursuant to New York State Highway Law Section 114, which dictates that all highway funds be segregated in a common fund, such as Fund 105. 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.

Status of Fund 105			
2016 Adopted	2016 Estimated	As of Date Period of Time	2017 Recommended
\$0	(\$1,064,920)	Fund Balance, January 1	\$28,861
\$31,075,807	\$26,668,705	Plus Revenues, Jan. 1-Dec. 31	\$34,015,790
\$31,075,807	\$25,603,785	Total Funds Available	\$34,044,651
\$31,075,807	\$25,574,924	Less Expenditures, Jan. 1-Dec. 31	\$34,044,651
\$0	\$28,861	Fund Balance, Dec. 31	\$0

Issues for Consideration

Motor Vehicle Registration Surcharge Revenues

Resolution No. 991-2015, adopting Local Law No. 33-2015, amended Chapter 603 of the Suffolk County Code, and went into effect November 25, 2015. The amendment changed the rate Suffolk taxes on the use of passenger motor vehicles, collected by the New York State Department of Motor Vehicles (NYSDMV), from \$5 annually to \$15 annually for vehicles weighing less than 3,500 pounds and from \$15 annually to \$30 annually for vehicles exceeding 3,500 pounds and commercial vehicles, as permitted by the Vehicle and Traffic Law and sub-sections 1201 Subdivision (e) and 1202 (c) and (g) of the NYS Tax Law.

The 2016 Omnibus Resolution increased 2015 estimated revenue by \$1,584,690 in anticipation of fast tracking a resolution that would allow the augmented rates to be collected effective December 1, 2015. Additionally, 2016 revenues were adopted at \$24,271,690 as was included within the 2016 Recommended Budget. Delays associated with implementing the augmented fee until June 1, 2016 for new vehicles and August 1, 2016 for renewals have resulted in reductions to the anticipated revenue in 2016. Based upon actual revenues of \$7,277,257 through July, according to the County's Integrated Financial Management System (IFMS) as of September 24, 2016 and NYSDMV records indicating expiring registrations of 202,536 passenger and commercial vehicles in Suffolk County throughout the remainder of 2016, BRO estimates 2016 revenue of \$16,531,237. The recommended budget estimates 2016 revenue of \$19,469,330; therefore BRO recommends decreasing 2016 estimated Motor Vehicle Registration Surcharge revenue by \$2,938,093.

Additionally, the recommended budget includes revenue of \$27,063,691 from motor vehicle use fees in 2017 while the departmental request included \$24,791,690. BRO projects 2017 revenue of \$24,907,500, which is \$2,156,191 less than recommended. Our projection is based upon NYSDMV records indicating 548,734 passenger and commercial vehicles with registrations expiring in 2017, and assumes that the number of non-renewals of expiring registrations equals the number of new car registrations. Based on BRO projections, the combined (2016 and 2017) budget shortfall is \$5,094,284. Reductions in expenditures or increases in other revenue of a similar magnitude would

be necessary in Fund 105 or the General Fund. That being said, there are insufficient surpluses in the 2017 Recommended Budget to offset this shortfall.

Line Item Expenditure Detail

Consideration should be given to moving additional highway related expenditures into Fund 105 in conjunction with a reduction to the interfund transfer made by Fund 105 to Fund 001 to reimburse it for highway related expenditures that it incurs. This would allow for line item expenditure detail, which is not seen utilizing the current methodology, resulting in increased transparency.

Budget Review Office Recommendations

Revenue								
Fd	Dept	Rev	Revenue Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
105	DPW	1760	Motor Vehicle Reg Surcharge	\$19,469,330	-\$2,938,093	\$27,063,691	-\$2,156,191	D

RD County Road Fund 105 17

Police District Fund (115)

Status of Fund 115			
2016 Adopted	2016 Estimated	As of Date Period of Time	2017 Recommended
(\$4,893,554)	(\$7,139,914)	Fund Balance, January 1	(\$6,966,893)
\$644,540,168	\$643,499,055	Plus Revenues, Jan. 1-Dec. 31	\$659,867,135
\$639,646,614	\$636,359,141	Total Funds Available	\$652,900,242
\$639,646,614	\$643,326,034	Less Expenditures, Jan. 1-Dec. 31	\$652,900,242
\$0	(\$6,966,893)	Fund Balance, Dec. 31	\$0

The recommended Police District budget estimates a 2016 year-end deficit of \$6.97 million. The shortfall is attributed to (1) a 2015 year-end deficit carried over into 2016 that was \$2.23 million more than adopted, (2) estimated revenue that is \$1.04 million less than adopted, and (3) expenditures that are estimated to be \$3.68 million more than adopted.

The 2017 Recommended Police District budget is balanced by (1) increasing revenue by \$15.3 million more than was adopted for 2016, (2) limiting the increase in expenditures to \$13.3 million more, and (3) using the \$2 million difference to adjust for the additional fund balance deficit that is estimated at the end of 2016.

Most of the \$15.3 million increase in revenue is made up of:

- (1) a \$20.3 million (3.89%) increase in the Police District property tax (from \$521.5 million to \$541.8 million).
- (2) \$18.9 million in Police District revenue from the proceeds of a Bond Anticipation Note (BAN) to pay for Police SCAT pay (terminal sick and vacation). There is an additional \$7.8 million to pay for Police SCAT pay in the General Fund, for a combined total of \$26.7 million.
- (3) An increase of \$3.9 million in Interfund revenue from the Traffic Violations Bureau (TVB).
- (4) A \$2.3 million reduction in alarm permit fees and fines.
- (5) A decrease in Police District sales tax revenue of \$26.1 million (from \$63.1 million to \$37 million).

It should be noted that some of these recommended revenue increases may not be realized. In particular,

- (1) The BAN to pay for Police SCAT pay requires State approval and, as explained to us by the administration, the plan is to ask for the authority to issue \$60 million in BANs over two years (2017 and 2018).
- (2) As noted in our write-up on the TVB, 2017 Recommended TVB revenue may be overstated.
- (3) There are three competing introductory resolutions that would reduce or eliminate the fire alarm program (IR 1493-2016, IR 1771-2016 and IR 1875-2016).

Finally, the 2017 Recommended increase in Police District expenditures is limited by transferring a net 72 positions from the Police District to the General Fund. We estimate that these transfers will result in a net shift in cost from the Police District to the General Fund of approximately \$11.3 million in 2017.

JO SOF 115 17 (RL)

Hotel Motel Tax Fund (192)

The Hotel Motel Tax is a three percent tax that applies to facilities in the County which provide lodging on an overnight basis. “Permanent residents”, occupying a hotel or motel room for at least 30 consecutive days, are exempt from the tax. Hotel Motel Tax revenue is intended to promote the County’s tourism and convention business and to support cultural programs relevant to the tourism industry.

In 2015, state legislation was passed which authorized the extension of the County’s authority to impose hotel and motel taxes, and Resolution No. 1017-2015 provided the local authorization to extend the tax through the end of 2017. Although the Hotel Motel Tax is already in place for 2017, any desired extensions or modifications to the current program can now be considered, as it takes time to obtain the necessary state authorization,

Revenue Projection and Fund Balance

Status of Fund 192			
2016 Adopted	2016 Estimated	As of Date Period of Time	2017 Recommended
\$662,730	\$1,362,019	Fund Balance, January 1	\$699,289
\$9,664,719	\$9,664,719	Plus Revenues, Jan. 1-Dec. 31	\$10,633,824
\$10,327,449	\$11,026,738	Total Funds Available	\$11,333,113
\$10,327,449	\$10,327,449	Less Expenditures, Jan. 1-Dec. 31	\$11,333,113
\$0	\$699,289	Fund Balance, Dec. 31	\$0

Recommended revenue in 2017 is approximately \$10.6 million, which is an increase of 9.9% from the 2016 estimate. By past practice, the 2016 estimated revenue is not changed from the adopted amount, but based on the Integrated Financial Management System as of October 1, 2016, the County had received approximately 9.5% more Hotel Motel Tax revenue (Revenue Code 1152) than at this time in 2015. Year to year revenue can be affected by weather, the economy, and other factors, but based on a two year projection, reflecting growth in 2016 and 2017, the County Executive’s recommended 2017 tax appears reasonable.

The January 1, 2017 starting fund balance of \$699,289, as seen in the top right of the table above, consists of a combination of 2015 actual unspent funding and 2015 surplus revenue. The fund balance is allocated back to each component, as applicable, in 2017. Recommended new 2017 revenue plus the fund balance provides a total of approximately \$11.3 million available to allocate in 2017. Any 2016 surplus will be allocated to the proper fund component in 2018, once 2016 year-end actuals are known.

Allocation Formula and Expenditure

The Vanderbilt Museum and Cultural Affairs collectively are allotted 20%. In 2015 and 2016, the Legislature exercised an option to increase the funding level for Cultural Affairs from its original 10% allocation. An increase of up to one percent per year, to a maximum of 15%, is permitted, with a commensurate decrease applied to the Vanderbilt Museum. The allocation for Cultural Affairs was 10.5% in 2015 and 11% in 2016. As a result, the allocation for the Vanderbilt Museum was 9.5% in 2015 and 9% in 2016. The 2017 recommended funding for Cultural Affairs and the Vanderbilt Museum is nearer the original 10% funding level for each. The Legislature has several

options in the 2017 allocation. If it intends to be consistent with the intent of the recommended budget, minor technical corrections would still be needed for Cultural Affairs, the Vanderbilt Museum, and Historic Services.

The following table demonstrates the allocation percentages to Hotel Motel components. The recommended revenue will not precisely match allocation percentages due to the incorporation of the fund balance distributions, which are variable.

Program Component	Percent Allocation of New Revenue	2016 Estimated Expenditure ¹	2017 Exec. Rec. Expenditure ²	17 Rec - 16 Est. Expenditure
Tourism Promotion (LICVB) ³ (EDP-6413)	24% (\$2 million max)	\$2,000,000	\$2,000,000	\$0
Cultural Affairs (EDP-6414: Operating Expenses - Includes Contract Agencies)	11% in 2016, 10.5% in 2015 Approx. 10% in 2017 Rec.	\$1,106,421	\$1,164,717	\$58,296
Vanderbilt Museum ⁴ (Accredited Museums (Now PKS 7515, previously MSC-7515))	9% in 2016, 9.5% in 2015 Approx. 10% in 2017 Rec.	\$873,954	\$1,104,770	\$230,816
Parks Historic Services ⁵ (PKS-7510: Operating Expenses - No Contract Agencies)	20%	\$2,431,934	\$2,334,016	(\$97,918)
Parks Museums and Historic Assoc. (PKS-7512: All Contracted Agencies)	6.5%	\$380,319	\$473,891	\$93,572
Suffolk County Historical Society (SCHS) (JGHI, Now PKS-7512, previously MSC-7516)	Shared: Parks 7512 and SCHS	\$300,000	\$300,000	\$0
Film Promotion (EDP-6415: Operating Expenses - Includes Contract Agencies)	2% or less	\$236,225	\$237,976	\$1,751
Walt Whitman Birthplace (JGII, Now PKS-7516, previously MSC-7516)	1.5%	\$145,590	\$165,716	\$20,126
General Fund (001-R192)	26% (or all remaining)	\$2,853,006	\$3,552,027	\$699,021
TOTAL	100%	\$10,327,449	\$11,333,113	\$1,005,664

1. The 2016 estimated component expenditure was unchanged from the 2016 adopted expenditure.

2. The 2017 recommended expenditure includes the variable distribution of a fund balance, in addition to the new revenue allocation by formula.

3. The legislation provides for a 24% allocation, capped at \$2 million, for a Tourism Promotion Agency (typically the Long Island Convention and Visitor's Bureau, or LICVB). The LICVB has been at the cap since 2013.

4. The 2017 recommended expenditure for the Vanderbilt Museum appears proportionately larger than the 2016 estimate because it received only a 9% allocation in 2016, while the 2017 recommended expenditure is based on an approximate 10% allocation.

5. Recommended expenditure for Parks Historic Services was less than the 2016 estimate primarily because that Division had a larger fund balance distribution in 2016 than in 2017. In addition, there was a minor technical error in the 2017 distribution.

Issues for Consideration

The County Comptroller took over the function of collecting and administering the tax (previously a responsibility of the County Treasurer) on January 1, 2016. The Comptroller has made a concerted effort to ensure that entities properly register, collect, and remit the tax. This initiative has resulted in a new revenue budget line for Hotel Motel Tax (192-AAC-2702- Audit Recoveries), which represents collected back taxes, with a three year look-back. Audit Recoveries of \$72,258 in 2015 reflect a partial year of the initiative. No audit recovery funding is included in the 2016 estimate or 2017 recommended budget, but recoveries are expected to approach \$400,000 in 2016. This amount is expected to decline substantially in 2017, as Audit and Control has already captured a significant amount of the back taxes. Although the trajectory of this budget line may not continue to increase, the effort to bring non-compliant entities into the program will likely have a

positive long-term effect on Hotel Motel Tax revenue received, going forward, as a result of expanding the tax base. Audit and Control estimates it has almost doubled the number of registering entities.

There may be a largely untapped market of rental entities that use third party internet rental sites, such as Airbnb, VRBO, and TripAdvisor. In other municipalities, arrangements have been made for these sites to collect and submit the Hotel Motel Taxes on behalf of hosts, but the anonymity of entities on these sites makes it difficult for Suffolk to collect these taxes under current County law. Third party collection and remittance of the tax would simplify the process for the users of these sites and would likely result in enhanced collections. Changes to County law or enforcement procedures would enable third party collection and remittance, enhancing compliance for Suffolk County rentals being advertised on these sites.

The next renewal of the Hotel Motel Tax, for 2018, will be subject to state legislation, which can take some time. This will present an opportunity to redefine and clarify the lodging entities that are responsible for paying the tax, to consider increasing the rate of the tax, and to reconsider the way the tax is allocated. Allocation considerations may include: providing a portion of funding for administration and enforcement activities, providing capital funding for historic preservation, providing funding for the creation of year-round tourist attractions, and re-considering the current two million dollar cap on the Long Island Convention and Visitors Bureau.

Contract Agencies

Cultural

The following table contains cultural contracted agencies with 2016 estimated expenditures totaling \$763,840. The Long Island Philharmonic, Inc. had 2016 adopted funding of \$12,500, which was not included in the estimate. Not reflected in the table is recently adopted Resolution No. 839-2016, which utilized the estimated \$5,000 for Companion Star as an offset to provide funding for William Floyd Community Summit.

2016 Estimate Detail for Individual Cultural Affairs Contracted Agencies, Totaling \$763,840					
Act. Code	Activity Name	2016 Estimate	Act. Code	Activity Name	2016 Estimate
BBU I	ISLIP ARTS COUNCIL	\$40,000	JHWI	TEATRO EXPERIMENTAL YERBABRUJA, INC.	\$20,000
GSZI	GREATER PORT JEFF ART COUNCIL	\$10,000	JIDI	NORTH FORK COMMUNITY THEATER	\$5,000
GTGI	WESTHAMPTON BCH PERFORM ARTS	\$20,000	JIYI	LONG ISLAND PHILHARMONIC, INC.	\$0
GVUI	BAYPORT-BLUE PT CHAMB. OF COMM.	\$5,000	JJWI	SMITHTOWN PERFORMING ARTS COUNCIL, INC.	\$50,000
GWOI	KINGS PARK CHAMBER OF COMMERCE	\$5,000	JKSI	EAST END ARTS COUNCIL - HARVEST GOSPEL CONCERT SERIES	\$5,000
GWZI	PATCHOGUE THEATER FOR PERF ART	\$12,500	JKYI	EAST END TOURISM ALLIANCE	\$15,000
GXGI	SMITHTOWN CHMBR OF COMM	\$5,000	JKZI	LONG ISLAND LATINO TEACHERS ASSOCIATION, INC.	\$10,000
GZWI	BAY STREET THEATER	\$20,000	JNXI	LUMIERE	\$6,000
HANI	GUILD HALL OF EAST HAMPTON	\$20,000	JNYI	THEATER THREE	\$15,000
HFHI	EAST END SPECIAL PLAYERS	\$5,000	JNZI	HOLBROOK CHAMBER OF COMMERCE	\$8,000
HHFI	FRIENDS OF SMITHTOWN LIBRARY	\$32,500	JPII	PATCHOGUE ARTS COUNCIL, INC.	\$10,000
HHJI	NESCONSET CHAMBER OF COMMERCE	\$22,500	JPKI	THE REBOLI CENTER FOR ART AND HISTORY	\$10,000
HJNI	PARISH ART MUSEUM	\$10,000	JPLI	GALLERY NORTH, INC. WET PAINT FESTIVAL	\$10,000
HJUI	BRENTWOOD CHAMBER OF COMMERCE	\$5,000	JPMI	HER STORY	\$5,000
HLTI	CHILDREN'S MUSEUM OF THE EAST END	\$10,000	JPNI	STAR PLAYHOUSE AT THE SUFFOLK YJCC	\$42,500
HOWI	PUERTO RICAN COALITION FOR A BETTER COMMUNITY	\$5,000	JPOI	PERFORMING ARTS CENTER OF SUFFOLK COUNTY	\$20,000
HQBI	SPLASHES OF HOPE	\$5,000	JPQI	SPIRIT OF HUNTINGTON ARTS CENTER	\$5,000
HVPI	SOUTHAMPTON CULTURAL CENTER	\$5,000	JPRI	LONG HOUSE RESERVE	\$6,000
HWFI	MEDFORD CHAMBER OF COMMERCE	\$17,500	JQMI	SACHEM PUBLIC LIBRARY	\$5,000
HWHI	EAST END ARTS COUNCIL - WINTERFEST	\$10,000	JQWI	LISCA	\$5,000
JBXI	BABYLON CITIZENS COUNCIL ON THE ARTS	\$12,500	JQXI	GREATER MASTIC BEACH CHAMBER OF COMMERCE	\$5,000
JBYI	BABYLON VILLAGE ARTS COUNCIL	\$7,000	JQYI	TOWNSHIP THEATRE GROUP	\$5,000
JEA I	FISCHER-HEWINS VFW POST 6249	\$30,000	JQZI	BARE BONES THEATER COMPANY	\$5,000
JERI	BELLPORT CHAMBER OF COMMERCE	\$10,000	JRAI	PATTERSQUASH CREEK CIVIC ASSOC	\$5,000
JEYI	MASTIC BEACH PROPERTY OWNERS ASSOCIATION	\$6,000	JRBI	VAIL-LEAVITT MUSIC HALL	\$5,000
JEZI	REFLECTIVE GARDENS AT COMMON GROUND	\$15,000	JTKI	SYLVESTER MANOR	\$5,000
JGVI	HUNTINGTON CHAMBER OF COMMERCE, LI FALL FESTIVAL	\$40,000	JTNI	MOUNT SINAI HERITAGE TRUST	\$5,000
JGWI	HUNTINGTON ARTS COUNCIL, SUMMER ARTS FESTIVAL	\$35,000	JTOI	GREATER GORDON HEIGHTS CIVIC ASSOC.	\$5,000
JGYI	COPIAGUE CHAMBER OF COMMERCE	\$10,000	JTPI	THE COLTRANE HOME	\$5,000
JHAI	LONG ISLAND WINE COUNCIL	\$15,000	JWGI	ISLAND SYMPHONY ORCHESTRA	\$5,840
JHCI	GALLERY NORTH, INC	\$10,000	JWHI	COMPANION STAR	\$5,000

In addition to the cultural agencies above, a portion of funding is typically allocated to various agencies by resolution, based on the advisory recommendation of the Citizens' Advisory Board for the Arts (CAB). The 2016 adopted amount of \$226,794 was allocated by Resolution No. 446-2016, as shown in the following two tables.

RESOLUTION NO. 446-2016	
Cultural Tourism Direct Awards	2016 Grant
Bay Street Theatre Festival Inc.	\$5,000
East End Arts and Humanities Council, Inc. (Jumpstart)	\$7,000
East End Arts and Humanities Council, Inc. (Exhibition)	\$5,000
Friends of Mitchell Park	\$5,000
Islip Arts Council, Inc. (Exhibition)	\$5,000
Heckscher Museum of Art, Inc.	\$5,000
Patchogue Arts Council (Art on Terry)	\$5,000
Performing Arts Center of Suffolk County dba Gateway Playhouse	\$7,000
Sol y Sombra Spanish Dance Co.	\$5,000
Southampton Cultural Center	\$5,000
Teatro Experimental Yerbabruja, Inc.	\$5,000
Theatre Three	\$5,000
Westhampton Beach Performing Arts Center, Inc.	\$5,000
Subtotal	\$69,000
Destination Downtown Awards	2016 Grant
Patchogue Arts Council, Inc.	\$25,000
Wyandanch Plaza Association	\$25,000
Subtotal	\$50,000

RESOLUTION NO. 446-2016			
Contract Agency	Program Sub-Contractor	2016 Grant	Admin. Fee
Babylon Citizens Council on the Arts	Divaria Productions	\$2,000	\$400
Babylon Citizens Council on the Arts	Island Senior Citizens Orchestra, Inc.	\$2,000	\$400
Babylon Citizens Council on the Arts	Long Island Music Hall of Fame	\$3,504	\$700
Babylon Citizens Council on the Arts	Studio Theatre of LI, Inc.	\$3,500	\$700
Babylon Citizens Council on the Arts	The Babylon Chorale	\$2,500	\$500
	<i>Subtotal</i>	<i>\$13,504</i>	<i>\$2,700</i>
Brookhaven Arts Council	Greater Port Jefferson Art Council (Street Acoustic)	\$2,500	\$500
Brookhaven Arts Council	Guild Hall of East Hampton	\$3,083	\$617
Brookhaven Arts Council	Hallockville, Inc.	\$2,500	\$500
Brookhaven Arts Council	Islip Arts Council (IAM Unifying)	\$3,000	\$600
Brookhaven Arts Council	Smithtown Historical Society	\$2,000	\$400
	<i>Subtotal</i>	<i>\$13,083</i>	<i>\$2,617</i>
East End Arts Council	Bridgehampton Chamber Music Festival	\$2,000	\$400
East End Arts Council	Children's Museum of the East End (Creating in the Community)	\$1,500	\$300
East End Arts Council	Northeast Stage	\$2,500	\$500
East End Arts Council	Parrish Art Museum	\$2,000	\$400
East End Arts Council	Perlman Music Program	\$1,500	\$300
East End Arts Council	Research Foundation of SUNY, Paul W. Zuccaire Gallery at Staller Center	\$2,000	\$400
East End Arts Council	Stony Brook Foundation, Inc. (Pollock-Krasner House)	\$1,500	\$300
	<i>Subtotal</i>	<i>\$13,000</i>	<i>\$2,600</i>
Port Jefferson Arts Council	Asian-American Cultural Circle of Unity	\$3,000	\$600
Port Jefferson Arts Council	Music Lovers	\$1,500	\$300
Port Jefferson Arts Council	Suffolk County Archeological Association	\$1,500	\$300
Port Jefferson Arts Council	Ward Melville (Harbor Jazz Festival)	\$3,083	\$617
Port Jefferson Arts Council	Ward Melville (Summer Concerts on the Green)	\$3,000	\$600
	<i>Subtotal</i>	<i>\$12,083</i>	<i>\$2,417</i>
Huntington Arts Council	Long Island Baroque Ensemble	\$3,000	\$600
Huntington Arts Council	Northport Arts Coalition	\$1,500	\$300
Huntington Arts Council	Ridotto Arts Organization, Inc.	\$3,000	\$600
Huntington Arts Council	Society for the Preservation of LI Antiquities	\$2,000	\$400
Huntington Arts Council	Sound Symphony Orchestra	\$2,000	\$400
Huntington Arts Council	West Islip Symphony Orchestra	\$1,500	\$300
	<i>Subtotal</i>	<i>\$13,000</i>	<i>\$2,600</i>
Islip Arts Council	Babylon Citizens Council on the Arts	\$2,500	\$500
Islip Arts Council	Brookhaven Arts and Humanities Council, Inc.	\$2,000	\$400
Islip Arts Council	East End African American Museum & Center for Excellence	\$2,000	\$400
Islip Arts Council	Huntington Arts Council	\$2,500	\$500
Islip Arts Council	Sag Harbor Whaling & Historical Museum (2) Cultural	\$1,105	\$221
Islip Arts Council	Smithtown Community Band	\$2,000	\$400
	<i>Subtotal</i>	<i>\$12,105</i>	<i>\$2,421</i>
Patchogue Arts Council	Byrd Hoffman Water Mill Foundation	\$1,500	\$300
Patchogue Arts Council	Herstory	\$2,500	\$500
Patchogue Arts Council	Long Island Gay Men's Chorus, Inc.	\$2,383	\$477
Patchogue Arts Council	Ronkonkoma Civic Association	\$2,500	\$500
Patchogue Arts Council	The Whaling Museum Society, Inc., Cold Spring Harbor	\$2,670	\$534
Patchogue Arts Council	Worldwide Voices, Inc.	\$1,500	\$300
	<i>Subtotal</i>	<i>\$13,053</i>	<i>\$2,611</i>
Total Community Re-Grants less than \$5,000		\$89,828	\$17,966

Film

The 2016 estimated funding for film-related contract agencies totals \$105,006, as detailed in the following table.

2016 Estimate for Film		
Act. Code	Activity Name	2016 Estimate
HBPI	STALLER FILM FESTIVAL	\$24,996
HIP I	HAMPTON FILM FESTIVAL	\$23,022
JGUI	CINEMA ARTS CENTRE	\$24,996
JLVI	AFRICAN AMERICAN FILM FESTIVAL	\$6,996
JRC I	PLAZA CINEMA AND MEDIA ARTS CENTER	\$24,996
	TOTAL	\$105,006

In addition, the 2016 adopted and estimated expenditure for Special Services was \$23,000. This funding is typically allocated by resolution by recommendation of the Film Commission. Resolution No. 547-2016 allocated \$20,000 as detailed below.

Film Program	2016 Grant
Hamptons Take 2 Documentary Film Festival (Emerging Film Festival Direct Award)	\$7,000
New Community Cinema, Inc., dba Cinema Arts Center, Regrant Administrative Fee	\$2,165
Bay Street Theatre (Emerging Film Festival Regrant)	\$1,000
Greater Port Jefferson Arts Council (Emerging Film Festival Regrant)	\$3,500
Westhampton Beach Performing Arts Center (Emerging Film Festival Regrant)	\$3,835
Sag Harbor Whaling Museum (Emerging Film Festival Regrant)	\$2,500
Total Allocated by Resolution No. 547-2016	\$20,000

Museums and Historic Associations

The following table details 2016 estimated contracted agency expenditures for museums and historic associations, totaling \$380,319. Not included in the table is a 2016 estimated expense of \$300,000 for the Suffolk County Historical Society (SCHS). The agencies below and the SCHS share a 6.5% allocation of Hotel Motel Tax revenue.

Hotel Motel Tax Fund (192)

2016 Estimate Detail for Individual Museums and Historic Contracted Agencies, Totaling \$380,319					
Act. Code	Activity Name	2016 Estimate	Act. Code	Activity Name	2016 Estimate
ADQI	ROCKY POINT HISTORICAL SOCIETY	\$5,000	JLDI	PORT JEFFERSON HISTORICAL SOCIETY	\$5,000
GFWI	SMITHTOWN HISTORICAL SOCIETY	\$12,000	JMNI	SHELTER ISLAND HISTORICAL SOCIETY	\$5,000
HEPI	THREE VILLAGE HISTORICAL SOC.	\$11,000	JNVI	THE BELLPORT BROOKHAVEN HISTORICAL SOCIETY	\$10,000
HKMI	AMITYVILLE HISTORICAL SOCIETY	\$5,000	JPDI	SAG HARBOR HISTORICAL SOCIETY	\$5,000
HNQI	LI MARITIME MUSEUM	\$40,000	JPII	PATCHOGUE HISTORICAL SOCIETY	\$11,000
HOCI	MILLER PLACE-MT. SINAI HISTORICAL SOCIETY	\$5,000	JPWI	SOUTH FORK NATURAL HISTORY MUSEUM	\$5,000
HQVI	VILLAGE OF LINDENHURST	\$6,000	JPYI	BRIDGEHAMPTON HISTORICAL SOCIETY	\$5,000
HYGI	EASTVILLE HISTORICAL SOCIETY	\$5,000	JPZI	LLOYD HARBOR HISTORICAL SOCIETY	\$5,000
JCGI	COMMERDINGER PRESERVATION SOCIETY	\$20,000	JQAI	NORTHPORT HISTORICAL SOCIETY	\$5,750
JCWI	BABYLON TOWN HISTORICAL SOCIETY	\$5,000	JQCI	LONG ISLAND CHILDREN'S EXPLORIUM	\$5,444
JFYI	HALLOCKVILLE MUSEUM FARM	\$5,000	JREI	LAKE RONKONKOMA HISTORICAL SOCIETY	\$9,000
JFZI	JAMESPORT MEETING HOUSE PRESERVATION TRUST RIVERHEAD LANDMAR	\$5,000	JRFI	VILLAGE OF BABYLON (HIST. PRESRVTN & VILLAGE MUSEUM)	\$15,000
JHGI	FARMINGVILLE HISTORICAL SOCIETY	\$5,500	JRGI	DROWNED MEADOW ROE HOUSE MUSEUM	\$7,500
JHJI	YAPHANK HISTORICAL SOCIETY	\$20,000	JRHI	TESLA MUSEUM	\$5,000
JHKI	HECKSCHER MUSEUM OF ART, HUNTINGTON	\$9,000	JRII	MORICHES BAY HISTORICAL SOCIETY	\$5,000
JHLI	TOWN OF BABYLON, OLD TOWN HALL MUSEUM, BABYLON	\$10,000	JRJI	SOUTHOLD HISTORICAL SOCIETY	\$5,000
JHMI	DEEPWELLS FARM HISTORICAL SOCIETY	\$5,000	JTQI	SAYVILLE HISTORICAL SOCIETY	\$5,000
JHNI	KETCHUM INN FOUNDATION	\$5,000	JTRI	SOUTHAMPTON HISTORICAL SOCIETY	\$5,000
JHQI	MONTAUK HISTORICAL SOCIETY	\$14,875	JTSI	COLD SPRING HARBOR WHALING MUSEUM	\$6,500
JHRI	SAG HARBOR WHALING & HISTORICAL MUSEUM	\$5,000	JTTI	ISLIP ARTS COUNCIL-HISTORICAL PROGRAM	\$9,500
JHSI	BAYPORT HERITAGE ASSOCIATION	\$6,000	JWII	OYSTER POND HISTORICAL SOCIETY	\$5,000
JHTI	LONG MUSEUM OF AMERICAN ART HISTORY AND CARRIAGES	\$12,500	JWJI	DAVIS TOWN MEETING HOUSE SOCIETY	\$5,000
JLBI	GREENLAWN-CENTERPORT HISTORICAL SOCIETY	\$7,500	JWKI	WARD MELVILLE HERITAGE ORGANIZATION	\$5,000
JLCI	HUNTINGTON HISTORICAL SOCIETY	\$6,250			

LH Fund 192 17

Sewer District #3 – Southwest (203)

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, who 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 203			
2016 Adopted	2016 Estimated	As of Date Period of Time	2017 Recommended
\$6,638,274	\$10,612,520	Fund Balance, January 1	\$0
\$79,695,641	\$79,619,825	Plus Revenues, Jan. 1-Dec. 31	\$66,536,930
\$86,333,915	\$90,232,345	Total Funds Available	\$66,536,930
\$86,333,915	\$90,232,345	Less Expenditures, Jan. 1-Dec. 31	\$66,536,930
\$0	\$0	Fund Balance, Dec. 31	\$0

Issues for Consideration

Revenue

Sewer District #3-Southwest receives approximately 95% of its revenue from real property taxes and departmental income comprised mainly of sewer rents, late fees, and scavenger waste. The other five percent of revenues is generated primarily from sewer service charges to other governments.

The 2016 estimated revenue of \$79,619,825 is \$75,816 less than adopted and \$4,036,052 less than the 2015 actual revenue of \$83,655,877, which is attributed to a 12.5% reduction in Real Property Taxes (203-AAC-1001) of \$6,503,829 partially offset by increased departmental income, charges to other governments for sewer services, and uses of money and property of approximately \$2.5 million, resulting primarily from fees that were increased in 2016. The 2016 estimate appears reasonable.

The 2017 recommended revenue of \$66,536,930 is \$13,082,895 or 16.4% less than the 2016 estimate, which can be attributed mainly to a decrease in Real Property Taxes (203-AAC-1001) of \$14 million in conjunction with an increase in Departmental Income of \$893,801 explained by a full years collection of the fees that were increased in May of 2016. The 2017 recommended real property tax reflects a 30.8% reduction as compared to 2016. The recommended revenue for 2017 appears reasonable.

Expenditures

The 2016 estimated expenditures of \$90,232,345 are approximately \$7.4 million or nine percent, more than the 2015 actual expenditures of \$82,799,505. An increase in the transfer to Fund 405-Southwest Assessment Stabilization Reserve of approximately \$7.2 million accounts for the majority of this growth.

The 2017 recommended expenditures of \$66,536,930 are approximately \$23.7 million or 26.3% less than the 2016 estimated expenditures of \$90,232,345, which is primarily attributed to a \$20.4 million decrease to the interfund transfer to Fund 405-Southwest Assessment Stabilization Reserve Fund and a decrease to the interfund transfer to Fund 261-Sewer Maintenance and Operation of \$5.3 million in conjunction with numerous smaller increases; the largest of which is the increase of \$795,469 for a new expense associated with re-payment of EFC long term financing. Additional information pertaining to the County's use of this funding source can be found in the front section of our review. The 2017 recommended expenditures appear reasonable.

Southwest Assessment Stabilization Reserve-Fund 405

The Southwest Sewer District will again transfer funds to Fund 405-Southwest Assessment Stabilization Reserve, as indicated by a recommended interfund transfer of \$26,198,364. Southwest ASRF is recommended with a January 1, 2017 fund balance of \$155.6 million and is recommended to end the year with a balance of \$155 million. The small decrease of approximately \$600,000 is attributed to the aforementioned transfer and interest earnings, less approximately \$27 million in recommended expenditures to finance capital projects. Implicit in the proposed budget is a decrease of 30.8% to real property taxes within the Southwest Sewer District, which will preclude the district from accessing Fund 404-Assessment Stabilization Reserve; however, that does not appear problematic, based on the significant balance within Southwest's own assessment stabilization reserve fund. Allocating money to this fund now should allow the District to mitigate debt service costs in future years and decrease the District's reliance on rate stabilization via Fund 404 as experienced in the past.

RD Status of Fund 203 17

Assessment Stabilization Reserve Fund (404)

Local Law No. 44-2011 was enacted via the passage of Resolution No. 625-2011. This charter law authorized the utilization of Assessment Stabilization Reserve Fund (ASRF) surpluses to enhance wastewater treatment efforts and provide short term property tax relief. The charter law specified that if the ASRF fund balance exceeded \$140 million in fiscal years 2011, 2012, or 2013 that 62.5% of the excess fund balance may be used, via duly approved resolutions of the County, for expanded sewer purposes, namely installation, improvements, maintenance, and operation of sewer infrastructure, sewage treatment plants, and the installation of residential and commercial enhanced nitrogen removal septic systems. Additionally, the remaining 37.5% of the excess fund balance in 2011, 2012 and 2013 shall be transferred to a reserve fund for bonded indebtedness or a reserve fund for retirement contributions (to the benefit of the General Fund). The law provided that in the event the ASRF fund balance exceeded \$140 million in fiscal years 2014-2021 that any excess fund balance be used exclusively for the above mentioned expanded sewer purposes. In addition, no less than \$2 million will be appropriated in those years for the installation of residential and commercial enhanced nitrogen removal septic systems. However, any portion of the \$2 million appropriated for septic systems, which was not used in any given year, would instead be used for sewer infrastructure and sewage treatment plants.

Resolution No. 897-2013 transferred \$32.8 million of the ASRF fund balance surplus to the Debt Service Reserve Fund (Fund 425) in 2014. This action was taken in response to the Recommended 2014 Operating Budget's inclusion of a debt restructure program that required state enabling legislation to allow for a negative present value refunding. The Suffolk County Legislature was in opposition to a negative present value refunding and proposed utilization of the ASRF as an alternative to make such restructuring unnecessary. In addition, Resolution No. 898-2013 transferred \$5 million from the ASRF to the Sewer Infrastructure Program Fund (Fund 406) in 2014 to provide additional funding for expanded sewer purposes.

An action was taken against the County in March 2014, Long Island Pine Barrens Society Inc. et. al. vs the County of Suffolk et. al. under Index No. 14-4753, which challenged the allocation of funds from the Assessment Stabilization Reserve Fund for general tax relief. Resolution No. 928-2014 approved a settlement agreement relating to the Assessment Stabilization Reserve Fund that includes certain amendments to the Suffolk County Charter to require a referendum to amend or repeal the Suffolk County Drinking Water Protection Program and amend the quarter cent Drinking Water Protection Program for enhanced water quality protection, sewer infrastructure and General Fund property tax relief. Amendments to the Drinking Water Protection Program included:

- Allowing the County to borrow from the ASRF between 2014 and 2017 in order to provide general property tax relief with the excess;
- Requiring the County to repay amounts borrowed from the ASRF, commencing in 2018, with pay back period of 12 years (2018 to 2019).
- Continuing the funding for sewer infrastructure, sewage treatment plants, and the installation of enhanced nitrogen removal septic systems throughout Suffolk County; and
- The creation of a new Enhanced Suffolk County Water Quality Protection Program funded via the issuance of \$29,400,000 of serial bonds, with \$20 million dedicated for open space acquisitions, \$4.7 million for expanded sewer purposes and \$4.7 million for water quality projects.

Resolution No. 684-2014 adopted a charter law amending Article I of the Suffolk County Charter to require a referendum to amend or repeal the Suffolk County Drinking Water Program and was signed by the County Executive on September 24, 2014. Resolution No. 579-2014 adopted a charter law amending the quarter cent Suffolk County Drinking Water Protection Program for enhanced water quality protection, wastewater infrastructure, and General Fund property tax relief for Suffolk County that was signed by the County Executive on August 12, 2014 and subsequently approved via public referendum. The passage of these resolutions allowed the County to fulfill the requirements of the settlement agreement approved via Resolution No. 928-2014.

ASRF has provided millions of dollars of stabilization funding since its inception, enabling the County to offer sewer services with increases in tax rates and user fees that are limited to three percent per year. In addition, the ASRF has provided funds for infrastructure and capital improvements within sewer districts in order to avoid incurring the expense of bonding.

Status of Fund 404			
2016 Adopted	2016 Estimated	As of Date Period of Time	2017 Recommended
\$103,639,622	\$79,891,076	Fund Balance, January 1	\$16,529,697
\$22,103,669	\$21,454,568	Plus Revenues, Jan. 1-Dec. 31	\$24,551,869
	\$26,366,194	(a) Unappropriated 2011-2014 excess reserve fund balance	
	\$7,087,000	(b) Transfer from Fund 406-declined loans	
\$125,743,291	\$134,798,838	Total Funds Available	\$41,081,566
\$45,744,141	\$106,269,141	Less Expenditures, Jan. 1-Dec. 31	\$20,214,622
	\$10,000,000	(c) Transfer to Fund 406 - 2011-2015 unappropriated monies	
	\$2,000,000	(d) Annual transfer to Fund 406	
\$79,999,150	\$16,529,697	Fund Balance, Dec. 31	\$20,866,944
<p>(a) Resolution No. 625-2011 provided that the fund balance was to be capped at \$140 million for the years 2011-2021 with 37.5% of the excess fund balance transferred to either Fund 420 or Fund 425, and 62.5% to be used for sewer projects approved by the County Legislature. However, the law was invalidated. The cumulative unappropriated projected amount available for sewer projects through 2015 is \$26,366,194.</p>			
<p>(b) Resolution No. 866-2013, as re-authorized by Resolution No. 83-2015, provided for the transfer of funds to Fund 406 for the purpose of awarding grant and/or loan funding to projects which were selected following a competitive application process. Grants of \$12,853,000 were awarded as well as loan commitments of \$7,087,000 were provided. All of the loans were declined by the intended recipients. A resolution will be introduced to return the declined funding to Fund 404.</p>			
<p>(c) Local Law 31-2014 provides that in fiscal years 2011-2021 no less than \$2 million will be appropriated for the installation of residential and commercial enhanced nitrogen removal septic systems. If those funds are not so appropriated, then the funds " shall be used for the installation, improvement, maintenance, and operation of sewer infrastructure and sewage treatment plants." No such appropriations were made in 2011, 2012 ,2013, 2014, or 2015. As a result, the 2016 estimate reflects \$10 million that must be transferred to Fund 406 to be used for sewer infrastructure and sewage treatment plants and the required \$2 million for 2016 which is to be used for septic systems.</p>			
<p>(d) Annual transfer pursuant to Local Law No. 31-2014</p>			

The table that follows details the figures for the cumulative unappropriated projected amount available for sewer projects through 2015 indicated within footnote (a).

Cumulative Unappropriated Funding Available for Projects Through 2015	
Year	Unappropriated Projected \$
2011	\$8,312,508
2012	\$23,174,304
2013	\$14,819,382
<i>less 404 IFT E406</i>	<i>-\$19,940,000</i>
Cumulative Unappropriated \$	\$26,366,194

Resolution No. 866-2013 amended the 2013 Operating Budget and transferred \$19,940,000 from Fund 404 - Assessment Stabilization Reserve to Fund 406 - Sewer Infrastructure Program Fund as indicated in the previous table. The table that follows details the transfers. Footnote (b) above indicates that the \$7,087,000 in sewer loans were declined by the intended recipients and that those funds will be returned to Fund 404 via resolution. No such resolution has been laid on the table as of this writing.

Resolution No. 866-2013 Interfund Transfer Details (404-IFT-E406)	
Sewer Grants	
Town of Riverhead	\$8,091,000
Town of Babylon	\$1,000,000
Village of Patchogue	\$578,000
Village of Northport	\$3,184,000
Subtotal	\$12,853,000
Sewer Loans	
Town of Riverhead	\$4,057,000
Village of Northport	\$3,030,000
Subtotal	\$7,087,000
Total	\$19,940,000

Issues for Consideration

Treatment of ASRF Excess Fund Balance 2011-2013

The Status of Fund 404 presentation included within the recommended budget estimates \$26.4 million of revenue, in calculating the total funds available in 2016, based upon the inclusion of the cumulative unappropriated monies representing 67.5% of the excess fund balance to be used for expanded sewer purposes per Local Law No. 44-2011. These funds had previously been omitted when calculating funds available and the resulting fund balance. The footnote pertaining to the inclusion of these funds in the 2016 Estimated fund balance indicates that Local Law 44-2011 was invalidated by the Appellate Division hence, their inclusion in determining the total funds available and the ensuing year end fund balance in the recommended Status of Fund 404 presentation. In total, \$46.3 million, representing 67.5% of the excess fund balance between 2011 and 2013, was identified for expanded sewer purposes. Approximately \$19.9 million of those funds were transferred to Fund 406.

Fund 406-Sewer Infrastructure Program Fund

The revenue detail included for Fund 404 indicates that Fund 406 is estimated to transfer \$33,453,194 to Fund 404 in 2016. This line is erroneous and should be changed to indicate a transfer from Fund 406 to Fund 404 in the amount of \$7,087,000 representing the declined loans only. This revenue line makes it appear that Fund 406 is transferring the unappropriated excess reserve balance of \$26,366,194 in addition to the declined loans, which is not the case. The unappropriated excess reserve balance monies never left Fund 404; they were reserved “below the line”. BRO recommended in past reviews that this reserved fund balance be shown “below the line” within the Status of Fund 404, to avoid confusion of this very nature, to no avail. A footnote can be added to the line item revenue detail that explains that the monies previously reserved “below the line” are now recognized in the year end fund balance estimated for 2016. A more detailed analysis of Fund 406 can be found in the Status of Fund 406 writeup in the following pages of our review.

Interfund Transfer to Debt Service Reserve Fund

The passage of Resolution No. 579-2014 and Local Law No. 31-2014 allows for payment from the Fund 404 balance to a reserve fund for bonded indebtedness or to retirement contribution reserve fund from 2014 through 2017. No such transfer is permitted if the Fund 404 balance is not sufficient for the annual appropriation of revenues needed for sewer district rate stabilization. Resolution Nos. 881-2014 and 871-2015 each transferred \$32.8 million from the ASRF to the Debt Service Reserve Fund as permitted by Local Law No. 31-2014.

The 2016 Estimated fund balance of \$16,529,697 implicitly includes an increase in the transfer from Fund 404 to Fund 425-Debt Service Reserve of \$60 million attributed to a change in the 2016 adopted transfer of \$28.2 million to the 2016 estimated transfer of \$88.2 million. Sufficient fund balance exists, based upon the recommended Status of Fund 404 presentation, to make the proposed change; however, inclusion of this augmented transfer in 2016 assumes that it is the desire of the Legislature to utilize an additional \$60 million of the ASRF fund balance in 2016.

If the proposed increase is embraced by this Legislature, the total borrowing from the ASRF through 2016, as permitted by Local Law No. 31-2014, is \$153.8 million. The General Fund must begin repaying these loans in 2018. The annual repayment must be equal to at least five percent of the outstanding balance and all outstanding balances must be repaid no later than December 31, 2029. Assuming no additional ASRF fund balance is transferred to the reserve fund for bonded indebtedness or to the retirement contribution reserve fund in 2017, as is implicit in the recommended budget, the General Fund will be required to make a minimum repayment transfer to the ASRF in 2018 of \$7,690,000. Assuming the County continues to make level debt service repayments of \$7,690,000 annually through 2028, which would be higher than the minimum required payments, the County will have repaid \$84,590,000 of the \$153.8 million loan resulting in a balloon payment in 2029 of \$69,210,000 due from the General Fund to the ASRF.

Budget Review Office Recommendations

Revenue								
Fd	Dept	Rev	Revenue Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
404	IFT	R406	Tr Fr Sewer Infrastructure Program	\$33,453,194	-\$26,366,194	\$0	\$0	D

RD Status of Fund 404 17

Sewer Infrastructure Program Fund (406)

Fund 406 was created by Resolution No. 866-2013, which amended the 2013 Adopted Operating Budget to include the fund as a multi-year (“9999”) non-lapsing fund. That same resolution, signed by the County Executive on October 17, 2013, transferred \$19,940,000 from the Assessment Stabilization Reserve Fund 404 to Fund 406, reserved \$7,087,000 of Fund 406 for sewer loans to the Village of Northport and the Town of Riverhead, and amended the 2013 Operating Budget to include four expenditure lines for sewer grants totaling \$12,853,000, as included in the following table. Resolution No. 83-2015 re-authorized the grants and loans.

FUND	AGENCY	UNIT	OBJ	ACTIVITY CODE	TITLE	AMOUNT
406	MSC	6421	4980	JQQ1	Town of Riverhead - Sewer Grant	\$8,091,000
406	MSC	6421	4980	JQR1	Town of Babylon - Sewer Grant	\$1,000,000
406	MSC	6421	4980	JQS1	Village of Patchogue - Sewer Grant	\$578,000
406	MSC	6421	4980	JQT1	Village of Northport – Sewer Grant	\$3,184,000

Status of Fund 406					
2015 Actual	2016 Adopted	2016 Estimated	Combined	2017 Requested	2017 Recommended
\$24,940,025	\$27,853,025	\$24,372,025	Fund Balance, January 1	\$29,107,025	\$29,107,025
\$0	\$0	\$10,000,000	(a) Plus Revenues, Jan. 1-Dec. 31	\$0	\$0
	\$2,000,000	\$2,000,000	(a) Annual Transfer from Fund 404	\$2,000,000	\$2,000,000
\$24,940,025	\$29,853,025	\$36,372,025	Total Funds Available	\$31,107,025	\$31,107,025
\$0	\$0	\$7,087,000	(b) Less Expenditures, Jan. 1-Dec. 31	\$0	\$0
\$568,000		\$178,000	Transfer to Capital Fund (adopted resolutions)		
\$24,372,025	\$29,853,025	\$29,107,025	Fund Balance, Dec. 31	\$31,107,025	\$31,107,025

(a) Local Law No. 31-2014 provides that in fiscal years 2011-2021 no less than \$2 million will be appropriated for the installation of residential and commercial enhanced nitrogen removal septic systems. If those funds are not so appropriated, then the funds " shall be used for the installation, improvement, maintenance, and operation of sewer infrastructure and sewage treatment plants." No such appropriations were made in 2011, 2012 ,2013, 2014, or 2015. As a result, the 2016 estimate reflects \$10 million that must be transferred to Fund 406 to be used for sewer infrastructure and sewage treatment plants and the required \$2 million for 2016 which is to be used for septic systems.

(b) Resolution No. 866-2013, as re-authorized by Resolution 83-2015, provided for the transfer of funds to Fund 406 for the purpose of awarding grant and/or loan funding to projects which were selected following a competitive application process. Grants of \$12,853,000 were awarded as well as loan commitments of \$7,087,000 were provided. All of the loans were declined by the intended recipients. A resolution will be introduced to return the declined funding to Fund 404.

Issues for Consideration

No Status of Fund 406 was included within last year’s 2016 Recommended operating budget, making it impossible to observe the effects of any revenues or expenditures incurred within the Fund. Resolution No. 871-2015 (the 2016 Operating Budget Omnibus resolution) addressed the omission of a Status of Fund 406 presentation within its 5th resolved clause requiring that a Status

of Fund presentation be included within the 2016 Adopted Operating Budget, and in all subsequent operating budgets for transparency and to aid tracking future expenditures and revenues. The 2017 Recommended Operating Budget complies with the edict to include a Status of Fund 406 presentation however; the recommended budget fails to include any line item detail with respect to the revenues and expenditures.

The County's Intergrated Financial Management System (IFMS) does not appear to account for any expenditures made from Fund 406 except for the grant monies awarded within Resolution No. 866-2013, as re-authorized via Resolution No. 83-2015, of which IFMS indicates actual expenditures of \$10,813,664 as of October 6, 2016. Conversely, the Status of Fund 406 presentation included within the recommended budget does not appear to take into consideration the grant expenditures in calculating the 2016 estimated year end fund balance or 2017 recommended beginning fund balance. Since Fund 406 is a multi-year ("9999") non-lapsing fund, IFMS does not track expenditures and revenues on a yearly basis. Detail within IFMS does indicate that some portions of the disbursements of the grant monies were in 2015 as well as 2016. In order to reconcile the available fund balance, BRO has realized all grant expenditures (\$10,813,664) within the 2016 estimated expenditures, which is reflected in the ending fund balance for 2016 as well as the beginning fund balance in 2017.

The Status of Fund 406 included within the recommended budget does include \$568,000 that was appropriated and transferred to the Capital Fund 525 in 2015 via Resolution Nos. 1091-2015, 1092-2015, 1093-2015, and 847-2015 and \$178,000 that was appropriated and transferred to the Capital Fund in 2016 via Resolution Nos. 242-2016 and 599-2016,

Budget Review Office Recommendations

Increase the 2016 Estimated expenditures by \$10,813,664 and reduce the ensuing 2016 year end fund balance and 2017 beginning fund balance by \$10,813,664 to more accurately portray what BRO calculates the actual expenditures and fund balances to be. The following Status of Fund 406 table should be included within the 2017 Adopted Operating Budget along with the corresponding footnotes.

Status of Fund 406						
2015 Actual	2016 Adopted	2016 Estimated	Combined	2017 Requested	2017 Recommended	2017 Adopted
\$24,940,025	\$27,853,025	\$24,372,025	Fund Balance, January 1	\$29,107,025	\$29,107,025	\$18,293,361
\$0	\$0	\$10,000,000	(a) Plus Revenues, Jan. 1-Dec. 31	\$0	\$0	\$0
	\$2,000,000	\$2,000,000	(a) Annual Transfer from Fund 404	\$2,000,000	\$2,000,000	\$2,000,000
\$24,940,025	\$29,853,025	\$36,372,025	Total Funds Available	\$31,107,025	\$31,107,025	\$20,293,361
\$0	\$0	\$17,900,664	(b) Less Expenditures, Jan. 1-Dec. 31	\$0	\$0	\$0
\$568,000		\$178,000	Transfer to Capital Fund (adopted resolutions)			
\$24,372,025	\$29,853,025	\$18,293,361	Fund Balance, Dec. 31	\$31,107,025	\$31,107,025	\$20,293,361

Require line item expenditure and revenue detail in conjunction with the Status of Fund table to be included in this and all future recommended operating budget's presentation of Fund 406.

Suffolk County Water Protection Fund (477)

Fund 477 is the depository for the one-quarter cent sales tax funded Suffolk County Drinking Water Protection Program (DWPP), as established by Local Law No. 24-2007. Very minor amounts of an older DWPP (Local Law No. 35-1999) are also still included in the fund balance, but that program is no longer active. The four funded components are: land acquisition (31.1%), water quality (11.75%), General Fund property tax support (32.15%), and the stabilization of sewer district taxes (25%). The General Fund and sewer district component allocations are immediately transferred to the respective funds: Fund 001 and Fund 404. This report will focus on the land acquisition and water quality protection components, which are the two components that contribute to the fund balance. As the funding source is sales tax, use of Fund 477 does not directly impact the General Fund.

A major issue with the water quality protection component has been insufficient recurring revenue to fund water quality projects. This was the result of a combination of unrealized sales tax revenues and growing operating expenses, primarily due to the growing number of employees in the fund. It is important to note that the 2017 Recommended Operating Budget does not include any additional positions in the fund. Depletion of the fund balance has been slowed by the inclusion of additional revenue from capital project closeouts. Nearly \$1.5 million in capital project closeouts are included in 2016 estimated revenue.

In a shift from previous policy, at its August 2016 meeting, the Water Quality Review Committee recommended reviewed projects to be financed with serial bond funding, via the “2014 Enhanced Water Quality Program”. The provisions of Local Law No. 31-2014 added a new Article XIIA to the Suffolk County Charter to create the enhanced program. Debt issued for enhanced program projects will be paid back by the General Fund. Serial bond funding of \$29.4 million was included in three capital projects in the 2016 Adopted Capital Budget, as follows:

- \$20 million in CP 8732, for land acquisition. Appropriating Resolution No. 466-2016 and Bond Resolution No. 467-2016 were approved June 14, 2016.
- \$4.7 million in CP 8733, for water quality projects. Appropriating Resolution No. 437-2016 was approved on June 14th, 2016, but the corresponding bond resolution was not. To date, the Water Quality Review Committee has approved the use of \$2.7 million in CP 8733, and multiple introductory resolutions authorizing individual approved projects were laid on the table at the September 7, 2016 General Meeting of the Legislature.
- \$4.7 million in CP 8734, for sewer improvement projects. Resolution No. 835-2016 appropriated these funds.

Recommended Revenue and Allocation by Component

The 2016 estimate for quarter cent sales tax revenue is 3.36% less than what was adopted in 2016 but 0.59% more than 2015 actual revenue. Quarter cent sales tax revenue in 2017 is recommended at 2.09% growth from the 2016 estimate.

The nearly \$76.7 million in recommended 2017 revenue is comprised of more than \$76.1 million in quarter cent sales tax, \$166,689 in interest and earnings, and \$369,008 anticipated from State Aid reimbursements related to positions paid in this fund. Resolution No. 1083-2014, effective January 1, 2016, directed Federal and State Aid reimbursements related to positions paid in this fund to be deposited back to the fund for Water Quality Protection and Restoration Program and Land Stewardship Initiatives. This aid was previously accounted for in the General Fund.

New quarter cent sales tax revenue is allocated by formula. Proportionate interest is distributed to the land and water quality components, and other revenues are distributed as applicable. The 2017 Recommended Operating Budget provides funding as follows:

General Fund (32.15%)

\$24,478,663 is transferred to the General Fund to reduce or stabilize the County's General Fund property taxes. It is not intended to fund new programs or positions of employment.

Sewer Assessment Stabilization Reserve (ASRF) Fund 404 (25%)

\$19,034,730 is 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.

Land Acquisition (31.1%)

\$23,800,186 is dedicated to land acquisition ("Specific Environmental Protection" component). Approximately two-thirds of this amount (\$16,057,256) is required to pay debt service on funds previously borrowed for accelerated land acquisition, leaving net new 2017 revenue for land at \$7,742,930. In addition, the carry-over fund balance on December 31, 2016 is estimated at \$15,624,117, which reflects the net new revenue from 2015 and 2016 combined. The 2017 recommended December 31, 2017 fund balance in the following table reflects the carry-over fund balance from year-end 2016 plus the net new 2017 revenue.

Also available for land acquisitions are previously appropriated funds of approximately \$20.8 million. Per Department of Economic Development and Planning records, as of August 31, 2016, this amount would be reduced to approximately \$17.7 million if pending acquisitions currently in-contract or with accepted offers proceed to closing.

Water Quality (11.75%)

\$9,361,039 is dedicated to water quality protection ("Water Quality Protection and Restoration Program and Land Stewardship Initiatives" component). There are currently 71 filled and 8 vacant authorized positions paid out of Fund 477 in the Departments of Public Works, Economic Development and Planning, Health Services, and Parks. Water quality-related operating expenditures total \$8,862,528, which leaves net new revenue of \$498,511 in 2017 available for capital projects. The \$5,559,702 recommended December 31, 2017 fund balance in the table below equals the December 31, 2016 estimated fund balance of \$5,061,191 plus the net new 2017 revenue of \$498,511. Operating expenditures include approximately \$4.3 million for permanent salaries and \$1,146,431 for Cornell Cooperative Extension projects in 2017. In addition, it should be noted that:

- The projected growth in sales tax in 2017, the inclusion of approximately \$1.5 million in revenue from capital project closeouts in the 2016 estimate, and the inclusion of state and federal aid in both 2016 estimated and 2017 recommended revenues helped maintain positive net revenues in 2016 and 2017.
- In addition to the above expenses, the Water Quality component can include transfers to the Capital Fund for water quality projects. Water Quality capital transfers totaled more than \$2.2 million in 2015. In addition to the over \$1.8 million in projects accounted for in 2015 in our last Review, the Elimination of the EPCAL Point Source Discharge to the Peconic Estuary (\$125,000), the Carmans River Fish Ladder (\$200,000) and Nature Conservancy Nitrogen

Reduction Wastewater Wetland project (\$92,000), all approved by late 2015 legislative resolutions, were included as 2015 actual expenditures.

- The 2016 estimated expenditure of \$391,423 includes the three projects approved by legislative resolution to date: Brookhaven Shellfish (\$82,623), Corwin Agricultural Waste Facility (\$250,000), and Living Shoreline Demonstration Project (\$58,800).
- Typically, transfers to the Capital Fund for water quality projects or land acquisition are not reflected until there has been an appropriating resolution; therefore, there is no capital transfer reflected in 2017 recommended expenditures.

Fund 477 Dec. 31 Fund Balance by Component			
2016 Adopted	2016 Estimated	Component	2017 Recommended
\$83,971	\$83,971	Old DWPP (LL 35-1999), Water Quality	\$83,971
\$12,050	\$12,050	Old DWPP (LL 35-1999), Open Space Acquisition	\$12,050
\$4,382,615	\$5,061,191	New DWPP (LL24-2007), Water Quality and Land Stewardship	\$5,559,702
\$23,199,211	\$15,624,117	New DWPP (LL24-2007), Land Acquisition	\$23,367,047

LH Fund 477 17

Grants Management

The Recommended 2017 Operating Budget includes a new method for managing grant funding. Beginning in 2017, the County will no longer include funding for recurring grants in advance. The new approach will account for grant funding and related expenditures as they are accepted and appropriated by legislative resolution instead of being included in the recommended budget. A new Fund 003, Grants Management, is created for this purpose. Although the recommended budget does not include any initial appropriations or revenue in Fund 003, one former General Fund revenue and five former General Fund appropriations are listed in the new fund. The following table lists these items with the related 2016 estimated revenue or expenditures as accounted for in each 2016 departmental budget in the General Fund.

Rev/ Exp	Department	Grant	2016 Estimate
Rev	Health Services (001-HSV-4483)	WIC Program FFY 2017	\$126,666
Exp	Probation (001-PRO-3172)	Parole Reentry Task Force	\$350,322
Exp	Fire, Rescue and Emergency Services (001-FRE-3401)	FRES Grant Positions	\$1,100
Exp	Health Services (001-HSV-4011 not included in 2016)	Expanded Partner Services Program	\$0
Exp	Health Services (001-HSV-4130)	WIC Grant	\$2,364,712
Exp	Health Services (001-HSV-4405)	National Estuary Programs	\$101,889

For four of the five expenditure lines accounted for in Fund 003 in the 2017 Recommended Budget, there are related authorized positions transferred from the same appropriation in the General Fund to the new fund (noted as Fund 12 in the authorized staff pages). The one exception is in the Expanded Partner Services Program where one position is transferred from Public Health. In total, 58 positions are transferred; however, no funding is included. Funding for salaried positions will also be appropriated by legislative resolution or grant rollovers in the future.

In addition to the grants previously mentioned, there are several changes in the recommended budget to appropriations and authorized positions in the District Attorney's Office, several of which are classified as grants. Although all funding and positions remain in the General Fund, 49 positions are transferred from six different appropriations to the District Attorney's main appropriation, 001-1165. A similar situation occurs in the Office of the Medical Examiner.

When fully implemented, there will be multiple departments with funding in Fund 003; however, only appropriations equal to the grant award will be reflected there. If fringe benefit costs are covered by the grant award, they will also be listed under Fund 003. The overall intent is to capture the grants awarded, the expenditures covered by the grant and revenue provided by the grant. For staff that is 100% grant funded, their positions will be listed under the Fund.

From a budget presentation perspective for 2017, the new grant procedure results in a decrease of funding included in the 2017 Recommended Operating Budget related to those grants that were previously budgeted in advance in each year's recommended operating budget.

Format for Departmental Presentation

The Budget Review Office has updated the format utilized since the Review of the 2011 Recommended Operating Budget, to target key information in a precise and organized manner. Each department presentation begins with tabular material to depict information about personnel and specific aggregated expenditures and revenues. The personnel data includes the total number of authorized positions and filled and vacant positions based on the authorized position control report as of mid-September for the current year and the previous four years (last year only the current year's staffing was included). The expanded staffing information is intended to give the Legislature a historical overview of the department staffing.

The expenditure and revenue data is aggregated to provide an overall picture to show increases and decreases compared to the prior year actuals and the current year estimates; however, select expenditure items, including salary, overtime, contracted agencies, and fees for services data are now highlighted. Revenue information is combined to reflect the two main sources of revenue, state and federal aid, and local revenue. Expenditure data shown in the tables is not a comprehensive listing of all expenses attributed to each department; it is limited to the major categories of expenditure and may include more than one fund. As a rule, the first table is for the General Fund only, with additional tables presented in cases where the department is financed by more than one fund. The table is intended to provide an illustrative picture of expenditure and revenue.

A new section is added directly below the table that summarizes major findings and recommendations for each department. This information was previously found in the front end section of the review, which will now focus on issues other than those attributed to a specific department. The remainder of the department presentation addresses issues for legislative consideration, and summarizes the Budget Review Office recommendations in a table format.

Departments and Agencies

Audit and Control

Summary for Fund 001 in AAC					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	112	112	0	New	New
2013	112	105	7	4	0
2014	112	105	7	Abolished	Abolished
2015	113	104	9	0	0
2016	110	99	11		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$7,774,386	\$7,654,648	\$7,514,235	\$8,359,291	\$7,867,265
Permanent Salaries (1100)	\$7,361,670	\$7,348,720	\$7,151,684	\$8,049,741	\$7,565,215
Overtime Salaries (1120 & 1620)	\$60,221	\$42,500	\$42,500	\$50,000	\$42,500
Other Personal Services	\$352,495	\$263,428	\$320,051	\$259,550	\$259,550
Non-Personnel (2000s, 3000s, 4000s)	\$1,679,466	\$1,794,713	\$1,774,189	\$2,153,405	\$2,069,135
Equip and Supplies (2000s & 3000s)	\$319,525	\$374,714	\$354,190	\$660,805	\$599,742
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$430,110	\$478,593	\$478,593	\$502,250	\$498,593
Other Contractual Expenses	\$929,831	\$941,406	\$941,406	\$990,350	\$970,800
Totals	\$9,453,851	\$9,449,361	\$9,288,424	\$10,512,696	\$9,936,400
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$0	\$0	\$0	\$0	\$0
Local Revenue	\$1,305,030,617	\$1,338,902,921	\$1,301,832,784	\$1,424,609,643	\$1,343,349,041
Totals	\$1,305,030,617	\$1,338,902,921	\$1,301,832,784	\$1,424,609,643	\$1,343,349,041

Summary of Major Findings and Recommendations

- The recommended budget does not include the four new positions requested by the Comptroller, but does include funding for a portion of the Department's vacancies.
- At the request of the Comptroller, all expenditures, revenue, and staff are transferred from the Division of Finance and Taxation to Audit and Control's main appropriation.
- Revenue from Audit Recoveries is estimated to exceed adopted revenue in the General Fund (001) by \$1.3 million
- Revenue from Audit Recoveries is projected by the Budget Review Office to be more than \$375,000 in the Hotel/Motel Tax Fund (192).

Summary for All Funds in AAC					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	112	112	0	New	New
2013	112	105	7	4	0
2014	112	105	7	Abolished	Abolished
2015	113	104	9	0	0
2016	110	99	11		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$7,774,386	\$7,654,648	\$7,514,235	\$8,359,291	\$7,867,265
Permanent Salaries (1100)	\$7,361,670	\$7,348,720	\$7,151,684	\$8,049,741	\$7,565,215
Overtime Salaries (1120 & 1620)	\$60,221	\$42,500	\$42,500	\$50,000	\$42,500
Other Personal Services	\$352,495	\$263,428	\$320,051	\$259,550	\$259,550
Non-Personnel (2000s, 3000s, 4000s)	\$1,679,466	\$1,794,713	\$1,774,189	\$2,153,405	\$2,069,135
Equip and Supplies (2000s & 3000s)	\$319,525	\$374,714	\$354,190	\$660,805	\$599,742
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$430,110	\$478,593	\$478,593	\$502,250	\$498,593
Other Contractual Expenses	\$929,831	\$941,406	\$941,406	\$990,350	\$970,800
Totals	\$9,453,851	\$9,449,361	\$9,288,424	\$10,512,696	\$9,936,400
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$0	\$0	\$0	\$0	\$0
Local Revenue	\$2,017,420,362	\$2,073,021,874	\$2,034,056,538	\$2,183,357,702	\$2,057,674,792
Totals	\$2,017,420,362	\$2,073,021,874	\$2,034,056,538	\$2,183,357,702	\$2,057,674,792

Note: All expenditures for Audit and Control are in the General Fund, but revenues from other funds are collected and recorded by Audit and Control.

Issues for Consideration

Personnel

The 2016 Adopted Budget included four new Auditor Trainee positions. Two of the Auditor Trainees were intended to staff a shared services initiative under the supervision of a senior employee to provide audit services to towns and villages interested in conducting internal audits, but lacking in resources or expertise. The towns would reimburse the County for staff time and any costs incurred while providing the service. The shared services initiative is still a goal of the Department; however, it has not yet begun. The other two Auditor Trainees were included to assist the Department in completing additional audits for the County.

The 2016 Recommended Budget included one Government Liaison Officer position, as requested, to assist Audit and Control with projects concerning multiple departments and branches of government within the County, and to advance the Comptroller's agenda with state and federal agencies. The Legislature did not include the position in the adopted budget. Audit and Control requested the position again in 2017, emphasizing the need for a dedicated representative to coordinate efforts with other municipalities and to lobby the State for authorization to audit sales tax receipts.

The Comptroller also requested three additional Auditor Trainee positions in 2017 to continue to enhance the Department’s ability to perform timely audits. The following chart shows the requested new positions by title, grade, and estimated salary cost.

Requested New Positions									
Title	No.	Grade	Step	Entry Level		Grade	Step	Max	
				Salary	Cost			Salary	Cost
Government Liaison Officer	1	27	S	\$60,261	\$60,261	27	12	\$100,067	\$100,067
Auditor Trainee	3	17	S	\$40,093	\$120,278	20	12	\$74,715	\$224,146
Total	4				\$180,539				\$324,213

The 2017 Recommended Budget does not create the requested new positions, but includes sufficient salary appropriations to fund all currently filled positions for the duration of 2017 and approximately \$183,000 to fill vacant positions. If existing vacancies are earmarked to the titles requested, there are sufficient funds to fill all four positions at entry level in 2017. However, dedicating funds to these positions would force the Comptroller to forgo addressing other staffing needs.

Consolidation of Audit and Control and Finance and Taxation

As the first year after the merger of Audit and Control and Finance and Taxation, 2016 was a year of transition for the Department. Resources and procedures were reorganized to account for the new structure of the Department and to reflect the priorities of the newly elected Comptroller. According to the Comptroller, the division of appropriations in the budget between Audit and Control (1315) and the former Finance and Taxation (1325) was an impediment to implementing reorganizations and efficiencies due to restrictions on the transfer of funds between appropriations. In order to increase the Comptroller’s autonomy to deploy available resources within his discretion between Hauppauge and Riverhead operations, the Department requested that all staff, expenditures, and revenue be transferred from appropriation 1325 to 1315. The recommended budget includes the requested transfer.

According to Audit and Control, the consolidation of funds within one appropriation will not impact accountability or cash controls; established procedures will continue to be enforced by the Comptroller regardless of the Department’s funding presentation in the budget document. The Budget Review Office does not anticipate any financial impact associated with unifying appropriations; however, the proposed change will make it difficult to track the costs of the formerly independent functions separately.

With respect to the merger, the new positions added in 2016 and requested in 2017 should not automatically be considered a diminution in targeted savings because these expenditure increases are related to increases in service provision that may or may not have been considered even if there was no merger. Nevertheless, the addition of four new positions in 2017 would bring the total number of authorized positions in the consolidated department to 114, which is one more than the total number of positions authorized for Audit and Control and Finance and Taxation when they were separate departments.

Revenue

The Division of Finance and Taxation is responsible for collecting major revenues, such as sales tax and property taxes. These and other major revenues are discussed elsewhere in this report. The most significant revenue that is generated by the Department of Audit and Control is Audit Recoveries (001-AAC-2702). The amount of recoveries is a function of the number and types of audits conducted. In the General Fund, Audit Recoveries were \$1.2 million in 2015, but are estimated to be \$2.8 million in 2016; \$1.3 million more than adopted. Recoveries from homeless shelters that had previously overbilled the County account for most of the additional revenue. In 2017, the recommended budget includes \$2.5 million from audit recoveries. Audit and Control requested \$1.65 million. According to the Comptroller, the recommended revenue is optimistic, but attainable.

The recommended budget estimates \$60,000 in revenue (001-AAC-2720-External Services Revenue) in 2016 from the shared services initiative, and includes \$115,200 in 2017. According to Audit and Control, the revenue recommended in 2017 is reasonable, but the \$60,000 estimated in 2016 is unlikely to materialize due to the fact that the program has not yet been implemented this year. However, the auditors hired to staff this program were devoted to internal audits in 2016, contributing to the additional audit recovery revenue. Based on year-to-date revenue reported in the County's Integrated Financial Management System (IFMS) on 9/29/16, Audit Recoveries are likely to exceed the 2016 estimate, offsetting the projected deficit from External Services Revenue.

In addition to recoveries made in the General Fund, the Department has been successful in identifying and recovering revenue from businesses that have failed to remit Hotel/Motel tax. The Department recovered \$72,258 in 2015 and more than \$375,000 so far in 2016. As compliance increases as a result of the Comptroller's efforts, recoveries will begin to decrease, but the Hotel/Motel Tax base will have grown.

BP AAC 17

Board of Elections

Summary for Fund 001 in BOE					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	122	121	1	New	New
2013	123	122	1	0	0
2014	123	120	3	Abolished	Abolished
2015	123	120	3	0	0
2016	123	122	1		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$8,373,585	\$9,567,219	\$9,685,554	\$9,155,212	\$8,635,385
Permanent Salaries (1100)	\$7,053,548	\$7,167,723	\$7,257,878	\$7,559,432	\$7,338,901
Overtime Salaries (1120 & 1620)	\$1,131,230	\$2,249,296	\$2,249,296	\$1,449,296	\$1,175,000
Other Personal Services	\$188,807	\$150,200	\$178,380	\$146,484	\$121,484
Non-Personnel (2000s, 3000s, 4000s)	\$4,615,250	\$8,467,600	\$8,312,962	\$7,243,653	\$6,074,400
Equip and Supplies (2000s & 3000s)	\$2,266,864	\$3,341,400	\$3,336,762	\$3,657,580	\$2,721,100
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$37,387	\$58,900	\$58,900	\$50,000	\$50,000
Other Contractual Expenses	\$2,310,999	\$5,067,300	\$4,917,300	\$3,536,073	\$3,303,300
Totals	\$12,988,835	\$18,034,819	\$17,998,516	\$16,398,865	\$14,709,785
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$46,384	\$0	\$45,562	\$0	\$0
Local Revenue	\$164,927	\$139,002	\$147,126	\$139,004	\$168,348
Totals	\$211,311	\$139,002	\$192,688	\$139,004	\$168,348

Summary of Major Findings and Recommendations

- Expenditures in 2016 are estimated to be significantly higher than what was actually spent in 2015 and significantly higher than what is projected for 2017 due to the fact that 2016 is a presidential election year.
- The recommended budget for Permanent Salaries is approximately \$124,000 less than what would be needed to fund all currently filled positions for the duration of 2017, which assumes the Board's one vacancy will not be filled and a percentage of positions that become vacated in 2017 will not be immediately refilled.
- Both the estimated and recommended amounts for election expenditures are reasonable. Expenses might be understated in both years, particularly for overtime, but the high degree of variability in election costs makes it difficult to project with confidence.

Issues for Consideration

Permanent Salaries

Resolution No. 177-2016 amended the Classification and Salary Plan to add, delete, and amend titles for the Board of Elections. The stated purpose of the resolution was to create “a more productive and incentive-based salary structure and environment.” The resolution did not authorize additional positions, but increased the number of available titles from 11 to 61, giving the commissioners greater flexibility when hiring and promoting, but also increasing the maximum salary for each position compared to the previous title series. The following table compares the old and new title structure.

Amended Classification and Salary Plan Pursuant to Resolution No. 177-2016			
Previous Titles	Annual Salary	New Titles	Annual Salary
NA	NA	Junior Assistant Election Clerk 1-9	\$36,000-\$44,000
Assistant Election Clerk	\$44,820	Assistant Election Clerk 1-9	\$44,820-\$52,000
Election Clerk	\$52,353	Election Clerk 1-13	\$52,353-\$64,000
Senior Election Clerk	\$64,846	Senior Election Clerk 1-13	\$64,846-\$76,000
Election Forms Processor	\$76,453	Election Forms Processor 1-12	\$76,453-\$87,000
Election Administrator	\$134,625	Election Administrator	\$134,625
Assistant Commissioner of Elections	\$67,227-\$94,791	Assistant Commissioner of Elections	\$94,791
Senior Assistant Commissioner of Elections	\$76,413-\$107,921	Senior Assistant Commissioner of Elections	\$107,921
Deputy Commissioner of Elections	\$87,116-\$123,017	Deputy Commissioner of Elections	\$123,017
Commissioner of Elections	\$98,884-\$140,439	Commissioner of Elections	\$140,439

As seen in the previous table, several titles were replaced by nine to thirteen levels of the same title, with the salary of the existing title equaling the lowest level title in the series in the amended Classification and Salary Plan. The result is an increase in potential earnings for employees in these titles ranging from 14% to 22%. Resolution No. 177-2016 stipulated that the commissioners had discretion to assign titles to BOE employees provided that salary costs did not exceed available appropriations. The Executive estimates that BOE will spend approximately \$90,000 more than adopted in 2016; the Budget Review Office estimates that permanent salary expenditures will exceed the 2016 Adopted Budget by \$127,000. That being said, the commissioners did apply the amended title changes judiciously. The total cost of positions after the amendment to the title structure is less than one percent more than the cost of positions before the amendments due to the fact that most employees were slotted into the entry level in the new title series and that new employees were hired under the less costly Junior Assistant Election Clerk title. The fact that BOE is estimated to spend more than adopted for salaries in 2016 is due more to the fact that vacancies were filled sooner than allowed for in the budget and less to do with the increased cost in positions.

In 2017 the recommended budget for Permanent Salaries (001-BOE-1450-1100) is \$220,531 less than the Board's request, and approximately \$124,000 less than what would be needed to fund all currently filled positions for the duration of 2017. The recommended funding level assumes that no additional filled positions will be upgraded pursuant to Resolution No. 177-2016, the Board's one

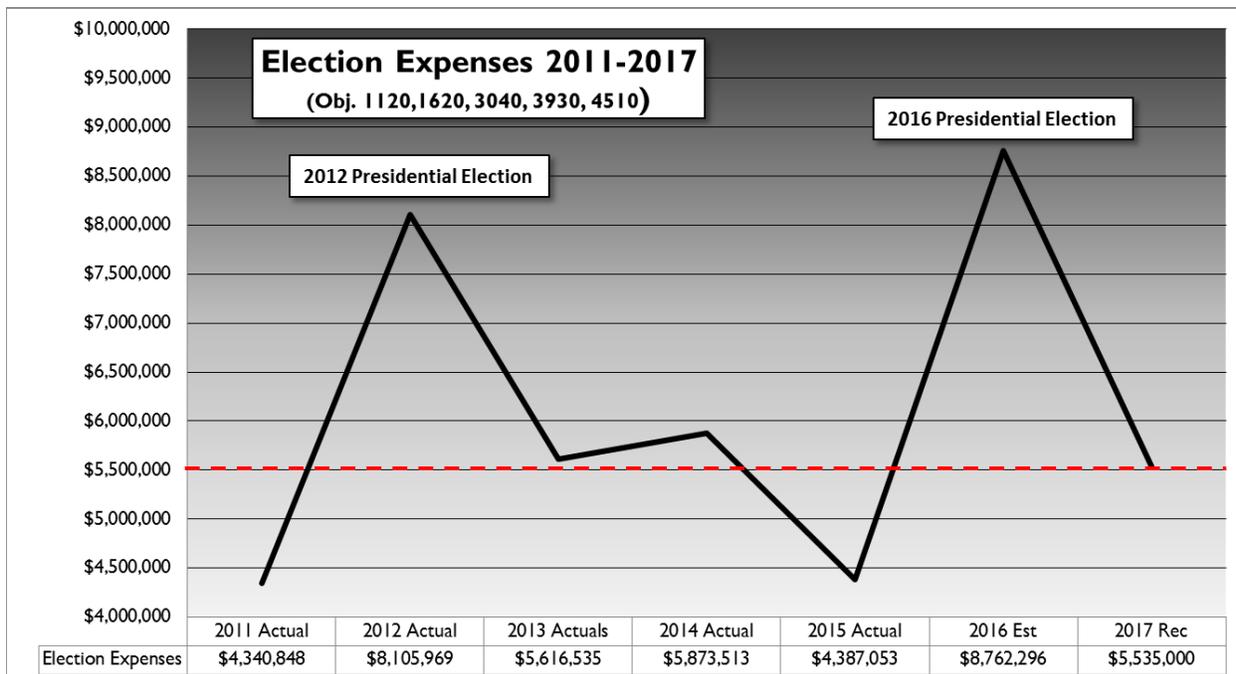
vacancy will not be filled, and a percentage of positions that become vacated in 2017 will not be immediately refilled.

Election Expenses

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. The types of elections and number of special elections are significant factors in determining election costs. The County typically does not budget for special elections because it is difficult to anticipate the number of special elections that will be required in an upcoming year as a result of various public offices becoming vacant. In addition to the number of elections, the types of special elections impact costs based on the number of election districts affected.

The major costs associated with holding elections are overtime, Elections Inspectors, ballot printing, and cartage of voting equipment to and from polling sites. Expenses are greater in presidential election years due to high voter turnout and additional countywide elections for presidential primaries. The 2016 estimate for election expenses is approximately eight percent higher than 2012 actual expenditures. One contributing factor is that wages for BOE employees are increased according to the AME contract, which provided for a five percent increase since the 2012 election. The 2016 estimate assumes a 4.4% increase in overtime costs, which assumes that overtime hours will be moderately less than in 2012. Another reason for the increase from 2012 to 2016 is that there was only one presidential primary in 2012, but there were two in 2016.

The following chart shows election expenses since 2011. The dotted line compares the 2017 recommended expenditures to expenditures in previous years. Note the variability in expenses, even in non-presidential election years.



Both the estimated and recommended amounts for election expenditures are reasonable. Expenses might be understated in both years, particularly for overtime, but the high degree of variability in election costs makes it difficult to project with confidence.

Revenue

The Board of Elections generates revenue from the sale of election maps and other documents as well as renting voting equipment to local jurisdictions such as school districts and fire departments. The 2017 Recommended Budget assumes a 20% increase in fees resulting in an additional \$21,000 compared to the 2016 estimate. According to New York State Election Law, these fees are set at the discretion of the Board. Therefore, the recommended budget presupposes that the Board will increase fees.

BP BOE 17

Civil Service

Summary for Fund 001 in CIV					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	69	64	5	New	New
2013	68	64	4	0	0
2014	68	62	6	Abolished	Abolished
2015	68	60	8	0	0
2016	69	66	3		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$4,454,785	\$4,263,447	\$4,325,016	\$4,538,113	\$4,337,066
Permanent Salaries (1100)	\$3,845,326	\$4,057,497	\$4,025,292	\$4,241,563	\$4,105,516
Overtime Salaries (1120 & 1620)	\$0	\$300	\$0	\$300	\$300
Other Personal Services	\$609,459	\$205,650	\$299,724	\$296,250	\$231,250
Non-Personnel (2000s, 3000s, 4000s)	\$945,183	\$570,741	\$446,168	\$570,741	\$505,713
Equip and Supplies (2000s & 3000s)	\$92,611	\$112,941	\$89,189	\$113,445	\$91,500
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$852,236	\$454,000	\$353,656	\$449,000	\$410,000
Other Contractual Expenses	\$336	\$3,800	\$3,323	\$8,296	\$4,213
Totals	\$5,399,968	\$4,834,188	\$4,771,184	\$5,108,854	\$4,842,779
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$584	\$0	\$0	\$0	\$0
Local Revenue	\$2,169,969	\$643,085	\$643,820	\$540,030	\$741,030
Totals	\$2,170,553	\$643,085	\$643,820	\$540,030	\$741,030

Summary of Major Findings and Recommendations

- The recommended budget includes a proposed increase in civil service exam fees to enhance revenue in 2017.
- The recommended budget proposes changes to the exam fee waiver system where Civil Service test applicants will either receive a fee waiver or a refund only if they attend the exam.
- The recommended budget includes sufficient permanent salary appropriations for the Department.

Summary for All Funds in CIV					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	78	73	5	New	New
2013	79	75	4	0	0
2014	79	73	6	Abolished	Abolished
2015	80	71	9	0	0
2016	81	77	4		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$5,059,387	\$4,898,302	\$4,956,211	\$5,179,086	\$4,978,039
Permanent Salaries (1100)	\$4,442,827	\$4,682,752	\$4,647,187	\$4,872,936	\$4,736,889
Overtime Salaries (1120 & 1620)	\$0	\$600	\$0	\$600	\$600
Other Personal Services	\$616,559	\$214,950	\$309,024	\$305,550	\$240,550
Non-Personnel (2000s, 3000s, 4000s)	\$952,544	\$586,330	\$454,642	\$583,229	\$518,201
Equip and Supplies (2000s & 3000s)	\$97,925	\$126,321	\$95,468	\$123,571	\$101,626
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$852,236	\$454,000	\$353,656	\$449,000	\$410,000
Other Contractual Expenses	\$2,384	\$6,009	\$5,518	\$10,658	\$6,575
Totals	\$6,011,931	\$5,484,632	\$5,410,853	\$5,762,315	\$5,496,240
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$755	\$0	\$0	\$0	\$0
Local Revenue	\$2,169,969	\$643,085	\$643,820	\$540,030	\$741,030
Totals	\$2,170,723	\$643,085	\$643,820	\$540,030	\$741,030

Issues for Consideration

Personnel

The recommended budget includes sufficient General Fund (001) and Employee Medical Health Plan Fund (039) permanent salary appropriations to fund all currently filled positions for the duration of 2017, but limits the Department's ability to fill its vacancies next year by allowing for normal attrition. For more information on Fund (039), refer to the Employee Benefits section of this review.

Civil Service Fee Revenue

Civil Service fee revenue for 2017 is recommended at \$600,000, which is \$200,000 more than requested, due to a proposed increase in civil service exam fees, which include: the open-competitive exam fee from \$35 to \$40; the promotional exam from fee \$25 to \$40; and the law enforcement exam fee from \$100 to \$150. Most of the County's exams are prepared by the New York State Civil Service Department and half of the collected exam fee goes to NYS. Therefore, while some exams are prepared locally, a portion of the recommended revenue will belong to NYS.

The number of applicants eligible for a waiver continues to negatively impact revenue. Staff is supplied based on the number of exam applicants, therefore when participants do not attend, the result is overstaffing for these exams. To address these negative impacts, the recommended budget

introduces a new system for waivers that would require attendance in order to be eligible for a refund for the cost of the exam.

Revenue projections from exam fees are determined by historical data and accounting for which civil service lists will expire in a given year. The need to fill positions could arise at any point and depends on turnover or other departmental needs. This limits the ability to predict which tests will be given, although law enforcement exams are cyclical. As such, the only notable civil service list set to expire in 2017 is for Probation Officers, which usually has about 400 applicants per test. Exam fee revenue estimated for 2016 shows approximately \$190,000 yet to be collected. Based on data for non-police exam years, the 2016 estimate is reasonable. In those years, average year-to-date collections in the final four months of the fiscal year are about \$238,000.

AT CIV 17

County Clerk

Summary for Fund 001 in CLK					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	102	95	7	New	New
2013	102	99	3	0	0
2014	103	100	3	Abolished	Abolished
2015	103	98	5	0	0
2016	103	98	5		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$5,975,448	\$6,263,574	\$6,191,831	\$6,527,710	\$6,223,655
Permanent Salaries (1100)	\$5,604,798	\$5,786,274	\$5,752,596	\$6,028,160	\$5,814,105
Overtime Salaries (1120 & 1620)	\$42,113	\$100,000	\$47,444	\$100,000	\$60,000
Other Personal Services	\$328,537	\$377,300	\$391,791	\$399,550	\$349,550
Non-Personnel (2000s, 3000s, 4000s)	\$1,122,980	\$1,177,927	\$1,617,244	\$1,500,546	\$1,540,576
Equip and Supplies (2000s & 3000s)	\$581,979	\$593,577	\$738,712	\$1,133,596	\$1,180,576
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$90,158	\$38,000	\$447,982	\$40,000	\$40,000
Other Contractual Expenses	\$450,844	\$546,350	\$430,550	\$326,950	\$320,000
Totals	\$7,098,429	\$7,441,501	\$7,809,075	\$8,028,256	\$7,764,231
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$17,269	\$0	\$405,107	\$0	\$0
Local Revenue	\$16,175,690	\$17,075,200	\$16,455,283	\$16,870,000	\$16,990,000
Totals	\$16,192,959	\$17,075,200	\$16,860,390	\$16,870,000	\$16,990,000

Summary of Major Findings and Recommendations

- 2016 estimated revenues are \$788,717 or 4.6% less than the 2016 adopted amount of \$17 million.

Issues for Consideration

Revenue

There are three core revenues in the County Clerk's Office: County Clerk Fees (1255), Micrographics Fees (1256), and County Clerk Subscription Fees (1260).

In the aggregate, the 2016 estimate for these three fees is \$16.27 million, which is \$788,717 or 4.6% less than adopted. As a result, budgeted Clerk revenues have contributed to the County's overall deficit.

On a more positive note, both 2016 estimated and 2017 recommended revenue are reasonable. In 2017, most of the \$534,717 or 3.3% increase over the 2016 estimate is attributed to a 3% increase for County Clerk Subscription Fees.

Staff

With the filling of three clerk typist positions anticipated in October of 2016, the 2017 recommended funding for salaries is estimated to be insufficient to fund filled positions for the entire year by \$73,000; although during the year through normal staff attrition, the 2017 recommended funding is anticipated to be adequate.

MUN CLK 17

Suffolk County Board of Ethics

Summary for Fund 001 in COE					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	2	0	2	New	New
2013	2	2	0	0	0
2014	2	2	0	Abolished	Abolished
2015	2	2	0	0	0
2016	2	2	0		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$158,721	\$165,512	\$165,512	\$311,531	\$176,555
Permanent Salaries (1100)	\$158,721	\$164,912	\$164,912	\$308,843	\$175,955
Overtime Salaries (1120 & 1620)	\$0	\$600	\$600	\$2,688	\$600
Other Personal Services	\$0	\$0	\$0	\$0	\$0
Non-Personnel (2000s, 3000s, 4000s)	\$66,210	\$116,345	\$116,255	\$186,609	\$118,594
Equip and Supplies (2000s & 3000s)	\$3,410	\$5,170	\$4,630	\$8,170	\$6,880
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$62,085	\$110,675	\$110,675	\$176,500	\$110,675
Other Contractual Expenses	\$715	\$500	\$950	\$1,939	\$1,039
Totals	\$224,931	\$281,857	\$281,767	\$498,140	\$295,149
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$0	\$0	\$0	\$0	\$0
Local Revenue	\$202	\$2,200	\$200	\$65,500	\$500
Totals	\$202	\$2,200	\$200	\$65,500	\$500

Summary of Major Findings and Recommendations

- The Board of Ethics requested three new positions. The recommended budget does not reflect the request and does not include the positions.
- The 2016 estimate and 2017 recommended budget are reasonable.

Issues for Consideration

Staffing

Since 2013, the Board has been requesting an additional part-time Attorney (grade 30) position to assist with the Board's workload. In 2015, the Board began requesting a Paralegal Assistant (grade 14) position. The Board requested both of these positions again in 2017 as well as a part-time investigative position (title not specified). The recommended budget shows that the Board requested additional salary appropriations associated with the new positions, but the staffing pages do not reflect the Board's request for additional positions. The recommended budget includes sufficient appropriations to fund the Board's two existing positions for the duration of 2017, but does not include any funding for new positions.

According to the Board, the Paralegal Assistant position is needed to assist with legal research, document preparation, Freedom of Information Law (FOIL) requests, and other duties. A full-time Paralegal Assistant hired at entry level step on January 1, 2017 would cost \$34,766 in salary and \$17,752 in fringe benefits. Assuming a 15% employee healthcare premium contribution (\$2,045), the net cost for the position is \$50,473 in 2017.

The requested part-time Attorney would assist the Executive Director with advisory opinions, financial disclosure inquiries, and other legal requests from the Board. The cost for a part-time Attorney position depends on how many hours the employee works and whether or not he or she is eligible for health benefits. Assuming the employee is hired at entry level step on January 1, 2017 and works at 49% capacity, the total cost of the position in 2017 would be \$36,102 or \$33,546 for salaries and \$2,566 for the employer Social Security FICA responsibility.

The Board requested another new part-time position to assist with Board responsibilities including examining financial disclosure statements, reviewing financial information, and preparing reports. Although, no specific title was identified in the Board's budget request, the Board assumed that this position would be a grade 27. The cost of the position depends on how many hours the employee works and whether or not he or she is eligible for health benefits. Assuming the employee is hired as a grade 27 at entry level step on January 1, 2017 and works at 49% capacity, the total cost of the position in 2017 would be \$31,787 or \$29,528 for salaries and \$2,259 for the employer Social Security FICA responsibility.

Across all departments, the recommended budget provides little funding for existing vacancies. For several departments, the recommended salary appropriations are less than required to fund existing staff for the duration of 2017, which assumes a level of turnover with no backfill. The addition of three new positions in the Board of Ethics would be inconsistent with the policy of strict position control that is applied elsewhere in the recommended budget. Furthermore, the Board of Ethics continues to operate timely and effectively with existing resources. For these reasons, we agree with the Executive's decision not to create the requested positions.

Fees for Services

Other than salaries, the Board's most significant expenditures are in the Fees for Services category. The Board requested \$176,500 for these expenses in 2017; \$135,000 for outside counsel, \$24,000 for board member stipends, \$10,000 for training services, and \$7,500 for judicial hearing officers. The recommended budget provides \$110,675, which is equal to the 2016 adopted and estimated amounts. The \$65,825 requested increase is for potential growth in the number of investigations by outside counsel; however, the Board has never expended more than \$50,000 for legal expenses. Accordingly, the estimated and recommended amounts are reasonable.

District Attorney

Summary for Fund 001 in DIS					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	384	367	17	New	New
2013	387	372	15	0	0
2014	388	374	14	Abolished	Abolished
2015	395	378	17	1	1
2016	396	382	14		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$33,659,691	\$35,879,522	\$34,240,244	\$35,534,501	\$34,363,880
Permanent Salaries (1100)	\$32,072,090	\$34,201,751	\$33,123,510	\$33,849,593	\$32,770,672
Overtime Salaries (1120 & 1620)	\$408,803	\$471,405	\$407,222	\$431,000	\$366,000
Other Personal Services	\$1,178,799	\$1,206,366	\$709,512	\$1,253,908	\$1,227,208
Non-Personnel (2000s, 3000s, 4000s)	\$2,522,944	\$2,815,986	\$2,602,884	\$2,828,289	\$2,806,790
Equip and Supplies (2000s & 3000s)	\$1,087,654	\$1,324,182	\$1,212,985	\$1,337,011	\$1,333,012
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$558,630	\$687,500	\$578,720	\$690,000	\$675,000
Other Contractual Expenses	\$876,660	\$804,304	\$811,179	\$801,278	\$798,778
Totals	\$36,182,635	\$38,695,508	\$36,843,128	\$38,362,790	\$37,170,670
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$3,453,707	\$3,337,633	\$3,328,969	\$79,981	\$79,981
Local Revenue	\$117,635	\$208,627	\$88,306	\$79,708	\$79,708
Totals	\$3,571,342	\$3,546,260	\$3,417,275	\$159,689	\$159,689

Summary of Major Findings and Recommendations

- Permanent salaries are underestimated in 2016 by approximately \$1.2 million. We recommend increasing the 2016 estimate by this amount to avoid a projected shortfall.

Issues for Consideration

Permanent Salaries

During 2016, the District Attorney filled several positions that became vacant including two Clerk Typists, two Guards, and a Crime Victims Advocate. The District Attorney also replaced seven senior attorney positions that separated during the year with a class of seven Junior Assistant District Attorneys in August. Based on year-to-date expenditures and our projected cost to pay for all currently filled positions for the remainder of the year, the 2016 estimate is understated by approximately \$1.2 million.

The 2017 Recommended Budget makes several changes to the way that grant funded positions are accounted for in the budget. In some departments grant positions were transferred to a new Grants Management Fund, in other departments, such as the District Attorney, positions were transferred to another unit within the department, but remained in the General Fund. In both cases, no revenue or expenditures were included in the recommended budget; both will be added by

resolution in 2017. In accordance with new grant management practices, the 2017 Recommended Budget reduces revenue and expenditures by approximately \$3 million. Assuming \$3 million in grant funds are accepted and appropriated in 2017, the recommended budget provides sufficient resources.

At the request of the District Attorney, one vacant Research Technician position is abolished in the recommended budget. The position is associated with a previous grant that has been discontinued.

Budget Review Office Recommendations

Expenditures										
Fd	Dept	Unit	Obj	Act	Object/Activity Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	DIS	1165	1100	0000	Permanent Salaries	\$27,796,974	\$1,200,000	\$31,815,569	\$0	DE

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Economic Development and Planning

Summary for Fund 001 in EDP					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	63	57	6	New	New
2013	61	56	5	1	1
2014	63	57	6	Abolished	Abolished
2015	64	56	8	0	0
2016	67	59	8		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$4,926,403	\$4,896,913	\$4,866,139	\$5,606,874	\$4,819,562
Permanent Salaries (1100)	\$4,589,102	\$4,838,913	\$4,743,820	\$5,544,174	\$4,756,862
Overtime Salaries (1120 & 1620)	\$801	\$0	\$0	\$0	\$0
Other Personal Services	\$336,499	\$58,000	\$122,319	\$62,700	\$62,700
Non-Personnel (2000s, 3000s, 4000s)	\$3,022,001	\$4,404,258	\$3,696,334	\$3,989,927	\$3,071,637
Equip and Supplies (2000s & 3000s)	\$68,714	\$116,512	\$74,782	\$147,197	\$90,158
Contracted Agencies (4980)	\$2,092,177	\$1,893,746	\$1,883,730	\$1,883,730	\$1,883,730
Fees for Services: Non Employee (4560)	\$637,778	\$2,190,500	\$970,390	\$1,715,500	\$865,500
Other Contractual Expenses	\$223,332	\$203,500	\$767,432	\$243,500	\$232,249
Totals	\$7,948,404	\$9,301,171	\$8,562,473	\$9,596,801	\$7,891,199
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$571,248	\$100,000	\$1,095,304	\$0	\$0
Local Revenue	\$1,373,318	\$1,286,292	\$1,828,972	\$882,533	\$1,078,370
Totals	\$1,944,566	\$1,386,292	\$2,924,276	\$882,533	\$1,078,370

Summary of Major Findings and Recommendations

- The “new” position recommended for 2017 resulted from an error in 2016 position control; the Department did not intend to request it. Adopting the budget as presented would result in the creation of an extra authorized position.
- Since this time last year, the number of filled positions in the General Fund increased by three. The recommended budget provides 2.4% less funding for 2017 General Fund permanent salaries than would be required to fund all currently filled positions for all of next year; however, this should be sufficient once turnover savings from attrition are accounted for.
- Total 2016 estimated General Fund expenditures are significantly less than had been adopted in 2016, primarily because of a decrease in contractual expenses related to marketing and planning consultants for economic development projects and Long Island MacArthur Airport.
- Non-recurring General Fund Revenue of \$660,000, related to the sale of land in Selden to Empire State College was realized in 2016, rather than 2015. The 2016 estimate includes nearly \$1.1 million in non-recurring General Fund grants and aid, much of it related to Hurricane Sandy. Implicit in General Fund revenue are increases in auction fees (in 2016 estimated and

2017 recommended revenue) and a new 1% processing fee for contract agencies (in 2017 recommended revenue).

Summary for All Funds in EDP					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	94	87	7	New	New
2013	93	86	7	1	1
2014	86	78	8	Abolished	Abolished
2015	89	79	10	0	0
2016	93	81	12		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$6,340,090	\$6,510,877	\$6,425,386	\$7,175,263	\$6,360,527
Permanent Salaries (1100)	\$5,978,241	\$6,429,627	\$6,239,507	\$7,088,613	\$6,274,977
Overtime Salaries (1120 & 1620)	\$4,807	\$8,000	\$7,850	\$8,000	\$8,000
Other Personal Services	\$357,043	\$73,250	\$178,029	\$78,650	\$77,550
Non-Personnel (2000s, 3000s, 4000s)	\$7,724,436	\$9,681,652	\$8,772,641	\$9,342,066	\$8,163,947
Equip and Supplies (2000s & 3000s)	\$155,470	\$410,363	\$348,464	\$435,848	\$378,686
Contracted Agencies (4980)	\$6,077,455	\$5,902,694	\$5,899,007	\$5,755,500	\$5,979,376
Fees for Services: Non Employee (4560)	\$807,885	\$2,706,435	\$1,280,116	\$2,216,435	\$1,126,090
Other Contractual Expenses	\$683,625	\$662,160	\$1,245,054	\$934,283	\$679,795
Totals	\$14,064,526	\$16,192,529	\$15,198,027	\$16,517,329	\$14,524,474
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$579,256	\$100,000	\$1,100,667	\$0	\$0
Local Revenue	\$13,244,427	\$13,537,871	\$14,226,079	\$12,878,225	\$14,300,704
Totals	\$13,823,683	\$13,637,871	\$15,326,746	\$12,878,225	\$14,300,704

Summary of Major Findings and Recommendations

- Departmental Revenue is comprised primarily of Hotel Motel Tax (74% of total in 2017). Recommended Hotel Motel Tax Revenue for 2017 represents a 9.9% increase from 2016 adopted revenue. See our review of the Hotel Motel Tax Fund 192.
- Sufficient funding for permanent salaries in Fund 192 is provided to fill the vacant Senior Account Clerk position in the Film Division. Sufficient funding is provided to fill all existing positions in Funds 477, 351, and 625 for all of next year, assuming there will be minor attrition in Funds 477 and 625.

Issues for Consideration

General Fund

Staffing (Fund 001)

The issue for staffing is that the 2017 Recommended Budget should be corrected to more properly reflect the Department's resources. Position control incorrectly reflected an extra Community Development and Planning Specialist earlier this year, and we understand the Department did not intend to request a new position. Position control has since been corrected, but the recommended

budget does not reflect the correction. The Department had 93 authorized positions in 2016, not 94. Adopting the budget as presented would result in the creation of an extra authorized position.

The Department requested more than sufficient funding for permanent salaries to fill all currently filled and vacant positions for all of 2017. In the aggregate, the 2017 Recommended Operating Budget includes \$787,312 less than requested for General Fund permanent salaries, which is approximately 2.4% less than would be required to fill all currently filled General Fund positions for all of next year. However, recommended permanent salaries should be sufficient, assuming that vacancies that arise will not be filled, not be filled right away, or will be filled at lower levels.

The extra position was inadvertently included in the Department's budget request, and the position of Commissioner was vacated after the request was submitted. Also, the former Assistant Director of Real Estate recently moved to the Law Department, where he is considered the Acting Director of Real Estate. Therefore, he continues to have an Economic Development workload allowing the Department to avail themselves of manpower that exceeds their stated workforce and budgeted costs.

Consultants (Fund 001)

The Department of Economic Development and Planning has been given increasing responsibilities in both economic development and water quality initiatives and meets those responsibilities, in part, by the use of consultants. The Department needs specialized knowledge in various economic development areas, such as: sustainability, transport, design, traffic simulation, land development, zoning infrastructure, environmental remediation, urban planning, and energy resources. The 2016 Adopted Operating Budget contained \$1.6 million for fees for services in the Administration Division for various consultants, a marketing agency to build public support and awareness of economic development initiatives, and for the National Development Council.

Contracts with two agencies are now in place: one which specializes in transportation, and one which specializes in urban neighborhood design. The Administration Division is unable to utilize all of the 2016 adopted funding due to the length of the procurement process, which resulted in late starts for the contracts. The 2016 estimated expenditure for fees for services in the Administration Division is \$720,333 (45% of the 2016 adopted expenditure). The Division does not anticipate any difficulty spending these funds next year. The 2017 recommended budget provides \$750,000 out of the \$1.6 million requested in 2017.

In the Planning Division, none of the \$500,000 included in the 2016 Adopted Operating Budget for marketing Long Island MacArthur Airport (LIMA) is estimated to be spent in 2016, and no funding was requested or recommended for this purpose in 2017. LIMA is a regional asset, but it is not County-owned. A related issue is that \$1 million, originally recommended as part of the Division's 2016 operating budget and intended for the creation of a customs facility to support air service development at LIMA, was instead included as pay-as-you-go funding (Fund 401) in 2016. Introductory Resolution No. 1871-2016, currently tabled in committee, would transfer \$1 million from Fund 401 to the Capital Fund and appropriate that funding for planning and design associated with a new sewer project, MacArthur Industrial (CP 8102).

Cornell (Fund 001)

The Department administers ten Cornell Cooperative Extension contracts: five in the General Fund and five in the Water Quality Fund (Fund 477). The EDP budget includes nine of ten programs considered to be "core" programs by CCE and one non-core CCE program (Stormwater Phase II).

The remaining core CCE program, Family Health and Wellness, is in the Department of Health Services, where we understand it is approximately 36% reimbursable under Article 6.

The program previously called the Farm Meat Production Program is now called Farm Management, since meat processing is no longer a part of its mission. We understand that an RFP has been issued for private operation of that facility. The 2016 estimate reflects a reduction in part-time staffing costs due to Cornell's discontinuation of meat processing in 2016. The 2017 recommended budget provides funding equal to the 2016 estimate, as requested by the Department, in all EDP Cornell Programs.

Fund	Activity	Cornell Program	2016 Adopted	2016 Estimate	2017 Rec.
001	HSDI	CCE-Administration, Finance and Communication	\$521,294	\$521,294	\$521,294
001	HSEI	CCE-Marine Program	\$353,201	\$353,201	\$353,201
001	HSFI	CCE-Agriculture and Horticulture Programs	\$403,223	\$403,223	\$403,223
001	HSGI	CCE- 4H Youth & Development & Farm Education Program	\$68,289	\$68,289	\$68,289
001	HSII	CCE- Farm Management	\$547,739	\$537,723	\$537,723
Total Cornell in EDP Fund 001			\$1,893,746	\$1,883,730	\$1,883,730

Revenue (Fund 001)

Non-recurring General Fund revenue of \$660,000, related to the sale of land in Selden to Empire State College was realized in 2016, rather than 2015. The 2016 estimate also includes nearly \$1.1 million in non-recurring General Fund grants and aid, much of it related to Hurricane Sandy. Implicit in General Fund revenue are increases in auction fees from 1% to 3% (in 2016 estimated and 2017 recommended revenue), which will be implemented this year, and a new 1% processing fee on contract agency agreements in 2017.

Cultural, Film, Tourism (Fund 192)

Hotel Motel Tax is recommended at approximately \$10.6 million in 2017. Three Divisions in this Department are supported by a portion of Hotel Motel Tax revenue: Tourism Promotion, Cultural Affairs, and Film Promotion. Each Division receives an allocation set by law, plus any available fund balance from the prior year. If the recommended revenue is adopted at a higher or lower amount, it will affect the amount of funding available for expenditures. See our separate section in this report on the Hotel Motel Tax Fund (Fund 192) for further information on revenue projections, distribution formulas, and contract agency funding.

The recommended budget provides sufficient salary funding for the filled position in Cultural Affairs and to fill the vacant Senior Account Clerk position in the Film Division. No Benefit Fund Contribution was included in 2017 for either position and no transfer for health insurance was included in the 2016 Estimate or in 2017 for the currently vacant film position. The recommended budget for Cultural Affairs also includes \$851,169 for contract agencies, \$74,829 more than adopted in 2016.

In the Film Division, the 2017 Recommended Operating Budget includes \$98,046 for film-related contract agencies, or \$6,960 less than adopted last year. It also provides \$30,000 for Special Services, \$7,000 more than adopted in 2016, which is typically allocated to film agencies via resolution, based on Film Commission recommendations. We understand that \$20,655 in Fees for Services is available to be used for anything related to film promotion.

Community Development Fund (Fund 351)

The EDP Divisions of Community Development and Home Investment Partnership are funded by Fund 351, the Community Development Fund. The Division administers federal grants that benefit cooperating municipalities. Expenditures are primarily comprised of costs related to salaries and benefits for the six currently filled positions in these Divisions, which is one less filled position than at this time last year. The recommended budget provides sufficient funding for all existing filled positions in this Division for all of next year.

This fund has been running at a deficit, as demonstrated in the last row of the following table. The fund is estimated to end 2017 with a deficit of \$2,232,793. A combination of events has caused difficulties in this fund. The Community Development Fund now receives primarily Federal HUD (Housing and Urban Development) funding, which has been cut significantly in the past few years. In addition, not all operating expenses are eligible for reimbursement. The Budget Review Office has previously advised caution in the filling of vacant positions, as the deficit would likely increase unless corrective measures were taken. Although 2016 estimated and 2017 recommended expenditures are less than adopted in 2016, they are still significantly more than the revenue received. In order to reconcile the existing deficit, a significant one-time General Fund transfer of \$2,232,793 would be needed in 2017.

Status of Fund 351			
2016 Adopted	2016 Estimated	As of Date Period of Time	2017 Recommended
(\$1,938,667)	(\$1,757,308)	Fund Balance, January 1	(\$2,017,207)
\$513,013	\$513,013	Plus Revenues, Jan. 1-Dec. 31	\$509,015
(\$1,425,654)	(\$1,244,295)	Total Funds Available	(\$1,508,192)
\$836,035	\$772,912	Less Expenditures, Jan. 1-Dec. 31	\$724,601
(\$2,261,689)	(\$2,017,207)	Fund Balance, Dec. 31	(\$2,232,793)

Water Quality Improvement Division (Fund 477)

There are eight filled positions in this Division, and the recommended budget provides sufficient funding to fill all existing positions for all of next year, assuming there will be minor attrition. Cornell Cooperative Extension programs comprise nearly 68% of Division operating expenses, while employee salaries comprise nearly 32%. See our separate section on the Suffolk County Water Protection Fund (Fund 477) for further information.

Cornell (Fund 477)

Resolution No. 38-2016 amended the 2016 Adopted Operating Budget to provide \$18,829 in additional funding for Cornell Cooperative Extension's Agricultural Stewardship Program (HSKI). The Recommended Budget provides funding as requested by the Department.

Fund	Activity	Cornell Program	2016 Adopted	2016 Estimate	2017 Rec.
477	GZAI	CCE- SC Stormwater Phase II Program Implementation	\$359,812	\$359,812	\$359,812
477	HSJI	CCE- Alt Mgt Strategies for Control of Insect Pests	\$115,752	\$115,752	\$115,752
477	HSKI	CCE- Develop & Implement Agriculture Stewardship	\$211,824	\$230,653	\$230,653
477	HSMI	CCE- Integrated Pest Management Program (IPM)	\$156,800	\$156,800	\$156,800
477	HSNI	CCE- Restoration of Peconic Bay Scallop Populations & Fisheries	\$283,414	\$283,414	\$283,414
Total Cornell in EDP Fund 477			\$1,127,602	\$1,146,431	\$1,146,431

Aviation Division (Fund 625)

Revenue (Aviation Division, Fund 625)

Aviation Division revenue is dedicated to a separate fund, F.S. Gabreski Airport (Fund 625), and must be used for airport related expenses. Revenue has been improving since 2013, due to factors that include: the re-negotiation of leases, increased fees at the airport, new leases, and an increase in the number of corporate jets utilizing the airport. The first full year of fee increases, authorized by Resolution No. 601-2013, was 2014. Resolution No. 447-2016 authorized additional increases for helicopter landing fees.

The delayed receipt of a one-time back payment of \$273,559 related to the Airport Joint Use Agreement (AJUA) with the Air National Guard, originally expected in 2015 and now included in the 2016 estimate, skews the 2016 estimated expenditure of Airport Fees & Rents. However, no funding related to a planned solar lease with SunEdison is included in the 2016 estimate for Rental of Real Property; whereas \$186,000 had been included in the 2016 Adopted Operating Budget. It is our understanding that the company filed for bankruptcy protection and no work has started. The \$93,000 included in 2017 assumes that the solar lease will be taken over by another company and will be operational by the second half of the year.

The recent appraised market value of leases in the prime II B area of the Airport was \$15,000-\$17,500 per acre. This area is desirable due to its location and amenities, such as existing apron space. The appraised market value for other areas of the airport, at \$8,000 -\$10,000 per acre, is based on an appraisal that has not been updated for a number of years. We recommend updated appraisals for any areas of the Airport which have not been recently appraised.

Expenditure (Aviation Division, Fund 625)

The recommended budget provides sufficient funding for all existing positions in this Division for all of next year, assuming there will be minor attrition. The 2016 Adopted Budget included \$210,000 for Control Tower repairs and crack sealing of runways and \$290,000 for the promotion of the Airport for aviation and non-aviation uses, including the development and leasing of the industrial park. The \$210,000 in the 2016 estimate is for the Control Tower repairs (currently being performed in-house), and for this year's crack sealing (which is contracted out). The marketing funding will not be utilized this year, in part due to community opposition. Although \$500,000 was requested in 2017, the recommended budget includes \$239,000, which is intended for continuing work on the Control Tower and the annually-needed crack sealing. Crack sealing is estimated at approximately \$40,000-\$60,000 per year to contract. The Department does not currently have sufficient staff to perform it in-house, even if necessary equipment was available.

The \$70,000 included in 2016 is insufficient to purchase two trucks for snow-clearing purposes, as equipment costs have risen due to a change in the State bidding process. The Aviation Division anticipates purchasing one truck this year, at an estimated \$50,000, and the recommended budget includes \$70,000 to purchase the second truck and possibly a small mower in 2017. There is a new \$13,020 expenditure for Special Services in 2017. This is a 14% fee for the consultant that procured SunEdison for the solar lease, and payment will be based on any payment received from SunEdison or any successor company in 2017.

F.S. Gabreski Airport Fund (Fund 625)

Recommended 2017 F.S. Gabreski Airport Fund 625 expenditures are comprised primarily of more than \$1.1 million in Aviation Division expenses, but other major expenses of Fund 625 include \$880,892 in debt service related to airport capital projects and a \$543,515 transfer to the recently

created Gabreski Municipal Sewer District No. 24, Fund 224. In the past, the Airport Fund has run at a deficit, and transfers from the General Fund were required to keep it in balance. No General Fund transfers were included as 2015 actual, 2016 estimated, or 2017 recommended expenditures. However, expenditures exceed revenues in the 2017 recommended status of Fund 625, and the use of a portion of the Fund 625 balance is anticipated. Ideally, Airport revenues will continue to increase and outpace necessary expenditures.

Budget Review Office Recommendations

Staff										
Fd	Dept	App	Unit	Title	Gr	2016 Modified	2017 Exec Rec	2017 BRO Rec	2017 BRO Change	M/D
001	EDP	6410	300	Community Dev&Planning Specist	21	3	3	2 A(001)	(1)	D

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Executive Office

Summary for Fund 001 in EXE					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	54	41	13	New	New
2013	54	44	10	0	0
2014	54	45	9	Abolished	Abolished
2015	57	47	10	0	0
2016	56	51	5		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$4,569,579	\$4,585,924	\$4,725,431	\$4,946,118	\$4,941,618
Permanent Salaries (1100)	\$4,408,981	\$4,521,249	\$4,646,764	\$4,875,443	\$4,875,443
Overtime Salaries (1120 & 1620)	\$9,482	\$7,125	\$7,125	\$7,125	\$7,125
Other Personal Services	\$151,116	\$57,550	\$71,542	\$63,550	\$59,050
Non-Personnel (2000s, 3000s, 4000s)	\$197,338	\$568,506	\$278,267	\$458,506	\$418,933
Equip and Supplies (2000s & 3000s)	\$50,957	\$104,276	\$65,926	\$104,276	\$93,865
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$137,740	\$428,750	\$194,500	\$318,750	\$300,000
Other Contractual Expenses	\$8,641	\$35,480	\$17,841	\$35,480	\$25,068
Totals	\$4,766,918	\$5,154,430	\$5,003,698	\$5,404,624	\$5,360,551
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$2,406	\$0	\$0	\$0	\$0
Local Revenue	\$0	\$17,250	\$15,250	\$250	\$153,700
Totals	\$2,406	\$17,250	\$15,250	\$250	\$153,700

Summary of Major Findings and Recommendations

- The recommended budget includes a new Service Fees - Miscellaneous, which is an administrative fee on every contract agency for contracted programs funded through object codes 4770 and 4980 in 2017.

Summary for All Funds in EXE					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	62	47	15	New	New
2013	62	50	12	0	0
2014	62	50	12	Abolished	Abolished
2015	70	56	14	0	0
2016	70	62	8		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$5,368,147	\$5,608,944	\$5,751,312	\$6,018,104	\$6,011,104
Permanent Salaries (1100)	\$5,198,349	\$5,530,369	\$5,667,245	\$5,931,329	\$5,931,329
Overtime Salaries (1120 & 1620)	\$11,887	\$13,125	\$7,125	\$13,125	\$10,625
Other Personal Services	\$157,911	\$65,450	\$76,942	\$73,650	\$69,150
Non-Personnel (2000s, 3000s, 4000s)	\$541,039	\$925,863	\$476,627	\$640,863	\$624,320
Equip and Supplies (2000s & 3000s)	\$55,984	\$110,683	\$98,536	\$110,683	\$123,402
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$475,372	\$778,750	\$359,500	\$493,750	\$475,000
Other Contractual Expenses	\$9,683	\$36,430	\$18,591	\$36,430	\$25,918
Totals	\$5,909,185	\$6,534,807	\$6,227,939	\$6,658,967	\$6,635,424
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$5,741	\$0	\$0	\$0	\$0
Local Revenue	\$0	\$17,250	\$15,250	\$250	\$153,700
Totals	\$5,741	\$17,250	\$15,250	\$250	\$153,700

Issues for Consideration

Personnel

The recommended budget includes sufficient General Fund (001) and Interdepartment Operation and Service Fund (016) permanent salary appropriations to fund all currently filled positions for the duration of 2017, but limits the Department's ability to fill its eight vacancies next year.

Service Fee Revenue

The recommended budget includes \$153,450 in revenue for a new Service Fees - Miscellaneous, which is an administrative fee on every contract agency for contracted programs funded through object codes 4770 and 4980 in 2017. The recommended budget narrative indicates that this new fee will be one percent of the total cost of the proposed contract. Although the revenue is attributed to the County Executive's office (001-1230), it represents one percent of contracts funded in the Human Services Division. Implementation of this fee will require a future duly enacted legislative resolution.

AT EXE17

Fire, Rescue and Emergency Services

Summary for Fund 001 in FRE					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	85	72	13	New	New
2013	82	74	8	0	0
2014	86	77	9	Abolished	Abolished
2015	86	78	8	0	0
2016	87	84	3		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$6,522,029	\$5,547,040	\$6,012,847	\$5,492,648	\$5,301,998
Permanent Salaries (1100)	\$4,306,498	\$4,607,965	\$4,505,157	\$4,455,271	\$4,272,123
Overtime Salaries (1120 & 1620)	\$1,441,461	\$665,000	\$779,454	\$740,500	\$750,000
Other Personal Services	\$774,070	\$274,075	\$728,236	\$296,877	\$279,875
Non-Personnel (2000s, 3000s, 4000s)	\$5,642,507	\$2,456,571	\$3,704,299	\$2,632,613	\$2,521,375
Equip and Supplies (2000s & 3000s)	\$3,229,270	\$451,609	\$1,305,965	\$577,131	\$506,720
Contracted Agencies (4980)	\$58,021	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$115,546	\$9,874	\$214,751	\$10,394	\$4,844
Other Contractual Expenses	\$2,239,670	\$1,995,088	\$2,183,583	\$2,045,088	\$2,009,811
Totals	\$12,164,536	\$8,003,611	\$9,717,146	\$8,125,261	\$7,823,373
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$4,328,223	\$566,893	\$2,094,120	\$0	\$0
Local Revenue	\$108,909	\$32,500	\$39,587	\$32,500	\$207,500
Totals	\$4,437,133	\$599,393	\$2,133,707	\$32,500	\$207,500

Summary of Major Findings and Recommendations

- The 2017 Recommended Operating Budget precludes filling vacant positions and limits backfill. This will contribute to excess overtime expenditures.
- The Suffolk County Comptroller's Audit Report 2016-04 identified a number of administrative deficiencies in payroll procedures in the Department of Fire, Rescue and Emergency Services.
- The 2016 estimate for overtime in the Department is understated by \$400,000.
- The 2017 Recommended Budget for overtime is understated by \$200,000. Overtime is unlikely to decrease significantly in the near future.
- A new revenue related to Fire Inspection Fee (rev. 1581), includes fees for inspecting fire suppression systems at schools and for licensing private companies to inspect other fire suppression systems.

Summary for All Funds in FRE					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	85	72	13	New	New
2013	82	74	8	0	0
2014	86	77	9	Abolished	Abolished
2015	86	78	8	0	0
2016	89	86	3		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$6,522,029	\$5,619,524	\$6,060,222	\$5,565,132	\$5,407,248
Permanent Salaries (1100)	\$4,306,498	\$4,680,449	\$4,544,832	\$4,527,755	\$4,357,923
Overtime Salaries (1120 & 1620)	\$1,441,461	\$665,000	\$784,454	\$740,500	\$763,000
Other Personal Services	\$774,070	\$274,075	\$730,936	\$296,877	\$286,325
Non-Personnel (2000s, 3000s, 4000s)	\$5,642,507	\$2,456,571	\$3,704,299	\$2,632,613	\$2,521,375
Equip and Supplies (2000s & 3000s)	\$3,229,270	\$451,609	\$1,305,965	\$577,131	\$506,720
Contracted Agencies (4980)	\$58,021	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$115,546	\$9,874	\$214,751	\$10,394	\$4,844
Other Contractual Expenses	\$2,239,670	\$1,995,088	\$2,183,583	\$2,045,088	\$2,009,811
Totals	\$12,164,536	\$8,076,095	\$9,764,521	\$8,197,745	\$7,928,623
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$4,328,223	\$566,893	\$2,094,120	\$0	\$0
Local Revenue	\$108,909	\$32,500	\$39,587	\$32,500	\$207,500
Totals	\$4,437,133	\$599,393	\$2,133,707	\$32,500	\$207,500

Issues for Consideration

2016 Audit

The Department of Audit and Control published an audit report on August 30, 2016 that examined overtime pay and procedures in FRES, as a follow up to a 2014 audit report. The report looked at payrolls at FRES from 2012 to mid-2015. Audit findings included insufficient internal control procedures in a number of areas, including lack of compliance with County procedures and agreements regarding shift-swapping, notification to the County Executive regarding overtime in excess of 50% of salary, overtime authorization, incorrect leave calculations, and incorrect calculation of annual work days. Although the Department disputed some of the audit findings regarding overtime management, the administrative deficiencies were for the most part acknowledged, and payroll records indicate that measures are being taken to recover the overpayments to FRES personnel discovered in the audit.

Personnel

Permanent salary appropriations in the Department are \$169,832 less than requested. This reduction impacts the main appropriation, 3400; the Department will be limited in its ability to backfill 2017 losses. Without the ability to backfill vacant positions resulting from Emergency Services Dispatcher retirements or attrition, the Department may incur overtime costs at a rate of about \$90,000 per vacancy. Although personnel losses are assumed in the reduction in permanent

salary expenditures, neither backfill, nor consequent overtime costs from personnel losses are contemplated by the recommended budget.

The two Emergency Services Dispatcher I positions added to the Department in the 2016 Adopted Budget in Fund 102 have been filled. A small amount of overtime for these positions has been included in Fund 102.

The recommended budget transfers personnel previously assigned to the General Fund in the Department's appropriation for grant funded personnel, 3401, to the Grants Management Fund. There is no impact to service provision.

Overtime

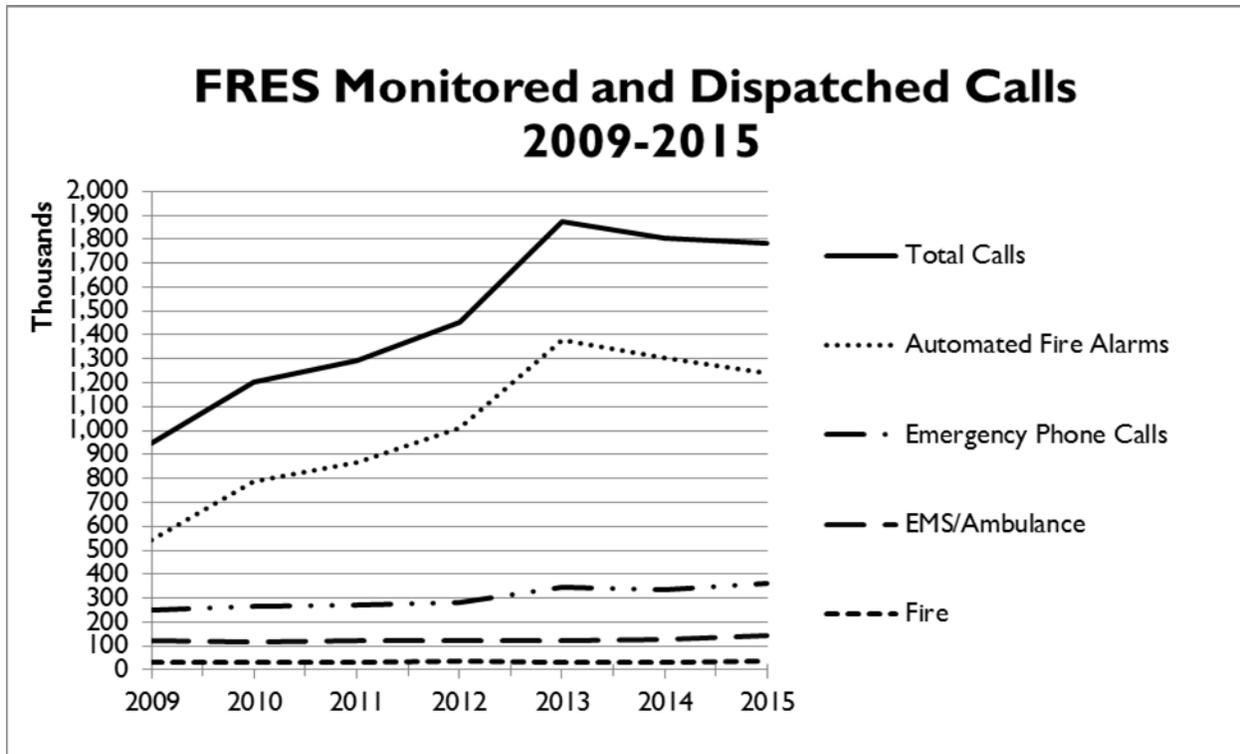
The 2016 estimate for overtime in the Department's main appropriation, 3400, is significantly underestimated. Overtime expenditures in the Department in 2016 will be approximately \$1.2 million. The 2016 estimate of \$779,454 in the General Fund is approximately \$400,000 below likely expenditures and just \$46,000 above year-to-date overtime expenditures as of September 25, 2016. The 2016 estimate should be increased to reflect the likely actual expenditures.

The 2017 Recommended Budget includes \$750,000 in General Fund overtime expenditures in the Department. It is unlikely, but possible that overtime will be close to this amount. With the exception of 2009, the Department's actual overtime expenditures have exceeded the adopted amounts by at least 22% in every year since 2004, and since 2011 they have exceeded adopted expenditures in overtime by at least 100%. The last year the Department could manage its overtime internally, by reducing hiring, was 2009. Since 2010, transfers to cover overtime have happened administratively through the County Executive's Budget Office.

About 85% of the overtime costs incurred in the Department can be attributed to Emergency Service Dispatchers. Assuming no vacancies, there is a base overtime level of about 20-40 hours per week per manned duty position in the Emergency Communication Center (ECC). That base level currently equates to about \$600,000 to \$800,000 in annual overtime expenses for the ECC, and assumes no vacancies in Emergency Services Dispatcher (ESD) positions and does not account for Emergency Operations Center (EOC) activations or Mobile Command Post (MCP) Deployments.

Three factors significantly affect overtime costs in the ECC, and therefore in the FRES budget as a whole. The first factor is vacancies. In the first year of employment for an ESD I, there is no difference in overtime cost between leaving the position vacant for a year and filling the position. The cost to cover one vacant ESD I position is about \$90,000 in overtime for each vacant full time position. For the first year, filling the position costs the same amount as approximately six months of overtime is needed to cover shifts still unmanned until the new dispatcher can work alone, and six months of trainer shifts must be covered for the same six months. Furthermore, although the ECC received two new positions in 2016, there were only 50 authorized positions in the three years with the highest historic overtime, 2012, 2013, and 2014; in these three years, the average number of vacancies was 3.6.

The second factor is the manning requirements in the ECC. Each type of call received by the ECC must be answered and disposed of within a certain amount of time. Call volume in the ECC has increased by 88% since 2009; the chart below shows volume growth in different call categories since 2009.



The growth in call volume has led to an increase in minimum manning requirements in the ECC, which has led to increased overtime since 2009.

The final factor affecting FRES overtime is response to events which require activation of the EOC or the MCP. Dispatchers are drawn out of the ECC for these contingencies; their shifts must be backfilled using overtime. This factor has a smaller impact than the other two, although the affect is magnified, as it was during and after Hurricane Sandy, when ESD staffing is below 100%.

Given the effects of the various factors on the Department's overtime expenditures, as well as actual historical expenditures, 2017 expenditures in appropriation 3400 are likely to be somewhat higher than recommended, at approximately \$900,000. Even this more pessimistic estimate of likely expenditures makes a number of optimistic assumptions: that the possible retirements do not occur, that there are no other ESD losses, that non-ESD overtime does not exceed \$100,000, that EOC activations and MCP deployments do not exceed 46, and that manning requirements do not increase in 2017.

Revenues

The Department has a new revenue category in the 2017 Recommended Budget, revenue code 1581, which includes \$100,000 attributed to fire and safety inspection fees for schools, and licensing fees. A new \$100 fee per school for the fire marshal inspection will be charged to the various school districts in the County. Expected revenue from the school inspections is \$45,000. Additionally, the recommended budget imposes a \$500 license fee on approximately 25 companies for two separate licenses/certifications for companies installing fire suppression systems, one for sprinkler and standpipe installations, and one for hood and ducts. These fees are similar to those charged for similar certifications in other municipalities.

Most of the Department's revenues are State and Federal Grants, and revenues can vary significantly from year to year, depending on grant funding cycles, funding rollovers, and the amount of funding available at the State and Federal Level. Because of this variability, FRES was among the first departments to adopt grant procedures that are now proposed to be used county wide. Grant funding is not included in the 2017 Recommended Operating Budget, but is appropriated and accepted throughout the fiscal year by resolution. Grant appropriations are heavily relied upon for supplies and equipment

Budget Review Office Recommendations

Expenditures										
					Object/Activity	2016 Exec	2016 BRO	2017 Exec	2017 BRO	
Fd	Dept	Unit	Obj	Act	Name	Est	Change	Rec	Change	M/D
001	FRE	3400	1120	0000	Overtime Salaries	\$700,000	\$400,000	\$700,000	\$200,000	DE

CF FRES 17

Health Services

Summary for Fund 001 in HSV					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	848	736	112	New	New
2013	867	710	157	0	0
2014	866	685	181	Abolished	Abolished
2015	880	668	212	52	62
2016	846	625	221		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$50,947,016	\$48,776,163	\$49,306,680	\$49,210,767	\$43,379,845
Permanent Salaries (1100)	\$47,354,010	\$46,729,158	\$43,965,928	\$46,596,278	\$41,417,245
Overtime Salaries (1120 & 1620)	\$1,298,318	\$737,405	\$823,151	\$1,011,905	\$748,850
Other Personal Services	\$2,294,687	\$1,309,600	\$4,517,601	\$1,602,584	\$1,213,750
Non-Personnel (2000s, 3000s, 4000s)	\$191,126,846	\$196,510,953	\$199,212,317	\$196,438,119	\$191,279,611
Equip and Supplies (2000s & 3000s)	\$5,748,216	\$5,569,494	\$5,608,805	\$5,720,631	\$4,884,734
Contracted Agencies (4980)	\$58,141,270	\$57,889,949	\$60,800,586	\$57,012,741	\$54,610,063
Fees for Services: Non Employee (4560)	\$14,820,878	\$15,688,707	\$17,473,654	\$17,660,443	\$15,840,959
Other Contractual Expenses	\$112,416,482	\$117,362,803	\$115,329,272	\$116,044,304	\$115,943,855
Totals	\$242,073,862	\$245,287,116	\$248,518,997	\$245,648,886	\$234,659,456
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$123,768,563	\$119,400,512	\$129,845,172	\$121,986,673	\$119,766,968
Local Revenue	\$28,449,880	\$22,814,310	\$36,474,129	\$21,096,320	\$22,261,688
Totals	\$152,218,442	\$142,214,822	\$166,319,301	\$143,082,993	\$142,028,656

Summary of Major Findings and Recommendations

- The Division of Preventive Medicine has been eliminated, and its component units are either eliminated or transferred to other appropriations.
- Restoration of the Public Health Nursing Bureau to 2017 requested levels could be accomplished at no net additional net cost for the Bureau. The restoration would require the transfer of personnel back to the Office's appropriation, 4508, and use of anticipated revenue from the Bureau's activities to offset equipment, supply, contract and other costs.
- If the Public Health Nursing Bureau is restored, \$560,000 should be added to Jail Medical Unit permanent salaries to mitigate loss of the personnel who were to be transferred there.
- Assuming the availability of additional State aid, restoration of the Office of Health Education and Tobacco Control to the 2017 requested level could be accomplished by transferring personnel back to the Office's appropriation, 4501, and by using anticipated State aid from the Office's activities to offset equipment, supply, contract and other costs. If additional aid is not available, the net restoration cost would be approximately \$188,000.
- Restoration of the inadvertently unfunded contract agencies in Community Mental Hygiene requires approximately \$4.1 million in appropriations.

Summary for All Funds in HSV					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	1,057	942	115	New	New
2013	1,069	726	343	0	0
2014	883	702	181	Abolished	Abolished
2015	897	685	212	52	62
2016	863	642	221		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$52,144,452	\$49,977,675	\$50,545,637	\$50,459,576	\$44,598,574
Permanent Salaries (1100)	\$48,438,962	\$47,904,970	\$45,139,388	\$47,799,487	\$42,590,374
Overtime Salaries (1120 & 1620)	\$1,381,939	\$749,905	\$874,649	\$1,041,905	\$778,850
Other Personal Services	\$2,323,551	\$1,322,800	\$4,531,600	\$1,618,184	\$1,229,350
Non-Personnel (2000s, 3000s, 4000s)	\$191,161,234	\$196,558,503	\$199,259,867	\$196,500,669	\$191,342,161
Equip and Supplies (2000s & 3000s)	\$5,775,104	\$5,592,044	\$5,631,355	\$5,758,181	\$4,922,284
Contracted Agencies (4980)	\$58,141,270	\$57,889,949	\$60,800,586	\$57,012,741	\$54,610,063
Fees for Services: Non Employee (4560)	\$14,828,378	\$15,713,707	\$17,498,654	\$17,685,443	\$15,865,959
Other Contractual Expenses	\$112,416,482	\$117,362,803	\$115,329,272	\$116,044,304	\$115,943,855
Totals	\$243,305,686	\$246,536,178	\$249,805,504	\$246,960,245	\$235,940,735
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$123,804,760	\$119,782,725	\$130,215,686	\$122,368,886	\$120,135,976
Local Revenue	\$18,820,368	\$22,814,310	\$36,474,129	\$21,096,320	\$22,261,688
Totals	\$142,625,128	\$142,597,035	\$166,689,815	\$143,465,206	\$142,397,664

Issues for Consideration

Revenues

The recommended budget increases most environmental and sanitation revenues from 10 to 20%, anticipating commensurate increases in Public Health and Environmental Quality fees, resulting in an eight percent revenue increase compared to the request. Most fees and fines in Health Services can be changed by the Department; however, any fee set by Local Law can only be changed by Local Law. The revenues related to denitrification, in revenue code 2180, were set pursuant to Local Law. However, one of the revenues recommended for increase, the fees charged to individuals taking County sponsored EMS courses, in revenue code 1616, is set by New York State, and cannot be changed by Suffolk County. This revenue should be reduced to no more than the requested level.

The new one percent contract fee also impacts the Department, with \$549,206 expected as revenue from Health Department contracts. Among other issues with this revenue, it is unclear if the County can collect revenues from contractors receiving certain pass-through funding from Federal and State Aid; for example the Community Support Services Program contained in appropriation 4330, also contains aid for administering the program.

Revenue of \$13,405,000 from the sale of the skilled nursing facility building to Brookhaven Memorial Hospital is included in 2016 estimated revenues.

Grants

Grant budgeting and accountability in the Department changed significantly in 2016, and is changing again in 2017. With the exception of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) staff and the Peconic Estuary Director, all grant funded personnel were moved into main division appropriations in 2016; this practice continues in 2017. However, grant funding will now be received into the new proposed Grants Management Fund, 003. WIC and Peconic Estuary Program personnel are transferred into the new Fund 003 (and Fund 12 for payroll purposes).

As an example, staff previously funded by the Public Health Division's Bioterrorism and Public Health Preparedness and Response Grant (appropriation 4024), a NYS grant, will be in appropriation 4010. The Department has designated personnel unit 4100 as the "grants unit" in the various appropriations. Expected grant salaries, while not included in the permanent salary appropriations, are indicated by Other Adjustments in the Net Appropriation calculation shown on the personnel pages in the recommended budget.

As grants are appropriated and accepted during the fiscal year, grant appropriations will be filled using the revenues and appropriations specified in the grant resolution. The Department tracks employee work on grant programs through a time and activity system that has been in use department wide for several years, and acts as a backup to the financial system and provides full accountability for grantors to show full and appropriate use of grant funds.

This procedure change arguably leads to better retrospective accountability for grant funding, and possibly a fuller and more efficient use of grant funding. However, these funds, both expenditures and revenues, have almost entirely disappeared from budget requests and from the recommended operating budget, even if the funding source is a stable one. The recommended and requested budgets are more difficult to evaluate as a resource and expenditure database, since important resources are accounted for almost entirely retrospectively.

Personnel

The 2017 recommended budget for the Department of Health Services provides sufficient personnel appropriations to allow the Department to staff its programs at or slightly below 2016 levels, assuming that grant funding will be available at levels similar to previous years. Certain individual appropriations, particularly in the Division of Community Mental Hygiene, should be able to hire personnel in 2017. The Division of Preventive Medicine has been eliminated from the Department's organization in 2017, and component units and their programs and personnel have been eliminated or reassigned to other divisions. These program issues will be discussed in a separate section.

Filled positions in the Department of Health Services have continued to decrease even after the large losses experienced due to the 2012 layoffs and the 2013 closure of the John J. Foley Skilled Nursing Facility. From September 2014 to September of 2016, authorized positions declined by 20. The 2017 recommended budget further reduces authorized positions to 801. During the same 2014-2016 period, filled positions decreased by 60. Most of the decrease has been caused by departures or retirements after program closures, particularly as a result of the transition of the health center system to HRHCare. As the County's fiscal problems have continued, most of these positions have been defunded. This loss of funding has contributed to increases in overtime in the Department's two largest units, the Jail Medical Unit (JMU), and the Division of Environmental Quality (DEQ).

Overtime

Total departmental overtime expenditures as of October 1, 2016 are \$815,368, approximately \$60,000 less than the 2016 estimate with three months remaining in the year. Based on historical overtime costs for the two largest overtime users, DEQ and the JMU, which have already exceeded their 2016 estimates, we estimate total overtime costs will be approximately \$1.1 million. The JMU overtime object line should be increased by \$210,000 to reflect 2016 estimated expenditures of \$510,000; DEQ overtime should be increased by \$100,000 in 2017.

Estimating 2017 expenditures is more problematic. The transfer of most Public Health Nursing Bureau staff to the Jail Medical Unit arguably creates less need for overtime. However, closure of the Bureau and the transfer of the staff may take several months, is subject to New York State and Legislative approval, and may not occur at all. Based on the history of the transfers during the health center transition, this reorganization will likely result in staff departures and retirements. JMU overtime will probably exceed the 2017 recommended budget of \$300,000 regardless of the personnel transfer. If the transfer does not occur, overtime will be closer to the department's request of \$510,000.

Equipment and Supply Expenditures

Generally, levels of supply and equipment appropriations are already so low that practically any expenditure unanticipated by the budget can directly impact personnel, by decreasing backfill or restricting overtime. As elsewhere in the budget, funds requested for computer purchases are removed from the recommended budget.

The two largest components of the Department's supply expenditures occur in two areas: Medical, Dental, and Laboratory Supplies (object 3370), which is found in multiple appropriations in the Department, and Hospitalization of Jail Inmate (object 3980), which is an expense related only to the JMU. Together, these expenses account for about two-thirds of estimated non-grant 2016 supply and equipment expenditures in the Department; hospitalization alone accounts for 39%. The 2016 estimate for Jail Hospitalization is understated; expenditures that occurred after the calculation of the 2016 estimate will increase this expense by approximately \$400,000, to about \$2.2 million. While the 2017 recommended expenditure for Jail Hospitalization is reasonable based on the average of the last five years of available actual expenditures, since 2013 these costs have averaged \$2.1 million, and as stated above, the 2016 estimate is probably understated. The 2017 appropriation will probably be closer to \$2.1 million as well. The 2016 estimate for Medical, Dental and Laboratories is reasonable; however, 2017 expenditures should be increased by \$25,000 each for the JMU and Public and Environmental Health Laboratory.

Fees for Services Contract Expenditures

Because the scope of the Department's work has changed significantly over the last six years, determining actual resource requirements moving forward is challenging. Generally, fees for services contracts appropriations for 2017 will allow the Department to continue to operate at current service levels. In mental health clinical services, the jail mental health program, and in the methadone maintenance program, large increases in these contracts were requested to account for the retirement or departure of permanent staff, and to allow the County to be more competitive in hiring mental health professionals. Contract psychiatric professionals are used in the County's mental health clinics and in substance abuse treatment, in lieu of attempting to hire these positions at less competitive County salaries, and to allow for some flexibility in staffing. Increases were granted, but at levels below the request. The impact on service provision will not be clear until well into 2017.

More problematic are the appropriations in the Jail Medical Unit and for EMS instruction. Personnel shortfalls in the JMU require the use of contract medical staff, in addition to overtime, to cover absences. Fees for services in the JMU have been consistently underestimated and recommended and adopted below actual expenditures by an average of 18% since the JMU began operating at both Yaphank and Riverhead in 2013. The Department requested \$1.95 million for 2017, \$600,000 more than recommended, to account for laboratory services shifting to the JMU appropriation from appropriation 4101 and to account for the anticipated expenditure level. At least \$500,000 should be added to this expenditure in 2017, to reflect historical expenditures since 2013, and to account for the shift in payment for lab services.

Contract Agencies

Several recommended and requested Mental Health contract expenditures in appropriations 4310 and 4330 were inadvertently omitted from the 2017 Recommended Budget. However, the revenue for these 15 contract agencies was included in the budget within revenue codes 3490 and 3493. This revenue will not be received if the agencies are not funded, creating a deficit of \$3.8 million.

Funding for the New Horizons Contract (activity code JVO1) in appropriation 4320-4980 was placed in the contract agency contingency appropriation, 1991-4980, subject to the contractor's compliance with County regulations. The contractor is now in compliance, and the \$310,564 should be included in the adopted budget within its regular appropriation.

The current contract with Stony Brook University Hospital for medical control has been extended to the end of 2016, and the Department is preparing an RFP for early next year. The current contract amount was established in 1992-93; it is likely that respondents to the RFP will propose higher amounts to cover current costs. This contract should, at a minimum, be restored to the contracted amount, an increase of \$67,897 in appropriation 4618-4980.

Division of Preventive Medicine Services Elimination

The recommended budget eliminates the Department's Division of Preventive Medicine and three of its component units, the Public Health Nursing Bureau, Health Education and Tobacco Control, and Prevention Education, and the administration section of the Division. Personnel in these units are transferred to other appropriations. The Child Find grant unit and the Tobacco Enforcement unit are transferred to the Division of Public Health.

Public Health Nursing

The recommended budget transfers 13 positions to the Jail Medical Unit: one Public Health Nurse IV, one Public Health Nurse II, one Public Health Nurse Coordinator, nine Public Health Nurse I, and one Registered Nurse to the Jail Medical Unit. One Public Health Nurse I position is inadvertently abolished in the course of the transfers out of the Bureau. Support personnel are transferred to the Division of Environmental Quality. Since the Bureau is a functioning Certified Home Health Agency (CHHA), the County must provide an appropriate closure to NY State for approval. The County cannot close the CHHA until all patients currently under care are placed with a provider that meets their care needs. Closure of the CHHA eliminates the Bureau as a home health services provider in Suffolk County. Assuming an approved closure plan, home health services would probably be less available to the Bureau's traditional patient base of people in medically underserved areas, high risk prenatal patients, and at risk children.

Elimination of the Bureau as recommended does not appear to have direct savings to the County. There are no layoffs associated with the Bureau's dissolution, and therefore no savings in personnel costs. The Bureau's requested equipment, supplies, and contracts total \$219,911, which is less than

their requested fee revenue (revenue code 1610) of \$305,920. Additionally, there is approximately \$225,000 in Public Health Aid for Municipalities (Article 6, in revenue code 3401) associated with the Bureau's activities. If the Bureau is reconstituted, the cost of equipment, supplies, and contracts would be offset by these revenues. The only savings associated with the elimination of the Bureau derive from less of a need for new personnel at the Jail Medical Unit. If the Bureau is restored, \$560,000 should be added to permanent salaries at the JMU. Some of this additional funding may be needed to cover benefit costs for these additional employees as the Department manages its budget.

This elimination of the Public Health Nursing Bureau could be reversed with no or minimal cost to the County. The Bureau generates revenue in two ways, by billing patients, which is collected in revenue code 1610, Public Health Nursing Fees, and by claiming revenue through the state aid for municipalities (Article 6), accounted for in revenue code 3401. Reconstitution of the Bureau could be accomplished by moving the transferred Public Health Nurses and their support staff back to appropriation 4508. The revenue generated by the nurses should be sufficient to allow the Bureau to continue to operate at 2016 service levels. If the Bureau was reconstituted, it could be placed in the Patient Care Services Division or in the Public Health Division. The grant funded positions should be moved back as well; however, since their salaries are not included in the recommended budget, these positions can be transferred when grant funding is accepted and appropriated.

Health Education and Tobacco Control

The recommended budget also eliminates the Office of Health Education and Tobacco Control. Public Health Educators are transferred to appropriation 4310, to a new unit, the Addiction Response Team in the Division of Community Mental Hygiene. The Tobacco Enforcement Unit is transferred to Public Health. Elimination of the Office of Health Education will significantly limit the ability of the the Department to conduct chronic disease prevention education, communicable disease prevention education, and other education on public health issues.

There are direct savings associated with the elimination of the tobacco cessation program, although not with the Office of Health Education and Tobacco Control in its entirety. The Tobacco Cessation program is specifically not eligible for Article 6 aid; because of this ineligibility, direct savings from elimination of the cessation program total approximately \$156,000: the \$150,000 cost of the medications contained in 4501-3370, and the \$6,000 cost of the contracted instructors in 4501-4560. However, this program is a small portion of the Office of Health Education & Tobacco Control's activities. The Office's other health prevention education programs (separate from the tobacco cessation program) generate Article 6 aid of approximately \$310,000, which helps offset costs of all the Office's programs. The movement of the Public Health Educators to the Division of Community Mental Hygiene and the elimination of the Office of Health Education and Tobacco Control will have a likely negative impact on Article 6 Aid; there is typically no Article 6 reimbursement associated with the Division of Community Mental Hygiene's activities; although that Division receives aid for its activities, there is no aid associated with the transfer of the Public Health Educators to the new Addiction Response Team. It appears that the 2017 Recommended Budget does not include Article 6 (Revenue Code 3401) associated with the Office of Health Education and Tobacco Control.

Restoration of the Office as a whole would assure eligibility of the unit for continuing Article 6 reimbursement, assure that the Office remains a resource for health education to schools in Suffolk County, assure that the support functions for the Adolescent Tobacco Use and Prevention Act (ATUPA) functions are appropriately managed, and assure the continuance of currently aided programs.

The Office of Health Education could be reconstituted in a similar manner to the Public Health Nursing Bureau. Assuming Article 6 revenue is not currently included in the recommended budget, revenue generated by the Office's prevention education activities should be sufficient to allow the unit to provide services, including the tobacco cessation program, at close to 2016 levels, and the unit could be restored at no net cost. However, if the Article 6 revenue was included despite the likely negative impact on this aid from the elimination of the Office, there will be a net cost to restore the Office of approximately \$188,000, equal to the requested equipment, supply, and contract appropriations, of which \$156,000 would be the tobacco cessation program costs.

Prior to the formation of the Division of Preventive Medicine, Health Education functioned in the Office of Health Education, reporting directly to the Commissioner of Health Services. The grant funded positions should be moved back as well; however, since their salaries are not included in the recommended budget, these positions can be transferred when grant funding is accepted and appropriated.

Jail Medical Unit

Reconstitution of the Public Health Nursing Bureau in the 2017 budget and restoration of the Bureau to approximately 2016 service levels will reduce available personnel and expenditures at the Jail Medical Unit. Coincidentally with the transfer of Bureau personnel to the JMU, turnover savings were increased by approximately \$560,000 in the JMU, precluding any hiring in the unit but probably allowing limited backfill, or provide sufficient appropriations in overtime and contract agencies to function at current levels. Permanent Salary appropriations should be increased by \$560,000 if the Public Health Nursing Bureau is reconstituted.

Budget Review Office Recommendations

- Consider reconstituting the Public Health Nursing Bureau a net cost to the County of \$560,000.
- Consider reconstituting Health Education and Tobacco Control at a net cost to the County of \$188,000.

Expenditures										
Fd	Dept	Unit	Obj	Act	Object/Activity Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	HSV	4109	1120	0000	Overtime Salaries	\$300,000	\$210,000	\$300,000	\$210,000	ME
001	HSV	4109	4560	0000	Fees For Services: Non-Employ	\$1,750,000	\$0	\$1,348,512	\$500,000	ME
001	HSV	4109	3370	0000	Medical, Dental & Laboratory S	\$440,000	\$0	\$425,000	\$25,000	ME
001	HSV	4109	3980	0000	Hospitalization Of Jail Inmate	\$1,756,281	\$400,000	\$1,950,000	\$150,000	ME
001	HSV	4618	4980	AVWI	University Hospital	\$444,301	\$0	\$376,404	\$67,897	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - Supp Case Mgt	\$0	\$0	\$0	\$327,600	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - ACT Team	\$0	\$0	\$0	\$120,556	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - MICA TFIP	\$0	\$0	\$0	\$589,665	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - Fam Support & Respite	\$0	\$0	\$0	\$406,401	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - C & Y Training	\$0	\$0	\$0	\$19,867	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - Crisis	\$0	\$0	\$0	\$209,000	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - SPOA	\$0	\$0	\$0	\$204,411	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - ACT	\$0	\$0	\$0	\$120,556	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - Case Mgt Training	\$0	\$0	\$0	\$4,000	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - C & F Emergency Care	\$0	\$0	\$0	\$302,680	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - PROS Coram	\$0	\$0	\$0	\$168,104	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - PROS Smithtown	\$0	\$0	\$0	\$107,796	DE
001	HSV	4330	4980	XXXX	PSCH, INC. - Drop In	\$0	\$0	\$0	\$70,636	DE
001	HSV	4310	4980	XXXX	PSCH, INC.				\$1,061,528	DE
001	HSV	4330	4980	JXLI	FREE - Forensic	\$84,000	\$0	\$0	\$84,000	DE
001	MSC	1991	4980	0000	Contracted Agencies	\$0	\$0	\$360,064	-\$310,564	DE
001	HSV	4320	4980	JVOI	New Horizons		\$0	\$0	\$310,564	DE
001	HSV	4325	3370	0000	Medical, Dental & Laboratory S	\$440,000	\$0	\$425,000	\$25,000	DE
001	HSV	4400	1120	0000	Overtime Salaries	\$237,105	\$0	\$230,000	\$100,000	DE

CF HSV 17

Human and Community Services

Summary for Fund 001 in EXE-HUM					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	88	72	16	New	New
2013	89	69	20	0	0
2014	89	71	18	Abolished	Abolished
2015	91	75	16	1	1
2016	93	72	21		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$4,492,882	\$4,818,111	\$5,082,993	\$5,335,256	\$4,930,376
Permanent Salaries (1100)	\$4,256,949	\$4,565,711	\$4,532,005	\$5,071,326	\$4,669,946
Overtime Salaries (1120 & 1620)	\$8,114	\$3,200	\$6,596	\$3,200	\$2,850
Other Personal Services	\$227,819	\$249,200	\$544,392	\$260,730	\$257,580
Non-Personnel (2000s, 3000s, 4000s)	\$15,565,296	\$16,441,808	\$16,715,332	\$16,151,600	\$16,085,067
Equip and Supplies (2000s & 3000s)	\$535,331	\$722,273	\$715,583	\$662,958	\$637,983
Contracted Agencies (4980)	\$14,957,680	\$15,533,943	\$15,821,204	\$15,344,982	\$15,344,982
Fees for Services: Non Employee (4560)	\$2,350	\$59,565	\$25,300	\$59,565	\$22,200
Other Contractual Expenses	\$69,935	\$126,027	\$153,245	\$84,095	\$79,902
Totals	\$20,058,178	\$21,259,919	\$21,798,325	\$21,486,856	\$21,015,443
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$13,279,501	\$13,310,520	\$14,091,280	\$13,996,499	\$14,025,810
Local Revenue	\$46,783	\$259,749	\$419,378	\$259,749	\$259,749
Totals	\$13,326,284	\$13,570,269	\$14,510,658	\$14,256,248	\$14,285,559

Summary of Major Findings and Recommendations

- Revenue attributable to the Suffolk County Marathon is included without corresponding expenditures to provide funding for veterans organizations. This revenue should be deleted from the operating budget.

Summary for All Funds in EXE-HUM					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	88	72	16	New	New
2013	89	69	20	0	0
2014	89	71	18	Abolished	Abolished
2015	91	75	16	1	1
2016	93	72	21		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$4,492,882	\$4,818,111	\$5,082,993	\$5,335,256	\$4,930,376
Permanent Salaries (1100)	\$4,256,949	\$4,565,711	\$4,532,005	\$5,071,326	\$4,669,946
Overtime Salaries (1120 & 1620)	\$8,114	\$3,200	\$6,596	\$3,200	\$2,850
Other Personal Services	\$227,819	\$249,200	\$544,392	\$260,730	\$257,580
Non-Personnel (2000s, 3000s, 4000s)	\$15,565,296	\$16,941,808	\$16,715,332	\$16,651,600	\$16,585,067
Equip and Supplies (2000s & 3000s)	\$535,331	\$1,222,273	\$715,583	\$1,162,958	\$1,137,983
Contracted Agencies (4980)	\$14,957,680	\$15,533,943	\$15,821,204	\$15,344,982	\$15,344,982
Fees for Services: Non Employee (4560)	\$2,350	\$59,565	\$25,300	\$59,565	\$22,200
Other Contractual Expenses	\$69,935	\$126,027	\$153,245	\$84,095	\$79,902
Totals	\$20,058,178	\$21,759,919	\$21,798,325	\$21,986,856	\$21,515,443
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$13,279,501	\$13,310,520	\$14,091,280	\$13,996,499	\$14,025,810
Local Revenue	\$82,312	\$309,749	\$469,378	\$309,749	\$309,749
Totals	\$13,361,814	\$13,620,269	\$14,560,658	\$14,306,248	\$14,335,559

Issues for Consideration

Office for the Aging

Personnel

In the aggregate, the 2017 Recommended Budget includes sufficient permanent salary funding for all currently filled positions and approximately 35% of vacant positions. One vacant Senior Citizen Aide position is abolished as requested.

The recommended budget reduces interim salary funding for the Point of Entry Program by \$260,652 for 2017; however, funding is anticipated to be restored during the year by a grant appropriating resolution.

Contract Agencies

In the aggregate, the recommended budget includes \$9,851,021 for contract agencies, which is \$215,044 more than adopted in 2016. Most of the Department's programs are substantially reimbursed by the state and federal governments. The increases compared to 2016 are for the 75% aided Community Services for the Elderly Program (6777) and the 100% aided Health Insurance Information and Counseling Assistance Program (6795). The only 100% County funded agencies that assist the elderly are Senior Support Programs (6773) and Respite Care Demonstration Programs (6780). These agencies are recommended at \$380,746, the same as adopted in 2016.

Nutrition Programs

There are 434 seniors waitlisted for home delivered meals. In 2017, contractors will provide 650,153 meals: 290,312 congregate and 359,841 home delivered. This is a slight increase from the 648,326 estimated to be provided in 2016. There are approximately 9,100 elderly who are served every year.

Although home delivered meals are eligible for 90% federal aid (Title III-C-2), the County exceeds the spending cap for this program in order to provide additional meals. The recommended budget includes \$1,939,599 in expenditures in 2017, and \$754,514 in federal aid. The result is that this program operates at approximately 60% local cost.

Veterans Service Agency

Personnel

The 2017 Recommended Budget includes sufficient permanent salary funding for all currently filled positions and approximately \$78,000 for vacant positions in 2017. The County Executive recommends amending the Classification and Salary Plan to increase Senior Veterans Service Officer from grade 16 to grade 18. Currently, a Senior VSO is the same grade as a Veterans Service Officer. Assuming a VSO is promoted to a Senior VSO, there would be an additional cost of \$3,850 in 2017.

Suffolk County Marathon

The first Suffolk County Marathon was held in September of 2015. The 2015 Adopted Budget included \$180,000 in revenue from the event. Actual net proceeds from the marathon were \$159,629, which were accepted and appropriated by Resolution No. 222-2016. The Veteran's Grant Committee is responsible for distributing these funds to veterans organizations in 2016. Due to the fact that revenue was received late in the year, revenue from the 2015 marathon is not reflected in the 2015 actual column in the budget. The 2016 estimate of \$339,629 includes the \$159,629 from the 2015 marathon as well as \$180,000 for the 2016 marathon. Recommended revenue in 2017 is also \$180,000. Expenditures for veterans organizations are not included in 2017. Assuming these funds will be appropriated when proceeds from the 2016 and 2017 marathons are available, as was the case in 2016 for 2015, we recommend reducing 2016 revenue by \$180,000 and 2017 revenue by \$180,000.

Office for People with Disabilities

Personnel

The 2017 Recommended Budget includes \$338,712 in permanent salary funding for the Office for People with Disabilities. Based on a Budget Review Office projection for permanent salaries for 2017, the recommended funding is sufficient for currently filled positions for the duration of 2017, but limits the office's ability to fill vacancies next year.

Contract Agencies

The 2017 Recommended Budget defunds The Disability Opportunity Fund (JRS1). This agency was added by the Legislature in 2014 with funding of \$40,000. The 2015 Adopted Budget included funding at the same level, but the 2016 Adopted Budget reduced funding to \$36,000. The purpose of the funding is to provide housing for people with developmental disabilities. However, the funding amount is no longer sufficient to perform the function.

Handicapped Parking Education Fund

According to the Office, NYS law states that ticket revenue collected from people without permits parking in Handicapped Parking spots is to be used to educate the public about the misuse of the spaces. Appropriations have been included for an education program in past budgets, but no funds have ever been expended. However, the Office states that the RFP process has begun and a vendor will be chosen either before the end of 2016 or during 2017.

Minority Affairs

Contract Agencies

The 2016 Adopted Budget included two contract agencies in Minority Affairs, Pronto of Long Island (HIVI) and NAACP-Long Island ACT-SO Program (HWX1). The 2017 Recommended Budget defunds Pronto of Long Island, but retains the NAACP program.

Youth Bureau

Contract Agencies

Ninety-five percent or \$5.5 million of the Youth Bureau's 2017 recommended budget is for contracted agencies. The 2017 Recommended Budget includes \$359,905 less than adopted in 2016, partially due to defunding agencies added by the Legislature in 2016. According to the Youth Bureau, the recommended decreases do not impact aid. Any increases to the recommended amount will be at 100% County cost.

The recommended budget includes funding of \$398,251 for Hope for Youth (JXN1). This funding was previously for The Ministries Inc. (ASUI), which ended operations in 2015. Funding was included in the 2016 Adopted Budget without an activity code as no contract was in place at the time the budget was adopted. Hope for Youth was awarded the contract through RFP in 2016. Hope for Youth operates a 30 day emergency shelter for runaway youth, certified by the State.

State Aid

State aid for Youth Programs is anticipated to be relatively flat. The Youth Bureau received \$1.9 million in 2015 and is estimated to receive \$1.8 million in 2016. The 2017 Recommended Budget includes the same level of aid as estimated for 2016.

Personnel

The 2017 Recommended Budget includes six authorized positions for the Youth Bureau, which is the same as in the 2016 Adopted Budget. Of the currently authorized positions, three are filled. In the aggregate, sufficient funding is included for permanent salaries for the Youth Bureau to fund all currently filled positions with approximately \$63,000 remaining to fill vacancies in 2017.

Office for Women

Personnel

The 2017 Recommended Budget includes \$110,240 in permanent salary funding for the Office for Women. Based on a Budget Review Office projection for permanent salaries for 2017, the recommended funding is sufficient for currently filled positions for the duration of 2017 but limits the office's ability to fill vacancies next year.

Budget Review Office Recommendations

Revenue								
Fd	Dept	Rev	Revenue Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	EXE	2770	Other Unclassified Revenues	\$339,629	-\$180,000	\$180,000	-\$180,000	D

AT HUMAN & COMMUNITY SERVICES 17

Information Technology Services

Summary for All Funds in ITS					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	74	65	9	New	New
2013	111	97	14	0	0
2014	110	98	12	Abolished	Abolished
2015	113	100	13	0	0
2016	116	106	10		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$8,033,203	\$8,915,788	\$8,831,649	\$9,278,940	\$8,948,428
Permanent Salaries (1100)	\$7,857,513	\$8,772,688	\$8,661,775	\$9,122,190	\$8,805,678
Overtime Salaries (1120 & 1620)	\$4,582	\$7,000	\$2,950	\$12,500	\$1,500
Other Personal Services	\$171,109	\$136,100	\$166,924	\$144,250	\$141,250
Non-Personnel (2000s, 3000s, 4000s)	\$9,495,454	\$9,914,435	\$8,415,043	\$10,191,896	\$9,046,199
Equip and Supplies (2000s & 3000s)	\$5,474,782	\$4,957,792	\$4,441,947	\$5,457,733	\$4,744,484
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$35,153	\$300,000	\$75,000	\$300,000	\$75,000
Other Contractual Expenses	\$3,985,520	\$4,656,643	\$3,898,096	\$4,434,163	\$4,226,715
Totals	\$17,528,658	\$18,830,223	\$17,246,692	\$19,470,836	\$17,994,627
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$40,930	\$0	\$50,024	\$0	\$0
Local Revenue	\$2,888,344	\$2,480,200	\$3,831,986	\$3,096,310	\$2,843,299
Totals	\$2,929,274	\$2,480,200	\$3,882,010	\$3,096,310	\$2,843,299

Summary of Major Findings and Recommendations

- In 2017, the procurement of computer hardware will be funded through a capital project rather than including funding in the operating budget.

Issues for Consideration

Audit Recoveries

The 2016 estimate for Audit Recoveries (revenue 2702) is \$1,036,022 and reflects recoveries from wireless communications companies. As of this writing, no revenue was received. If this revenue does not materialize in 2016, Fund 016 could end 2016 with a fund balance deficit.

Personnel

Based on Budget Review Office (BRO) projections, 2017 recommended salary funding is sufficient to finance salaries of all currently filled positions throughout the entire year, assuming normal attrition. BRO has identified twenty-five employees who, next year, are eligible for full retirement.

In 2015, an assessment was completed of the Department's workforce, operations and processes, in which the former Commissioner concluded there was a need to restructure DoIT and reorganize personnel. To this end, the current Commissioner requested, and the 2017

Recommended Operating Budget provides, for the centralization of all positions within the Department's offices and divisions into one appropriation.

Computer Purchases

Resolution No. 700-2015 appropriated \$1.355 million from CP 1816, Capital Program Countywide Replacement of Computer Equipment/Infrastructure. Neither the Adopted 2016-2018 Capital Program nor the Adopted 2017-2019 Capital Program provided funding for CP 1816. In previous years, this capital project was used to finance the replacement of computer equipment, greater than five years old, across County departments included in the ITS computer procurement schedule. Departments in the procurement plan were Civil Service, Clerk, District Attorney, Economic Development and Planning, Executive, FRES, Health Services, Information Technology, Law, Medical Examiner, Parks, Police, Probation, Public Works, Real Property and Social Services. Prior to CP 1816, acquisition of office machines in these sixteen departments was funded through the ITS operating budget (016-ITS-1680-2020) and fell under an "as needed" replacement schedule, which, over the years, resulted in many countywide computers remaining in operation long past their practical and effective lifecycle. This became an issue of concern in public safety, human services and revenue producing departments.

The 2017 Recommended Operating Budget includes \$100,000 in this budget line, \$400,000 less than requested by the Department. The recommended budget states that a new capital project will be proposed in 2017 which will provide funding for office machines across departments that fall under the ITS procurement schedule. As a consequence to anticipated monies becoming available under a new capital project for the purchase of office machines, the recommended operating budget includes \$1,050,000 for office equipment repairs (016-1680-3610), which is \$200,783 less than requested.

Licensing

During the performance of daily tasks and responsibilities, the workforce across all Suffolk County departments and agencies rely heavily on the use of Microsoft software, such as computer and server Operating Systems, Office applications, Client Access Licensing (CAL) for servers, Exchange for e-mail and SQL database. The 2017 Recommended Budget strives to better recognize and manage these Microsoft needs and expenditures, as well as assure departmental license accountability, by establishing new operating budget objects, 3161, (Microsoft Computer Software) and 3162 (Microsoft Software Maintenance/Assurance). In ITS, these two new lines are funded with \$51,806 and \$401,943 respectively.

Until now, the financing for the procurement of any software, its licensing and support, including Microsoft, was included in object 3160 across all departments. Commencing in 2017, all initial purchases of any Microsoft product and its licensing will be accounted for in object 3161 in each respective department. It is at the discretion of each department request to pay for the purchase over a one-year or three-year term, as Microsoft allows. After the initial acquisition of the company's license for the product, and beginning in the fourth year of ownership, the department will utilize object 3162 to finance the maintenance of each license, at a reduced cost from the initial price, for another three-year term. Microsoft maintenance, termed Software Assurance (SA), is a Volume Licensing program that has the benefit of offering users the ability to install product upgrades to newer versions of the software during the term of the maintenance program. This allows license holders to continually purchase three-year term SA support without having to incur the more expensive initial license cost, and yet, remain on the most up-to-date software version for the life of the product. This new policy of purchasing departmental SA licensing agreements will

help the County avoid the need to enter into costly future Microsoft Enterprise Agreements (EA), and yet, remain on prevailing and up-to-date software platforms.

Telephone Services

Suffolk County presently relies on Centrex telephone services provided by Verizon through an agreement which covers 14,067 voice lines at a monthly pricing structure of \$12.44 per line, excluding taxes and fees. This contract expires at the end of 2016. Earlier this year, the Department negotiated a new three-year Centrex agreement with Verizon which begins upon expiration of the existing contract and includes a new pricing structure of \$13.75 per line, for a total expenditure increase of \$18,428 per month, excluding taxes and fees. This expense appears in the Department's Telephone and Telegraph (016-1680-4010) budget line and, although the 2017 Recommended Budget proposes an overall reduction in this line of \$440,800 compared to the 2016 adopted funding, DoIT maintains that it will be able to meet the financial obligations of Centrex services, even with the anticipated per line cost increase, and that the County's policy of ridding itself of unused and idle voice lines will continue. Although there will be an increase in line costs next year, the County still benefits from a Centrex pricing structure agreement with Verizon which is well below other authorized resellers and agents that sell these services to businesses. For example, New York State Office of General Services (OGS) offers Centrex services with a pricing schedule above \$20.00 per line, excluding taxes and fees, for a volume discount tier structure of 5,000 lines and above.

CAF ITS17

Labor, Licensing, and Consumer Affairs

Summary for Fund 001 in LAB					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	124	95	29	New	New
2013	129	95	34	0	0
2014	140	113	27	Abolished	Abolished
2015	135	112	23	0	0
2016	135	103	32		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$7,213,696	\$7,169,644	\$7,162,416	\$7,566,047	\$7,459,891
Permanent Salaries (1100)	\$7,072,667	\$7,055,194	\$7,001,853	\$7,403,547	\$7,297,891
Overtime Salaries (1120 & 1620)	\$7,246	\$10,800	\$7,857	\$8,400	\$7,900
Other Personal Services	\$133,782	\$103,650	\$152,706	\$154,100	\$154,100
Non-Personnel (2000s, 3000s, 4000s)	\$168,223	\$267,688	\$226,194	\$295,977	\$293,113
Equip and Supplies (2000s & 3000s)	\$114,190	\$127,363	\$103,965	\$127,259	\$124,395
Contracted Agencies (4980)	\$19,000	\$17,100	\$17,100	\$17,100	\$17,100
Fees for Services: Non Employee (4560)	\$25,679	\$106,875	\$90,294	\$137,500	\$137,500
Other Contractual Expenses	\$9,355	\$16,350	\$14,835	\$14,118	\$14,118
Totals	\$7,381,919	\$7,437,332	\$7,388,610	\$7,862,024	\$7,753,004
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$174,715	\$45,000	\$45,000	\$45,000	\$45,000
Local Revenue	\$5,613,222	\$5,977,780	\$6,453,011	\$5,977,780	\$7,102,951
Totals	\$5,787,937	\$6,022,780	\$6,498,011	\$6,022,780	\$7,147,951

Summary of Major Findings and Recommendations

- WIOA funding is expected to decrease for the second straight year. In order to offset the reduction in state and federal aid, the recommended budget reduces funding for contractual services by approximately \$600,000 and assumes salary and benefit savings of approximately \$500,000 from turnover in 2017.
- Consumer Affairs revenue from fees and fines is estimated to increase by approximately \$840,000 in 2016 and is recommended to increase by an additional \$650,000 in 2017.
- Funding is included to hire additional Consumer Affairs employees.
- We recommend including the proposed amendment to the Classification and Salary Plan in a budget amending resolution, deleting Director of Living Wage Compliance (grade 31) and adding Local Law Compliance Coordinator (grade 26).

Summary for All Funds in LAB					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	222	169	53	New	New
2013	220	168	52	0	0
2014	220	176	44	Abolished	Abolished
2015	223	182	41	0	0
2016	224	174	50		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$12,782,958	\$13,245,055	\$13,016,230	\$13,191,932	\$13,085,776
Permanent Salaries (1100)	\$10,813,248	\$11,531,802	\$11,175,470	\$11,412,972	\$11,290,599
Overtime Salaries (1120 & 1620)	\$10,796	\$16,445	\$12,502	\$15,845	\$15,345
Other Personal Services	\$1,958,915	\$1,696,808	\$1,828,258	\$1,763,115	\$1,779,832
Non-Personnel (2000s, 3000s, 4000s)	\$3,320,444	\$1,787,039	\$1,921,823	\$1,393,563	\$1,390,384
Equip and Supplies (2000s & 3000s)	\$259,271	\$287,477	\$263,652	\$268,983	\$265,804
Contracted Agencies (4980)	\$19,000	\$17,100	\$17,100	\$17,100	\$17,100
Fees for Services: Non Employee (4560)	\$2,986,216	\$1,426,262	\$1,574,393	\$1,037,500	\$1,037,500
Other Contractual Expenses	\$55,957	\$56,200	\$66,678	\$69,980	\$69,980
Totals	\$16,103,402	\$15,032,094	\$14,938,053	\$14,585,495	\$14,476,160
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$11,841,031	\$10,795,578	\$10,848,252	\$9,764,312	\$9,710,675
Local Revenue	\$5,613,222	\$5,977,780	\$6,459,263	\$5,977,780	\$7,102,951
Totals	\$17,454,253	\$16,773,358	\$17,307,515	\$15,742,092	\$16,813,626

Issues for Consideration

State and Federal Aid

The Department of Labor, Licensing and Consumer Affairs operates programs financed by the General Fund and the Workforce Innovation and Opportunity Act (WIOA) Fund (320). WIOA Fund expenditures are 100% reimbursed by state aid and federal pass-through funds.

The Suffolk Works Employment Program (SWEP) is the largest General Fund expenditure, recommended at \$4.5 million in 2017. The Department of Labor, Licensing and Consumer Affairs acts as a subcontractor to the Department of Social Services for this program; SWEP expenses are heavily reimbursed by federal aid claimed by Social Services. The remaining \$3.2 million in General Fund expenditures are for Labor Administration, the Local Law Compliance Unit, and the Division of Consumer Affairs. Labor Administration and the Local Law Compliance Unit are recommended at a combined total of \$543,604. Consumer Affairs expenditures are recommended at \$2.7 million, but the Division generates significant offsetting revenue.

Through a combination of aid and local revenue, there is very little net cost to the County for the Department; however, the amount of aid received for WIOA expenditures is estimated to decrease from \$11.7 million to \$10.8 million in 2016. Aid to Fund 320 is expected to decrease by an additional \$1.1 million in 2017. Despite the loss of aid, the net cost to the County for labor programs is not expected to increase. To offset the loss in reimbursement, the recommended

budget reduces funding for contractual services by approximately \$600,000 and assumes salary and benefit savings of approximately \$500,000 from turnover in 2017. If additional grant funds become available in 2017, a portion of the services may be restored.

Consumer Affairs

Revenue from fees and fines in 2016 is estimated to increase by approximately \$840,000 compared to 2015 and is recommended to increase by an additional \$650,000 in 2017. The most significant growth in revenue is for Weights and Measures Fees (2547), where revenue from item price waivers is recorded. In 2016, the Department expanded its enforcement of the item pricing law, which resulted in additional retail chains applying for a waiver of the requirement to individually price each item for sale pursuant to Chapter 542 of the Suffolk County Code. Retailers are not required to pay the fee, but may opt to do so. The annual waiver fee ranges from \$500 to \$15,000 per location based on square footage. The following table lists Consumer Affairs revenue from licensing, fees, and fines by revenue code.

Consumer Affairs Revenue: Licensing, Fees, and Fines					
Rev Cd	Rev Name	2015 Actual	2016 Adopted	2016 Estimated	2017 Recommended
2546	Licensing And Complaints	\$3,388,555	\$3,600,000	\$3,600,000	\$3,600,000
2632	Fines - Licensing & Complaints	\$210,095	\$275,000	\$275,000	\$435,000
2547	Weights & Measures Fees	\$1,726,155	\$1,750,000	\$2,215,000	\$2,715,000
2631	Fines - Weights And Measures	\$253,025	\$250,000	\$260,000	\$250,000
2549	Taxi and Limousine Fees	\$32,300	\$100,000	\$100,000	\$100,000
Total		\$5,610,130	\$5,975,000	\$6,450,000	\$7,100,000

In the aggregate, estimated revenue for 2016 is optimistic, but reasonable. Based on year-to-date revenue in the County's Integrated Financial Management System (IFMS) on 10/1/16, revenue from Licensing and Complaints and Weights and Measures Fees may come in slightly more than estimated, but Taxi and Limousine Fees and Fines-Licensing and Complaints, appear to be overstated by as much as \$100,000. All things being equal, we would consider the recommended revenue in 2017 to be too optimistic; however, the recommended budget includes funding to hire four or five Consumer Affairs employees (depending on which positions are filled and assuming entry level salary). The additional resources would allow the Division to perform additional inspections resulting in better enforcement of consumer protection laws and potentially greater amounts of revenue from fines. Assuming positions are filled in 2017, the recommended revenue is not unreasonable.

Staffing

As stated in the previous sections, funding for Labor programs in 2017 includes assumptions for attrition with minimal backfill. Based on current staffing levels in the Division of Consumer Affairs, we estimate that the recommended budget provides approximately \$260,000 to fill a portion of the Division's 12 vacancies in 2017.

There is currently one vacant Director of Living Wage Compliance (grade 31) position. The resolution included in the recommended budget deletes the title from the Classification and Salary Plan. The title of Local Law Compliance Coordinator (grade 26) is added as a replacement. The

difference in cost between a grade 31 and grade is 26 is approximately 24%; an average annual salary savings of \$18,608. The change in title makes sense because the duties of the Living Wage Unit, which the Department currently refers to as the Local Law Compliance Unit, have evolved; the change also benefits the County by reducing the cost to fill the position. It should be noted that the proposed amendment to the Classification and Salary Plan requires an approved resolution from the Legislature.

Budget Review Office Recommendations

Include the recommended amendment to the Classification and Salary Plan in a budget amending resolution.

BP Labor 17

Law

Summary for Fund 001 in LAW					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	93	72	21	New	New
2013	85	67	18	0	0
2014	85	70	15	Abolished	Abolished
2015	85	69	16	0	0
2016	85	71	14		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$5,964,563	\$6,315,516	\$6,178,121	\$6,325,579	\$6,355,114
Permanent Salaries (1100)	\$5,866,733	\$6,251,916	\$6,070,700	\$6,267,129	\$6,296,664
Overtime Salaries (1120 & 1620)	\$0	\$1,000	\$0	\$1,000	\$1,000
Other Personal Services	\$97,830	\$62,600	\$107,421	\$57,450	\$57,450
Non-Personnel (2000s, 3000s, 4000s)	\$5,336,119	\$4,796,600	\$6,127,284	\$4,796,600	\$4,896,478
Equip and Supplies (2000s & 3000s)	\$63,943	\$88,936	\$61,715	\$88,936	\$88,814
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$657,681	\$505,324	\$655,324	\$505,324	\$605,324
Other Contractual Expenses	\$4,614,495	\$4,202,340	\$5,410,245	\$4,202,340	\$4,202,340
Totals	\$11,300,682	\$11,112,116	\$12,305,405	\$11,122,179	\$11,251,592
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$1,150,284	\$3,525,000	\$2,033,430	\$3,525,000	\$1,611,925
Local Revenue	\$31,336	\$219,606	\$67,789	\$223,205	\$38,205
Totals	\$1,181,620	\$3,744,606	\$2,101,219	\$3,748,205	\$1,650,130

Summary of Major Findings and Recommendations

- The 2016 estimate for outside counsel is understated by approximately \$265,000. We recommend increasing the estimate by that amount to account for anticipated expenditures.

Summary for All Funds in LAW					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	136	111	25	New	New
2013	132	107	25	0	0
2014	132	110	22	Abolished	Abolished
2015	132	110	22	0	0
2016	132	113	19		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$8,945,934	\$9,488,468	\$9,399,095	\$9,588,704	\$9,685,031
Permanent Salaries (1100)	\$8,797,261	\$9,388,818	\$9,217,447	\$9,493,404	\$9,589,731
Overtime Salaries (1120 & 1620)	\$0	\$1,350	\$0	\$1,350	\$1,350
Other Personal Services	\$148,673	\$98,300	\$181,648	\$93,950	\$93,950
Non-Personnel (2000s, 3000s, 4000s)	\$6,092,977	\$5,560,834	\$6,877,059	\$5,560,834	\$5,660,512
Equip and Supplies (2000s & 3000s)	\$265,863	\$251,165	\$273,485	\$251,165	\$250,843
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$1,211,147	\$1,105,324	\$1,191,324	\$1,105,324	\$1,205,324
Other Contractual Expenses	\$4,615,967	\$4,204,345	\$5,412,250	\$4,204,345	\$4,204,345
Totals	\$15,038,911	\$15,049,302	\$16,276,154	\$15,149,538	\$15,345,543
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$1,150,616	\$3,525,000	\$2,033,430	\$3,525,000	\$1,611,925
Local Revenue	\$31,336	\$219,606	\$67,789	\$223,205	\$38,205
Totals	\$1,181,952	\$3,744,606	\$2,101,219	\$3,748,205	\$1,650,130

Issues for Consideration

Outside Counsel

Expenditures for outside counsel (001-LAW-1420-4560) are estimated at \$600,000 in 2016; however, according to the County's Integrated Financial Management System (IFMS) on October 10, 2016, slightly more than this amount has already been obligated. According to the Department of Law, the County has additional outstanding payments due in 2016 of approximately \$265,000. In order to account for these anticipated expenditures, the 2016 estimate should be increased by this amount. The Department requested \$450,000 for outside counsel in 2017; the recommended budget includes \$100,000 more than requested. However, based on expenditures for the past few years, \$550,000 is likely insufficient.

Bar Association – Indigent Defendants Program

The Assigned Counsel Defender Plan (001-1171-4770) is a contracted service that provides for private attorneys, who participate in the Bar Association's 18-B program, for defendants accused in homicide cases or for certain cases with dual defendants. Although the County's primary provider of legal representation to indigent defendants is the Legal Aid Society, they cannot represent more than one defendant per case. It is more cost effective for the County to have the Legal Aid Society as the main indigent defendants' program provider because their attorneys perform assigned caseloads for an annual salary. The 18-B attorneys, contracted through the Law Department, have

much higher hourly rates. However, the ultimate decision regarding case assignment is up to the discretion of the courts' judges. When a conflict exists, the assignment of 18-B counsel is unavoidable.

Resolution Nos. 612-2016 and 613-2016 accepted and appropriated grant funding from the New York State Office of Indigent Legal Services as a result of the Hurrell-Harring v. New York lawsuit to provide enhanced defense representation. The Department was granted \$1,760,000 in Counsel at Arraignment funding and \$737,194 in Quality Improvement grants. Neither the revenue nor expenditures for these programs are included in the 2016 estimate or 2017 Recommended Budget.

Budget Review Office Recommendations

Expenditures										
Fd	Dept	Unit	Obj	Act	Object/Activity Name	2016 Exec	2016 BRO	2017 Exec	2017 BRO	M/D
						Est	Change	Rec	Change	
001	LAW	1420	4560	0000	Fees For Services: Non-Employ	\$600,000	\$265,000	\$550,000	\$0	D

AT LAW 17

Legal Aid Society

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$0	\$0	\$0	\$0	\$0
Permanent Salaries (1100)	\$0	\$0	\$0	\$0	\$0
Overtime Salaries (1120 & 1620)	\$0	\$0	\$0	\$0	\$0
Other Personal Services	\$0	\$0	\$0	\$0	\$0
Non-Personnel (2000s, 3000s, 4000s)	\$13,884,423	\$13,214,333	\$18,222,185	\$12,900,917	\$12,512,247
Equip and Supplies (2000s & 3000s)	\$0	\$0	\$0	\$0	\$0
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$0	\$0	\$0	\$0	\$0
Other Contractual Expenses	\$13,884,423	\$13,214,333	\$18,222,185	\$12,900,917	\$12,512,247
Totals	\$13,884,423	\$13,214,333	\$18,222,185	\$12,900,917	\$12,512,247
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$2,435,300	\$1,782,086	\$6,306,200	\$580,000	\$2,818,921
Local Revenue	\$0	\$0	\$0	\$0	\$0
Totals	\$2,435,300	\$1,782,086	\$6,306,200	\$580,000	\$2,818,921

Summary of Major Findings and Recommendations

- The recommended budget does not include additional funding requested for salaries and benefits.
- Estimated revenues and expenditures are significantly higher in 2016 than in 2015 or recommended in 2017.

Issues for Consideration

Expenses

The Legal Aid Society requested an increase in funding in 2017 for its core services of \$388,670. The requested increase would allow for three percent salary increases and cover the increased cost for health insurance. According to Legal Aid, higher wages are needed to attract and retain qualified attorneys. Funding requested for healthcare is to offset the projected 12% increase in NYSHIP premiums. The following table shows the requested increases.

Requested Increases for 2017					
Unit	Req Salary Increase	Req Benefits Increase	Total Req Increase	2017 Req Total	2017 Rec Total
1170	\$218,146	\$145,470	\$363,616	\$11,989,616	\$11,626,000
1178	\$2,002	\$970	\$2,972	\$109,473	\$106,501
1179	\$16,785	\$5,297	\$22,082	\$801,828	\$779,746
Total	\$236,933	\$151,737	\$388,670	\$12,900,917	\$12,512,247

The 2017 Recommended Budget does not include funding for the requested increases. Funding is also not included for several grant programs. Aid that was received in previous years will be rolled over to offset expenditures as they occur; new grants will be accepted and appropriated during 2017.

Revenue

Starting in 2011, the NYS Office of Indigent Legal Services (ILS) was given the discretion to distribute a portion of the dedicated aid to counties on a competitive basis in the form of "target grants". The Office was responsible for the distribution of 100% of available aid to counties, starting in 2015 and moving forward. This method for aid distribution differs from the original formula, which allocated aid solely based on County population. ILS funds are now in the form of competitive grants that are only awarded for new initiatives that expand service provision; grants may not supplant funding for services already provided by the County. The result has been a net shift in local cost to provide indigent legal defense services.

The County and the Legal Aid Society have been successful in securing competitive grants including \$1.35 million for a Suffolk/Nassau bi-county program appropriated this year. The 2016 estimate for grant revenue and related expenditures is significantly higher than in 2015 or recommended in 2017. It is unlikely that grant funds will be used this year; however, the remaining balances can be rolled over to the next year without a budgetary impact.

Hurrell-Harring v. New York

According to Legal Aid, in other municipalities annual caseloads per attorney are capped at a lower number. As of 2010, New York State law states that 18-B attorneys shall not be assigned more than 150 felony cases or 400 misdemeanors. In November 2014, a settlement was reached in *Hurrell-Harring v. New York*. This lawsuit included Suffolk County as one of five counties in New York State that were sued by the New York Civil Liberties Union. The result was that New York State was found to be liable for a lack of support for indigent legal services and was required to provide funding to counties to improve indigent legal defense through 2023. A stipulation of the lawsuit also required lowering caseloads for attorneys. After the term of the lawsuit is complete, the amount of future funding for expanded services that the County will continue to receive is unclear.

Legal Aid Society received \$2.36 million in 2016, as per Resolution Nos. 612-2016 and 613-2016. Funding is for providing counsel at arraignments and retaining quality staff; however, the funding is not reflected in the estimated or recommended budget. The issue of caseload reduction will be addressed by a future grant that will enable the Society to hire more staff. State aid related to *Hurrell-Harring* also cannot supplant existing County funding or pay for existing staff, but may be used for new initiatives and staff.

Legal Aid Versus Assigned 18-B Counsel Program

Article 18-B of New York State 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 Assigned Counsel Plan, 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 \$379, compared to upwards of \$1,000 if the case is referred to the Assigned Counsel Plan. Ultimately, the decision as to which defense will be provided is the prerogative of the court judges. However, ensuring that the Legal Aid Society has enough attorneys to staff all parts improves the likelihood that Legal Aid will be assigned more cases.

AT LAS 17

Legislature

Summary for Fund 001 in LEG					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	132	121	11	New	New
2013	132	119	13	0	0
2014	135	123	12	Abolished	Abolished
2015	134	124	10	0	0
2016	134	126	8		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$9,273,551	\$9,795,763	\$9,776,204	\$10,123,680	\$9,876,108
Permanent Salaries (1100)	\$9,063,252	\$9,697,313	\$9,568,566	\$10,021,830	\$9,774,258
Overtime Salaries (1120 & 1620)	\$10,634	\$22,000	\$22,000	\$22,000	\$22,000
Other Personal Services	\$199,665	\$76,450	\$185,638	\$79,850	\$79,850
Non-Personnel (2000s, 3000s, 4000s)	\$322,836	\$449,622	\$402,750	\$449,590	\$449,590
Equip and Supplies (2000s & 3000s)	\$268,372	\$303,872	\$270,346	\$320,540	\$320,540
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$34,886	\$125,000	\$115,000	\$108,000	\$108,000
Other Contractual Expenses	\$19,578	\$20,750	\$17,404	\$21,050	\$21,050
Totals	\$9,596,387	\$10,245,385	\$10,178,954	\$10,573,270	\$10,325,698
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$0	\$0	\$0	\$0	\$0
Local Revenue	\$7,024	\$7,500	\$7,064	\$7,500	\$7,500
Totals	\$7,024	\$7,500	\$7,064	\$7,500	\$7,500

Summary of Major Findings and Recommendations

- The recommended budget includes insufficient funding for Permanent Salaries in 2017.
- The 2016 estimate for Outside Printing is understated.

Issues for Consideration

Permanent Salaries

The Legislature submitted a budget request that adhered to the All-Department-Heads-Memorandum issued by the County Executive on May 24, 2016. The Legislature's operating budget request included a zero percent increase in all non-mandated, non-personnel costs compared to the 2016 Adopted Budget and included no new positions. The 2017 Recommended Budget provides \$247,572 less than requested by the Legislature, all of which is attributed to Permanent Salaries. In order to provide sufficient funding for all existing staff for the duration of 2017 and to fill one vacant Office Systems Analyst II (grade 21) position, the requested funding will be needed.

Outside Printing

The 2016 estimate for Outside Printing is understated by approximately \$15,000. In order to account for additional anticipated expenditures, the estimate should be increased.

Budget Review Office Recommendations

Expenditures										
					Object/Activity	2016 Exec	2016 BRO	2017 Exec	2017 BRO	
Fd	Dept	Unit	Obj	Act	Name	Est	Change	Rec	Change	M/D
001	LEG	1010	1100	0000	Permanent Salaries	\$8,022,041	\$0	\$8,129,216	\$208,441	D
001	LEG	1025	1100	0000	Permanent Salaries	\$1,428,873	\$0	\$1,526,118	\$39,131	D
001	LEG	1010	3040	0000	Outside Printing	\$20,000	\$15,000	\$36,000	\$0	D

BP Legislature 17

Office of the Medical Examiner

Summary for Fund 001 in MED					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	102	92	10	New	New
2013	111	97	14	2	2
2014	110	96	14	Abolished	Abolished
2015	110	99	11	0	0
2016	110	104	6		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$9,239,296	\$9,739,455	\$9,715,920	\$9,565,462	\$9,329,091
Permanent Salaries (1100)	\$8,422,328	\$9,150,630	\$9,091,326	\$8,964,737	\$8,733,366
Overtime Salaries (1120 & 1620)	\$533,529	\$433,000	\$464,113	\$438,000	\$433,000
Other Personal Services	\$283,440	\$155,825	\$160,481	\$162,725	\$162,725
Non-Personnel (2000s, 3000s, 4000s)	\$1,655,266	\$1,229,511	\$1,587,417	\$1,194,566	\$1,204,093
Equip and Supplies (2000s & 3000s)	\$1,454,132	\$1,149,611	\$1,274,939	\$1,115,200	\$1,135,693
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$147,219	\$55,650	\$236,375	\$54,250	\$45,000
Other Contractual Expenses	\$53,915	\$24,250	\$76,103	\$25,116	\$23,400
Totals	\$10,894,563	\$10,968,966	\$11,303,337	\$10,760,028	\$10,533,184
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$979,265	\$401,400	\$921,685	\$0	\$0
Local Revenue	\$470,272	\$446,000	\$449,000	\$454,000	\$579,500
Totals	\$1,449,536	\$847,400	\$1,370,685	\$454,000	\$579,500

Summary of Major Findings and Recommendations

- The 2017 Recommended Operating Budget provides resources for the Office of the Medical Examiner to continue services at 2016 levels. It is likely that existing investigative and testing backlogs will continue, and that overtime expenditures will likely be required at no less than 2016 levels.
- The \$125,500 recommended increase in Medical Examiner Fees for 2017 could be accomplished by increasing the cremation clearance fee to \$75, increasing the autopsy report fee to \$40, and by implementing a \$175 blood draw fee for convicted DUI defendants, without the use of the more speculative conference revenue that is recommended in the budget.

Issues for Consideration

Revenue

The recommended budget adds \$125,500 in local revenues to the Office's budget as compared to the request, which is comprised of \$87,500 from chemical testing fees to be imposed on persons convicted of DUI offenses in the County, and \$38,000 in conference attendance fees. The \$87,500 for chemical testing assumes \$175 per test with approximately 500 convictions annually beginning January 1, 2017, and that the County could collect on all 500 convictions.

The revenue expected from charging convicts for chemical testing may be optimistic. Creation of this fee will require a local law authorizing the fee. Ideally, such a resolution should be laid on the table such that the law would take effect no later than January 1, 2017; revenue will be reduced if passage of the local law is delayed. Revenue may also be affected by fee waivers granted by the judicial system, and by the inability of convicts to pay the fee.

According to the Budget Office, the other \$38,000 in increased revenue would be from tuition paid by attendees at conferences held by the Medical Examiner. While the Office has many well-credentialed personnel with considerable subject matter expertise, it does not currently have any accreditation that would allow it to offer continuing medical education or continuing professional education credits to conference attendees. This lack of accreditation could be a disincentive to conference attendance. The Office should first explore the costs and benefits of accreditation to determine if adding conference revenues in future budgets is financially beneficial.

As an alternative to anticipating conference revenue in 2017, the cremation clearance fee could be increased. This \$60 fee was first imposed in 2004, pursuant to Local Law No. 31-2004 for requests for cremation approvals and autopsy reports. The inflation adjusted 2016 value of the original \$60 fee from 2004 is approximately \$46. Cremation clearances are performed by Medical Forensic Investigators, whose average salary has increased by about 25% since 2004. A \$15 increase to the cremation clearance fee to \$75, is reasonable. This increase would provide an additional \$48,750 in Medical Examiner Fees (Revenue Code 1225), which is \$10,750 more than attributed to conference revenue in 2017. Using similar criteria, the \$30 Autopsy Report Fee could also be increased to \$35 or \$40, however, the amount of revenue gained by raising this fee is small and inconsistent from year to year.

Neither the Office's request nor the recommended budget include State or Federal grant revenues. The grants will be accepted and appropriated by legislative resolution during the fiscal year. The 2016 Adopted Budget included \$401,400 in state aid.

Personnel

Recommended permanent salaries provide sufficient funding for currently filled positions and for backfill of these positions during 2017. However, the level of turnover savings in the recommended budget makes it unlikely that the Office will be able to fill vacant or new positions in 2017. Personnel previously included in grant funded appropriations are transferred to the Office's main appropriation, 4720, as requested. Funds from the applicable grant will be utilized to pay for these personnel as funding is accepted and appropriated by legislative resolution.

The two new positions requested, one Laboratory Technician (grade 15) and one Forensic Scientist I (Serology) (grade 21) are included in the recommended budget, but are not funded. These positions were requested to assist with a caseload that has almost tripled in the last 15 years for the Crime Laboratory's Biological Sciences Section. At current staffing levels, the Section may be forced to further curtail or discontinue analysis of cases without an identified subject. The Section has also felt workload pressure caused by a New York State imposed requirement to more quickly dispose of felony cases.

As of mid-September 2016, the Office has approval to hire a Histology Technician. This position has been vacant since September of 2015. Because the salary the County offers for this position is well below market rate, the Office has not been successful in filling the position, even though it is a priority. The Office has utilized the Laboratory Technician for slide preparation since that time, in addition to her usual duties. There is currently a nine week backlog in slide preparation for tissue samples.

Contracts

The Office intended to mitigate the backlog in slide preparation caused by the lack of a histology technician through the use of the County's laboratory contract. However, the recommended budget for fees for services is \$9,000 less than requested, a decrease sufficient to preclude use of the laboratory contractor for slide preparation.

Budget Review Office Recommendations

Revenue								
Fd	Dept	Rev	Revenue Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	MED	1225	Medical Examiner's Fees	\$449,000	\$0	\$579,500	\$10,750	D

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Parks, Recreation, and Conservation

Summary for Fund 001 in PKS					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	142	121	21	New	New
2013	141	115	26	0	0
2014	143	113	30	Abolished	Abolished
2015	143	80	63	0	0
2016	94	78	16		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$7,079,662	\$6,803,720	\$7,300,041	\$8,254,550	\$6,998,682
Permanent Salaries (1100)	\$4,324,153	\$4,338,620	\$4,344,435	\$5,070,400	\$4,585,032
Overtime Salaries (1120 & 1620)	\$139,612	\$157,500	\$106,000	\$106,500	\$106,000
Other Personal Services	\$2,615,897	\$2,307,600	\$2,849,606	\$3,077,650	\$2,307,650
Non-Personnel (2000s, 3000s, 4000s)	\$1,556,656	\$1,455,663	\$1,358,267	\$1,496,253	\$1,346,853
Equip and Supplies (2000s & 3000s)	\$894,715	\$842,796	\$719,767	\$842,553	\$742,653
Contracted Agencies (4980)	\$42,673	\$49,500	\$49,500	\$49,500	\$0
Fees for Services: Non Employee (4560)	\$19,241	\$43,035	\$35,000	\$40,000	\$40,000
Other Contractual Expenses	\$600,027	\$520,332	\$554,000	\$564,200	\$564,200
Totals	\$8,636,318	\$8,259,383	\$8,658,308	\$9,750,803	\$8,345,535
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$13,463	\$26,137	\$10,000	\$10,000	\$10,000
Local Revenue	\$11,416,578	\$11,386,181	\$11,598,380	\$11,544,400	\$12,444,995
Totals	\$11,430,041	\$11,412,318	\$11,608,380	\$11,554,400	\$12,454,995

Summary of Major Findings and Recommendations

- The recommended budget provides sufficient funding for all filled General Fund positions and, depending on the grade, one additional General Fund position for all of next year.
- Temporary staff needs have risen since the transfer of the Parks Police in 2014, but funding has not increased commensurately. It will be a challenge for the Department to meet its temporary staffing needs in 2017.
- The 2017 Recommended Operating Budget assumes certain Parks fees will be raised by 10%.
- Improvements in revenue collection and recording should enable smoother operations, better tracking and analysis of programs, and increased efficiencies.

Summary for All Funds in PKS					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	186	161	25	New	New
2013	185	154	31	0	0
2014	187	152	35	Abolished	Abolished
2015	187	117	70	0	0
2016	143	125	18		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$9,498,809	\$9,554,630	\$10,088,079	\$11,234,339	\$9,966,001
Permanent Salaries (1100)	\$6,377,304	\$6,804,328	\$6,838,511	\$7,740,314	\$7,254,946
Overtime Salaries (1120 & 1620)	\$202,080	\$209,100	\$149,900	\$153,400	\$150,900
Other Personal Services	\$2,919,424	\$2,541,202	\$3,099,668	\$3,340,625	\$2,560,155
Non-Personnel (2000s, 3000s, 4000s)	\$3,490,734	\$3,615,869	\$3,471,681	\$3,277,099	\$4,970,650
Equip and Supplies (2000s & 3000s)	\$2,250,355	\$2,283,933	\$2,129,988	\$2,283,866	\$1,993,262
Contracted Agencies (4980)	\$346,544	\$429,819	\$429,819	\$49,500	\$473,891
Fees for Services: Non Employee (4560)	\$20,078	\$43,585	\$36,551	\$41,750	\$41,450
Other Contractual Expenses	\$873,756	\$858,532	\$875,323	\$901,983	\$2,462,047
Totals	\$12,989,542	\$13,170,499	\$13,559,760	\$14,511,438	\$14,936,651
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$18,126	\$26,137	\$10,000	\$10,000	\$10,000
Local Revenue	\$11,416,778	\$11,386,181	\$11,598,380	\$11,544,400	\$12,444,995
Totals	\$11,434,904	\$11,412,318	\$11,608,380	\$11,554,400	\$12,454,995

Summary of Major Findings and Recommendations

- There is a net increase of eight filled positions Department-wide compared to this time last year: two less filled positions in the General Fund and ten more filled positions in Funds 192 and 477.
- The recommended budget provides sufficient funding for all existing positions in Fund 192 and Fund 477, plus enough to fill the two Fund 477 vacancies for nine months in 2017.
- Funding for the Vanderbilt Museum, Suffolk County Historical Society, and Walt Whitman Birthplace is transferred to Hotel Motel Tax-funded Divisions in the Parks Department, under special services (4770), resulting in a significant increase in “other contractual expenses” in 2017.
- The Historic Services Division has been unable to effectively utilize Hotel Motel Tax funding allocated to it, and it will be a challenge to preserve and/or restore all the historic structures in the County inventory. Potential solutions include: having an architect on staff to stamp plans, streamlining inventory, focusing on self-sustainability of retained structures, online monitoring of retained structures, and re-visiting the allocation of Hotel Motel Tax.

Issues for Consideration

General Fund (001)

Temporary Salaries and Personnel

Since the transfer of 34 filled Park Police Officer positions to the Police Department in the fall of 2014, the Department, always dependent on a multitude of seasonal staff, became increasingly dependent on temporary personnel. Recommended 2017 expenditure for temporary salaries in the General Fund is \$2,205,000, compared to \$2,398,116 in 2015 and the 2016 estimate of \$2,691,872. The Department's 2017 request of \$2,975,000 in the General Fund anticipated the adoption of Introductory Resolution No. 1486-2016, later withdrawn, to increase hourly rates for Park Attendants, Emergency Medical Technicians, and Park Security Aides at an estimated additional cost of \$225,000 per year. Resolution backup indicated that the pay scale for these positions was not commensurate with similar job opportunities, and, as a result, seasonal applications decreased by more than 50% this year. Due to the difficulty in attracting and funding temporary staff, it will be a challenge for the Department to meet their temporary staffing needs in 2017.

In addition, the minimum wage is scheduled to increase from nine to ten dollars per hour on December 31, 2016 and will increase each year thereafter until it reaches \$15 in 2021. The Temporary Salary and Classification Plan will need to be amended in order to be in compliance with minimum wage laws in 2017.

Contractual Expenses (Fund 001)

Departmental funding was not included for IGHL Foundation (HHX1) and Nissequogue River State Park Foundation (JUC1). Funding is included in a contingency account and can be appropriated by legislative resolution.

New/Increased Fees (Fund 001)

Except for minor amounts in 2015, all Parks Department revenue is in the General Fund. Implicit in the Department's 2016 adopted revenue was an approximate 10% increase in various fees, approved by Resolution No. 1041-2015 in December 2015, with minor modifications/clarifications made via Resolution No. 120-2016. Additional fee increases, of approximately 10%, are implicit in the 2017 Recommended Budget, and generate approximately \$800,000 in additional revenue from Green Keys, golf, marinas, beach parking, camping, rowboats, boat launching, special equipment, special group events, and hunting and fishing. The 2017 Recommended Budget does not reflect fee increases estimated at \$14,484 for Marinas and Dock Charges and does not appear to reflect fee increases estimated at \$57,153 for Park and Recreation Charges.

In addition, new fees for advertising signs at golf courses and parks (revenue code 2032) and for facility use at special events (revenue code 2033), generating an additional \$120,000, are also implicit in 2017 recommended revenue. The recommended budget includes \$495 in new revenue code 1440, related to a new 1% processing fee on contract agencies. This appears to assume that funding for IGHL and Nissequogue River State Park Foundation (which totaled \$49,500 in 2016) will ultimately be adopted in 2017 and does not reflect contract agencies in other funds.

It is difficult to analyze revenue for the Department, as 2016 revenue data was only available from the Department through May. However, based on the Department's data through May and other factors, recommended revenue appears reasonable. Weather is always a factor in Parks revenue from year to year. Other variables relate to beach closures due to the presence of Piping Plovers; marina contracts received in early 2016 instead of late 2015, due to the late 2015 adoption of the

fee increase resolution; and the ability to book camping reservations online, in advance, which may result in an earlier manifestation of those revenues.

Revenue Collection and Recording (Fund 001)

Revenue collection and recording present challenges to the Department due, in part, to the complexity of Parks fees, which vary by user group, park, activity, time of year, and day of the week. In addition, the Department relies heavily on temporary staff for revenue collection, and there have been software and user issues with the computerized Point of Sale (POS) system instituted in 2015. Staff involved in fee collection must distinguish the various identifications required for park discounts.

To improve revenue collection and tracking and avoid excessive staff time in data reconciliation, we recommend investigating ways to simplify fees and revenue collection. One possibility is to make Green Key Cards “smart”, and tie the fee to the Card. Parks patrons could slide the card into an automated parking meter for park entrance. The fee could be higher for Non-Green Key holders. In addition, investigate the possibility of an E-Z Pass-like system to further expedite operations. Short term marina slips could also be paid by parking meter. Automating systems should reduce temporary staff requirements. Revenue tracking by park will allow evaluation of the success of Parks Department initiatives and the appropriateness of fees charged.

Fund 477

The Organic Maintenance Program and Water Quality Environmental Enforcement Divisions are paid out of Fund 477. The recommended 8.3% increase in personal services expenditures in 2017, compared to the 2016 estimate, is the main contributor to the increase in total recommended expenditures in these Divisions and is sufficient to fill the remaining vacant positions. As personnel-related expenditures rise, proportionately less funding is available for equipment, supplies, and contractual expenses. Employee benefit-related expenditures for these Divisions are typically reflected in the Status of Fund 477, not in the Department’s operating budget. See also our section on the Suffolk County Water Protection Fund (Fund 477), included elsewhere in this Review.

Fund 192

Contractual Expenses (Fund 192)

Recommended funding in 2017 for Hotel Motel-financed divisions of the Parks Department includes \$1,570,486 to reflect the transfer of Hotel Motel Tax revenue to the Parks Department to fund the Vanderbilt Museum, Suffolk County Historical Society, and Walt Whitman Birthplace. The Parks Department will now be responsible for administering these contracts. A lump sum of \$473,891 in Hotel Motel Tax funding is also included in the recommended budget for Legislative distribution to various contract agencies. For further detail, see our section on Hotel Motel Tax (Fund 192), also in this Review.

Historic Services (Fund 192)

An ongoing issue in this Division has been an inability to maintain more than 23 Historic Trust areas and 200 historic structures, yet the Division has had difficulty spending all of its Hotel Motel Tax funding in the past. Leftover funds will now be less of an issue because additional staff were transferred to the Division in 2016. The Division has indicated that it is difficult to complete larger projects within the operating budget year. When the renewal of the Hotel Motel Tax is deliberated in 2017, consider allocating a portion to a dedicated capital fund for historic preservation. In addition, the Department is typically dependent on engineers and architects in the Department of Public Works to progress historic projects and might be able to progress projects more

expeditiously if additional Hotel Motel funding was available in the operating budget to hire an architect to stamp plans.

The Public Buildings Service of the United States General Services Administration (GSA) issues reports on recommended best preservation practices. There, preservation emphasis shifted to return-on-investment-based asset management. GSA has made efforts to reduce the federal real estate footprint and make the most of available federally owned property. A computerized data bank profile of each building in their inventory was also recommended. On a county level, efforts could be made to prioritize purchases of historic properties, and their ultimate use and ability to be made self-sustaining should be a key factor in prioritizing spending to maintain and restore them.

Budget Review Office Recommendations

- Adopt a resolution to increase or add park fees that are implicit in the 2017 Recommended Budget to avoid a potential revenue shortfall of approximately \$900,000.
- When the renewal of the Hotel Motel Tax is deliberated in 2017, consider allocating a portion to a dedicated capital fund for historic preservation.
- Investigate the use of smart Green Key Cards to expedite revenue collection.

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Police

Summary for Fund 115 in POL					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	2,734	2,363	371	New	New
2013	2,774	2,285	489	0	0
2014	2,774	2,254	520	Abolished	Abolished
2015	2,705	2,189	516	0	0
2016	2,705	2,199	506		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$362,417,494	\$373,808,242	\$378,927,704	\$397,390,292	\$367,287,307
Permanent Salaries (1100)	\$248,165,716	\$255,096,047	\$258,570,142	\$260,680,207	\$248,672,615
Overtime Salaries (1120 & 1620)	\$36,968,770	\$27,819,535	\$35,072,421	\$33,438,155	\$26,491,022
Other Personal Services	\$77,283,008	\$90,892,660	\$85,285,141	\$103,271,930	\$92,123,670
Non-Personnel (2000s, 3000s, 4000s)	\$12,486,607	\$12,923,597	\$13,955,361	\$14,570,304	\$13,938,245
Equip and Supplies (2000s & 3000s)	\$2,943,581	\$2,575,804	\$3,311,727	\$2,876,575	\$2,550,241
Contracted Agencies (4980)	\$66,574	\$90,000	\$90,000	\$90,000	\$255,000
Fees for Services: Non Employee (4560)	\$500,494	\$449,500	\$514,225	\$620,820	\$159,595
Other Contractual Expenses	\$8,975,957	\$9,808,293	\$10,039,409	\$10,982,909	\$10,973,409
Totals	\$374,904,101	\$386,731,839	\$392,883,065	\$411,960,596	\$381,225,552
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$3,064,653	\$200,000	\$3,141,220	\$200,000	\$200,000
Local Revenue	\$3,416,235	\$10,617,202	\$7,073,864	\$10,306,141	\$8,578,536
Totals	\$6,480,888	\$10,817,202	\$10,215,084	\$10,506,141	\$8,778,536

Summary for Fund 001 in POL					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	572	459	113	New	New
2013	606	467	139	1	1
2014	602	455	147	Abolished	Abolished
2015	671	524	147	0	0
2016	672	511	161		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$87,498,546	\$84,685,904	\$90,163,594	\$96,149,926	\$102,685,175
Permanent Salaries (1100)	\$61,299,632	\$59,276,013	\$63,685,011	\$63,871,137	\$75,668,454
Overtime Salaries (1120 & 1620)	\$9,221,960	\$4,687,545	\$9,000,078	\$8,249,333	\$5,480,798
Other Personal Services	\$16,976,954	\$20,722,346	\$17,478,505	\$24,029,456	\$21,535,923
Non-Personnel (2000s, 3000s, 4000s)	\$6,211,898	\$4,639,523	\$6,843,759	\$5,704,576	\$5,337,244
Equip and Supplies (2000s & 3000s)	\$2,977,471	\$2,348,453	\$4,027,740	\$3,151,424	\$2,864,224
Contracted Agencies (4980)	\$1,334,830	\$1,161,515	\$1,390,830	\$1,271,745	\$1,271,745
Fees for Services: Non Employee (4560)	\$79,870	\$55,000	\$117,750	\$108,870	\$75,000
Other Contractual Expenses	\$1,819,727	\$1,074,555	\$1,307,439	\$1,172,537	\$1,126,275
Totals	\$93,710,443	\$89,325,427	\$97,007,353	\$101,854,502	\$108,022,419
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$2,414,200	\$204,625	\$3,465,608	\$240,575	\$240,575
Local Revenue	\$156,460	\$228,450	\$497,465	\$184,765	\$197,482
Totals	\$2,570,660	\$433,075	\$3,963,073	\$425,340	\$438,057

Summary for Fund 102 in POL					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	159	129	30	New	New
2013	159	137	22	0	0
2014	163	143	20	Abolished	Abolished
2015	163	136	27	0	0
2016	163	138	25		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$9,611,902	\$9,573,384	\$10,123,440	\$10,687,685	\$10,268,856
Permanent Salaries (1100)	\$7,602,637	\$8,408,577	\$8,104,976	\$8,665,498	\$8,665,498
Overtime Salaries (1120 & 1620)	\$1,185,555	\$338,268	\$1,176,366	\$1,198,179	\$685,000
Other Personal Services	\$823,710	\$826,539	\$842,098	\$824,008	\$918,358
Non-Personnel (2000s, 3000s, 4000s)	\$5,089,323	\$5,294,421	\$5,352,721	\$5,014,440	\$4,916,682
Equip and Supplies (2000s & 3000s)	\$26,990	\$231,380	\$659,481	\$334,771	\$259,178
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$1,659,098	\$1,514,900	\$0	\$1,463,839	\$0
Other Contractual Expenses	\$3,403,235	\$3,548,141	\$4,693,240	\$3,215,830	\$4,657,504
Totals	\$14,701,225	\$14,867,805	\$15,476,161	\$15,702,125	\$15,185,538
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$207,105	\$0	\$153,970	\$0	\$0
Local Revenue	\$7,276,089	\$7,395,250	\$7,285,841	\$7,319,695	\$7,319,695
Totals	\$7,483,194	\$7,395,250	\$7,439,811	\$7,319,695	\$7,319,695

Summary of Major Findings and Recommendations

- Recruit classes of 106 in 2015, 175 in 2016 (60 in September and 115 in October) and a projected class of 65 in 2017, as well as additional positions in the E911 Communications Center should mitigate the amount of overtime hours required and reduce overtime expenditures. The Budget Review Office projects that the recommended 2017 budget for overtime of \$32,656,820 is inadequate and should be approximately \$42 million, which is still less than the 2016 estimated amount of \$45 million. We recommend increasing overtime in the General Fund by \$1.4 million and in the Police District Fund by \$7.9 million.
- One new title of Assistant Commissioner of Police (Strategic Communications) is added to the Classification and Salary Plan.
- The recommended budget includes revenue for Bond Anticipation Notes (BANS) in the General Fund 001 of \$7.8 million and in the Police District Fund 115 of \$18.9 million allocated for Terminal Pay / SCAT Pay. The BANS will require pending State approval and if not approved will create an additional shortfall in the Police budget.
- The recommended Budget includes a total distribution of \$9,588,343 for Town & Village Revenue Sharing, which is an increase of \$1 million compared to the 2016 adopted funding.
- Alarm Program revenues included in 2016 and 2017 may or may not be reasonable pending three Introductory Resolutions (1493-2016, 1771-2016 and 1875-2016).

- The recommended budget discontinues funding for the ShotSpotter program in 2017. A total of \$360,725 was requested by the department in 2017.
- Two new fees are included for the Police Department in the General Fund. A 1% processing fee (001-1440-Service Fees-Miscellaneous) is recommended to generate \$12,717 and a Private Event Security Permit fee (001-2778-Event Permits) is recommended to generate \$100,000.

Issues for Consideration

Personnel Issues and Permanent Salaries

The primary concerns facing the Police Department over the past several years have been manpower and the ability to pay. Last year, and projected again for this year, over 90 sworn officers will separate from service. Due to cost restraints, the County had not backfilled Police Officer positions on a consistent basis. The Department continues to confront the problem of having too few sworn personnel to meet their core mission, which results in utilizing significant overtime.

Contractual increases awarded through binding arbitration over the past two plus decades have made the ability to hire enough Police Officers extremely costly. The latest contractual agreement between the County and the PBA, which avoided arbitration, aimed at alleviating this problem by reducing the starting salary of a Police Officer to \$42,000 and more than doubling the length of time for an officer to reach top step. These officers also pay 15% of their health insurance and the County's pension contribution for new recruits is only 16% versus 28% for existing officers.

After years of separations outpacing the hiring of new recruits, 106 were hired in September of 2015, 60 in September of this year and 115 more in early October. The 175 hired this year will cost approximately \$7.9 million in permanent salaries in 2017. The recommended budget states that a new recruit class will be hired in 2017 that BRO estimates to be 65 recruits, assuming a mid-September start date. The amount hired in 2015 and 2016 (281) exceeds the amount hired over the previous four years (202). Ultimately, in order to control overtime costs, an annual class of new recruits should be scheduled each September that at least equals the number of the previous year's separations. These new recruits are much less costly than previous recruits and should help mitigate overtime moving forward as more are hired and more costly officers retire. That being said, when both permanent salary and benefits are taken into consideration, hiring new recruits is more costly than the corresponding savings in overtime.

The Budget Review Office projects that the amount included in the recommended budget for permanent salaries in 2017 is insufficient by \$3.5 million. While a deficit of \$3.5 million in permanent salaries is certainly a significant amount, it is just slightly more than 1% of the Department's total recommended amount of \$333 million.

The BRO projection includes:

- The cost to keep all filled positions, as of October 9, 2016, on the payroll.
- Contractual salary increases and appropriate step increases for all bargaining units.
- Recruit classes totaling 175 in 2016 and another class in 2017 that BRO estimates to be 65 recruits, assuming a mid-September start date.
- The savings attributable to the attrition of 90 sworn officers over the course of the year. Savings for attrition assumes a blended salary for PBA, SOA and SDA with 90 sworn officers separating over the course of the year but primarily in January and July.
- The ability to backfill civilian positions as they become vacant.

- No accommodations for filling existing vacancies other than the aforementioned recruit class.

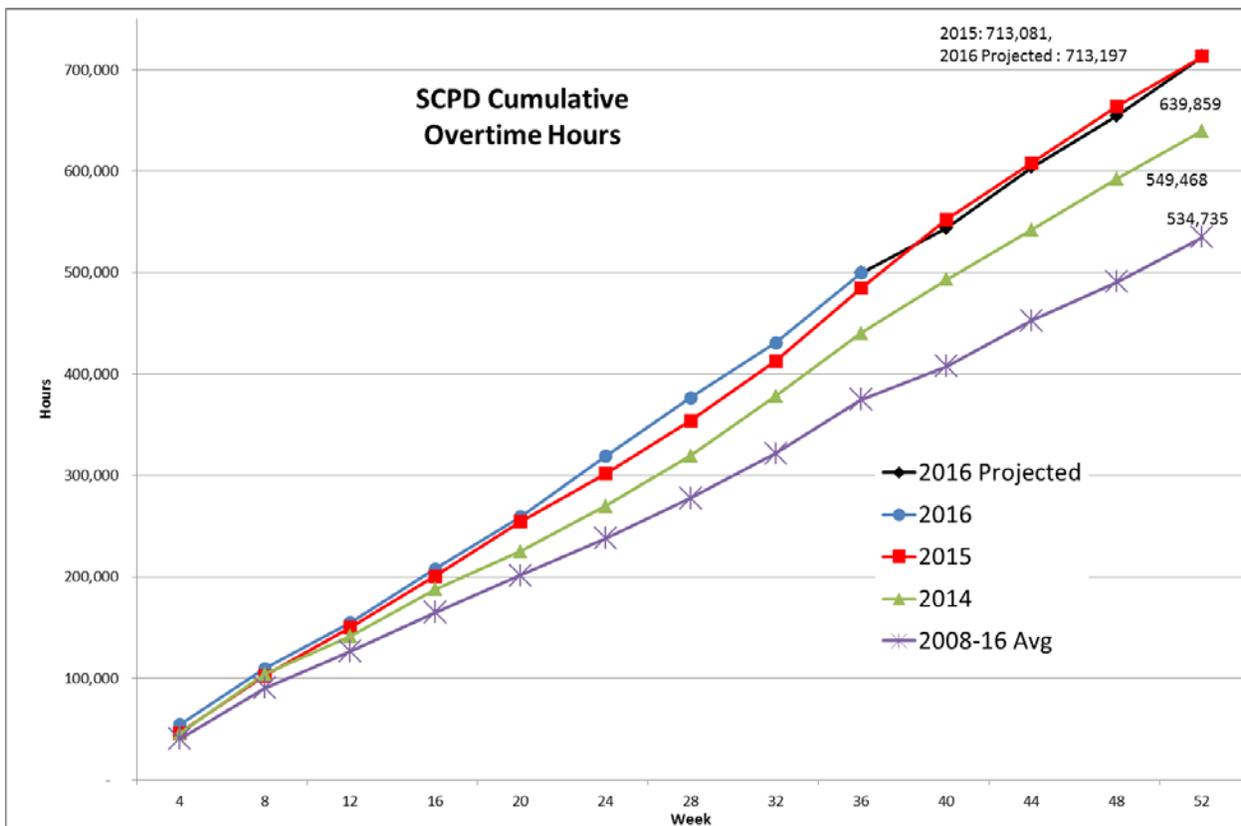
Terminal Pay (SCAT Pay)

Terminal pay is a combination of pay for unused sick and vacation accruals at the time of separation from service and is also known as SCAT pay. The recommended budget includes revenue for Bond Anticipation Notes (BANs) in the General Fund 001 of \$7.8 million and in the Police District Fund 115 of \$18.9 million allocated for SCAT Pay. Whereas some of the General Fund BAN could be used for other departments, the Police District portion would be utilized for the Police Department. The recommended amount included in Fund 115 for SCAT pay is \$15 million, which is \$1.6 million less than the 2015 adopted amount. This would seem to imply that the BANs are intended to fund more than just SCAT pay in the Police Department. The BANs will require pending State approval and if not approved will create an additional shortfall in the Police budget.

Overtime

Overtime is recommended at \$32.7 million or \$188,528 less than the 2016 adopted amount but \$12.4 million less than the 2016 estimate. As the Budget Review Office cautioned in our report last year, the overtime account was inadequately funded. We noted attrition and contractual increases as reasons why the Police Department could not meet the adopted overtime amount.

As seen in the following graph, the 2016 overtime hours, after several years of significant annual increases, have been similar to last year.



The addition of 106 new recruits last year and 175 this year will have a positive impact on overtime mitigation in 2017 in both hours and dollars. The addition of more Public Safety Dispatchers and Emergency Complaint Operators in Fund 102 – E911, where requested overtime was reduced by

\$483,000 in the recommended budget, will also help. However, contractual increases will offset some of these savings. The Budget Review Office projects that the recommended 2017 budget for overtime of \$32,656,820 is inadequate and should be approximately \$42 million, which is still less than the 2016 estimated amount of \$45 million. Approximately \$2 million of the overtime budget can be applied annually to state and federal grants that are accepted and appropriated during the year.

Town Revenue Sharing

Section 4-6j of the Suffolk County Charter provides the legal authority for sales tax revenue sharing with towns and villages that have their own Police Departments. The 2017 Recommended Budget includes a total distribution of \$9,588,343, which is an increase of \$1 million compared to the 2016 adopted funding.

Town revenue sharing is in recognition of the Police District receiving countywide sales tax revenue. In order to provide some of this revenue to all police departments countywide, town revenue sharing is given to village and town police departments outside the County Police District. Given that Police District sales tax revenue is recommended to be \$26.1 million less than in 2016, a case can be made for reducing town revenue sharing as well.

TOWN AND VILLAGE REVENUE SHARING ALLOCATION				
2017				
Jursidiction	ACT	2016 Adopted	Recommended	Difference
Town Of East Hampton	ATZI	\$900,917	\$1,005,817	\$104,900
Town Of Riverhead	AUWI	\$1,536,455	\$1,715,355	\$178,900
Town Of Shelter Island	AUYI	\$146,861	\$163,961	\$17,100
Town Of Southampton	AVJI	\$2,533,561	\$2,828,561	\$295,000
Town Of Southold	AVLI	\$1,154,273	\$1,288,673	\$134,400
Village Of Amityville	AWHI	\$602,902	\$673,102	\$70,200
Village Of Asharoken	AWKI	\$52,389	\$58,489	\$6,100
Village Of East Hampton	AWLI	\$91,036	\$101,636	\$10,600
Village Of Head Of Harbor	AWVI	\$87,601	\$97,801	\$10,200
Village Of Huntington Bay	AWYI	\$98,766	\$110,266	\$11,500
Village Of Lloyd Harbor	AXBI	\$217,285	\$242,585	\$25,300
Village Of Nissequoque	AXDI	\$105,637	\$117,937	\$12,300
Village Of Northport	AXGI	\$492,112	\$549,412	\$57,300
Village Of Ocean Beach	AXII	\$8,588	\$9,588	\$1,000
Village Of Quogue	AXMI	\$58,401	\$65,201	\$6,800
Village Of Sag Harbor	AXOI	\$138,272	\$154,372	\$16,100
Village Of Southampton	AXQI	\$258,509	\$288,609	\$30,100
Village Of Saltaire	AXRI	\$2,577	\$2,877	\$300
Village Of Westhampton Beach	AXUI	\$102,201	\$114,101	\$11,900
TOTAL		\$8,588,343	\$9,588,343	\$1,000,000

Public Safety Communications System E-911 (Fund 102)

The enhanced 911 (E-911) 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 that should respond.

Recently, a total of seven new Emergency Complaint Operators (ECO) and Public Safety Dispatchers (PSD) were hired and they should be fully trained by November. The percentage of filled authorized ECO and PSD positions is currently at 93% compared to 82% at this time last year. The recommended budget also includes a temporary PSD position to be used to offset overtime during peak periods.

Overtime due to public safety emergencies, such as severe weather conditions, and mandated overtime due to a lack of staffing has been a major concern for the Emergency 911 Complaint Center for the past several years. Excessive overtime also puts a tremendous burden on these employees to perform their duties at a high level of competence without creating poor working conditions. The recent hires as well as an aggressive backfill policy should help alleviate these conditions. There is an associated decrease in overtime funding due to the increased staffing levels. Overtime funding is recommended at \$685,000 compared to the 2016 estimated amount of \$1,176,366. BRO believes that this is a reasonable amount if staffing levels remain over 90% of authorized positions for ECOs and PSDs.

Revenue: Fire Alarm Program (Fund 115, Revenue 1523)

Revenue for alarm fees and fines totaling \$7,168,989 were included in the 2016 adopted budget based on Local Law No. 42-2015, which established a \$50 fee for residential alarm owners and a \$100 fee for commercial alarm owners. This program imposes a fine of \$50 for the third false alarm for residential and \$100 for commercial false alarm calls escalating to a maximum fine of \$500 for the 10th offense and above.

According to Police Department statistics there are approximately 571,000 residential alarms in Suffolk County and 160,000 commercial alarms of which approximately 75% are in the Police District. The Department responded to more than 96,000 false alarm calls in 2015 or approximately 14% of all 911 calls. The dual intent is to decrease the number of false alarms that need to be responded to, which will increase Police Officer productivity, and to raise revenue in registration fees and fines. Nassau County has had a similar program for over 25 years.

The alarm program revenues were originally included in 115-2770-Other Unclassified Revenues. A new revenue code, 115-1523-Alarm Program Revenue is now being utilized. Due to the program not starting until the second quarter of 2016 and lower than anticipated registration fees being collected, 2016 revenue is estimated at \$3,780,000. While that figure is reasonable based on year-to-date statistics, there are three Introductory Resolutions being considered by the Legislature (1493-2016, 1771-2016 and 1875-2016) that would reduce or eliminate some or all of the fees and fines and return collected revenue back to the public. The amount included in 2017 is \$5 million. The viability of that amount will be determined by the three pending resolutions.

ShotSpotter ©

The recommended budget discontinues funding for the ShotSpotter program in 2017. A total of \$360,725 was requested by the department in 2017.

ShotSpotter© Contract Terms					
Pricing Terms	Total	North Bellport	Other Locations	Revenue	Annual Net Cost
Year 1 (2012)	\$450,000	\$64,286	\$385,714	\$64,286	\$385,714
Year 2 (2013)	\$334,500	\$47,500	\$287,000	\$47,500	\$287,000
Year 3 (2014)	\$334,500	\$47,500	\$287,000	\$88,214	\$246,286
Year 4 (2015) *	\$334,500	\$47,500	\$287,000	\$0	\$334,500
Year 5 (2016)	\$47,500	\$47,500	\$0	\$0	\$47,500
Year 6 (2017 REQ)	\$360,725	\$51,375	\$309,350	\$0	\$360,725
Year 6 (2017 REC)	\$0	\$0	\$0	\$0	\$0
2012 - 2016 Total	\$1,501,000	\$254,286	\$1,246,714	\$200,000	\$1,301,000

* The \$287,000 included in 2015 for Other Locations is an extension of the agreement.

New Fees

Two new fees are included for the Police Department in the General Fund. A 1% processing fee (001-1440-Service Fees-Miscellaneous) is recommended to generate \$12,717 and a Private Event Security Permit fee (001-2778-Event Permits) is recommended to generate \$100,000.

Budget Review Office Recommendations

Expenditures										
					Object/Activity	2016 Exec	2016 BRO	2017 Exec	2017 BRO	
Fd	Dept	Unit	Obj	Act	Name	Est	Change	Rec	Change	M/D
001	POL	3120	1120	0000	Overtime Salaries	\$7,518,000	\$0	\$4,681,405	\$1,401,477	DE
115	POL	3121	1120	0000	Overtime Salaries	\$32,436,000	\$0	\$26,121,867	\$7,941,703	DE

Consider reducing town revenue sharing to account for the decrease in Police District sales tax revenue.

JO POL 17

Probation

Summary for Fund 001 in PRO					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	437	351	86	New	New
2013	436	342	94	0	0
2014	433	332	101	Abolished	Abolished
2015	433	336	97	0	0
2016	433	329	104		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$26,472,003	\$25,921,958	\$25,875,554	\$26,544,921	\$26,097,398
Permanent Salaries (1100)	\$24,806,665	\$24,733,258	\$24,533,043	\$25,343,046	\$24,972,423
Overtime Salaries (1120 & 1620)	\$424,639	\$395,500	\$461,884	\$413,000	\$339,250
Other Personal Services	\$1,240,699	\$793,200	\$880,627	\$788,875	\$785,725
Non-Personnel (2000s, 3000s, 4000s)	\$7,255,096	\$7,935,947	\$9,262,643	\$9,516,789	\$7,349,147
Equip and Supplies (2000s & 3000s)	\$694,867	\$1,060,551	\$943,017	\$1,157,226	\$1,075,146
Contracted Agencies (4980)	\$3,801,142	\$4,230,771	\$5,343,504	\$4,225,771	\$3,320,771
Fees for Services: Non Employee (4560)	\$383,777	\$379,750	\$524,611	\$385,250	\$475,250
Other Contractual Expenses	\$2,375,311	\$2,264,875	\$2,451,511	\$3,748,542	\$2,477,980
Totals	\$33,727,099	\$33,857,905	\$35,138,197	\$36,061,710	\$33,446,545
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$7,851,683	\$6,496,748	\$10,209,742	\$6,293,362	\$6,293,361
Local Revenue	\$1,942,014	\$2,261,882	\$2,035,534	\$2,035,106	\$2,354,114
Totals	\$9,793,697	\$8,758,630	\$12,245,276	\$8,328,468	\$8,647,475

Summary of Major Findings and Recommendations

- The number of filled positions continues to trend downward.
- A class of eleven Probation Officer Trainees is scheduled to begin in the fall of 2016.
- Negotiations continue for a new SCPOA contract that expired in 2010.
- Probation Administration Fees (rev. code 1560) are increased by 10% and a new Miscellaneous Service Fee (rev. code 1440) is established.
- The Juvenile Day Reporting Center Program (001-PRO-3190) is discontinued.

Issues for Consideration

Grant Management Fund (003)

The recommended budget includes a new fund, Grants Management Fund (003), to segregate grant expenditures and revenues to enhance management and oversight of grant proceeds and to assist in ensuring compliance with the expenditure of grant proceeds and grant funded positions. No revenue or expenditures were included in Fund 003 as grant funding will be accepted and appropriated via legislative resolution. Positions created solely for a grant will be tied directly to

the grant and if funding ceases, the positions will cease as well. The recommended budget transfers two Program Coordinator positions (Criminal Justice Planning, grade 24) from the General Fund to the new Grant Management Fund and future expenditures for the Parole Reentry Task Force (appropriation 3172) will be accounted for in the new Grants Management Fund (003).

Personnel

The number of authorized positions in Probation remains at 433 in the Recommended 2017 Operating Budget, as requested by the Department. As can be seen in the previous table, the number of filled positions in Probation has been trending downward over the past five years, except in 2015, where there was a slight increase. As of September 11, 2016, of the 329 filled positions 84 were civilian, 242 were peace officer and three were exempt positions. Compared to this time last year, Probation had 336 or seven more filled positions, of which 87 or three more were civilian and 246 or four more were peace officer positions.

Peace Officer Positions

The estimated and recommended budgets included sufficient funding to hire and outfit a class of eleven Probation Officer Trainees (POTs), as requested by the Department. As per Probation, screening is now underway for the class to begin County service at the end of October or the beginning of November 2016. Probation Officer Trainees (grade 19) have a one year probationary period during which they are required to complete a supervised in-service training program. After one year of continuous service as a permanent Probation Officer Trainee, they achieve permanent status as a Probation Officer (grade 21).

The actual number of new POTs needed is dependent on workload, the number of peace officers that choose to retire and the County's ability to pay to backfill these positions. Probation does not intend to hire new Probation Officers in 2017 unless there is a higher than expected number of retirements. A number of Peace Officers may be postponing retirement pending the terms of a new contract. The outstanding SCPOA contract expired on December 31, 2010. Depending on the status of the Probation Officer's contract, the pay scale that is agreed upon, and the number of retirees along with their associated payment for accrued vacation, sick and lag pay, the Department may be able to backfill some positions for a portion of next year. The uncertainty of the negotiated terms of a subsequent contract hinders the analysis of Probation's staffing and permanent salary expenditures.

Civilian Positions

Probation reports that a number of clerical staff retired this past year. Six of the full-time clerical positions that retired are now two full-time positions and four part-time clerk typists, which resulted in decreased expenditures without impacting Probation's ability to get the work done. As of this writing, one full-time position has been filled and authorization has been received to fill the other positions. Backfilling positions that leave County service is essential to the continuation of service provision. The Department will continue to request to fill positions vacated by retirement or resignation.

Revenue

The \$12.25 million included in 2016 estimated revenue for Probation is reasonable. The same can be said for 2017 recommended revenue of \$8.65 million, dependent upon the implementation of the proposed new miscellaneous service fee (revenue code 1440) that represents a one percent administrative processing fee on every contract agency for contracted programs funded from special services and contracted agencies (object codes 4770 and 4980 respectively), and the ten

percent increase in Probation Administration Fees (revenue code 1560). Implementation of these fees will require future duly enacted resolutions to amend the Suffolk County Code.

Recommended Probation revenue for 2017 is \$319,008 more than requested. The additional revenue can be attributed to the fee increases, with \$412,800 more than requested for Probation Administration Fees and \$33,208 for the new Service Fees – Miscellaneous, coupled with \$127,000 less than requested for the STOP-DWI program. As an alternative to the one percent administrative processing fee, the Legislature could consider cuts to contract agencies equal to the 2017 recommended revenue of \$33,208.

Expenditures

The recommended budget's Department-wide permanent salary estimate for 2016 of \$24.53 million is reasonable, and so is the overall estimated \$35.14 million budget for total Probation expenditures.

Select Probation initiatives in 2016 include a \$552,048 grant for Long Island Against Domestic Violence (JVX1) to provide Precinct Advocates and Court Advocates that will assist victims of domestic violence (appropriation 3182), and expenditures of \$425,700 and \$300,500 from the US Department of Health and Human Services Substance Abuse and Mental Health Services Administration for the SAMSHA Drug Court Expansion (appropriation 3177).

Additionally, Probation reported a 54% increase in the number of juveniles ordered by Family Court to have institutional diagnostic evaluations in 2016, when compared to the first six months of 2015. As a result, the 2016 estimated budget is \$397,000 more than previously adopted.

It should also be noted that implementation of a Heroin/Opioid Program as an alternative to incarceration is now being coordinated by the County Executive's Office because of the many departments that are dealing with this issue. As a result, 2016 estimated Comprehensive Alternatives to Incarceration, CATI (appropriation 3171) is \$400,000 less than adopted.

The recommended budget's department-wide permanent salary projection for 2017 of \$24.97 million is sufficient. Total recommended expenditures of \$33.45 million, also appear to be reasonable.

One potential issue with the 2017 Recommended Budget is billing for contractual expenses for the State Training School (appropriation 6129). The Office of Children and Family Services (OCFS) has stated that counties will be billed for only one year, 2015, in 2017. It is possible that the County could be billed for 2016 later this year or for two years in 2018. The cost for an additional year is estimated to be \$1.5 million.

Funding for the Juvenile Day Treatment Center is discontinued in the recommended budget, as the limited number of juveniles who could be accommodated in the program had mainly become a group requiring alternative education; that service is the responsibility of local school districts and BOCES.

Raise the Age

The Raise the Age initiative, which will raise the age of criminal liability to 18 is expected to result in greater demands on Probation and may eventually lead to higher costs. The exact provisions and timing of RTA are currently unknown, but the eventual effect will be the transfer of 16 and 17 year olds from the jurisdiction of Criminal Court to the jurisdiction of Family Court. This could have a major impact on juvenile detention and placement.

Budget Review Office Recommendations

The Budget Review Office concurs with the 2017 Recommended Budget for Probation. As Probation's efforts provide an alternative to the more costly potential outcome of incarceration, the Department could use additional personnel to enhance its service provision when the County's current fiscal situation improves.

JM Probation 17

Public Administrator

Summary for Fund 001 in PAD					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	6	6	0	New	New
2013	6	6	0	0	0
2014	6	5	1	Abolished	Abolished
2015	6	6	0	0	0
2016	6	6	0		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$426,153	\$462,034	\$463,057	\$485,456	\$463,113
Permanent Salaries (1100)	\$420,253	\$455,634	\$456,657	\$478,556	\$456,213
Overtime Salaries (1120 & 1620)	\$0	\$0	\$0	\$0	\$0
Other Personal Services	\$5,900	\$6,400	\$6,400	\$6,900	\$6,900
Non-Personnel (2000s, 3000s, 4000s)	\$13,348	\$12,604	\$11,882	\$17,979	\$17,733
Equip and Supplies (2000s & 3000s)	\$5,561	\$5,149	\$4,052	\$5,649	\$5,403
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$7,500	\$7,125	\$7,500	\$12,000	\$12,000
Other Contractual Expenses	\$287	\$330	\$330	\$330	\$330
Totals	\$439,501	\$474,638	\$474,939	\$503,435	\$480,846
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$0	\$0	\$0	\$0	\$0
Local Revenue	\$467,189	\$505,010	\$500,032	\$500,025	\$500,025
Totals	\$467,189	\$505,010	\$500,032	\$500,025	\$500,025

Summary of Major Findings and Recommendations

- 2016 estimated revenue is possibly overstated by \$83,032.

Issues for Consideration

If all six currently filled positions remain filled for the duration of 2017, recommended salary funding would be insufficient by \$10,000.

In terms of revenue over the last five years, collections at the Public Administrator's Office have ranged from \$144,761 to \$467,189. Revenue is based on a percentage of the estate value or settlements and reimbursement of authorized expenditures that have occurred. Based on year-to-date revenue and active court proceedings that are scheduled to close by the end of 2016, the Public Administrator's Office anticipates 2016 revenue of \$417,000, which is \$83,032 less than the 2016 estimated amount. As far as 2017 is concerned, it is difficult to project one year out, since revenue is based on the number of deceased persons without a will, the value of their estate, and the difficulty in determining when cases are settled.

Public Works

Summary for Fund 001 in DPW					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	361	309	52	New	New
2013	350	310	40	0	0
2014	345	300	45	Abolished	Abolished
2015	340	283	57	0	0
2016	335	280	55		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$22,023,871	\$20,899,895	\$21,130,254	\$21,517,195	\$20,990,682
Permanent Salaries (1100)	\$18,651,104	\$19,090,796	\$18,828,855	\$19,552,533	\$19,136,845
Overtime Salaries (1120 & 1620)	\$2,282,195	\$1,228,774	\$1,324,753	\$1,397,037	\$1,314,037
Other Personal Services	\$1,090,572	\$580,325	\$976,646	\$567,625	\$539,800
Non-Personnel (2000s, 3000s, 4000s)	\$147,138,478	\$146,285,863	\$147,876,597	\$154,400,450	\$147,081,460
Equip and Supplies (2000s & 3000s)	\$10,543,865	\$8,168,495	\$7,992,518	\$8,840,703	\$7,601,973
Contracted Agencies (4980)	\$43,215,741	\$42,646,011	\$43,717,503	\$46,059,029	\$42,059,029
Fees for Services: Non Employee (4560)	\$1,875,394	\$2,082,617	\$2,284,534	\$2,365,054	\$2,311,804
Other Contractual Expenses	\$91,503,478	\$93,388,740	\$93,882,042	\$97,135,664	\$95,108,654
Totals	\$169,162,348	\$167,185,758	\$169,006,851	\$175,917,645	\$168,072,142
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$27,079,933	\$29,982,101	\$30,138,756	\$28,857,600	\$28,857,600
Local Revenue	\$11,297,957	\$12,444,206	\$10,341,475	\$13,325,585	\$13,504,425
Totals	\$38,377,891	\$42,426,307	\$40,480,231	\$42,183,185	\$42,362,025

Summary of Major Findings and Recommendations

- Significant savings attributed to fuel pricing have been experienced with respect to operating the County's bus system.
- Ten SCT bus routes are eliminated to save approximately \$4 million annually. The effect of these eliminations on the County's receipt of STOA aid is indeterminate at this time.
- No cuts to SCAT are proposed; however, its recommended funding level for 2017 appears deficient and BRO recommends increasing SCAT funding by \$2.3 million.
- The recommended budget includes new fee revenue of approximately \$3.1 million that was not requested by the Department. Realization of these revenues in 2017 is speculative.

Summary for All Funds in DPW					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	836	695	141	New	New
2013	826	695	131	0	0
2014	839	697	142	Abolished	Abolished
2015	838	679	159	0	0
2016	839	673	166		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$50,431,176	\$50,299,786	\$49,532,775	\$49,902,629	\$49,010,866
Permanent Salaries (1100)	\$41,527,648	\$44,033,346	\$42,250,518	\$43,020,350	\$42,526,637
Overtime Salaries (1120 & 1620)	\$6,129,759	\$4,835,370	\$4,900,956	\$5,192,034	\$5,009,034
Other Personal Services	\$2,773,768	\$1,431,070	\$2,381,301	\$1,690,245	\$1,475,195
Non-Personnel (2000s, 3000s, 4000s)	\$185,213,504	\$192,087,293	\$189,168,641	\$200,595,505	\$190,156,847
Equip and Supplies (2000s & 3000s)	\$38,877,060	\$43,184,786	\$38,528,544	\$44,182,443	\$39,687,876
Contracted Agencies (4980)	\$43,215,741	\$42,646,011	\$43,717,503	\$46,059,029	\$42,059,029
Fees for Services: Non Employee (4560)	\$2,622,417	\$2,937,791	\$3,165,975	\$3,329,319	\$3,246,069
Other Contractual Expenses	\$100,498,286	\$103,318,705	\$103,756,619	\$107,024,714	\$105,163,873
Totals	\$235,644,680	\$242,387,079	\$238,701,416	\$250,498,134	\$239,167,713
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$33,901,404	\$36,348,241	\$37,136,099	\$34,942,877	\$35,637,389
Local Revenue	\$59,915,869	\$82,727,037	\$75,881,775	\$85,676,271	\$87,926,512
Totals	\$93,817,273	\$119,075,278	\$113,017,874	\$120,619,148	\$123,563,901

Summary of Major Findings and Recommendations

- No provisions exist in 2017 for the replacement of non-public safety fleet vehicles. The Department identified the need to purchase 79 vehicles.
- Expenditures for gasoline are overstated in 2016 and 2017 by \$1.6 million and \$1.3 million respectively.
- Expenditures for light, power, and water are understated by \$1.6 million in 2016 and \$3.7 million in 2017.
- Motor Vehicle Registration Surcharge revenues appear to be overstated by approximately \$5.1 million in 2016-2017.

Issues for Consideration

Transportation Division Contractual Expenditures for SCT & SCAT

Expenditures for Contracted Services-Special (object 4960) within DPW unit 5631-Planning: Omnibus pertain to the County's contractual cost to operate Suffolk County Accessible Transit (SCAT) to provide alternative transportation services to those individuals unable to use the regular County bus system because of a physical or mental impairment as defined in the Americans with Disabilities Act. Expenditures for Contracted Agencies (object 4980) within DPW unit 5631-Planning: Omnibus pertains to the County's contractual cost to operate Suffolk County Transit

(SCT) to provide regular local public transit bus route operations, maintenance, and dispatch services.

The 2016 Adopted Operating Budget included a \$4.8 million reduction for SCAT contractual obligations and a \$5.5 million reduction for SCT contractual obligations. The Department and recommended budget estimate 2016 SCAT expenditures of \$29.1 million that are \$2.6 million more than adopted. The Department estimated 2016 SCT expenditures of \$43.9 million that are \$2.1 million more than adopted and \$1 million more than estimated within the recommended budget. This can be explained by the recommended budget's inclusion of \$1 million in savings resultant from a reduction in service provision anticipated to begin October 10, 2016 that was not considered in the departmental estimate.

The Department has proposed eliminating ten SCT bus routes beginning Monday October 10, 2016 to generate annual savings of approximately \$4 million in connection with diminished funding levels, as shown in the following table:

Proposed SCT Bus Route Eliminations						
Route	Yearly Ridership	Estimated Annual Lost Fare Revenue	Estimated Net Annual Savings	Cost per Ride	Total Annual Days	Total Daily Ridership
10 D/E	3107	\$ 4,008	\$ 257,419	\$ 82.85	256	12
10A	6127	\$ 7,905	\$ 342,682	\$ 55.93	309	20
1B	6616	\$ 8,538	\$ 259,396	\$ 39.20	309	21
5A	19801	\$ 25,542	\$ 757,682	\$ 38.26	309	64
S90	9064	\$ 11,694	\$ 322,157	\$ 35.54	309	29
S35	7453	\$ 9,615	\$ 257,842	\$ 34.60	256	29
7 D/E	30239	\$ 39,009	\$ 837,020	\$ 27.68	309	98
S71	49171	\$ 63,432	\$ 995,504	\$ 20.25	309	159
Total	131,578	\$169,743	\$4,029,702			432

The Transportation Division performed a fuel consumption analysis to determine fuel savings resultant from elimination of these ten SCT routes and they anticipate saving approximately 645,000 gallons of fuel annually. BRO estimates fuel savings in 2016 resultant from the route eliminations of approximately 143,000 gallons or \$229,000. Savings of \$2.7 million have already been realized through August 2016 as a result of the SCT contract being based on a fuel cost of \$3.25 per gallon. Given BRO's projected fuel savings from pricing of \$4.1 million in 2016 and service cuts being implemented for the remainder of 2016, expected to provide additional savings of \$1 million, BRO estimates 2016 SCT expenditures of approximately \$42.4 million that are 1.1% less than proposed and supports the recommended budget's 2016 estimated expenditures of \$42.9 million as reasonable.

Savings within SCAT can be attributed to fuel price reduction savings and to the use of smaller, more fuel efficient, gasoline burning buses that achieve gas mileage approaching ten miles per gallon, whereas the older diesel burning buses averaged four to six miles per gallon. It is unclear at this time to what degree the growth in 2016 SCAT ridership will offset these fuel savings. In the first quarter of 2016, SCAT ridership grew at a significant rate of 17.1%; however, in the second quarter, more moderate growth of 7.9% was experienced, resulting in overall growth of 12.2% in the first half of 2016.

Anomalous growth in SCAT ridership may be explained by a recent change in County policy to provide SCAT paratransit bus service beyond the three quarter mile corridor required by the ADA (see Resolution No. 840-2015). FTA aid of approximately \$1.25 million is available to cover 50% of the additional cost in each of 2016 and 2017; however, the aid is reimbursement and the expense must be funded by the County in the first instance. The Department is applying for additional grant funding to offset a portion of the cost of this service expansion for 2018.

SCAT year-to-date expenditures through August, as a percent of annual expenditures, are very consistent over the last three years (within 0.31%) and have averaged 65.94%. The August 2016 SCAT year-to-date expenditures of \$19.2 million represent 65.97% of the 2016 estimate of \$29.1 million. The estimate is reasonable and consistent with BRO cost projections included in last year's review of the recommended operating budget.

The recommended budget provides \$30 million for SCAT in 2017, as requested by the Department, which represents a 3% increase over the 2016 estimate in accordance with the contractual obligation that the total contract cost of the previous year be adjusted by the percentage change in the Employment Cost Index for Total Compensation as calculated by the Department of Labor's Bureau of Labor Statistics. This statistic has not presently been calculated therefore; to the degree 3% is lower or higher than the actual calculation in conjunction with the degree to which 2016 estimated SCAT expenditures are accurate, the proposed budget may prove to be too high or too low. Additionally, the recommended funding does not appear to account for growth in ridership and the corresponding increase in expense. Actual expenditures for SCAT have increased 11% annually, on average, since 2012. BRO projects 2017 SCAT expenditures of \$32.3 million therefore; BRO recommends adding \$2.3 million.

The recommended budget provides \$41.2 million for SCT in 2017, which is \$4 million less than requested by the Department, explained by its inclusion of \$4 million in annual savings estimated through the elimination of ten bus routes as detailed above. The recommended funding includes the contractual inflation estimated at 3% and appears adequate assuming fuel costs are static and that the eliminated routes are not restored, to any degree, for the entire year.

Non-Public Safety Fleet Replacements

Since 2012, the County's policy has shifted from funding fleet vehicles through the operating budget to purchasing vehicles through Capital Project No. 3512 for public safety vehicles and Capital Project Nos. 5601 and 5602 for non-public safety vehicles. The Adopted 2016-2018 Capital Program included \$3.5 million in 2017 in Capital Project Nos. 5601 and 5602. The Adopted 2017 Capital Budget includes \$6 million in CP 3512 for public safety vehicle replacements; however, both CP 5601 and CP 5602 were discontinued. The Department identified the need to purchase 79 vehicles, at a cost of \$1,992,000, to replace a critical portion of non-public safety fleet vehicles. Their expectation is that at least a portion of the required replacements will be paid for with capital funds.

New Fees

The recommended budget includes additional fee revenue of \$3,070,590 within the Department of Public Works proposed to be generated by three new fees as detailed in the table below.

FUND	REV CODE	DEPT	UNIT	DESCRIPTION	\$ INCREASE	ACTION
001	2770	DPW	1345	Other Unclassified Revenues	\$ 750,000	Vendor Registration Fee
001	1440	DPW	5631	Service Fees - Miscellaneous	\$ 420,590	Processing Fee
001	2770	DPW	1494	Other Unclassified Revenues	\$ 1,900,000	Station Parking Fees
Total					\$ 3,070,590	

The vendor registration fee proposed within the Central Purchasing Division would impose a fee upon those entities wishing to bid; and ultimately those awarded contracts to do business with the County. The initial registration fee to bid on County contracts would be \$125. Those entities that were awarded contracts would be charged an additional \$275. The recommended revenues were projected based upon the average number of contracts issued last year (less contract agency agreements) resulting in 2,260 bidders and 1,700 awarded contracts.

The 1% processing fee proposed within the Transportation Division represents 1% of recommended funding for object 4980: Contracted Agencies that totals \$42,059,029. The vast majority of the expense (\$41,213,179) represents the cost to contract for the provision of the County's regular bus service, Suffolk County Transit. The other \$845,850 is pass-through STOA funding for the Town of Huntington to help subsidize their HART bus system. Should this fee be imposed upon the Suffolk County Accessible Transit (SCAT) contract, recommended at \$30,016,585 (object 4960), additional fee revenue of \$300,166 could be realized.

The station parking fee proposed within the Buildings Operations and Maintenance Division is recommended to provide \$1.9 million. This additional revenue is predicated upon a plan to employ an experienced vendor that will charge a daily rate of three to five dollars or discounted monthly rate of \$80 to \$120 for the privilege of parking at the Ronkonkoma and Deer Park train stations.

Based upon the limited information provided, BRO is unable to speculate if, or to what degree, these new fees will be realized in 2017. They were not included by the Department within its request.

Gasoline and Motor Oil (Object 3150)

Commodity market prices for refined fuels (gasoline and diesel) decreased in 2016, by approximately 11% and 18% respectively, as compared to the same period in 2015. The County's 2016 year-to-date blended price for gasoline and diesel fuels declined by approximately 19% as compared to the same period in 2015. In addition to gasoline and diesel, the County also has 111 Compressed Natural Gas (CNG) vehicles currently in service. These CNG vehicles are fueled both on County properties as well as at dispenser stations owned by others across the region. The County's expenditures for gasoline and diesel fuel dispensed at County facilities, which includes CNG dispenser station maintenance and other fleet service charges, have decreased by approximately 21% as compared to the same period a year ago.

The recommended budget estimates 2016 expenditures for Gasoline and Motor Oil across all funds of \$5,876,401, which is \$974,074 (14.2%) less than 2015 actual expenditures. Based on year-to-date expenditures and projected prices for the remainder of the year, the Budget Review Office estimates that 2016 expenditures will be approximately \$1.6 million less than estimated in the recommended budget.

The recommended budget includes \$5,984,622 in 2017 for Gasoline and Motor Oil. The Budget Review Office observes that energy commodity prices are trending upward and that significant volatility in petroleum markets, in particular, should be expected as a consequence to potential changes in OPEC production strategy. In context to current market conditions, the Budget Review Office projects that 2017 expenditures for Gasoline & Motor Oil will increase 10.7% over our 2016 estimate but will be approximately \$1.3 million less than recommended.

Light, Power and Water (Object 4020)

Payments for electricity (approximately 82%) and natural gas (approximately 9%) represent nearly all expenditures for Light, Power and Water. This object also includes expenditures related to the Suffolk County Water Authority (SCWA) and other local water districts (approximately 2%). Long-term payments for “performance contracts” relating to energy improvements at County facilities funded by the New York Power Authority (NYPA) and others are subject to variable rate financing and have resulted in a “virtual fixed cost” that represents more than 5% of total expenditures. The balance of the annual expenditures from Light, Power and Water can be attributed to the cost of energy embedded in rental agreements for leased facilities and other county contracts.

Expenditures in 2015 for Light, Power and Water were approximately \$17 million in the General Fund. The 2016 estimated expenditures are approximately \$15.2 million. The Budget Review Office observes an upward trend in energy commodity prices in the months ahead as well as year-over-year changes in electric utility rates. In that context, the Budget Review Office finds estimated expenditures to be understated by approximately \$1.6 million.

LIPA/PSEG LI implemented a three-year rate plan (2016-2018) effective January 1, 2016. Rate changes, combined with other adjustments recently adopted by LIPA and an increase in the cost of fuel for electric generation, are expected to result in a year-over-year increase in 2017 of approximately 15.5% in the cost of electric service. In addition, National Grid is expected to conclude an ongoing rate proceeding with the Department of Public Service, which is expected to result in a significant increase in natural gas rates that will take effect on January 1, 2017. Considering the influence of natural gas utility rates, and an upward trend in natural gas commodity prices, BRO estimates a year-over-year increase, between 2016 and 2017, of approximately 24% in the County's expenditures for natural gas. Consequently, we project Light, Power and Water expenses to increase to approximately \$19 million in 2017, \$3.7 million more than recommended.

Motor Vehicle Registration Surcharge

Motor Vehicle Registration Surcharge revenues appear to be overstated by approximately \$5.1 million in 2016-2017. A detailed analysis of this issue can be found in the County Road Fund 105 review.

Southwest Sewer District

The recommended budget reduces the property tax portion of revenues within the District by \$14 million or 30.8%. A detailed analysis of the issues pertaining to the Southwest Sewer District can be found in the Sewer District #3-Southwest (203) review.

Staffing

Public Works currently has 839 authorized positions department-wide, of which 166 or 19.8% are vacant, representing an increase of seven vacancies from last year. Filled positions within the Department are at a five year low. No new positions were requested or recommended; however, the resolution included in the recommended budget creates a new civil service title, Assistant Chief Engineer (Public Works) (grade 35). The position was requested by the Department in lieu of a currently filled Principal Civil Engineer position within the Division of Highways, Structures, and Waterways. This proposed addition to the Classification and Salary Plan requires an approved resolution from the Legislature. BRO estimates the annualized incremental cost in 2017 to promote the currently filled Principal Civil Engineer position, indicated in the departmental request, to the Assistant Chief Engineer position to be \$6,236.

The Assistant Chief Engineer's duties include assisting the Chief Engineer in overseeing, planning, organizing and directing various functions of nine sections within the Division. The Chief Engineer has indicated the need for this position due to increased demands upon his office in conjunction with decreased staffing levels. He has indicated that in order to keep projects on track, section heads find themselves involved with issues and projects that would have traditionally been done by lower level staff, resulting in less time for "big picture" management and oversight issues.

The recommended budget estimates 2016 permanent salary expenditures of \$42,250,518 department-wide that are \$251,459 or 0.6% more than the BRO projection and reasonable. The recommended budget proposes permanent salary expenditures of \$42,256,637 department-wide for 2017. Implicit in the proposed funding level are no monies to fill any vacant positions and additional turnover savings beyond those corresponding to vacant position salaries of approximately \$737,000. BRO's projected department-wide salary expenditures under similar assumptions, are \$491,516 or 1.2% more than recommended, confirming the proposed funding is reasonable given the underlying assumptions.

State and Federal Transit Aid

In 2016 the County anticipates receiving State and Federal transit aid of approximately of \$30.1 million to offset transportation related expenditures estimated to be approximately \$73.9 million. The recommended budget proposes revenue in 2017 of approximately \$28.9 million reflecting the expiration of a two year Job Access and Reverse Commute (JARC) grant that the County procured to offset the cost of providing Sunday bus service. The largest portion of the transit aid received by the County is attributed to State aid for mass transit operations. State Transportation Operating Assistance (STOA) represents approximately \$26 million or 90% of the County's transit aid. One element considered in allocating the STOA aid among applicants is mileage traveled while providing bus service. The elimination of ten routes of SCT bus service is estimated to reduce overall mileage by nearly one third. It is unknown at this time what, if any, ramifications these reductions will have upon the level of STOA funding received by Suffolk County.

Budget Review Office Recommendations

Expenditures										
Fd	Dept	Unit	Obj	Act	Object/Activity Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	DPW	5631	4960	0000	Contracted Services - Special	\$29,142,316	\$0	\$30,016,585	\$2,300,000	D
001	DPW	5631	3150	0000	Gasoline & Motor Oil	\$1,869,477	-\$500,000	\$2,003,872	-\$450,000	D
016	DPW	5130	3150	0000	Gasoline & Motor Oil	\$3,774,363	-\$1,100,000	\$3,750,000	-\$850,000	D
001	DPW	1164	4020	0000	Light, Power & Water	\$3,157,610	-\$200,000	\$3,200,000	\$300,000	M
001	DPW	1494	4020	0000	Light, Power & Water	\$11,400,000	\$1,800,000	\$11,500,000	\$3,300,000	D
001	PKS	7110	4020	0000	Light, Power & Water	\$540,000	\$0	\$550,000	\$100,000	D

RD Public Works 17

Real Property Tax Service Agency

Summary for Fund 001 in RPT					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	28	19	9	New	New
2013	26	20	6	0	0
2014	24	19	5	Abolished	Abolished
2015	24	19	5	0	0
2016	24	17	7		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$1,324,450	\$1,402,182	\$1,219,740	\$1,550,547	\$1,170,151
Permanent Salaries (1100)	\$1,226,387	\$1,350,482	\$1,166,180	\$1,493,147	\$1,115,751
Overtime Salaries (1120 & 1620)	\$28,501	\$15,000	\$7,950	\$10,000	\$10,000
Other Personal Services	\$69,562	\$36,700	\$45,610	\$47,400	\$44,400
Non-Personnel (2000s, 3000s, 4000s)	\$18,659	\$20,950	\$19,256	\$25,290	\$20,990
Equip and Supplies (2000s & 3000s)	\$18,659	\$20,950	\$19,256	\$25,290	\$20,990
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$0	\$0	\$0	\$0	\$0
Other Contractual Expenses	\$0	\$0	\$0	\$0	\$0
Totals	\$1,343,109	\$1,423,132	\$1,238,996	\$1,575,837	\$1,191,141
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$0	\$0	\$0	\$0	\$0
Local Revenue	\$10,812,540	\$35,590,608	\$32,972,963	\$26,188,125	\$70,838,125
Totals	\$10,812,540	\$35,590,608	\$32,972,963	\$26,188,125	\$70,838,125

Summary of Major Findings and Recommendations

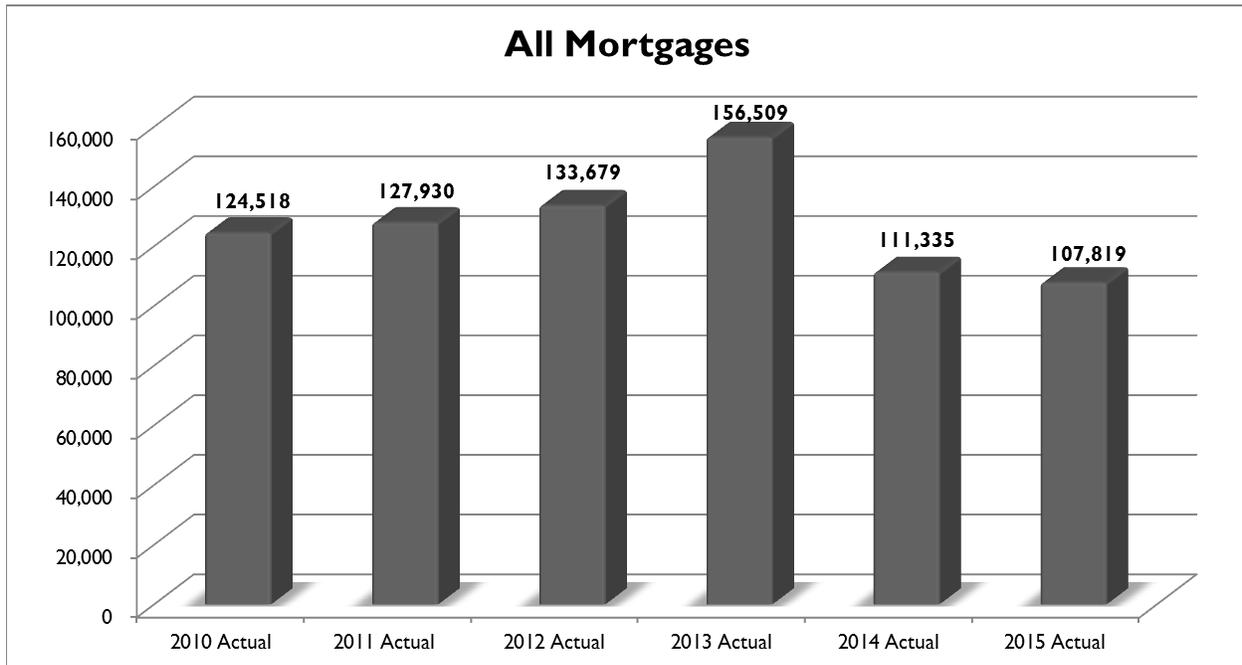
- The recommended budget includes a new mortgage administrative fee expected to produce \$33.3 million in 2017, and would require adoption of a separate resolution.
- The tax map certification fee rate is increased by \$25 to \$225. The recommended budget includes an additional \$4.15 million in 2017. A separate resolution is required to enact the fee increase.

Issues for Consideration

Mortgage Administrative Fee

The 2017 Recommended Operating Budget includes a new mortgage administrative fee at a rate of \$300 that is budgeted to produce \$33.3 million (001-RPT-1355-2770). The County processes the following types of mortgages that are likely to be assigned this new fee: standard, consolidation, modification, satisfaction, assignment, and various other types of mortgages. In order to generate the recommended \$33.3 million in revenue the County would have to process 111,000 mortgages in 2017. The level of mortgages prior to 2015 exceeded 111,000 but the 2015 level was 107,819. Based on year-to-date data, the number of mortgages in 2016 may be less than last year. The recommended \$33.3 million would require that the number of mortgages processed in 2017

returns to pre-2015 levels, which may be an optimistic scenario. The following chart shows the number of mortgages processed from 2010 to 2015.



The enactment of this mortgage administrative fee requires a separate legislative resolution.

Tax Map Certification Fee

The tax map certification fee is recommended to increase from \$200 to \$225. The 2016 estimated revenue for the Tax Map Cert. Fees (001-1355-1291) is \$2.5 million less than the 2016 adopted amount of \$35.3 million; the 2017 Recommended Operating Budget increases this revenue by \$2.02 million more than the previously adopted amount to \$37.35 million. This increase is associated with the proposed tax map certification fee increase. The 2017 recommended \$37.35 million in revenue projection is estimated by BRO to be reasonable. The enactment of the tax map certification fee rate increase requires a separate legislative resolution.

Staffing

The Deputy Director retired in July of 2016 and this position is now vacant leaving 17 filled positions out of 24 authorized positions. RPTSA requested \$377,396 more than recommended for salaries to fill all seven vacant positions in 2017; the recommended budget provides funding for all 17 presently filled positions in 2017, and \$38,934 to fill vacant positions during the year. Recommended funding is sufficient to hire one Real Property Tax Recorder for a full year or a mix of the vacancies in the last quarter of 2017.

The Deputy Director position is the only other senior supervisory position in RPTSA besides the Director. There are insufficient funds to fill this position in 2017 for a full year. If not filled, there would be reduced supervision over the operation and staff when the Director is required to attend an offsite meeting or is out. The estimated cost to fill the Deputy Director position at entry level for a full year in 2017 is \$90,127 with benefits.

Sheriff

Summary for Fund 001 in SHF					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	1,385	1,279	106	New	New
2013	1,389	1,271	118	0	0
2014	1,389	1,297	92	Abolished	Abolished
2015	1,387	1,300	87	0	0
2016	1,387	1,256	131		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$146,898,451	\$147,032,943	\$154,368,026	\$163,637,115	\$149,889,217
Permanent Salaries (1100)	\$102,046,485	\$109,169,918	\$109,432,351	\$120,856,587	\$111,159,188
Overtime Salaries (1120 & 1620)	\$29,837,359	\$22,259,863	\$27,246,691	\$25,323,111	\$22,847,740
Other Personal Services	\$15,014,608	\$15,603,162	\$17,688,984	\$17,457,417	\$15,882,289
Non-Personnel (2000s, 3000s, 4000s)	\$6,085,487	\$7,201,222	\$6,842,643	\$8,352,448	\$7,196,037
Equip and Supplies (2000s & 3000s)	\$5,559,381	\$6,480,996	\$6,143,941	\$7,550,522	\$6,534,311
Contracted Agencies (4980)	\$0	\$0	\$66,001	\$0	\$0
Fees for Services: Non Employee (4560)	\$150,951	\$238,976	\$208,976	\$289,626	\$208,976
Other Contractual Expenses	\$375,155	\$481,250	\$423,725	\$512,300	\$452,750
Totals	\$152,983,938	\$154,234,165	\$161,210,669	\$171,989,563	\$157,085,254
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$2,201,806	\$1,940,072	\$2,499,323	\$2,761,345	\$1,857,608
Local Revenue	\$3,618,812	\$3,912,472	\$3,538,828	\$3,519,562	\$3,737,036
Totals	\$5,820,617	\$5,852,544	\$6,038,151	\$6,280,907	\$5,594,644

Summary of Major Findings and Recommendations

- Assuming average staff attrition in 2017, the recommended budget includes sufficient salary appropriations for filled positions, a class of 40 Correction Officers in January, and a class of approximately 14 Deputy Sheriffs in September.
- Based on historical expenditures and projected wage increases, we estimate that overtime is underfunded in 2017. We recommend adding \$5 million to account for the likely shortfall.

Issues for Consideration

Permanent Salaries

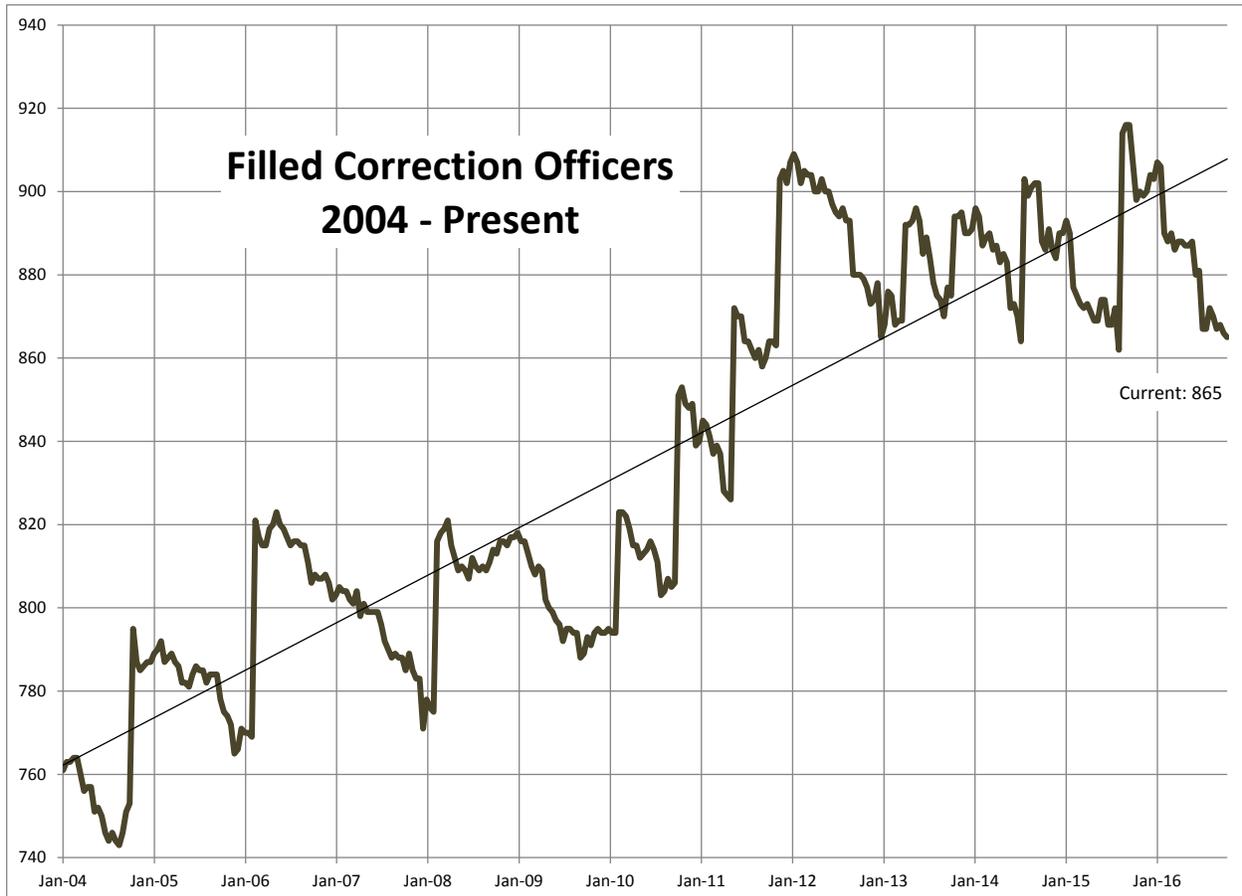
A class of 14 Deputy Sheriffs was hired in September 2016. A similar sized class of Deputy Sheriffs is scheduled for September 2017 as well as a class of 40 Correction Officers in January of 2017. Assuming average staff attrition in 2017, the 2017 Recommended Budget includes sufficient salary appropriations for filled positions, the planned classes, and promotions.

Correction Officer Staffing

The COC mandates that the County have a total of 982 CO positions filled with the new Yaphank Correctional Facility. However, the Commission is allowing the filling of ten percent of designated

security posts on overtime. 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 COs needed to meet the minimum personnel needs of an eight hour 365-day shift.

As of October 9, 2016, there were 865 filled Correction Officers. A class of 40 is scheduled to be hired in January of 2017. The following graph illustrates Correction Officer filled staffing since 2004. The ascending trend is a result of COC mandates for minimum staffing levels.



Deputy Sheriffs

In September of 2015, 13 Deputy Sheriffs were hired and another 14 were hired in September of 2016. The recommended budget provides sufficient funding for a similarly sized class in 2017.

Pursuant to an agreement in 2011, the Deputy Sheriffs deferred pay increases of approximately \$4 million in exchange for the exclusive right to patrol the Long Island Expressway. In 2012, the County Executive reassigned the Suffolk County Police Department to highway patrol. Deputy Sheriffs retiring before May 2016 received their deferred pay upon separation. Resolution No. 343-2016 amended the 2016 Adopted Budget and appropriated \$3.2 million to pay the balance owed to the current Deputy Sheriffs as a result of breaking the agreement.

Deputy Sheriffs have been working without a contract since 2010. If an agreement is reached in 2017 through negotiations or binding arbitration, the Sheriff's budget will not have sufficient appropriations for salary increases or retroactive pay. The recommended budget includes

approximately \$8.7 million in the salary contingency account, some of which could offset the cost of a potential award; however, the Probation Officers Association and the Association of Municipal Employees will also be entering 2017 without a contract.

Overtime

Overtime is estimated at \$27.3 million in 2016; \$5 million more than adopted. The 2017 Recommended Budget includes \$22.9 million for overtime. The Sheriff's overtime has not been less than \$23 million since 2008. Given the fact that the scheduled Correction Officer class next year will barely replace the number of Correction Officers expected to retire, it is unlikely that overtime hours worked will decrease significantly in 2017. Even if overtime hours are constant, we would expect overtime costs to increase due to the fact that the COA contract provides for a 3.25% increase in wages on June 1, 2017. Assuming the 2016 estimate is reasonable, a similar level of overtime hours would cost approximately \$4.5 million more than recommended in 2017. Based on year-to-date expenditures and the fact that 2015 actual overtime was \$29.9 million, the \$27.3 million estimated for 2016 is likely understated.

Note that although the latest collective bargaining agreement provides for a lower starting salary and longer period of time before Correction Officers reach top step, overtime is assigned on a seniority basis. Therefore, most overtime is paid to those with the highest salary rates. This stipulation impedes the ability of management to control costs.

Budget Review Office Recommendations

Expenditures										
					Object/Activity	2016 Exec	2016 BRO	2017 Exec	2017 BRO	
Fd	Dept	Unit	Obj	Act	Name	Est	Change	Rec	Change	M/D
001	SHF	3110	1120	0000	Overtime Salaries	\$4,863,384	\$0	\$2,862,760	\$2,000,000	D
001	SHF	3115	1120	0000	Overtime Salaries	\$2,234,435	\$0	\$2,056,105	\$200,000	D
001	SHF	3150	1120	0000	Overtime Salaries	\$11,425,013	\$0	\$9,504,534	\$2,000,000	M
001	SHF	3154	1120	0000	Overtime Salaries	\$1,150,000	\$0	\$825,814	\$400,000	M
001	SHF	3162	1120	0000	Overtime Salaries	\$5,800,226	\$0	\$5,796,236	\$400,000	M

JO SHF 17

Social Services (DSS)

Summary for Fund 001 in DSS					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	1,181	1,079	102	New	New
2013	1,203	1,095	108	0	1
2014	1,210	1,060	150	Abolished	Abolished
2015	1,246	1,075	171	0	0
2016	1,279	1,058	221		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$69,761,046	\$71,985,685	\$72,207,602	\$76,727,639	\$74,180,020
Permanent Salaries (1100)	\$65,237,527	\$67,650,288	\$67,702,635	\$71,893,245	\$69,976,120
Overtime Salaries (1120 & 1620)	\$844,829	\$865,000	\$786,300	\$1,151,742	\$854,500
Other Personal Services	\$3,678,690	\$3,470,397	\$3,718,667	\$3,682,652	\$3,349,400
Non-Personnel (2000s, 3000s, 4000s)	\$511,829,700	\$516,387,184	\$514,341,061	\$519,246,912	\$513,753,636
Equip and Supplies (2000s & 3000s)	\$915,003	\$1,217,506	\$1,127,377	\$1,331,615	\$1,068,343
Contracted Agencies (4980)	\$8,418,409	\$8,666,920	\$8,811,882	\$8,448,489	\$8,419,691
Fees for Services: Non Employee (4560)	\$3,338,965	\$3,419,849	\$3,247,468	\$3,624,848	\$3,375,201
Other Contractual Expenses	\$499,157,322	\$503,082,909	\$501,154,334	\$505,841,960	\$500,890,401
Totals	\$581,590,746	\$588,372,869	\$586,548,663	\$595,974,551	\$587,933,656
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$261,933,626	\$289,312,008	\$278,229,569	\$291,773,348	\$283,224,216
Local Revenue	\$26,956,605	\$26,104,623	\$27,305,079	\$26,743,694	\$26,729,948
Totals	\$288,890,231	\$315,416,631	\$305,534,648	\$318,517,042	\$309,954,164

Summary of Major Findings and Recommendations

- One new Chief Division Administrator of Social Services (grade 35) position in Social Services General Administration is recommended while the number of filled positions trends downward.
- A new Miscellaneous Service fee could have a negative fiscal impact on department wide contract agencies that provide valuable services to County residents, including: food pantries, youth programs, and domestic violence prevention organizations.
- The recommended budget included over \$8.4 million for 59 contracts or \$951,450 less than the 2016 estimate, \$247,229 less than previously adopted, and \$28,798 less than requested.
- All contract agencies are proposed at the 2016 Omnibus resolution funding level with the exception of St. Elizabeth's Parish Outreach.
- The recommended budget includes a policy change in DSS: Day Care income eligibility criteria from 150% of the poverty level to 100%.
- The recommended budget does not include sufficient equipment funding for 100 field staff to test pilot a mobile technology solution that could streamline the workflow of adult protective and child protective caseworkers.

Summary for All Funds in DSS					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	1,735	1,568	167	New	New
2013	1,738	1,559	179	1	2
2014	1,713	1,493	220	Abolished	Abolished
2015	1,713	1,456	257	0	0
2016	1,713	1,391	322		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$92,016,479	\$93,572,867	\$92,923,142	\$97,568,348	\$94,597,280
Permanent Salaries (1100)	\$86,561,349	\$88,339,320	\$87,546,275	\$91,796,380	\$89,594,730
Overtime Salaries (1120 & 1620)	\$847,581	\$995,000	\$841,300	\$1,284,682	\$982,000
Other Personal Services	\$4,607,549	\$4,238,547	\$4,535,567	\$4,487,286	\$4,020,550
Non-Personnel (2000s, 3000s, 4000s)	\$513,515,370	\$518,154,830	\$516,224,575	\$521,011,268	\$515,351,196
Equip and Supplies (2000s & 3000s)	\$1,483,066	\$1,965,071	\$1,751,695	\$2,081,850	\$1,654,613
Contracted Agencies (4980)	\$9,000,087	\$8,666,920	\$9,371,141	\$8,448,489	\$8,419,691
Fees for Services: Non Employee (4560)	\$3,553,342	\$4,013,409	\$3,803,528	\$4,199,648	\$3,950,001
Other Contractual Expenses	\$499,478,875	\$503,509,430	\$501,298,211	\$506,281,281	\$501,326,891
Totals	\$605,531,850	\$611,727,697	\$609,147,717	\$618,579,616	\$609,948,476
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$305,944,524	\$322,588,422	\$316,991,656	\$328,785,903	\$322,080,714
Local Revenue	\$26,957,723	\$26,105,740	\$27,306,196	\$26,744,811	\$26,731,065
Totals	\$332,902,247	\$348,694,162	\$344,297,852	\$355,530,714	\$348,811,779

Issues for Consideration

Personnel

The recommended budget increases the number of DSS authorized positions by one from 1,714 to 1,715 and proposes to amend the classification and salary plan to add one new Chief Division Administrator of Social Services (grade 35) position in Social Services General Administration (appropriation 6005). Although not requested by the Department, they are very supportive of this position as it will give more flexibility to the Commissioner on supervising and overseeing the mandated functions of the department. If the Legislature opts to not create this position, assuming a start date of January 1, 2017, the net salary and benefit cost avoidance would be \$104,739. The recommended budget also included the transfer of numerous positions within the Department. Of note, is the transfer of thirteen positions (two Senior Clerk Typists and eleven Social Examiner I positions) from the Medicaid Compliance Fund (360) to the General Fund (001).

The Department needs an adequate number of filled positions to meet its core mission of providing financial assistance and support services to eligible County residents in a cost effective and efficient manner while simultaneously protecting the vulnerable and encouraging their independence and self-sufficiency. When DSS is not sufficiently staffed, some of the most vulnerable County residents can be negatively impacted.

In the aggregate, the recommended budget provides sufficient salary appropriations for DSS's current staff, the one new Chief Division Administrator of Social Services position through the end of next year, and approximately \$750,000 to fill vacant positions, which would be about 5.5% of the Department's overall 221 vacancies. The majority or \$686,412 of the salary funding that will be available to fill vacancies is in Family, Children & Adult Services (appropriation 6010). To fill all of the current vacancies in this appropriation would be a net County cost of more than \$1 million. As of this writing, DSS has received authorization to fill 13 positions in this appropriation (11 Caseworkers and two Clerk Typists). Assuming a start date of April 10, 2017, 11 Caseworker (grade 20) positions would have a net cost of \$508,256 and two Clerk Typist (grade 9) positions a net cost of \$66,242 for a total net cost to the County of \$574,498 to fill these positions. The remaining salary appropriations of \$163,069 would enable the Department to fill some of its other priority positions such as social service examiners. If DSS has additional salary appropriations available due to turnover savings in 2017 as a result of unanticipated retirements, attrition or normal turnover, then the Department may be able to fill some of its clerical position vacancies. The ultimate decision for the Department to fill positions next year is dependent on the County Executive's authorization to hire.

The Budget Review Office recommends including the salary appropriations as recommended. The Department could benefit from additional staff to address concerns including but not limited to the areas mentioned in this review, such as the number of filled positions trending downward, the number of CPS and APS caseloads per caseworker, the increasing number of homeless families and single adults in the emergency shelter system, and the increasing demand for services due to the impact of the opioid epidemic as well as the growing population of residents in the County. The cost to the County to fill positions in DSS is offset 40% to 100% by state and federal aid, depending on the job function of the particular job title.

Aggregated Revenue

In the aggregate, the estimated and recommended budgets are reasonable. DSS is a heavily aided department with an estimated budget of over \$344 million and a recommended budget of nearly \$349 million in revenue mainly from federal aid (63%) and state aid (30%) with the remaining from local revenue (8%). DSS revenue is primarily driven by expenditures and caseloads. Revenue from DSS administrative expenditures, including but not limited to personal services, equipment, supplies, and travel, is dependent upon the Department having filled positions and the authorization to expend its funding on administrative expenses.

Federal and State Aid

In August, DSS started to identify certain expenses related to Safety Net Family (emergency related expenses) that the Department began charging through Emergency Assistance to Families (EAF). The change in how these costs are claimed resulted in the associated expenditures being claimed through Family Assistance (TANF) (revenue code 4609) at a near 100% federal aid reimbursement rate instead of through Safety Net (revenue code 3640) at an approximately 29% state aid reimbursement rate. As a result of this change, there is an anticipated positive fiscal impact to the County's revenue in both 2016 and 2017.

Local Revenue

The recommended budget for local revenue from departmental income and other revenue is reasonable in both 2016 and 2017. A new revenue, Service Fees-Miscellaneous (revenue code 1440) in 2017, which was not requested by the Department, accounts for \$84,197, which is 1% of the \$8,419,691 included in the recommended expenditure budget for DSS department wide

contract agencies. It represents a one percent administrative processing fee on every contract agency. This could have a negative fiscal impact on DSS department wide contract agencies that provide valuable services to Suffolk County residents, including: food pantries, youth programs, and domestic violence prevention organizations. Implementation of this fee will require a future duly enacted resolution to amend the Suffolk County Code. If the Legislature chooses not to include the revenue from this fee, then an \$84,197 expenditure or revenue offset will be necessary to ultimately balance the 2017 operating budget.

Department Wide Contract Agencies (object code 4980)

The 2016 estimated budget included \$9,371,141 for 65 contracts department wide, which is \$704,221 more than adopted. The table that follows details the difference between the estimated and adopted budgets for DSS contracts. The difference between the estimated and requested budgets for DSS contract agencies is mainly attributable to resolutions that were adopted during the year with the exception of the United Veterans Beacon House, which included \$10,776 from a rollover of a 100% federally funded HUD grant to provide housing and support services for up to nine homeless families.

Difference Between the Estimated and Adopted Budgets for DSS Contracts							
Unit	Unit Name	Pseudo Code	Activity Name	2016 Adopted	2016 Estimated	Difference	Res No.
6008	Housing Division	HHII	United Veterans Beacon House	\$173,072	\$183,848	\$10,776	N/A
6010	Family, Children & Adult Services	JSPI	EAC, SAFE HARBOUR PROGRAM	\$0	\$154,432	\$154,432	168-2016
6017	Domestic Violence Programs	GHCI	Suffolk Cty Coalition (Vap)	\$149,561	\$72,766	(\$76,795)	178-2016
6035	Tanf Non Res Dom Violence	GSGI	Victims Info Bureau Of Suf Cty	\$0	\$56,549	\$56,549	334-2016
6204	Medicaid Compliance	JVNI	Nassau-Suffolk Hospital Council, Inc.	\$0	\$559,259	\$559,259	167-2016
			Total	\$322,633	\$1,026,854	\$704,221	

The recommended budget includes \$8,419,691 for 59 contracts or \$951,450 less than the estimated budget, \$247,229 less than previously adopted and \$28,798 less than the Department requested. The following table details the differences between these budgets.

Recommended Budget Compared to the Adopted, Estimated and Requested Budgets										
Unit	Unit Name	Pseudo code	Activity Name	2016 Adpt.	2016 Est.	2017 Req.	2017 Rec.	Rec. less Adpt.	Rec. less Est.	Rec. Less Req.
6004	Soc Svc: Commodities Dist	AKL3	Long Island Cares	\$197,079	\$197,079	\$219,877	\$197,079	\$0	\$0	(\$22,798)
6004	Soc Svc: Commodities Dist	HVSI	Huntington Community Food Council	\$9,000	\$9,000	\$10,000	\$9,000	\$0	\$0	(\$1,000)
6004	Soc Svc: Commodities Dist	JBSI	St. Elizabeth's Parish Outreach	\$4,500	\$4,500	\$0	\$0	(\$4,500)	(\$4,500)	\$0
6008	Housing Division	HHII	United Veterans Beacon House	\$173,072	\$183,848	\$0	\$0	(\$173,072)	(\$183,848)	\$0
6010	Family, Children & Adult Services	ADB2	Child Care Council Of Suffolk	\$117,587	\$117,587	\$122,587	\$117,587	\$0	\$0	(\$5,000)
6010	Family, Children & Adult Services	JSPI	EAC, Safe Harbour Program	\$0	\$154,432	\$0	\$0	\$0	(\$154,432)	\$0
6015	Dss: Public Assist Admin	GYDI	Eac - Sanctioned Client Out	\$169,227	\$169,227	\$180,865	\$180,865	\$11,638	\$11,638	\$0
6017	Domestic Violence Programs	GHCI	Suffolk Cty Coalition (Vap)	\$149,561	\$72,766	\$72,766	\$72,766	(\$76,795)	\$0	\$0
6017	Domestic Violence Programs	JLRI	Sepa Mujer	\$4,500	\$4,500	\$0	\$0	(\$4,500)	(\$4,500)	\$0
6035	Tanf Non Res Dom Violence	GSGI	Victims Info Bureau Of Suf Cty	\$0	\$56,549	\$0	\$0	\$0	(\$56,549)	\$0
6204	MEDICAID COMPLIANCE	JVNI	Nassau-Suffolk Hospital Council, Inc.	\$0	\$559,259	\$0	\$0	\$0	(\$559,259)	\$0
			Total	\$824,526	\$1,528,747	\$606,095	\$577,297	(\$247,229)	(\$951,450)	(\$28,798)

Any legislative changes to DSS's expenditure for contract agencies may have an associated revenue impact.

The recommended budget includes all of the contract agencies at the same funding level that they were included in the 2016 Omnibus resolution with the exception of St. Elizabeth's Parish Outreach, which received no funding. This contract agency did not comply with the disclosure

requirements of § 189-66(B) by the September 15th deadline; therefore, Resolution No. 443-2016 was necessary to authorize the Department of Audit and Control to release 2016 funding.

DSS: Day Care (001-6170)

Day care provides care for children, between the ages of 6 weeks and 13 years, in licensed day care centers, school age child care programs, group family day care homes, registered family day care homes, and informal child care programs. Families must meet income and program eligibility guidelines to receive child care services. Financial eligibility for child care subsidies is based on family size and the family's gross annual income. Child care may be provided: to help parents to work, attend eligible education/training programs or attend mental health or substance abuse treatment programs, when the parents are unable to provide child care due to illness or incapacity or as part of a child protective or preventive case service plan (without regard to income).

The Department's budget request for Day Care included \$33.5 million in both 2016 and 2017. The 2016 estimate of \$33 million is the same as adopted and the recommended budget includes \$32 million or \$1.5 million less in 2017 than DSS requested. This reduction is due to a policy change in DSS: Day Care income criteria from 150% of the poverty level to 100%. With a reduction of child care to the 100% level, the County will be providing childcare assistance at the state mandated level. The State Income Standard (SIS) is based on several factors, most importantly the number of people in the household and the family's gross annual income. Using a family of four as an example, the SIS annual income for 150% would be \$36,450 and for the SIS at 100% it would be \$24,300. The State income eligibility levels are adjusted in June of each year.

Child Care Services are funded through the NYS Child Care Block Grant (CCBG). In recent years, this funding has not been reflective of the child care demands in Suffolk County. In order to meet the projected FFY 2015/16 Child Care Block Grant authorization of \$31,364,168, the Department reduced the child care income eligibility standard for new applicants from 165% to 125% of the federal poverty level and sent closing notifications to all active cases above 150% as of May 1, 2016. There were 133 notices mailed as of the end of March. Suffolk County continues to advocate with New York State for additional Child Care Block Grant funding for child care subsidies. The methodology currently in use is based on the average level of annual child care claims for the prior five federal fiscal years as well as the rollover of unspent State CCBG funds. The current methodology fails to take into account increases to the cost of child care which could be disproportionate across districts and reduces the number of children that can be served at the same funding level.

CPS and APS Caseloads and Mobile Documentation Management System

The recommended budget includes \$15,000 in an equipment line item that the Department requested \$100,000 (001-6010-2500) to provide 100 field staff with the mobile technology to test pilot a mobile technology solution to streamline the workflow of adult protective and child protective caseworkers. DSS reported that a onetime study demonstrated that caseworkers spend only 20 to 30 percent of their time visiting families. DSS indicated that studies show that a mobile documentation management system for caseworkers increases client contact time by an average of 9% while reducing documentation time. Paperwork consumes 45 percent of a caseworker's day, with the remaining time is spent on training, phone calls, and forensic interviews or in court. Caseworkers are spending one day out of five interacting with families and four days of paperwork associated with that one day. CPS Investigators struggle to keep up with the volume of paperwork required to investigate child abuse and neglect. In Adult Protective Services, the intake of new referrals has increased 33% in two years and individual workloads are growing.

The County is drafting an RFQ to qualify one or more agencies to provide caseworkers with mobile technology and pilot notepad units with a mobile documentation management system in 2016-17. The goal is to automate the flow of client and case information and reduce the time spent completing required paperwork to allow workers to spend more time with families. The Budget Review Office recommends funding this initiative as requested. If this pilot proves successful this technology could be utilized in other County departments that do casework in the field, such as Probation.

A July 2016 Newsday article, “LI unions seek cap on child-abuse workers’ caseload” stated, “The heads of Nassau’s Civil Service Employees Association and the Suffolk County Association of Municipal Employees are urging Gov. Andrew M. Cuomo to sign a bill approved by the State Legislature last month that establishes a caseload of 15 per month”. It further indicated that “A study by the state Office of Children and Families that analyzed caseload levels for the last six months of 2015 found that on average 33 percent of child protective services workers in Suffolk, and 22 percent in Nassau, had more than 15 cases at the end of each month.” “In 11 other counties the averages ranged from 50 percent to 67 percent”.

According to DSS, New York State recommends an average of no more than 12 open CPS investigations per worker at a time. The state’s baseline recommendation is designed to provide staff with sufficient time to conduct thorough investigations including the completion of mandated 24 hour contacts, 7 day safety assessments, gathering of collateral information, service referrals, and any court activity. Suffolk County Child Protective Investigators averaged 13.5 open investigations per worker in 2015 compared to 12.8 in 2014. The New York State Office of Children and Family Services uses the percentage of staff with more than 15 CPS investigations as a performance measure. A lower percentage is better. At the end of March 2016, the percentage of Suffolk CPS caseworkers carrying high and very high caseloads of more than 15 open investigations was 43% – 16 percentage points above the statewide median of 27%, but 18 percentage points below Suffolk’s rate of 61% at the end of March 2015 when the statewide median was 18%.

In 2015, APS received 1,613 new referrals compared to 1,488 in 2014, which is a record intake for new reports. The 2015 increase follows a sharp rise in reports in 2014 when the intake increased by 221 reports over the average annual intake of 1,267 from the previous five years – 2009 through 2013. Monthly workloads in APS (open cases and new referrals/assessments) averaged 20.4 cases per worker in 2015 – up 1.3 cases per worker from the 19.1 in 2014. The average increased to 21.8 in the first quarter of 2016. These are the highest individual workloads in the Family and Children’s Services/Adult Protective Services Division. Although New York State has not established a recommended caseload level for APS, Suffolk County’s average caseload is 18% to over 100% higher than the nearest large counties (18% over Nassau’s 17.3 cases per worker; 24% over Monroe’s 16.5 cases; 45% over Onondaga’s 14.1 cases; and 107% over Westchester’s 9.9 cases per worker.)

Safety Net (001-DSS-6140) and Family Assistance (001-6109)

The 2016 estimate for Safety Net expenditures is \$72 million in 2016 and \$71 million is recommended in 2017, which concurs with the updated budget request that the Department submitted. DSS started in August to identify certain expenses related to Safety Net Family (Emergency related expenses) that the Department began charging through Emergency Assistance to Families (EAF). The change in how these costs are claimed resulted in these expenditures being part of Family Assistance (TANF) at a near 100% reimbursement rate instead of at a Safety Net reimbursement rate of approximately 29%. Based on this information and using year-to-date and actual expenditures in 2015, the Budget Review Office is in agreement with the funding level

included in the recommended budget for Safety Net. The net cost to the County this year and next year, as included in the recommended budget, is detailed in the table that follows.

Net Cost to the County for Safety Net		
Description	2016 Estimated	2017 Recommended
Expenditure (001-DSS-6140)	\$72,000,000	\$71,000,000
Revenue from State Aid (rev code 3640)	\$19,224,000	\$20,032,800
Net Cost to the County	\$52,776,000	\$50,967,200
% County Funded	73.3%	71.8%
% State Aided	26.7%	28.2%

Family Assistance is nearly 100% aided; therefore, any changes would be effectively budget neutral. The 2016 estimate of \$68,625,000 is \$625,000 more than adopted and \$5.125 million more than the Department's estimate. The 2017 recommended budget for Family Assistance is \$1,375 million more than the 2016 estimate and equals the department's updated budget request. Based on this information and using year-to-date and actual expenditures in 2015, the Budget Review Office is in agreement with the funding level included in the recommended budget for Family Assistance.

Net Cost to the County for Family Assistance		
Description	2016 Estimated	2017 Recommended
Expenditure (001-6109)	\$68,625,000	\$70,000,000
Revenue from State Aid (rev code 3609)	\$50,800	\$50,400
Revenue from Federal Aid (rev code 4609)	\$68,089,484	\$69,509,684
Net Cost to the County	\$484,716	\$439,916
% State Aided	0.1%	0.1%
% Federally Aided	99.2%	99.3%
Note: Family Assistance also includes departmental income revenue (revenue code 1809) from repayments that are not included in the table. They are not considered in the calculation of the net cost to the County because they are repayments owed back to DSS from expenditures that have occurred in the past.		

Impact of Heroin and Opioid Abuse on the Demand for Service Provision

The narrative of the recommended budget indicates that the County is aggressively trying to combat the opioid epidemic. DSS is only one of many County departments that the opioid epidemic has a significant negative impact on. In December 2015, Newsday reported that the number of drug exposed babies born with positive toxicology has more than doubled from 2009 through 2014. Each year, CPS investigates approximately 9,000 reports of child abuse and neglect. Approximately 26% of all reports involve allegations of parent's drug abuse. In 2015, CPS investigated approximately 2,400 reports of drug/alcohol abuse. Also in 2015, CPS substantiated a higher proportion of these cases and that rate has increased dramatically in the past few years from under 40% in 2013 to 43% in 2014 and 54% in 2015.

Increasing Numbers of Homeless Families and Single Adults in the Emergency Shelter System

Due to the continued lack of affordable rental housing in Suffolk County, the number of homeless families and single adults continues to grow, as detailed in the table that follows.

Families and Single Adults in Emergency Housing								
Year	Families				Single Adults			
	Monthly Ave. Number of Families in Shelters (1)	Monthly Ave. Number of Families in Motels (2)	Monthly Avg. Number of Families in Emergency Housing (3=1+2)	Percentage of Families in Motels (4=3/(2+3))	Monthly Ave. Number of Single Adults in Shelters (1)	Monthly Ave. Number of Single Adults in Motels (2)	Monthly Avg. Number of Single Adults in Emergency Housing (3=1+2)	Percentage of Single Adults in Motels (4=3/(2+3))
2009	284	26	310	8.4%	201	4	205	2.0%
2010	303	56	359	15.6%	193	4	197	2.0%
2011	321	110	431	25.5%	227	23	249	9.2%
2012	342	135	477	28.3%	225	14	239	5.9%
2013	440	52	492	10.6%	284	39	321	12.1%
2014	466	65	531	12.2%	361	112	474	23.7%
2015	483	82	565	14.5%	376	176	552	31.9%
2016 YTD	464	92	556	16.5%	420	180	581	30.0%

Note: 2016 YTD is thru May for Families and thru March for Single Adults.

The Department is utilizing shelter supplements as well as authorized rent arrear and diversion payments to secure and maintain permanent housing. Since the increased numbers of homeless families exceeded the capacity of the County's contracted homeless shelters, there has been a need to place families in motels during 2012 to the present. Client Benefits, in conjunction with Community Housing Innovations (CHI) and Wings of Hope (WOH) is in the process of establishing three homes for Transitional Housing for Homeless females. The Transitional Housing model is more desirable as well as less costly than motels and provides case management services to these individuals. Currently, DSS has filled two Transitional houses for previously homeless females and expects this to be fully operational during 2016.

Veteran's Outreach

DSS has hired a Social Services Examiner III in accordance with Resolution No. 752-2015. This individual will serve the veteran population in need of DSS services as well as function as a liaison with the Veterans Service Agency. In addition, DSS and the Veterans Service Agency are in the process of developing an MOU in order to share information in a more efficient and automated manner.

Status of State Changes to Medicaid Compliance (360-6204)

Some of the development and implementation of the State changes to the Medicaid program will affect the course of the Medicaid program at the local level. The State has projected the following changes in 2016 and 2017:

- Transition Medicaid enrollees into the Basic Health Program (BHP). The transition of Medicaid enrollees into the Basic Health Program began in March 2016 and will continue through February 2017. Based on the past eight months of actuals, DSS has estimated that the total number of cases to be transitioned is 2,796 cases, which amounts to 2.8% of Suffolk's Medicaid caseload. It remains to be seen what the impact will be at the local level.
- The State DOH anticipates soliciting each County's interest in maintaining certain Medicaid functions, and assuming functions currently handled at the State level. This solicitation has not yet occurred, nor have they provided further details as to the nature of these functions.

Budget Review Office Recommendations

Expenditures										
Fd	Dept	Unit	Obj	Act	Object/Activity Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
001	DSS	6010	2500	0000	Other Equipment Not Otherwise	\$9,500	\$0	\$15,000	\$85,000	DE

JM DSS 17

Soil and Water Conservation District

Summary for Fund 001 in SWC					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	6	4	2	New	New
2013	6	5	1	1	1
2014	6	5	1	Abolished	Abolished
2015	6	5	1	0	0
2016	6	4	2		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$321,276	\$343,962	\$306,777	\$333,731	\$315,714
Permanent Salaries (1100)	\$314,050	\$336,237	\$249,636	\$331,656	\$312,539
Overtime Salaries (1120 & 1620)	\$475	\$475	\$6,207	\$475	\$475
Other Personal Services	\$6,750	\$7,250	\$50,934	\$1,600	\$2,700
Non-Personnel (2000s, 3000s, 4000s)	\$5,188	\$7,183	\$5,659	\$9,385	\$9,380
Equip and Supplies (2000s & 3000s)	\$4,608	\$5,546	\$4,869	\$5,088	\$5,083
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$0	\$0	\$0	\$0	\$0
Other Contractual Expenses	\$580	\$1,637	\$790	\$4,297	\$4,297
Totals	\$326,463	\$351,145	\$312,436	\$343,116	\$325,094
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$120,167	\$88,000	\$85,000	\$85,000	\$85,000
Local Revenue	\$3,100	\$3,000	\$1,000	\$2,000	\$2,200
Totals	\$123,267	\$91,000	\$86,000	\$87,000	\$87,200

Summary of Major Findings and Recommendations

- The interim position of Account Clerk/Typist should be abolished.
- The 2016 estimated and 2017 recommended permanent salary appropriations are reasonable.

Issues for Consideration

Personnel

For eight years, the District has requested filling a Soil District Technician (grade 16) position to assist with the District's workload. The District requested to fill this position again for 2017 as well as a Senior Soil District Technician position (grade 19). The recommended budget includes sufficient appropriations to fund the Senior Soil District Technician position for the duration of 2017 and the Soil District Technician position for approximately 75% of the year. The positions would focus on reducing the nitrogen seeping into the County's surface water bodies and groundwater aquifer, an issue that has been identified as a County priority in the capital program. The recent reduction of staff necessitates filling at least one position in order for the District to operate effectively. For these reasons, we agree with the funding included for the two vacancies.

The staffing pages also include an interim position, Account Clerk/Typist (grade II), which was created this year for one pay period in June, but never filled. The function that this position would serve has been accomplished by existing staff for years. Therefore, the interim position should be abolished.

Budget Review Office Recommendations

Staff										
Fd	Dept	App	Unit	Title	Gr	2016 Modified	2017 Exec Rec	2017 BRO Rec	2017 BRO Change	M/D
001	SWC	8730	9999	Account Clerk/Typist	II	I	I	0 A(001)	(I)	D

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Traffic Violations Bureau

Summary for Fund 136 in TVB					
Personnel in September of Each Year	Authorized Positions	Filled	Vacant	2017 Requested	2017 Recommended
2012	0	0	0	New	New
2013	29	24	5	0	0
2014	37	22	15	Abolished	Abolished
2015	48	32	16	0	0
2016	48	31	17		
Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
Personal Services (1000s)	\$1,878,429	\$2,300,094	\$1,996,146	\$2,858,581	\$2,243,439
Permanent Salaries (1100)	\$1,574,887	\$1,828,344	\$1,676,546	\$2,175,576	\$1,922,339
Overtime Salaries (1120 & 1620)	\$6,688	\$12,500	\$1,450	\$4,500	\$1,450
Other Personal Services	\$296,854	\$459,250	\$318,150	\$678,505	\$319,650
Non-Personnel (2000s, 3000s, 4000s)	\$10,376,879	\$10,998,584	\$10,253,483	\$8,682,950	\$9,756,290
Equip and Supplies (2000s & 3000s)	\$356,069	\$1,287,000	\$692,666	\$843,700	\$508,865
Contracted Agencies (4980)	\$0	\$0	\$0	\$0	\$0
Fees for Services: Non Employee (4560)	\$10,001,761	\$9,688,385	\$9,539,731	\$7,823,950	\$9,223,950
Other Contractual Expenses	\$19,049	\$23,199	\$21,086	\$15,300	\$23,475
Totals	\$12,255,308	\$13,298,678	\$12,249,629	\$11,541,531	\$11,999,729
Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
State and Federal Aid	\$0	\$0	\$0	\$0	\$0
Local Revenue	\$48,461,597	\$55,571,970	\$53,577,839	\$43,438,806	\$58,213,000
Totals	\$48,461,597	\$55,571,970	\$53,577,839	\$43,438,806	\$58,213,000

Summary of Major Findings and Recommendations

- The recommended budget amends the salary and classification plan to increase the pay grade for Traffic Court Clerks and the promotional title series.
- Red light camera revenues appear to be overstated. Using different methodologies projected the shortfall ranges from \$1.8 million to \$5.2 million in 2016 and between \$1.7 million and \$4.6 million in 2017, based on BRO's two revenue model estimates.
- Our revenue estimates for both the red light camera and traffic violations programs lead us to the conclusion that limitations in the data make it difficult to come up with projections that are reliable. That being said, we believe there is a significant risk factor in the budget associated with a possible shortfall that could be as much as \$13.3 million over two years (2016 and 2017) for the red light camera program and another \$6 million for the traffic violations program.
- The 2016 Adopted Operating Budget includes \$7 million in Other Unclassified Revenues associated with TPVA's implementation of enhanced collection efforts of unpaid traffic violations. The recommended budget estimates \$1.9 million in 2016 and \$2.0 million in 2017. Subject to the availability of offsets in the operating budget, we recommend eliminating funding included in Other Unclassified Revenues in both 2016 and 2017.

Issues for Consideration

Staffing

As requested by the Traffic and Parking Violations Agency (TPVA), the recommended budget proposes to amend the Classification and Salary Plan and provides funding for grade increases to Traffic Court Clerks and the promotional series: Senior Traffic Court Clerk and Traffic Court Supervisor, as detailed in the table that follows.

Proposed Amendments to the Salary and Classification Plan							
Job Title	Spec No.	Current Grade	Requested Grade	Authorized POS In TPVA	Authorized POS Filled	Authorized POS Vacant	Fiscal Impact
Traffic Court Clerk (Spanish Speaking)	0054	12	14	0	N/A	N/A	N/A
Traffic Court Clerk	0056	12	14	19	17	2	\$50,437
Senior Traffic Court Clerk	0057	14	16	0	N/A	N/A	N/A
Traffic Court Supervisor	0058	17	18	1	N/A	1	\$1,854
Total							\$52,291

TPVA requested the grade increases for the Traffic Court Clerk title series to help with retention. As shown in the table above, only two of the 19 traffic court clerk positions in the Agency are vacant. Whether retention of personnel is a valid justification for requesting the grade increases is debatable. However, the Executive agreed with TPVA's request and provides the additional Permanent Salaries (object 1100) funding in the recommended budget for the Agency.

The Agency also requested that a Management Technician (grade 17) position be added to their staff to conduct performance management type evaluations, analyze the day-to-day operations and create reports for the administration to better utilize assets resulting in increased unit efficiency. The recommended budget does not increase the number of authorized positions in TPVA, nor is the position shown as requested.

Red Light Camera Revenue

The recommended budget estimates growth in revenue from Red Light Camera Fines (Revenue Code 2643) to be negative: -1.7% for 2016 and -4% in 2017. Two different methods of estimation were used to project red light camera revenues: (1) a regression model that projects a much higher decay rate in the number of red light camera citations to be issued during the remainder of 2016 (-17%) and a -4% decay rate in 2017, compared to the Executive's estimates for 2016 and 2017. (2) projecting average percent 2016 Red Light Camera revenues based on the September year-to-date collections for 2014 and 2015. Based on the year-to-date model, red light camera citations are estimated to be seven percent less in 2016 compared to the 2015 actual and four percent less in 2017 compared to our 2016 estimate. The table that follows summarizes the red light camera revenues included in the recommended budget.

Red Light Camera Revenues				
Revenue Name	2015 Actual	2016 Adopted	2016 Estimated	2017 Recommended
Red Light Camera Fines	\$18,271,470	\$14,960,000	\$17,961,111	\$17,250,000
Red Light Camera Late Fees	\$2,365,623	\$2,000,000	\$2,260,175	\$2,150,000
Red Light Camera Admin Fee	\$10,847,700	\$8,668,970	\$10,776,660	\$10,350,000
Total	\$31,484,793	\$25,628,970	\$30,997,946	\$29,750,000

Based on our analyses of red light camera revenues, we project an estimated shortfall in 2016 revenues that ranges from \$1.8 million to \$5.2 million. For 2017, the revenue shortfall ranges from \$1.7 million to \$4.6 million. Over the course of two years, BRO estimates that there could be a red light camera revenues shortfall of between \$3.5 million and \$9.8 million.

It should be noted that the literature indicates that year-over-year there is a decay rate associated with red light camera programs, as they are successful in modifying driver behavior. However, determining the appropriate rate of decay is difficult considering the lack of historical data for the program in Suffolk County. The first full year of the program with cameras at 100 intersections throughout the County was 2014. The 2014 Red Light Safety Program Annual Report, issued by TPVA, found that overall accidents have decreased at red light camera intersections by 3.1%, right angle accidents decreased by 21.6% and accidents involving injury decreased by 4.2%, while rear end accidents increased by 42.0%. Additionally, there was a 0.9% decay rate in the number of red light camera citations issued from 2014 to 2015.

The wide range in our red light camera revenue estimates points to the limitations inherent in the data. Therefore, we hesitate to attach a value to the shortfall.

Increase Administrative Fee for Red Light Camera Tickets

To address our concerns over a possible shortfall in red light camera revenue, the Legislature could increase the administrative fee for red light camera tickets. During 2016, Nassau County increased their administrative fee from \$30 to \$45 on red light camera, traffic and parking violations. Suffolk County has separate administrative fees for red light camera (\$30) and for traffic and parking violations (\$55). If Suffolk increases the Red Light Camera Administrative Fee by \$15 to what is charged in Nassau County, it would generate an estimated \$4.5 million in 2017 based on our more optimistic forecast, and \$5.1 million based on the Executive's projected number of red light camera citations.

Traffic Violations Revenue

The recommended budget estimates Traffic Violations Bureau Ticket Fines (Revenue Code 2647) revenue growth of 27% for 2016 and 3.3% in 2017. As with the red light camera revenues, we utilized two models (regression and year-to-date) to estimate traffic violations bureau ticket revenues. Our regression analysis produces a more modest growth for 2016 (3.2%), while our year-to-date model estimates growth to be 18.1% in 2016 and 3.3% in 2017. The table that follows summarizes the traffic violations bureau ticket revenues included in the recommended budget.

Traffic Violations Bureau Ticket Revenues				
Revenue Name	2015 Actual	2016 Adopted	2016 Estimated	2017 Recommended
Traffic Violations Bureau - Ticket Fines	\$10,975,156	\$15,210,000	\$13,941,110	\$14,400,000
Traffic Violations Bureau - Ticket Admin Fee	\$4,927,295	\$5,937,000	\$5,675,783	\$11,000,000
Total	\$15,902,451	\$21,147,000	\$19,616,893	\$25,400,000

Based on our analyses of traffic violations bureau ticket revenues, we project an estimated shortfall in revenues of as much as \$3.2 million or more optimistically just \$872,817 in 2016. For 2017, our projection ranges from a surplus of \$480,274 to a shortfall of \$2.8 million. Over the course of two years, BRO estimates that there could be a shortfall that ranges from \$392,543 to \$6.1 million. One factor that could improve the outlook for traffic violation bureau ticket revenues is efficiencies being introduced in the parking ticket issuance and management processes.

The recommended budget also includes an increase of \$60 in the Traffic Violations Bureau – Ticket Administrative Fee (Revenue Code 2648). Currently, the administrative fee for traffic and parking tickets is \$55. According to information provided by the Executive, the \$60 increase will be a driver responsibility fee on moving violations, which would increase the administrative fee for moving violations to \$115. Based on the budget presentation, it is our understanding that the fee increase will be applied to both traffic and parking violations. Our projections account for the \$60 increase in the administrative fee. Taking the fee increase into consideration, while optimistic, the traffic violation bureau ticket revenues could be realized.

Amnesty Program

The 2016 Adopted Operating Budget includes \$7 million in Other Unclassified Revenues (Revenue Code 2770) associated with TPVA's implementation of enhanced collection efforts of unpaid traffic violations (red light camera and traffic and parking violations). According to a Newsday article published April 8, 2016, the County was to aggressively target scofflaws by offering an amnesty program that intended to recoup \$7 million of more than \$22 million in outstanding traffic tickets and late fees. The article cited 207,199 citations with payments that were at least 90 days overdue. Fifty thousand outstanding red light camera citations fit the amnesty program criteria. TPVA mailed 10,000 notices to qualifying individuals to inform them of the availability of an amnesty program that would waive any late fees on outstanding citations. According to TPVA, five percent of the 10,000 notices that were mailed were answered. TPVA collected approximately \$25,000 in outstanding red light camera citations (\$50 fine amount).

Additionally, TPVA is implementing an amnesty program for parking violations that were more than 60 days delinquent prior to July 21, 2016. Typically, parking ticket fines are doubled after 30 days and tripled after 60 days. The goal of the amnesty program is to incentivize collections of approximately 22,000 outstanding parking tickets, by waiving 50% of the amount due to the County. TPVA is sending notices to qualifying individuals informing them of the opportunity to satisfy their parking ticket along with any late fees through the amnesty program, which is scheduled to end November 1, 2016.

Revenue from the amnesty program is included in the budget under Other Unclassified Revenues, and is budgeted at \$1.9 million for the 2016 estimate and \$2.0 million in 2017. According to the Integrated Financial Management System (IFMS), as of October 6, 2016, no revenue has been recognized under this revenue line. TPVA's budget request did not include a 2016 estimate for this

revenue. The recommended budget shows that TPVA requested \$1.2 million for Other Unclassified Revenues and recommends \$2.0 million for 2017. According to TPVA, the revenues from the red light camera and parking ticket amnesty programs is being captured in revenue codes 2643 (Red Light Camera Fines) and 2647 (TVB – Ticket Fines).

According to the Executive, over \$30 million is currently owed to the County in red light camera, traffic and parking violations issued. The 2016 estimate and 2017 projection for collections from the amnesty programs included in the recommended budget account for an approximate 5% response rate from the notices mailed by TPVA. It should be noted that during 2016, Nassau County had an amnesty program, which ran from February 22 to May 22. Nassau reported a total of 528 parking and 996 traffic tickets were paid for revenue collections of \$93,279 and \$431,324, respectively. Considering that additional revenue from the amnesty programs are being accounted for in Red Light Camera Fines (Revenue Code 2643) and TVB – Ticket Fines (Revenue Code 2647), and because amnesty programs do not appear to be too successful in recovering revenue from unpaid tickets, it appears that Other Unclassified Revenues in both 2016 and 2017 is overstated. This coupled with the double counting of the associated revenues leads BRO to recommend eliminating funding included for Other Unclassified Revenues in both 2016 and 2017, subject to other offsets in the operating budget.

Payment Plan Program for Parking Violations

Resolution No. 1012-2015 directed TPVA to develop a payment plan program for parking tickets that would allow for the payment of fines, fees and surcharges for parking violations to be made in a series of installments over a period of up to one year. As directed by the resolution, TPVA submitted the payment plan the Agency developed for review to the Legislature on June 27, 2016. Resolution No. 1012-2015 stated that the plan submitted is to be approved by a separate legislative resolution for implementation by the Agency. As of this writing, a legislative resolution adopting the proposed payment plan for parking violations has not been introduced and TPVA does not intend to request that the Executive introduce a resolution for this purpose. While TPVA complied with the preparation of a proposed payment plan for parking violations, the Agency does not consider that it is necessary to institute a payment plan for parking violations at this time. The agency is currently enforcing collection efforts through an amnesty program for red light camera and parking citations, as well as imposing judgements and an administrative fee for defaults. According to TPVA, only motorists with outstanding citations issued after the effective date of the plan would be eligible to participate in the payment plan for outstanding parking citations. Even though TPVA is enforcing numerous collection efforts, the availability of a payment plan could incentivize motorists who otherwise would not pay their outstanding parking citations, because it targets a different segment of the population. If a legislative resolution is introduced and a payment plan is adopted as an option for qualifying motorists to pay outstanding citations, there could be a positive impact in the collection of outstanding payments that the County would otherwise not obtain.

2016 Recommended Fees Not Adopted

The 2016 Adopted Operating Budget includes \$500,000 in Administrative Fee for Defaults (Revenue Code 2638). The increased revenue in this budget line was attributed to seven new fees, shown in the table below, which the Executive recommended be added to TPVA's fee schedule that would bring it more in line with Nassau County Traffic and Parking Violation Agency's fee schedule.

No.	Fee Name	Proposed Fee Amount
1	Scofflaw/Default Judgment Administrative Processing Fee	\$15
2	Default Conviction Administrative Processing Fee	\$100
3	Motion to Vacate-Default	\$25
4	Motion to Vacate Disposition Fee - Written Application Fee	\$125
5	Motion to Vacate Disposition Fee - Oral Application Fee	\$50
6	Transfer of Notice of Liability Fee	\$25
7	Credit Card Chargeback Processing Fee	\$25

The recommended budget estimates \$11,000 in Administrative Fee for Defaults for 2016 and in 2017. The additional revenue associated with the new fees did not materialize. A separate resolution was required to amend TPVA's fee schedule to add the new fees. To date, a resolution amending the Agency's fee schedule to add the seven recommended fees has not been brought forth.

Budget Review Office Recommendations

Revenue								
Fd	Dept	Rev	Revenue Name	2016 Exec Est	2016 BRO Change	2017 Exec Rec	2017 BRO Change	M/D
136	TVB	2770	Other Unclassified Revenues	\$1,900,000	-\$1,900,000	\$2,000,000	-\$2,000,000	D

MF TPVA 17

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	4330	GBQ1	HSV	Hs Community Support Svc	ADELANTE OF SC - DROP IN	\$62,074	\$63,100	\$63,100	\$63,100	\$63,100
001	7320	GJN1	EXE	Youth Bureau/Office For Child	ADELANTE OF SUFFOLK CTY INC	\$190,669	\$171,602	\$171,602	\$171,602	\$171,602
001	4330	GNT1	HSV	Hs Community Support Svc	ADELANTE PSYCHO SOCIAL CLUB	\$49,513	\$49,574	\$49,663	\$49,663	\$49,663
001	4330	GGQ1	HSV	Hs Community Support Svc	ADELANTE SPECIAL EMP	\$53,417	\$54,256	\$54,256	\$54,256	\$54,256
192	6415	JLV1	EDP	Film Promotion	AFRICAN AMERICAN FILM FESTIVAL	\$5,000	\$6,996	\$6,996	\$0	\$0
192	7512	HKM1	PKS	Museums & Historic Associations	AMITYVILLE HISTORICAL SOCIETY	\$4,326	\$5,000	\$5,000	\$0	\$0
192	6414	JBX1	EDP	Cultural Affairs	BABYLON CITIZENS COUNCIL ON THE ARTS	\$12,500	\$12,500	\$12,500	\$0	\$0
001	6004	JLF1	DSS	Soc Svc: Commodities Dist	BABYLON INTER FAITH CLERGY CLUSTER	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	6004	JLG1	DSS	Soc Svc: Commodities Dist	BABYLON ROTARY FOUNDATION, INC	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
192	7512	JCW1	PKS	Museums & Historic Associations	BABYLON TOWN HISTORICAL SOCIETY	\$0	\$5,000	\$5,000	\$0	\$0
192	6414	JBY1	EDP	Cultural Affairs	BABYLON VILLAGE ARTS COUNCIL	\$6,875	\$7,000	\$7,000	\$0	\$0
001	7320	AAS1	EXE	Youth Bureau/Office For Child	BABYLON VILLAGE YOUTH	\$7,343	\$6,609	\$6,609	\$6,609	\$6,609
001	7320	JVM1	EXE	Youth Bureau/Office For Child	BABYLON YOUTH INSTITUTE, INC.	\$50,126	\$45,113	\$51,593	\$45,113	\$45,113
192	6414	JQZ1	EDP	Cultural Affairs	BARE BONES THEATER COMPANY	\$5,000	\$5,000	\$5,000	\$0	\$0
192	6414	GZW1	EDP	Cultural Affairs	BAY STREET THEATER	\$20,000	\$20,000	\$20,000	\$0	\$0
192	7512	JHS1	PKS	Museums & Historic Associations	BAYPORT HERITAGE ASSOCIATION	\$4,198	\$6,000	\$6,000	\$0	\$0
192	6414	GVU1	EDP	Cultural Affairs	BAYPORT-BLUE PT CHAMB.OF COMM.	\$5,000	\$5,000	\$5,000	\$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 Dinagncy Prevention Pgm	BELLPORT COMM ACTION COMMITTEE	\$155,497	\$139,947	\$139,947	\$139,947	\$139,947
001	4310	ABN1	HSV	Div Of Comm Mental Hygiene	BOCES II	\$1,280,975	\$1,229,818	\$1,230,365	\$1,232,772	\$1,232,772
001	7320	GVV1	EXE	Youth Bureau/Office For Child	BOYS & GIRLS CLUB OF BELLPORT	\$30,000	\$27,000	\$27,000	\$9,800	\$9,800
001	3199	JRU1	PRO	JUSTICE ASSISTANCE GRANT	BOYS AND GIRLS CLUB OF BELLPORT	\$4,327	\$0	\$0	\$0	\$0
001	7320	JTW1	EXE	Youth Bureau/Office For Child	BRENTWOOD ASSOC. OF CONCERNED CITIZENS	\$0	\$4,500	\$0	\$0	\$0
192	6414	HJU1	EDP	Cultural Affairs	BRENTWOOD CHAMBER OF COMMERCE	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	ACB1	EXE	Youth Bureau/Office For Child	BRENTWOOD YOUTH DEVEL CORP	\$50,659	\$45,593	\$45,593	\$45,593	\$45,593
192	7512	JPY1	PKS	Museums & Historic Associations	BRIDGEHAMPTON HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	ACE1	EXE	Youth Bureau/Office For Child	BRIDGEHMPN CHLD CARE & REC CT	\$40,262	\$36,555	\$36,555	\$36,555	\$36,555
001	6017	DDE1	DSS	Domestic Violence Programs	BRIGHTER TOMORROWS	\$207,051	\$205,678	\$205,678	\$205,678	\$205,678
001	3178	JNR1	PRO	Stop Violence Against Women	BRIGHTER TOMORROWS	\$14,498	\$0	\$15,000	\$0	\$0
001	6015	GEG1	DSS	Dss: Public Assist Admin	BRIGHTER TOMORROWS INC	\$21,372	\$22,088	\$22,088	\$22,088	\$22,088
001	3176	JVS1	PRO	Byrne JAG FY 15	BRIGHTER TOMORROWS, INC.	\$0	\$0	\$4,409	\$0	\$0
001	3192	JRW1	PRO	2014 Byrne JAG	BRIGHTER TOMORROWS, INC.	\$9,699	\$0	\$301	\$0	\$0
001	3199	JRW1	PRO	JUSTICE ASSISTANCE GRANT	BRIGHTER TOMORROWS, INC.	\$0	\$0	\$150	\$0	\$0
001	7323	ACJ1	EXE	Comprehensive Plning-Runaway	BROOKHAVEN HOMELESS	\$8,346	\$7,511	\$7,511	\$7,511	\$7,511
001	4310	HZQ1	HSV	Div Of Comm Mental Hygiene	BROOKHAVEN MEMORIAL HOSPITAL CENTER	\$166,897	\$168,058	\$168,118	\$168,449	\$168,449
001	4100	GGU1	HSV	Hs: Patient Care Svcs Adm	C.S.HOSPITAL-RIVERHEAD H.C.	\$394,640	\$0	\$0	\$0	\$0
001	7320	HFC1	EXE	Youth Bureau/Office For Child	CAST(GCOMM. & SCHOOLS TOGETHER)	\$50,000	\$45,000	\$45,000	\$35,280	\$35,280
001	4310	ACN4	HSV	Div Of Comm Mental Hygiene	CATHOLIC CHARITIE TALBOT HOUSE	\$1,662,743	\$1,711,471	\$1,725,690	\$1,729,270	\$1,729,270
001	4320	HLE1	HSV	Hs: Mental Health Pgms	CATHOLIC CHARITIES-BAY SHORE OUTREACH PESTS	\$2,803	\$2,523	\$2,523	\$0	\$0
477	8038	HSJ1	EDP	Water Quality Improvement	CCE-ALT MGT STRATEGIES FOR CONTROL OF INSECT PESTS	\$118,087	\$115,752	\$115,752	\$115,752	\$115,752
477	8038	HSK1	EDP	Water Quality Improvement	CCE-DEVELOP & IMPLEMENT AGRICULTURE STEWARDSHIP PRO	\$227,936	\$211,824	\$230,653	\$230,653	\$230,653
477	8038	HSM1	EDP	Water Quality Improvement	CCE- INTEGRATED PEST MANAGMENT PROGRAM (IPM)	\$157,804	\$156,800	\$156,800	\$156,800	\$156,800

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
477	8038	HSN1	EDP	Water Quality Improvement	CCE- RESTORATION OF PECONIC BAY SCALLOP POPULATIONS & FISHER	\$288,259	\$283,414	\$283,414	\$283,414	\$283,414
001	6410	HSG1	EDP	Economic Development Admin	CCE-4H YOUTH & DEVELOP & FARM ED PROG	\$69,845	\$68,289	\$68,289	\$68,289	\$68,289
001	6410	HSD1	EDP	Economic Development Admin	CCE-ADMIN, FIN, & COMM	\$577,919	\$521,294	\$521,294	\$521,294	\$521,294
001	6410	HSF1	EDP	Economic Development Admin	CCE-AGRICULTURE & HORTICULTURE PROGRAMS	\$448,025	\$403,223	\$403,223	\$403,223	\$403,223
001	4100	GGW1	HSV	Hs: Patient Care Svcs Adm	CCE-DIABETES PREVENTION PROGRAM	\$274,796	\$269,300	\$269,300	\$269,300	\$269,300
001	8750	JHU1	HSV	Cooperative Extension Assn	CCE-FAMILY HEALTH & WELLNESS	\$173,446	\$169,977	\$169,977	\$169,977	\$169,977
001	6410	HSE1	EDP	Economic Development Admin	CCE-MARINE PROGRAM	\$391,618	\$353,201	\$353,201	\$353,201	\$353,201
477	8038	GZA1	EDP	Water Quality Improvement	CCE-SC STORMWATER PHASE II PROGRAM IMPLEMENTATION	\$366,303	\$359,812	\$359,812	\$359,812	\$359,812
001	6410	HS11	EDP	Economic Development Admin	CCE-SUFFOLK COUNTY FARM MANAGEMENT	\$604,770	\$547,739	\$537,723	\$537,723	\$537,723
001	7320	GZZ1	EXE	Youth Bureau/Office For Child	CENTRAL ISLIP CIVIC COUNCIL	\$4,673	\$4,500	\$4,500	\$0	\$0
001	4310	JUB1	HSV	Div Of Comm Mental Hygiene	CENTRAL NASSAU GUIDANCE & COUNSELING SVCS. INC.	\$0	\$124,200	\$168,617	\$0	\$0
001	4109	GV/K1	HSV	Medical Program	CENTRAL SUFFOLK HOSPITAL	\$174,523	\$397,735	\$397,735	\$397,735	\$397,735
001	6010	ADB2	DSS	Family, Children & Adult Services	CHILD CARE COUNCIL OF SUFFOLK	\$117,288	\$117,587	\$117,587	\$122,587	\$117,587
001	6010	GGN1	DSS	Family, Children & Adult Services	CHILD CARE COUNCIL OF SUFFOLK	\$998,842	\$1,033,079	\$1,033,079	\$1,033,079	\$1,033,079
192	6414	HLT1	EDP	Cultural Affairs	CHILDREN'S MUSEUM OF THE EAST END	\$10,000	\$10,000	\$10,000	\$0	\$0
192	6415	JGU1	EDP	Film Promotion	CINEMA ARTS CENTRE	\$23,000	\$24,996	\$24,996	\$0	\$0
001	6004	JRL1	DSS	Soc Svc: Commodities Dist	CIRCLE OF LOVE MINISTRY WORLDWIDE	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	4330	GNS1	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFF SUPP CASE MG	\$284,872	\$487,260	\$487,260	\$487,260	\$487,260
001	4332	JQJ1	HSV	Disorder	CLUBHOUSE OF SUFFOLK VETERANS PEER-TO-PEER PROGRAM	\$170,975	\$185,000	\$285,000	\$95,000	\$95,000
001	4330	ALG5	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFFOLK, INC.	\$24,260	\$24,260	\$24,260	\$24,260	\$24,260
001	4330	JPF1	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFFOLK, INC.	\$25,438	\$25,438	\$25,438	\$25,438	\$25,438
001	4330	DDD1	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFFOLK, INC. - CSS	\$77,305	\$77,305	\$77,305	\$77,305	\$77,305
001	4330	ALG4	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFFOLK, INC.-ANTI-STIGMA	\$5,332	\$5,332	\$5,332	\$5,332	\$5,332
001	4330	ALG3	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFFOLK, INC.-CHILD & YOUTH	\$37,778	\$37,778	\$37,778	\$37,778	\$37,778
001	4330	GBF1	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFFOLK, INC.-S C ADVOC	\$80,828	\$80,828	\$80,828	\$80,828	\$80,828
001	4330	GBF2	HSV	Hs Community Support Svc	CLUBHOUSE OF SUFFOLK, INC.-S C ELEC EMP	\$26,955	\$26,955	\$26,955	\$26,955	\$26,955
001	4330	JAP1	HSV	Hs Community Support Svc	CLUBHOUSE PROS RIVERHEAD	\$84,948	\$84,948	\$92,996	\$92,996	\$92,996
001	4330	JAO1	HSV	Hs Community Support Svc	CLUBHOUSE PROS RONKONKOMA	\$206,552	\$206,552	\$194,036	\$194,036	\$194,036
001	4330	ADK2	HSV	Hs Community Support Svc	CLUBHOUSE PSYCHOSOC/DROP IN CT	\$21,676	\$22,764	\$22,764	\$22,764	\$22,764
001	4330	JDP1	HSV	Hs Community Support Svc	CLUBHOUSE SHELTER-CLINIC CASE MANAGEMENT	\$72,968	\$0	\$0	\$0	\$0
001	4330	HEW1	HSV	Hs Community Support Svc	CLUBHSE OF SUFF-ADULT HOME SCM	\$77,760	\$0	\$0	\$0	\$0
192	7512	JTS1	PKS	Museums & Historic Associations	COLD SPRING HARBOR WHALING MUSEUM	\$6,926	\$6,500	\$6,500	\$0	\$0
001	7325	DDL1	EXE	Spec Dhncy Prevention Pgm	COLONIAL YOUTH & FAMILY SERVICE	\$238,936	\$227,167	\$227,167	\$227,167	\$227,167
001	7320	GAB1	EXE	Youth Bureau/Office For Child	COLONIAL YTH & FAMILY SVC	\$48,840	\$43,956	\$43,956	\$43,956	\$43,956
192	7512	JCG1	PKS	Museums & Historic Associations	COMMERDINGER PRESERVATION SOCIETY	\$15,335	\$20,000	\$20,000	\$0	\$0
001	6004	HLL1	DSS	Soc Svc: Commodities Dist	COMMUNITY ACTION OF SOUTHDOWN (CAST)	\$4,888	\$4,500	\$4,500	\$4,500	\$4,500
001	7320	ADR1	EXE	Youth Bureau/Office For Child	COMMUNITY PROGRAM CENTER OF LI	\$24,984	\$22,486	\$22,486	\$22,486	\$22,486
192	6414	JWH1	EDP	Cultural Affairs	COMPANION STAR	\$0	\$5,000	\$5,000	\$0	\$0
192	7512	JQB1	PKS	Museums & Historic Associations	COMSEWOGUE HISTORICAL SOCIETY	\$6,733	\$0	\$0	\$0	\$0
001	7320	ADW1	EXE	Youth Bureau/Office For Child	COMSEWOGUE YOUTH CLUB INC	\$25,453	\$22,908	\$0	\$0	\$0
001	4330	JDN1	HSV	Hs Community Support Svc	CONCERN	\$533,035	\$533,035	\$533,035	\$533,035	\$533,035
001	4310	JOJ1	HSV	Div Of Comm Mental Hygiene	CONCERN FOR INDEPENDENT LIVING, INC.	\$62,645	\$62,699	\$82,286	\$82,451	\$82,451

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	4330	JWT1	HSV	Hs Community Support Svc	CONCERN MOBILE	\$0	\$0	\$597,565	\$505,827	\$689,303
192	6414	JGY1	EDP	Cultural Affairs	COPIAGUE CHAMBER OF COMMERCE	\$10,000	\$10,000	\$10,000	\$0	\$0
001	7320	AEL1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH COUNCIL	\$42,677	\$38,409	\$38,409	\$38,409	\$38,409
001	7320	GHA1	EXE	Youth Bureau/Office For Child	COUNTYWIDE COUNSEL PGM HUNTGTN	\$31,616	\$28,454	\$28,454	\$28,238	\$28,238
001	4320	AET3	HSV	Div Of Comm Mental Hygiene	CYTH CHARITY CHEM DEPEND CLINIC	\$477,882	\$473,738	\$467,586	\$467,586	\$467,586
001	4320	AET3	HSV	Hs: Mental Health Pgm	CTH CHARITY MEN HLTH CTR (\$768,931	\$692,038	\$692,038	\$694,561	\$694,561
192	7512	JWJ1	PKS	Museums & Historic Associations	DAVIS TOWN MEETING HOUSE SOCIETY	\$0	\$5,000	\$5,000	\$0	\$0
001	4310	JOH1	HSV	Div Of Comm Mental Hygiene	DAYTOP VILLAGE, INC.	\$370,527	\$560,246	\$560,246	\$561,367	\$561,367
192	7512	JHM1	PKS	Museums & Historic Associations	DEEPWELLS FARM HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
192	7512	JRG1	PKS	Museums & Historic Associations	DROWNED MEADOW ROE HOUSE MUSEUM	\$2,470	\$7,500	\$7,500	\$0	\$0
001	6015	GVD1	DSS	Dss: Public Assist Admin	EAC - SANCTIONED CLIENT OUT	\$179,198	\$169,227	\$169,227	\$180,865	\$180,865
001	6010	GDM1	DSS	Family, Children & Adult Services	EAC CHILD ADVOCACY	\$162,851	\$162,941	\$162,941	\$162,941	\$162,941
001	6010	JVW1	DSS	Family, Children & Adult Services	EAC COMMUNITY GUARDIANSHIP PROGRAM	\$0	\$0	\$0	\$125,000	\$125,000
001	6010	JVW1	DSS	Family, Children & Adult Services	EAC COMMUNITY GUARDIANSHIP PROGRAM	\$0	\$125,000	\$125,000	\$0	\$0
001	6010	GVL1	DSS	Family, Children & Adult Services	EAC ENHANCED SUPERVISED VISIT	\$388,324	\$400,452	\$400,452	\$400,452	\$400,452
001	6010	GDQ1	DSS	Family, Children & Adult Services	EAC INC FAMILY DRUG COURT	\$185,253	\$208,360	\$208,360	\$208,360	\$208,360
001	4330	JWL1	HSV	Hs Community Support Svc	EAC NETWORK	\$0	\$0	\$485,779	\$485,779	\$485,779
001	3177	JUG1	PRO	SAMHSA Drug Court Expansion	EAC SUFFOLK TASC	\$249,554	\$0	\$300,500	\$0	\$0
001	6010	JSP1	DSS	Family, Children & Adult Services	EAC, SAFE HARBOUR PROGRAM	\$101,568	\$0	\$154,432	\$0	\$0
001	6073	AFN1	DSS	Dss: Child Support Enforcement	EAC, INC.	\$169,558	\$178,454	\$178,454	\$178,454	\$178,454
001	6115	HKB1	DSS	Dss: Alternatives For Youth	EAC-AFI	\$813,599	\$859,720	\$859,720	\$859,720	\$859,720
192	6414	HWH1	EDP	Cultural Affairs	EAST END ARTS COUNCIL - WINTERFEST	\$9,948	\$10,000	\$10,000	\$0	\$0
192	6414	JKS1	EDP	Cultural Affairs	EAST END ARTS COUNCIL, HARVEST GOSPEL CONCERT SERIES	\$5,000	\$5,000	\$5,000	\$0	\$0
192	6414	HFH1	EDP	Cultural Affairs	EAST END SPECIAL PLAYERS	\$5,000	\$5,000	\$5,000	\$0	\$0
192	6414	JKY1	EDP	Cultural Affairs	EAST END TOURISM ALLIANCE	\$14,500	\$15,000	\$15,000	\$0	\$0
001	6004	JLH1	DSS	Soc Svc: Commodities Dist	EAST HAMPTON FOOD PANTRY	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	7320	AFS1	EXE	Youth Bureau/Office For Child	EAST HAMPTON JUVENILE AID	\$0	\$15,751	\$15,751	\$0	\$0
192	7512	HYG1	PKS	Museums & Historic Associations	EASTVILLE HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	JVP1	EXE	Youth Bureau/Office For Child	ECONOMIC OPPORTUNITY COUNCIL-CBI	\$0	\$131,502	\$131,502	\$131,502	\$131,502
001	6141	AGF1	DSS	Dss: Heap	EMPIRE TRAINING ASSOCIATES	\$19,658	\$20,394	\$20,394	\$20,394	\$20,394
001	7320	JTX1	EXE	Youth Bureau/Office For Child	ENVIRONMENTAL CENTERS OF SETAUKET-SMITHTOWN INC.	\$5,000	\$4,500	\$4,500	\$0	\$0
001	4330	GKQ1	HSV	Hs Community Support Svc	F.E.G.S. LI TRANS/MED MGT	\$193,901	\$0	\$0	\$0	\$0
001	4330	GKX1	HSV	Hs Community Support Svc	F.E.G.S. OF LI DSS PROJECT	\$72,627	\$0	\$0	\$0	\$0
001	4330	GGR1	HSV	Hs Community Support Svc	F.R.E.E.	\$165,186	\$165,792	\$165,792	\$165,792	\$165,792
001	4330	GYZ1	HSV	Hs Community Support Svc	F.R.E.E. SINGLE POINT ACCESS	\$141,616	\$163,241	\$193,269	\$193,269	\$193,269
001	4330	CAD1	HSV	Hs Community Support Svc	FAM SV LG THER. REC.	\$149,445	\$164,797	\$164,797	\$164,797	\$164,797
001	4330	HEV1	HSV	Hs Community Support Svc	FAM.SERV.LEAGUE-ADULT HOME SCM	\$44,638	\$0	\$0	\$0	\$0
001	6010	GNJ1	DSS	Family, Children & Adult Services	FAMILY & CHILDRENS ASSOC	\$338,002	\$345,823	\$345,823	\$345,823	\$345,823
001	4330	JWM1	HSV	Hs Community Support Svc	FAMILY AND CHILDREN ASSOC	\$0	\$0	\$214,495	\$214,495	\$214,495
001	7320	AGN1	EXE	Youth Bureau/Office For Child	FAMILY COURT WAITING ROOM	\$129,411	\$117,036	\$117,036	\$117,036	\$117,036
001	6773	GEY1	EXE	Senior Support Programs	FAMILY LEAGUE SERVICE	\$38,471	\$36,227	\$36,227	\$36,227	\$36,227
001	7325	JQK1	EXE	Spec Dlnqncy Prevention Pgm	FAMILY LIFE CENTER	\$109,117	\$98,205	\$98,205	\$98,205	\$98,205
001	6772	GET1	EXE	Older Americans Act Programs	FAMILY SERVICE LEAGUE	\$18,881	\$19,715	\$19,715	\$19,715	\$19,715
001	7325	AGS1	EXE	Spec Dlnqncy Prevention Pgm	FAMILY SERVICE LEAGUE	\$167,649	\$148,428	\$148,428	\$148,428	\$148,428

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	4310	AGW1	HSV	Div Of Comm Mental Hygiene	FAMILY SERVICE LEAGUE	\$810,744	\$1,169,409	\$1,181,692	\$1,183,767	\$1,183,767
001	6008	HMA1	DSS	Housing Division	FAMILY SERVICE LEAGUE - HUNTINGTON INTERFAITH HOMELESS INITI	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	4330	JGG1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE ACT TEAM WEST	\$86,254	\$120,556	\$120,556	\$120,556	\$120,556
001	6115	JKE1	DSS	Dss: Alternatives For Youth	FAMILY SERVICE LEAGUE- AFY AFTERCARE	\$311,035	\$315,977	\$315,977	\$315,977	\$315,977
001	4320	JUH1	HSV	Hs: Mental Health Pgms	FAMILY SERVICE LEAGUE CLINIC	\$239,442	\$362,442	\$362,442	\$362,442	\$362,442
001	4330	JUH1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE CLINIC	\$191,949	\$0	\$0	\$0	\$0
001	3142	HTU1	PRO	Placement Reduction Program	FAMILY SERVICE LEAGUE HOME BASE II	\$0	\$642,185	\$642,185	\$642,185	\$642,185
001	4330	JAS1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE PROS HAUPPAUGE	\$31,744	\$44,708	\$7,750	\$0	\$0
001	4330	JAR1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE PROS HUNTINGTON	\$50,000	\$58,120	\$52,760	\$52,760	\$52,760
001	4310	JWY1	HSV	Div Of Comm Mental Hygiene	FAMILY SERVICE LEAGUE, INC.	\$0	\$0	\$375,354	\$375,354	\$375,354
001	3145	JVQ1	PRO	Pins Diversion Plan	FAMILY SERVICE LEAGUE, INC.-PINS DIVERSION	\$0	\$282,432	\$282,432	\$282,432	\$282,432
001	4330	JWN1	HSV	Hs Community Support Svc	FAMILY SERVICE LEAGUE-ACT	\$0	\$0	\$248,752	\$120,556	\$120,556
001	7320	JUA1	EXE	Youth Bureau/Office For Child	FAMILY SERVICE LEAGUE-EAST HAMPTON	\$52,501	\$31,500	\$31,500	\$17,150	\$17,150
001	7320	GLF1	EXE	Youth Bureau/Office For Child	FAMILY SV LEAGUE BAY SHORE CTR	\$60,445	\$54,400	\$54,400	\$36,123	\$36,123
001	6010	GEF1	DSS	Family, Children & Adult Services	FAMILY SV LEAGUE CCSI CONTRACT	\$155,003	\$156,733	\$156,733	\$156,733	\$156,733
001	7320	GJK1	EXE	Youth Bureau/Office For Child	FAMILY SVC HUNTN STA FAM CTR	\$246,850	\$222,165	\$222,165	\$150,308	\$150,308
001	4330	AGZ1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE - C.A.P.	\$174,473	\$176,741	\$176,741	\$176,741	\$176,741
001	4330	GPK1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE ACT TEAM	\$67,560	\$84,660	\$111,582	\$84,660	\$120,556
001	6010	AHE1	DSS	Family, Children & Adult Services	FAMILY SVC LEAGUE OF SUFF CTY	\$489,968	\$506,715	\$506,715	\$506,715	\$506,715
001	6008	GUX1	DSS	Housing Division	FAMILY SVC LEAGUE PROGRAM HOME	\$133,639	\$129,860	\$129,860	\$129,860	\$129,860
001	4330	GUT1	HSV	Hs Community Support Svc	FAMILY SVC LEAGUE SUPP CASE MG	\$575,033	\$732,960	\$1,267,544	\$1,142,460	\$1,142,460
001	4320	AHG1	HSV	Hs: Mental Health Pgms	FAMILY SVC LEAGUE-EAST END PRO	\$408,977	\$368,079	\$368,079	\$368,079	\$368,079
001	4330	AHH1	HSV	Hs Community Support Svc	FAMILY SVC LG PARENT TO PARENT	\$211,530	\$215,494	\$215,494	\$215,494	\$215,494
192	7512	JHG1	PKS	Museums & Historic Associations	FARMINGVILLE HISTORICAL SOCIETY	\$3,983	\$5,500	\$5,500	\$0	\$0
001	4330	GZ1	HSV	Hs Community Support Svc	FED OF ORG ADULT HOME PEER SRV	\$153,442	\$0	\$0	\$0	\$0
001	4330	GNR1	HSV	Hs Community Support Svc	FED OF ORG SUPPORTED CASE MGMT	\$649,439	\$918,540	\$918,540	\$918,540	\$918,540
001	6780	GFC2	EXE	Respite Care Demonstratn Pgm	FED OF ORGANIZATIONS RESPITE	\$31,061	\$28,180	\$28,180	\$28,180	\$28,180
001	4330	GTL1	HSV	Hs Community Support Svc	FED OF ORG-CLIENT SVC DOLLAR P	\$15,990	\$48,130	\$48,130	\$48,130	\$48,130
001	4330	AHM1	HSV	Hs Community Support Svc	FED OF ORGNIZATNS NYS MNT DISA	\$401,675	\$557,615	\$557,615	\$557,615	\$557,615
001	4330	GSV1	HSV	Hs Community Support Svc	FED OF ORG-SINGLE POINT ENTRY	\$555,921	\$556,114	\$690,366	\$690,366	\$690,366
001	4330	GSV1	HSV	Hs Community Support Svc	FED OF ORG-SINGLE POINT ENTRY	\$65,109	\$0	\$0	\$0	\$0
001	4330	GUR1	HSV	Hs Community Support Svc	FED ORG TRANSPORTATION CSS	\$831,414	\$994,893	\$994,893	\$994,893	\$994,893
001	4330	JGB1	HSV	Hs Community Support Svc	FEDERATION ADVOCACY	\$181,799	\$191,197	\$191,197	\$191,197	\$191,197
001	4330	AHN1	HSV	Hs Community Support Svc	FEDERATION MULTI-CULTURAL CONF	\$4,406	\$8,810	\$8,810	\$8,810	\$8,810
001	4330	GZH1	HSV	Hs Community Support Svc	FEDERATION OF ORG ACT TEAM	\$95,532	\$120,556	\$120,556	\$120,556	\$120,556
001	4330	JAT1	HSV	Hs Community Support Svc	FEDERATION OF ORG PROS BABYLON	\$66,188	\$75,112	\$74,220	\$74,220	\$74,220
001	4330	JAU1	HSV	Hs Community Support Svc	FEDERATION OF ORG PROS PATCHOGUE	\$75,776	\$120,712	\$119,820	\$119,820	\$119,820
001	4320	JUI1	HSV	Hs: Mental Health Pgms	FEDERATION OF ORG. CLINIC	\$131,498	\$128,868	\$128,868	\$128,868	\$128,868
001	4330	JUI1	HSV	Hs Community Support Svc	FEDERATION OF ORG. CLINIC	\$150,000	\$0	\$0	\$0	\$0
001	6772	GES1	EXE	Older Americans Act Programs	FEDERATION OF ORGANIZATIONS	\$9,478	\$9,459	\$9,459	\$9,459	\$9,459
001	6780	GFC1	EXE	Respite Care Demonstratn Pgm	FEDERATION OF ORGANIZATIONS	\$87,303	\$88,035	\$88,035	\$88,035	\$88,035
001	4320	JWS1	HSV	Hs: Mental Health Pgms	FEDERATION OF ORGANIZATIONS CLINIC COPAIGUE	\$0	\$0	\$153,371	\$167,314	\$167,314
001	4330	JWS1	HSV	Hs Community Support Svc	FEDERATION OF ORGANIZATIONS CLINIC COPAIGUE	\$0	\$0	\$248,000	\$0	\$0
001	4330	JWR1	HSV	Hs Community Support Svc	FEDERATION OF ORGANIZATIONS-PROS	\$0	\$0	\$127,046	\$138,596	\$138,596
001	4330	GJP1	HSV	Hs Community Support Svc	FEDERATION OF ORGANIZATN SESRO	\$848,776	\$727,955	\$727,955	\$727,955	\$727,955

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	4330	GPA1	HSV	Hs Community Support Svc	FEDERATION PEER BRIDGER PGM	\$163,883	\$171,657	\$171,657	\$171,657	\$171,657
001	4330	GPE1	HSV	Hs Community Support Svc	FEDERATION PRE-ARREST FRNSC PR	\$100,749	\$101,204	\$174,000	\$140,000	\$208,000
001	4330	GBG3	HSV	Hs Community Support Svc	FEDERATION PSYCHOSOC/DROP IN	\$113,934	\$116,892	\$116,892	\$116,892	\$116,892
001	4330	GBD1	HSV	Hs Community Support Svc	FEDERATION REPRESENT PAYEE	\$350,622	\$350,622	\$350,622	\$350,622	\$350,622
001	4330	GBG2	HSV	Hs Community Support Svc	FEDERATION RESPITE CARE	\$33,045	\$34,107	\$34,107	\$34,107	\$34,107
001	4330	GCV1	HSV	Hs Community Support Svc	FEDERATION RESPITE HOUSING	\$35,961	\$39,014	\$39,014	\$39,014	\$39,014
001	4330	AHO1	HSV	Hs Community Support Svc	FEDERATN HOMELESS MENTALLY ILL	\$433,713	\$446,863	\$446,863	\$446,863	\$446,863
001	4330	AHP2	HSV	Hs Community Support Svc	FEDERATN ORGS NYS MENT DISABLD	\$751,085	\$785,997	\$785,997	\$785,997	\$785,997
001	4330	GZB1	HSV	Hs Community Support Svc	FECS FAMILY SUPPORT	\$74,312	\$0	\$0	\$0	\$0
001	4330	GPL1	HSV	Hs Community Support Svc	FECS OF LI ACT TEAM	-\$16,211	\$0	\$0	\$0	\$0
001	4330	GPD1	HSV	Hs Community Support Svc	FECS OF LI PRE-ARREST FORENSIC	\$44,438	\$0	\$0	\$0	\$0
001	4330	JAQ1	HSV	Hs Community Support Svc	FECS PROS COPAIGUE	\$63,337	\$0	\$0	\$0	\$0
001	4330	GZC1	HSV	Hs Community Support Svc	FECS SUPPORT CASE MANAGEMENT	\$152,972	\$0	\$0	\$0	\$0
192	6414	JEA1	EDP	Cultural Affairs	FISCHER-HEWINS VFW POST 6249	\$29,944	\$30,000	\$30,000	\$0	\$0
001	4330	GPJ1	HSV	Hs Community Support Svc	FLS SUPPORTIVE CASE MGMT	\$255,588	\$275,688	\$304,004	\$313,443	\$313,443
001	4330	JWV1	HSV	Hs Community Support Svc	FLS-CARE COORDINATION	\$0	\$0	\$557,527	\$557,527	\$557,527
001	6773	AHV1	EXE	Senior Support Programs	FOSTER GRANDPARENT PROGRAM	\$46,313	\$41,682	\$41,682	\$41,682	\$41,682
001	4330	JWO1	HSV	Hs Community Support Svc	FREE HOSPITAL DIVERSION	\$0	\$0	\$572,591	\$572,591	\$572,591
192	6414	HHF1	EDP	Cultural Affairs	FRIENDS OF SMITHTOWN LIBRARY	\$34,625	\$32,500	\$32,500	\$0	\$0
001	6773	GVE1	EXE	Senior Support Programs	FRIENDS RET & SR VOL ADM RSV	\$14,569	\$13,112	\$13,112	\$13,112	\$13,112
001	6772	GVB1	EXE	Older Americans Act Programs	FRIENDS RET & SR VOL IIIB TELE	\$61,199	\$61,077	\$61,077	\$61,077	\$61,077
001	6792	GVD1	EXE	Title Iii-F	FRIENDS RET & SR VOL IIID DISE	\$31,160	\$31,098	\$31,098	\$31,098	\$31,098
001	4320	JUJ1	HSV	Hs: Mental Health Pgms	FSL CHILDREN'S MOBILE CLINIC	\$122,537	\$196,000	\$196,000	\$196,000	\$196,000
001	4330	AHH2	HSV	Hs Community Support Svc	FSL COORD CHILD SERV INIT	\$37,208	\$37,375	\$37,375	\$37,375	\$37,375
001	4330	JRT1	HSV	Hs Community Support Svc	FSL FAMILY SUPPORT SERVICES	\$61,932	\$61,932	\$61,932	\$61,932	\$61,932
001	4330	JUK1	HSV	Hs Community Support Svc	FSL SCHOOL-BASED CLINIC	\$385,915	\$487,747	\$487,747	\$487,747	\$487,747
001	4330	JDO1	HSV	Hs Community Support Svc	FSL SHELTER-CLINIC CASE MANAGEMENT	\$77,514	\$0	\$0	\$0	\$0
001	4320	JWQ1	HSV	Hs: Mental Health Pgms	FSL-CLINIC-CENTRAL ISLIP	\$0	\$0	\$234,752	\$256,093	\$256,093
001	4330	JWQ1	HSV	Hs Community Support Svc	FSL-CLINIC-CENTRAL ISLIP	\$0	\$0	\$90,791	\$0	\$0
001	4320	HVQ1	HSV	Hs: Mental Health Pgms	FSL-SUICIDE PREVENTION & RESPONSE PROGRAM	\$33,432	\$31,500	\$31,500	\$0	\$0
192	6414	JHC1	EDP	Cultural Affairs	GALLERY NORTH, INC.	\$10,000	\$10,000	\$10,000	\$0	\$0
192	6414	JPL1	EDP	Cultural Affairs	GALLERY NORTH, INC. WET PAINT FESTIVAL	\$9,500	\$10,000	\$10,000	\$0	\$0
001	7320	HFJ1	EXE	Youth Bureau/Office For Child	GERALD RYAN OUTREACH	\$42,405	\$42,750	\$42,750	\$0	\$0
001	7320	JWZ1	EXE	Youth Bureau/Office For Child	GIRLS INCORPORATED OF LONG ISLAND	\$0	\$0	\$4,500	\$0	\$0
001	7320	AIF1	EXE	Youth Bureau/Office For Child	GORDON HEIGHTS YOUTH PROGRAM	\$34,564	\$31,108	\$31,108	\$31,108	\$31,108
192	6414	JTO1	EDP	Cultural Affairs	GREATER GORDON HEIGHTS CIVIC ASSOC.	\$3,530	\$5,000	\$5,000	\$0	\$0
192	6414	JQX1	EDP	Cultural Affairs	GREATER MASTIC BEACH CHAMBER OF COMMERCE	\$1,843	\$5,000	\$5,000	\$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	\$7,500	\$7,500	\$7,500	\$0	\$0
192	6414	HAN1	EDP	Cultural Affairs	GUILD HALL OF EAST HAMPTON	\$20,000	\$20,000	\$20,000	\$0	\$0
001	4330	GPC1	HSV	Hs Community Support Svc	HALI PEER ADVOCACY	\$122,093	\$112,000	\$112,000	\$112,000	\$112,000
001	4330	GPF1	HSV	Hs Community Support Svc	HALI PRE-ARREST FORENSIC PGM	\$114,146	\$120,964	\$122,727	\$154,807	\$290,647
001	4330	JAV1	HSV	Hs Community Support Svc	HALI PROS CENTRAL ISLIP	\$101,040	\$101,040	\$118,032	\$118,032	\$118,032
001	4330	HAL2	HSV	Hs Community Support Svc	HALI PSYCHOSOC/DROP IN CTR	\$67,349	\$70,937	\$70,937	\$70,937	\$70,937
001	4330	JQN1	HSV	Hs Community Support Svc	HALI SPA	\$35,976	\$70,028	\$0	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	4330	HAL1	HSV	HS Community Support Svc	HALI TRNG/CONF/RESOURCE CTR	\$23,143	\$27,537	\$27,537	\$27,537	\$27,537
001	4330	JWW1	HSV	HS Community Support Svc	HALI WELLNESS CENTER	\$0	\$0	\$664,019	\$724,385	\$724,385
192	7512	JFY1	PKS	Museums & Historic Associations	HALLOCKVILLE MUSEUM FARM	\$4,930	\$5,000	\$5,000	\$0	\$0
001	7320	AUJ3	EXE	Youth Bureau/Office For Child	HAMPTON COUNCIL OF CHURCHES IN	\$53,688	\$48,319	\$48,319	\$48,319	\$48,319
192	6415	HIP1	EDP	Film Promotion	HAMPTON FILM FESTIVAL	\$21,025	\$23,022	\$23,022	\$0	\$0
001	4330	AIN1	HSV	HS Community Support Svc	HANDS ACROSS LI ADVOCACY PGRM	\$194,659	\$205,203	\$205,203	\$205,203	\$205,203
001	4330	AIM1	HSV	HS Community Support Svc	HANDS ACROSS LI PSYCHOSOCIAL	\$101,921	\$108,902	\$108,902	\$108,902	\$108,902
001	7320	JEV1	EXE	Youth Bureau/Office For Child	HARRISON HALE GORDON HEIGHTS COMMUNITY ACTION CENTER	\$10,000	\$9,000	\$9,000	\$9,000	\$9,000
192	7512	JHK1	PKS	Museums & Historic Associations	HECKSCHER MUSEUM OF ART, HUNTINGTON	\$10,000	\$9,000	\$9,000	\$0	\$0
192	6414	JPM1	EDP	Cultural Affairs	HER STORY	\$5,000	\$5,000	\$5,000	\$0	\$0
192	6414	JNZ1	EDP	Cultural Affairs	HOLBROOK CHAMBER OF COMMERCE	\$8,000	\$8,000	\$8,000	\$0	\$0
001	7323	JXN1	EXE	Comprehensive Plning-Runaway	HOPE FOR YOUTH	\$0	\$0	\$0	\$0	\$398,251
001	6123	HUA1	PRO	Mandated Juvenile Detention Sv	HOPE FOR YOUTH INC	\$1,029,310	\$1,060,924	\$1,060,924	\$1,060,924	\$1,060,924
001	6010	GV11	DSS	Family, Children & Adult Services	HOPE FOR YOUTH, INC	\$429,226	\$436,668	\$436,668	\$436,668	\$436,668
001	4310	JBA1	HSV	Div Of Comm Mental Hygiene	HOPE FOR YOUTH, INC	\$187,876	\$208,047	\$408,144	\$408,711	\$408,711
001	4310	JAI1	HSV	Div Of Comm Mental Hygiene	HOPE FOR YOUTH, INC.	\$1,800	\$6,004	\$6,004	\$6,004	\$6,004
001	4101	JVY1	HSV	Patient Care Programs	HRH CARE-BRENTWOOD HEALTH CENTER	\$0	\$5,338,798	\$5,338,798	\$5,319,925	\$5,319,925
001	4101	JVZ1	HSV	Patient Care Programs	HRH CARE-CORAM HEALTH CENTER	\$0	\$1,010,000	\$1,010,000	\$336,667	\$336,667
001	4101	JWA1	HSV	Patient Care Programs	HRH CARE-EAST HAMPTON/SOUTHAMPTON HEALTH CENTERS	\$0	\$799,857	\$799,857	\$709,414	\$709,414
001	4101	JWB1	HSV	Patient Care Programs	HRH CARE-PATCHOGUE HEALTH CENTERS	\$0	\$2,191,588	\$2,191,588	\$2,186,457	\$2,186,457
001	4101	JWC1	HSV	Patient Care Programs	HRH CARE-RIVERHEAD HEALTH CENTERS	\$0	\$2,657,654	\$2,657,654	\$2,630,647	\$2,630,647
001	4101	JWD1	HSV	Patient Care Programs	HRH CARE-SHIRLEY HEALTH CENTERS	\$0	\$2,365,377	\$2,365,377	\$2,318,799	\$2,318,799
001	4101	JWE1	HSV	Patient Care Programs	HRH CARE-TRI-COMMUNITY HEALTH CENTERS	\$0	\$1,596,909	\$1,596,909	\$1,568,296	\$1,568,296
001	4101	JWF1	HSV	Patient Care Programs	HRH CARE-WYANDANCH (MLK) HEALTH CENTERS	\$0	\$2,374,282	\$2,374,282	\$2,115,297	\$2,115,297
001	4310	AIS2	HSV	Div Of Comm Mental Hygiene	HUGS INC	\$168,647	\$167,942	\$168,720	\$168,980	\$168,980
192	6414	JGW1	EDP	Cultural Affairs	HUNTINGTON ARTS COUNCIL, SUMMER ARTS FESTIVAL	\$35,000	\$35,000	\$35,000	\$0	\$0
001	4100	HMY1	HSV	HS: Patient Care Svcs Adm	HUNTINGTON BREAST CANCER COALITION	\$15,000	\$13,500	\$13,500	\$0	\$0
192	6414	JGV1	EDP	Cultural Affairs	HUNTINGTON CHAMBER OF COMMERCE, LI FALL FESTIVAL	\$40,000	\$40,000	\$40,000	\$0	\$0
001	6004	HVS1	DSS	Soc Svc: Commodities Dist	HUNTINGTON COMMUNITY FOOD COUNCIL	\$9,592	\$9,000	\$9,000	\$10,000	\$9,000
192	7512	JLC1	PKS	Museums & Historic Associations	HUNTINGTON HISTORICAL SOCIETY	\$6,250	\$6,250	\$6,250	\$0	\$0
001	7323	AIV1	EXE	Comprehensive Plning-Runaway	HUNTINGTON HOMELESS	\$15,078	\$13,570	\$13,570	\$13,570	\$13,570
001	4100	AUI1	HSV	HS: Patient Care Svcs Adm	HUNTINGTON HOSPITAL	\$1,800,000	\$1,200,000	\$1,200,000	\$600,000	\$600,000
001	7320	AIZ1	EXE	Youth Bureau/Office For Child	HUNTINGTON VILLAGE YOUTH	\$20,474	\$18,427	\$18,427	\$18,427	\$18,427
001	7110	HHX1	PKS	Parks, Rec & Conservation	IGHL FOUNDATION	\$42,673	\$45,000	\$45,000	\$45,000	\$0
001	6004	JLI1	DSS	Soc Svc: Commodities Dist	INTERFAITH NUTRITION NETWORK	\$3,331	\$4,500	\$4,500	\$4,500	\$4,500
001	6004	HNC1	DSS	Soc Svc: Commodities Dist	ISLAND HARVEST	\$87,227	\$87,227	\$87,227	\$87,227	\$87,227
192	6414	JWG1	EDP	Cultural Affairs	ISLAND SYMPHONY ORCHESTRA	\$0	\$5,840	\$5,840	\$0	\$0
192	6414	BBU1	EDP	Cultural Affairs	ISLIP ARTS COUNCIL	\$40,000	\$40,000	\$40,000	\$0	\$0
192	7512	JTT1	PKS	Museums & Historic Associations	ISLIP ARTS COUNCIL-HISTORICAL PROGRAM	\$6,092	\$9,500	\$9,500	\$0	\$0
001	6004	JTU1	DSS	Soc Svc: Commodities Dist	ISLIP FOOD FOR HOPE, INC.	\$4,534	\$4,500	\$4,500	\$4,500	\$4,500
001	7323	AJL1	EXE	Comprehensive Plning-Runaway	ISLIP HOMELESS	\$8,154	\$7,339	\$7,339	\$7,339	\$7,339
001	7325	AJO1	EXE	Spec Dlnqncy Prevention Pgm	ISLIP YMCA-OUTREACH	\$81,961	\$77,552	\$77,552	\$77,552	\$77,552

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	4310	AJR1	HSV	Div Of Comm Mental Hygiene	J MATHER MEMORIAL HOSPITAL	\$88,918	\$180,429	\$182,163	\$182,354	\$182,354
192	7512	JFZ1	PKS	Museums & Historic Associations	JAMESPORT MEETING HOUSE PRESERVATION TRUST	\$4,332	\$5,000	\$5,000	\$0	\$0
001	4330	JVH1	HSV	Hs Community Support Svc	RIVERHEAD LANDMAR	\$179,881	\$120,556	\$10,046	\$0	\$0
001	4320	JVL1	HSV	Hs: Mental Health Pgms	JBFC - ACT TEAM	\$252,028	\$423,407	\$35,284	\$0	\$0
001	4330	JVL1	HSV	Hs Community Support Svc	JBFC - CLINIC	\$500,000	\$0	\$0	\$0	\$0
001	4330	JVB1	HSV	Hs Community Support Svc	JBFC - CSS ADVOCACY	\$162,922	\$282,302	\$23,525	\$0	\$0
001	4330	JVC1	HSV	Hs Community Support Svc	JBFC - DROP-IN	\$50,014	\$91,782	\$7,649	\$0	\$0
001	4330	JVF1	HSV	Hs Community Support Svc	JBFC - DSS PROJECT	\$83,312	\$197,139	\$16,428	\$0	\$0
001	4330	JVI1	HSV	Hs Community Support Svc	JBFC - FAMILY SUPPORT	\$49,156	\$214,495	\$0	\$0	\$0
001	4330	JVJ1	HSV	Hs Community Support Svc	JBFC - HEALTH HOMES	\$147,826	\$409,500	\$34,125	\$0	\$0
001	4330	JVG1	HSV	Hs Community Support Svc	JBFC - MOBILE CRISIS	\$52,307	\$107,941	\$0	\$0	\$0
001	4330	JVK1	HSV	Hs Community Support Svc	JBFC - PROS COPIAGUE	\$401,083	\$152,008	\$11,550	\$0	\$0
001	4330	JVD1	HSV	Hs Community Support Svc	JBFC - PSYCH REHAB SPEC EMP	\$30,784	\$57,564	\$4,797	\$0	\$0
001	4330	JVA1	HSV	Hs Community Support Svc	JBFC - SELF HELP	\$51,286	\$95,600	\$7,967	\$0	\$0
001	4330	JVE1	HSV	Hs Community Support Svc	JBFC - TRANS MGT/MED MGT	\$202,918	\$485,779	\$0	\$0	\$0
001	4330	CAB1	HSV	Hs Community Support Svc	JCSLIFECS - CSS	\$109,860	\$0	\$0	\$0	\$0
001	4330	GBE2	HSV	Hs Community Support Svc	JEW COMM SVC/FEGS PSYCHOSOC/D	\$27,109	\$0	\$0	\$0	\$0
001	4330	GGP1	HSV	Hs Community Support Svc	JEWISH COM SVC FEGS SP EMP	\$23,985	\$0	\$0	\$0	\$0
001	4330	AJS1	HSV	Hs Community Support Svc	JEWISH COMM SVC LIFE/PRTNR/PSY	\$38,986	\$0	\$0	\$0	\$0
001	7320	JTZ1	EXE	Youth Bureau/Office For Child	JUNIOR WELFARE LEAGUE OF HUNTINGTON, INC.	\$0	\$4,500	\$4,500	\$0	\$0
192	7512	JHN1	PKS	Museums & Historic Associations	KETCHUM INN FOUNDATION	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	HX11	EXE	Youth Bureau/Office For Child	KEVIN WILLIAMS MEMORIAL FOUNDATION	\$0	\$4,500	\$4,500	\$0	\$0
192	6414	GWO1	EDP	Cultural Affairs	KINGS PARK CHAMBER OF COMMERCE	\$0	\$5,000	\$5,000	\$0	\$0
192	7512	HNQ1	PKS	Museums & Historic Associations	L I MARITIME MUSEUM	\$40,000	\$40,000	\$40,000	\$0	\$0
001	4100	AKU2	HSV	Hs: Patient Care Svcs Adm	L.I. ASSOC OF AIDS CARE	\$161,714	\$0	\$0	\$0	\$0
192	7512	JRE1	PKS	Museums & Historic Associations	LAKE RONKONKOMA HISTORICAL SOCIETY	\$8,324	\$9,000	\$9,000	\$0	\$0
001	3176	JVT1	PRO	Byrne JAG FY 15	LEGAL AID SOCIETY	\$0	\$0	\$4,408	\$0	\$0
001	3192	JGP1	PRO	2014 Byrne JAG	LEGAL AID SOCIETY	\$0	\$0	\$15,800	\$0	\$0
001	3120	JWX1	POL	Police: General Administration	LI AGAINST DOMESTIC VIOLENCE, INC.	\$0	\$0	\$76,795	\$76,795	\$76,795
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	\$178,616	\$98,435	\$169,433	\$98,435	\$98,435
001	4320	JML1	HSV	Hs: Mental Health Pgms	LICADD-HEROIN HOPE PROGRAM	\$34,873	\$31,500	\$31,500	\$0	\$0
001	7320	GKJ1	EXE	Youth Bureau/Office For Child	LIFELINE MEDIATION CENTER	\$63,567	\$57,210	\$57,210	\$36,233	\$36,233
001	3120	JTI1	POL	Police: General Administration	LIGALY ANTI VIOLENCE	\$74,538	\$47,500	\$47,500	\$47,500	\$47,500
001	6010	JTH1	DSS	Family, Children & Adult Services	LIGALY FOSTER CARE & ADOPTION	\$149,386	\$135,000	\$135,000	\$135,000	\$135,000
001	7320	AKD1	EXE	Youth Bureau/Office For Child	LINDENHURST YTH SVCS BOARD IN	\$87,816	\$79,034	\$79,034	\$79,034	\$79,034
192	6414	JQW1	EDP	Cultural Affairs	LISCA	\$5,000	\$5,000	\$5,000	\$0	\$0
192	7512	JPZ1	PKS	Museums & Historic Associations	LOYD HARBOR HISTORICAL SOCIETY	\$0	\$5,000	\$5,000	\$0	\$0
001	6004	JSM1	DSS	Soc Svc: Commodities Dist	LOAVES AND FISHES OF THE UMCLR	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
192	6414	JPR1	EDP	Cultural Affairs	LONG HOUSE RESERVE	\$6,000	\$6,000	\$6,000	\$0	\$0
001	6511	HWX1	EXE	Minority Affairs	LONG ISLAND ACT-SO PROGRAM	\$10,000	\$9,000	\$9,000	\$9,000	\$9,000
001	3193	HTZ1	PRO	Alternatives For Youth	LONG ISLAND ADVOCACY CENTER (AFY)	\$188,107	\$194,880	\$194,880	\$194,880	\$194,880
001	3145	HTY1	PRO	Pins Diversion Plan	LONG ISLAND ADVOCACY CENTER (PINS DIVERSION)	\$249,923	\$248,719	\$248,719	\$248,719	\$248,719
001	3140	JEB1	PRO	Prob: General Administration	LONG ISLAND ADVOCACY CENTER, INC.	\$174,339	\$0	\$0	\$0	\$0
001	3142	JEB1	PRO	Placement Reduction Program	LONG ISLAND ADVOCACY CENTER, INC.	\$0	\$180,000	\$180,000	\$180,000	\$180,000

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	3164	JVX1	PRO	Project DOVE FY 15	LONG ISLAND AGAINST DOMESTIC VIOLENCE	\$0	\$0	\$552,048	\$0	\$0
001	3176	JVR1	PRO	Byrne JAG FY 15	LONG ISLAND AGAINST DOMESTIC VIOLENCE	\$0	\$0	\$4,409	\$0	\$0
001	6004	AKL3	DSS	Soc Svc: Commodities Dist	LONG ISLAND CARES	\$218,042	\$197,079	\$197,079	\$219,877	\$197,079
192	7512	JQC1	PKS	Museums & Historic Associations	LONG ISLAND CHILDREN'S EXPLORIUM	\$5,444	\$5,444	\$5,444	\$0	\$0
001	4310	JGD1	HSV	Div Of Comm Mental Hygiene	LONG ISLAND GAY & LESBIAN YOUTH	\$116,044	\$106,082	\$106,082	\$106,082	\$106,082
001	4330	JPE1	HSV	Hs Community Support Svc	LONG ISLAND HOME PARTIAL HOSPITALIZATION	\$43,679	\$44,284	\$44,284	\$44,284	\$44,284
192	6414	JKZ1	EDP	Cultural Affairs	LONG ISLAND LATINO TEACHERS ASSOCIATION, INC.	\$10,000	\$10,000	\$10,000	\$0	\$0
192	6414	JY1	EDP	Cultural Affairs	LONG ISLAND PHILHARMONIC, INC.	\$12,500	\$12,500	\$0	\$0	\$0
192	6414	JHA1	EDP	Cultural Affairs	LONG ISLAND WINE COUNCIL	\$15,000	\$15,000	\$15,000	\$0	\$0
192	7512	JHT1	PKS	Museums & Historic Associations	LONG MUSEUM OF AMERICAN ART HISTORY AND CARRIAGES	\$11,784	\$12,500	\$12,500	\$0	\$0
192	6414	JNX1	EDP	Cultural Affairs	LUMIERE	\$6,000	\$6,000	\$6,000	\$0	\$0
001	4310	AKT1	HSV	Div Of Comm Mental Hygiene	MADONNA HEIGHTS	\$942,669	\$1,016,113	\$1,016,333	\$1,018,344	\$1,018,344
001	4100	HNT1	HSV	Hs: Patient Care Svcs Adm	MARCH OF DIMES - PERINATAL PROGRAM @ SUNY SB	\$86,514	\$44,550	\$44,550	\$0	\$0
001	7320	HFV1	EXE	Youth Bureau/Office For Child	MARVAVERY PALMORE CTR.OF HOPE	\$49,112	\$45,000	\$45,000	\$45,000	\$45,000
001	4330	ALC1	HSV	Hs Community Support Svc	MARYHAVEN	\$471,012	\$510,338	\$510,338	\$510,338	\$510,338
001	4330	JAW1	HSV	Hs Community Support Svc	MARYHAVEN PROS RIVERHEAD	\$124,067	\$101,936	\$101,044	\$101,044	\$101,044
001	4330	JAX1	HSV	Hs Community Support Svc	MARYHAVEN PROS YAPHANK	\$36,664	\$36,664	\$37,560	\$37,560	\$37,560
192	6414	JEY1	EDP	Cultural Affairs	MASTIC BEACH PROPERTY OWNERS ASSOCIATION	\$5,264	\$6,000	\$6,000	\$0	\$0
192	6414	HWF1	EDP	Cultural Affairs	MEDFORD CHAMBER OF COMMERCE	\$14,606	\$17,500	\$17,500	\$0	\$0
001	7323	ALM1	EXE	Comprehensive Plning-Runaway	MERCY CENTER	\$201,568	\$197,940	\$197,940	\$197,940	\$197,940
001	6015	JEL1	DSS	Dss: Public Assist Admin	MIDDLE COUNTRY LIBRARY DATABASE RESOURCE	\$40,666	\$36,599	\$36,599	\$36,599	\$36,599
001	7320	GHQ1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY YOUTH ASSN	\$14,373	\$13,500	\$13,500	\$0	\$0
192	7512	HOC1	PKS	Museums & Historic Associations	MILLER PLACE-MT. SINAI HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	6010	GZQ1	DSS	Family, Children & Adult Services	MINISTRY FOR HOPE, INC.	\$13,214	\$11,893	\$11,893	\$11,893	\$11,893
001	7320	JRQ1	EXE	Youth Bureau/Office For Child	MODEL STUDENT EDUCATION CENTER INC.	\$5,000	\$4,500	\$4,500	\$0	\$0
192	7512	JHQ1	PKS	Museums & Historic Associations	MONTAUK HISTORICAL SOCIETY	\$12,925	\$14,875	\$14,875	\$0	\$0
192	7512	JRI1	PKS	Museums & Historic Associations	MORICHES BAY HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
192	6414	JTN1	EDP	Cultural Affairs	MOUNT SINAI HERITAGE TRUST	\$5,000	\$5,000	\$5,000	\$0	\$0
001	6008	GKP1	DSS	Housing Division	NASSAU/SUFFOLK COALTN HOMELESS	\$32,571	\$32,720	\$32,720	\$32,720	\$32,720
360	6204	JVN1	DSS	MEDICAID COMPLIANCE	NASSAU-SUFFOLK HOSPITAL COUNCIL, INC.	\$260,960	\$0	\$559,259	\$0	\$0
001	4330	HYO1	HSV	Hs Community Support Svc	NASSAU-SUFFOLK LAW SERVICES	\$199,761	\$199,761	\$199,761	\$199,761	\$199,761
192	6414	HHJ1	EDP	Cultural Affairs	NECONSET CHAMBER OFCOMMERCE	\$21,250	\$22,500	\$22,500	\$0	\$0
001	4320	JVO1	HSV	Hs: Mental Health Pgms	NEW HORIZON MH CLINIC	\$110,335	\$310,564	\$310,564	\$310,564	\$0
001	4330	JVO1	HSV	Hs Community Support Svc	NEW HORIZON MH CLINIC	\$146,751	\$0	\$0	\$0	\$0
001	7110	JUC1	PKS	Parks, Rec & Conservation	NISSEQUOQUE RIVER STATE PARK FOUNDATION	\$0	\$4,500	\$4,500	\$4,500	\$0
001	3183	JUF1	PRO	LI Regional Youth Grant	NORTH AMERICAN FAMILY INST. YPI TRAINING	\$30,000	\$0	\$30,000	\$0	\$0
001	7320	AMK1	EXE	Youth Bureau/Office For Child	NORTH BABYLON TEEN CENTER INC	\$34,123	\$30,711	\$30,711	\$30,711	\$30,711
192	6414	JID1	EDP	Cultural Affairs	NORTH FORK COMMUNITY THEATER	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	AMN1	EXE	Youth Bureau/Office For Child	NORTH SHORE YOUTH COUNCIL	\$175,009	\$157,508	\$157,508	\$135,755	\$135,755
192	7512	JQA1	PKS	Museums & Historic Associations	NORTHPORT HISTORICAL SOCIETY	\$5,253	\$5,750	\$5,750	\$0	\$0
001	4330	JWU1	HSV	Hs Community Support Svc	OPTIONS MOBILE	\$0	\$0	\$298,713	\$252,913	\$344,513
001	6004	JRM1	DSS	Soc Svc: Commodities Dist	OUR DAILY BREAD	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	6004	HOR1	DSS	Soc Svc: Commodities Dist	OUR LADY OF LOURDES PARISH OUTREACH	\$0	\$4,500	\$4,500	\$4,500	\$4,500
001	6015	HOR1	DSS	Dss: Public Assist Admin	OUR LADY OF LOURDES PARISH OUTREACH	\$4,743	\$0	\$0	\$0	\$0

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Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	4310	JQH1	HSV	Div Of Comm Mental Hygiene	OUTREACH DEVELOPMENT CORP-TREATMENT	\$475,779	\$759,432	\$762,877	\$764,059	\$764,059
192	7512	JW11	PKS	Museums & Historic Associations	OYSTER POND HISTORICAL SOCIETY	\$0	\$5,000	\$5,000	\$0	\$0
001	3120	GHD1	POL	Police: General Administration	PARENTS FOR MEGAN'S LAW	\$358,820	\$300,914	\$354,349	\$354,349	\$354,349
001	3192	JOK1	PRO	2014 Byrne JAG	PARENTS FOR MEGAN'S LAW	\$4,968	\$0	\$5,031	\$0	\$0
001	3120	JB11	POL	Police: General Administration	PARENTS FOR MEGAN'S LAW CRIME VICTIMS CENTER	\$24,983	\$45,000	\$25,000	\$25,000	\$25,000
001	3120	JQU1	POL	Police: General Administration	PARENTS FOR MEGAN'S LAW:COMMUNITY PROTECTION ACT	\$776,044	\$768,101	\$767,186	\$768,101	\$768,101
192	6414	HJN1	EDP	Cultural Affairs	PARISH ART MUSEUM	\$10,000	\$10,000	\$10,000	\$0	\$0
192	6414	JPJ1	EDP	Cultural Affairs	PATCHOGUE ARTS COUNCIL, INC.	\$10,000	\$10,000	\$10,000	\$0	\$0
192	7512	JPU1	PKS	Museums & Historic Associations	PATCHOGUE HISTORICAL SOCIETY	\$9,901	\$11,000	\$11,000	\$0	\$0
001	7320	GAC1	EXE	Youth Bureau/Office For Child	PATCHOGUE MEDFORD YOUTH	\$110,681	\$99,613	\$99,613	\$99,613	\$99,613
001	6004	JRK1	DSS	Soc Svc: Commodities Dist	PATCHOGUE NEIGHBORS INN	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
192	6414	GWZ1	EDP	Cultural Affairs	PATCHOGUE THEATER FOR PERFORM	\$10,000	\$12,500	\$12,500	\$0	\$0
192	6414	JRA1	EDP	Cultural Affairs	PATTERNSQUASH CREEK CIVIC ASSOC	\$4,823	\$5,000	\$5,000	\$0	\$0
001	6008	HYN1	DSS	Housing Division	PECONIC COMMUNITY COUNCIL	\$38,875	\$36,487	\$36,487	\$36,487	\$36,487
001	4330	GEC1	HSV	Hs Community Support Svc	PEDERSEN KRAG ACT TEAM	\$99,289	\$120,556	\$90,417	\$120,556	\$0
001	4330	GKU1	HSV	Hs Community Support Svc	PEDERSEN KRAG CLINIC (AOT)	\$88,858	\$104,698	\$122,250	\$140,000	\$0
001	3199	JQG1	PRO	JUSTICE ASSISTANCE GRANT	PEDERSON KRAG	\$0	\$0	\$1,000	\$0	\$0
001	4330	GPN1	HSV	Hs Community Support Svc	PEDERSON KRAG ACT TEAM	\$120,556	\$120,556	\$90,417	\$120,556	\$0
001	4330	GGH1	HSV	Hs Community Support Svc	PEDERSON KRAG C & Y TRAINING	\$19,867	\$19,867	\$14,900	\$19,867	\$0
001	4330	GUU1	HSV	Hs Community Support Svc	PEDERSON KRAG C&F EMERGENCY CARE	\$290,329	\$302,680	\$227,010	\$302,680	\$0
001	4330	GUS1	HSV	Hs Community Support Svc	PEDERSON KRAG CASE MGMT TRAIN	\$4,000	\$4,000	\$3,000	\$4,000	\$0
001	4330	GGG1	HSV	Hs Community Support Svc	PEDERSON KRAG FAM SUPP/RESPT	\$373,608	\$406,401	\$304,801	\$406,401	\$0
001	4330	GGF1	HSV	Hs Community Support Svc	PEDERSON KRAG MICA-TFIP	\$550,349	\$589,665	\$442,249	\$589,665	\$0
001	4330	JAY1	HSV	Hs Community Support Svc	PEDERSON KRAG PROS CORAM	\$163,632	\$163,632	\$126,078	\$168,104	\$0
001	4330	JAZ1	HSV	Hs Community Support Svc	PEDERSON KRAG PROS SMITHTOWN	\$105,080	\$79,580	\$80,847	\$107,796	\$0
001	4330	PKP1	HSV	Hs Community Support Svc	PEDERSON KRAG PSYCHOSOC/DROP	\$70,302	\$70,636	\$52,977	\$70,636	\$0
001	4330	GPM1	HSV	Hs Community Support Svc	PEDERSON KRAG SPOA	\$197,527	\$204,411	\$153,308	\$204,411	\$0
001	4330	ANL2	HSV	Hs Community Support Svc	PEDERSON KRAG SUPPRTV CASE MGT	\$220,287	\$327,600	\$245,700	\$327,600	\$0
001	4310	ANL7	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG CLINIC INC (96%)	-\$172,492	\$1,050,219	\$1,077,068	\$0	\$0
001	4320	ANL5	HSV	Hs: Mental Health Pgms	PEDERSON-KRAG CLINIC INC (96%)	\$400,457	\$0	\$0	\$0	\$0
001	4330	ANL5	HSV	Hs Community Support Svc	PEDERSON-KRAG CLINIC INC (96%)	\$261,300	\$0	\$0	\$0	\$0
001	4310	ANL9	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG COMPUL GAMBLING	\$49,442	\$87,562	\$4,704	\$0	\$0
001	4330	GST1	HSV	Hs Community Support Svc	PEDERSON-KRAG CTR INC SCHOOL S	\$46,230	\$0	\$0	\$0	\$0
192	6414	JPO1	EDP	Cultural Affairs	PERFORMING ARTS CENTER OF SUFFOLK COUNTY	\$20,000	\$20,000	\$20,000	\$0	\$0
001	4330	JJA1	HSV	Hs Community Support Svc	PHOENIX HOUSE	\$34,751	\$64,380	\$67,068	\$67,068	\$67,068
001	4330	GPB1	HSV	Hs Community Support Svc	PHOENIX HOUSE RESIDENTIAL PGM	\$110,592	\$112,545	\$112,545	\$112,545	\$112,545
192	6415	JRC1	EDP	Film Promotion	PLAZA CINEMA AND MEDIA ARTS CENTER	\$23,000	\$24,996	\$24,996	\$0	\$0
001	7320	ANO1	EXE	Youth Bureau/Office For Child	POLICE ATHLETIC LEAGUE-CITYWIDE	\$99,657	\$93,596	\$93,596	\$93,596	\$93,596
192	7512	JLD1	PKS	Museums & Historic Associations	PORT JEFFERSON HISTORICAL SOCIETY	\$4,931	\$5,000	\$5,000	\$0	\$0
001	3192	JOM1	PRO	2014 Byrne JAG	PRISON FAMILIES ANONYMOUS	\$9,882	\$0	\$117	\$0	\$0
001	4310	JAC1	HSV	Div Of Comm Mental Hygiene	PROJECT OUTREACH	\$7,128	\$26,517	\$26,517	\$26,517	\$26,517
001	6004	JRP1	DSS	Soc Svc: Commodities Dist	PRONTO OF LONG ISLAND	\$4,988	\$4,500	\$4,500	\$4,500	\$4,500
001	6511	HIV1	EXE	Minority Affairs	PRONTO OF LONG ISLAND	\$8,595	\$8,100	\$8,100	\$0	\$0
192	6414	HOW1	EDP	Cultural Affairs	PUERTO RICAN COALITION FOR BETTER COMMUNITY	\$5,000	\$5,000	\$5,000	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
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	\$125,211	\$112,690	\$112,690	\$112,690	\$112,690
001	7320	AOE1	EXE	Youth Bureau/Office For Child	RESPONSE OF SUFFOLK COUNTY IN	\$42,330	\$38,097	\$38,097	\$38,097	\$38,097
001	7325	AOF1	EXE	Spec Dngncy Prevention Pgm	RESPONSE OF SUFFOLK COUNTY IN	\$35,560	\$32,004	\$32,004	\$32,004	\$32,004
001	3176	JVV1	PRO	Byrne JAG FY 15	RETREAT, INC.	\$0	\$0	\$4,408	\$0	\$0
001	7320	AOJ1	EXE	Youth Bureau/Office For Child	RIVERHEAD COMM AWARENESS PROG	\$108,921	\$104,127	\$104,127	\$104,127	\$104,127
001	4310	AOH1	HSV	Div Of Comm Mental Hygiene	RIVERHEAD COMMUNITY AWARENESS	\$266,239	\$310,104	\$310,221	\$310,830	\$310,830
001	7320	AOO1	EXE	Youth Bureau/Office For Child	RIVERHEAD TEEN CENTER	\$29,154	\$26,239	\$26,239	\$26,239	\$26,239
192	7512	ADQ1	PKS	Museums & Historic Associations	ROCKY POINT HISTORICAL SOCIETY	\$4,591	\$5,000	\$5,000	\$0	\$0
001	7320	AOV1	EXE	Youth Bureau/Office For Child	S SHORE BOYS CLUB INC SAYVILLE	\$101,608	\$91,447	\$91,447	\$91,447	\$91,447
001	6777	HZW1	EXE	Comm Svcs For The Elderly	S.A.G.E. LONG ISLAND	\$99,483	\$124,375	\$124,375	\$124,375	\$124,375
001	4330	ASR1	HSV	Hs Community Support Svc	S.U.N.Y. SAYVILLE	\$259,717	\$257,800	\$257,800	\$257,800	\$257,800
192	6414	JQM1	EDP	Cultural Affairs	SACHEM PUBLIC LIBRARY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	AQZ1	EXE	Youth Bureau/Office For Child	SACHEM TEEN CENTER INC	\$93,415	\$84,073	\$84,073	\$84,073	\$84,073
001	6004	HWA1	DSS	Soc Svc: Commodities Dist	SAG HARBOR FOOD PANTRY	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
192	7512	JPD1	PKS	Museums & Historic Associations	SAG HARBOR HISTORICAL SOCIETY	\$4,891	\$5,000	\$5,000	\$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	\$45,210	\$40,689	\$40,689	\$40,689	\$40,689
001	6004	HP11	DSS	Soc Svc: Commodities Dist	SAINT JOHN THE EVANGELIST ROMAN CATHOLIC CHURCH FOOD PANTRY	\$3,779	\$4,500	\$4,500	\$4,500	\$4,500
192	7512	JTQ1	PKS	Museums & Historic Associations	SAYVILLE HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	4330	APK2	HSV	Hs Community Support Svc	SAYVILLE PROJ PSYCHOSOC/DROP	-\$360	\$0	\$0	\$0	\$0
001	4330	APK1	HSV	Hs Community Support Svc	SAYVILLE PROJ SUPPRTV CASE MGT	\$245,343	\$379,440	\$379,440	\$379,440	\$379,440
001	4330	HYP1	HSV	Hs Community Support Svc	SAYVILLE PROJECT ADULT HOME CASE MGT.	\$46,464	\$0	\$0	\$0	\$0
001	6015	GNI1	DSS	Dss: Public Assist Admin	SC COALITION AGAINST DOM VIO	\$40,315	\$44,174	\$44,174	\$44,174	\$44,174
001	6017	GNK1	DSS	Domestic Violence Programs	SC COALITION AGAINST DOM VIO	\$562,237	\$604,416	\$604,416	\$604,416	\$604,416
001	7320	DD11	EXE	Youth Bureau/Office For Child	SC POLICE ATHELETIC LEAGUE	\$23,543	\$21,189	\$21,189	\$21,189	\$21,189
001	6010	JDW1	DSS	Family, Children & Adult Services	SCO FAMILY OF SERVICES, INC	\$756,589	\$745,527	\$745,527	\$745,527	\$745,527
001	7320	HXP1	EXE	Youth Bureau/Office For Child	SECA	\$7,200	\$6,480	\$0	\$0	\$0
001	7320	APT1	EXE	Youth Bureau/Office For Child	SELDEN-CENTEREACH YTH ASSN IN	\$132,764	\$119,488	\$119,488	\$119,488	\$119,488
001	6017	JLR1	DSS	Domestic Violence Programs	SEPA MUJER	\$5,000	\$4,500	\$4,500	\$0	\$0
360	6204	JEM1	DSS	MEDICAID COMPLIANCE	SERVISAIR, LLC	\$320,717	\$0	\$0	\$0	\$0
192	7512	JMN1	PKS	Museums & Historic Associations	SHELTER ISLAND HISTORICAL SOCIETY	\$3,812	\$5,000	\$5,000	\$0	\$0
001	4330	AQA2	HSV	Hs Community Support Svc	SKILLS UNLIMITED	\$478,368	\$479,681	\$479,681	\$479,681	\$479,681
001	4330	JIZ1	HSV	Hs Community Support Svc	SKILLS UNLIMITED	\$49,180	\$49,180	\$59,344	\$39,344	\$39,344
001	4320	AQA4	HSV	Hs: Mental Health Pgms	SKILLS UNLIMITED (98%)	\$272,567	\$278,253	\$280,055	\$280,055	\$280,055
192	6414	GXG1	EDP	Cultural Affairs	SMITHTOWN CHMBR OF COMM	\$0	\$5,000	\$5,000	\$0	\$0
192	7512	GFW1	PKS	Museums & Historic Associations	SMITHTOWN HISTORICAL SOCIETY	\$8,739	\$12,000	\$12,000	\$0	\$0
192	6414	JW11	EDP	Cultural Affairs	SMITHTOWN PERFORMING ARTS COUNCIL, INC.	\$50,000	\$50,000	\$50,000	\$0	\$0
001	7320	AQI2	EXE	Youth Bureau/Office For Child	SNAP	\$248,703	\$233,705	\$233,705	\$233,705	\$233,705
192	7512	JPW1	PKS	Museums & Historic Associations	SOUTH FORK NATURAL HISTORY MUSEUM	\$3,008	\$5,000	\$5,000	\$0	\$0
192	6414	HVP1	EDP	Cultural Affairs	SOUTHAMPTON CULTURAL CENTER	\$5,000	\$5,000	\$5,000	\$0	\$0
192	7512	JTR1	PKS	Museums & Historic Associations	SOUTHAMPTON HISTORICAL SOCIETY	\$4,205	\$5,000	\$5,000	\$0	\$0
001	4310	AQX2	HSV	Div Of Comm Mental Hygiene	SOUTHMP TN ALTERNATIVE/EAST END	\$766,020	\$888,915	\$933,207	\$893,170	\$893,170
192	7512	JRJ1	PKS	Museums & Historic Associations	SOUTHOLD HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	ARH1	EXE	Youth Bureau/Office For Child	SOUTHOLD YOUTH BUREAU	\$9,063	\$8,157	\$8,157	\$8,157	\$8,157

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
192	6414	JPQ1	EDP	Cultural Affairs	SPIRIT OF HUNTINGTON ARTS CENTER	\$4,820	\$5,000	\$5,000	\$0	\$0
192	6414	HQB1	EDP	Cultural Affairs	SPLASHES OF HOPE	\$5,000	\$5,000	\$5,000	\$0	\$0
001	6004	QJD1	DSS	Soc Svc: Commodities Dist	SPRINGS FOOD PANTRY	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	7320	HGM1	EXE	Youth Bureau/Office For Child	ST CYRIL & METHODIUS OUTREACH	\$7,086	\$6,350	\$6,350	\$6,302	\$6,302
001	6004	JBS1	DSS	Soc Svc: Commodities Dist	ST. ELIZABETH'S PARISH OUTREACH	\$5,000	\$4,500	\$4,500	\$0	\$0
001	6004	JLN1	DSS	Soc Svc: Commodities Dist	ST. FRANCIS DESALES OUTREACH	\$3,156	\$4,500	\$4,500	\$4,500	\$4,500
001	6004	JTV1	DSS	Soc Svc: Commodities Dist	ST. PAUL'S REFORMED CHURCH	\$3,188	\$4,500	\$4,500	\$4,500	\$4,500
001	6004	JBR1	DSS	Soc Svc: Commodities Dist	ST. PETER'S LUTHERAN CHURCH OUTREACH	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	6004	JLQ1	DSS	Soc Svc: Commodities Dist	ST. SYLVESTER PARISH OUTREACH	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	7320	HGO1	EXE	Youth Bureau/Office For Child	ST. HUGH'S OUTREACH	\$0	\$4,500	\$4,500	\$4,500	\$4,500
192	6415	HBP1	EDP	Film Promotion	STALLER FILM FESTIVAL	\$23,000	\$24,996	\$24,996	\$0	\$0
192	6414	JPN1	EDP	Cultural Affairs	STAR PLAYHOUSE AT THE SUFFOLK Y JCC	\$42,500	\$42,500	\$42,500	\$0	\$0
001	7320	ARY1	EXE	Youth Bureau/Office For Child	SUFFOLK CNTY SPECIAL OLYMPICS	\$63,881	\$57,493	\$57,493	\$57,493	\$57,493
001	7320	ASA1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY BOY SCOUTS	\$8,151	\$7,336	\$7,336	\$7,336	\$7,336
001	3653	JMX1	POL	SCOPE 2010	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	\$73,941	\$0	\$0	\$0	\$0
001	3178	GDE1	PRO	Stop Violence Against Women	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	\$44,717	\$32,115	\$44,615	\$32,115	\$32,115
001	7320	ASC1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY GIRL SCOUTS IN	\$13,833	\$12,450	\$12,450	\$12,450	\$12,450
192	7516	JGH1	MSC	Museums & Historic Associations	SUFFOLK COUNTY HISTORICAL SOCIETY	\$295,248	\$300,000	\$300,000	\$300,000	\$0
192	7512	JGH1	PKS	Museums & Historic Associations	SUFFOLK COUNTY HISTORICAL SOCIETY	\$0	\$0	\$0	\$0	\$300,000
001	4130	JPB1	HSV	Wic Grant	SUFFOLK COUNTY PERINATAL COALITION	\$136,155	\$0	\$0	\$0	\$0
001	4130	JPB1	HSV	Wic Grant	SUFFOLK COUNTY PERINATAL COALITION	\$0	\$0	\$126,666	\$0	\$0
001	6017	GHC1	DSS	Domestic Violence Programs	SUFFOLKCTY COALITION (VAP)	\$71,674	\$149,561	\$72,766	\$72,766	\$72,766
001	4813	JQE1	HSV	Services To Disabled Children	SUFFOLK Y JCC-CENTER FOR SPECIAL NEEDS	\$35,000	\$31,500	\$31,500	\$28,000	\$28,000
001	6370	JKM1	LAB	Labor: Administration	SUFFOLK Y JCC-CONNECT TO CARE	\$19,000	\$17,100	\$17,100	\$17,100	\$17,100
001	6010	JKF1	DSS	Family, Children & Adult Services	SUFFOLK Y JCC-KIDSPACE	\$49,706	\$44,775	\$44,775	\$44,775	\$44,775
001	6773	JKL1	EXE	Senior Support Programs	SUFFOLK Y JCC-SENIOR CENTER	\$92,625	\$173,510	\$173,510	\$173,510	\$173,510
001	6010	JKH1	DSS	Family, Children & Adult Services	SUFFOLK Y JCC-TRANSITIONAL FAMILIES	\$69,650	\$62,685	\$62,685	\$62,685	\$62,685
001	3192	JTJ1	PRO	2014 Byrne JAG	SUNSHINE PREVENTION	\$0	\$0	\$7,314	\$0	\$0
192	6414	JTK1	EDP	Cultural Affairs	SYLVESTER MANOR	\$5,000	\$5,000	\$5,000	\$0	\$0
192	6414	JHW1	EDP	Cultural Affairs	TEATRO EXPERIMENTAL YERBABRUJA, INC.	\$19,191	\$20,000	\$20,000	\$0	\$0
192	7512	JRH1	PKS	Museums & Historic Associations	TESLA MUSEUM	\$4,451	\$5,000	\$5,000	\$0	\$0
001	4330	JWP1	HSV	HS Community Support Svc	THE ASSOC. MH & WELLNESS RECOVERY CENTER	\$127,000	\$0	\$250,000	\$250,000	\$250,000
192	7512	JNV1	PKS	Museums & Historic Associations	THE BELLPORT BROOKHAVEN HISTORICAL SOCIETY	\$7,593	\$10,000	\$10,000	\$0	\$0
192	6414	JTP1	EDP	Cultural Affairs	THE COLTRANE HOME	\$3,952	\$5,000	\$5,000	\$0	\$0
001	8050	JRS1	EXE	Handicapped Services	THE DISABILITY OPPORTUNITY FUND	\$39,952	\$36,000	\$36,000	\$0	\$0
001	6004	HTC1	DSS	Soc Svc: Commodities Dist	THE GREATER SAYVILLE FOOD PANTRY	\$5,000	\$4,500	\$4,500	\$4,500	\$4,500
001	7320	JRR1	EXE	Youth Bureau/Office For Child	THE GUIDANCE CENTER SERVICES INC.	\$4,855	\$4,500	\$4,500	\$0	\$0
192	6414	JPK1	EDP	Cultural Affairs	THE REBOLI CENTER FOR ART AND HISTORY	\$10,000	\$10,000	\$10,000	\$0	\$0
001	3178	GDF1	PRO	Stop Violence Against Women	THE RETREAT	\$55,871	\$36,784	\$51,784	\$36,784	\$36,784
001	3199	JQF1	PRO	JUSTICE ASSISTANCE GRANT	THE RETREAT	\$945	\$0	\$0	\$0	\$0
001	6015	GEJ1	DSS	Dss: Public Assist Admin	THE RETREAT INC	\$22,088	\$22,088	\$22,088	\$22,088	\$22,088
001	6017	ASX1	DSS	Domestic Violence Programs	THE RETREAT, INC.	\$209,614	\$188,541	\$188,541	\$188,541	\$188,541
001	7320	GDT1	EXE	Youth Bureau/Office For Child	THE SUNSHINE CENTER INC	\$29,708	\$26,737	\$26,737	\$26,533	\$26,533
192	6414	JNY1	EDP	Cultural Affairs	THEATER THREE	\$15,000	\$15,000	\$15,000	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	7320	ASY1	EXE	Youth Bureau/Office For Child	THREE VILLAGE COMMUNITY SVCS	\$134,853	\$121,368	\$121,368	\$101,528	\$101,528
192	7512	HEP1	PKS	Museums & Historic Associations	THREE VILLAGE HISTORICAL SOC.	\$10,666	\$11,000	\$11,000	\$0	\$0
001	4100	HQL1	HSV	Hs: Patient Care Svcs Adm	THURSDAY'S CHILD	\$110,000	\$110,000	\$110,000	\$0	\$0
001	6073	JSO1	DSS	Dss: Child Support Enforcement	TOURO COLLEGE-FAMILY LAW CLINIC	\$25,000	\$24,500	\$24,500	\$24,500	\$24,500
001	6015	JGT1	DSS	Dss: Public Assist Adm	TOURO LAW CENTER-MORTGAGE FORECLOSURE AND BANKRUPTCY LAW CLI	\$37,148	\$33,433	\$33,433	\$33,433	\$33,433
001	6772	JGS1	EXE	Older Americans Act Programs	TOURO LAW SCHOOL	\$234,820	\$238,090	\$238,090	\$238,090	\$238,090
001	6772	GEL1	EXE	Older Americans Act Programs	TOWN OF BABYLON	\$24,159	\$24,111	\$24,111	\$24,111	\$24,111
001	7323	ASZ1	EXE	Comprehensive Plning-Runaway	TOWN OF BABYLON	\$18,203	\$16,383	\$16,383	\$16,383	\$16,383
001	7326	JSQ1	EXE	State Funded Youth Programs	TOWN OF BABYLON	\$185,394	\$0	\$165,914	\$0	\$165,914
001	7326	JSQ1	EXE	State Funded Youth Programs	TOWN OF BABYLON	\$0	\$165,914	\$0	\$165,914	\$0
001	4310	JAE1	HSV	Div Of Comm Mental Hygiene	TOWN OF BABYLON	\$0	\$1,805	\$1,805	\$0	\$0
001	4310	ATC1	HSV	Div Of Comm Mental Hygiene	TOWN OF BABYLON NARC GUID CNC	\$180,192	\$430,360	\$431,999	\$432,700	\$432,700
001	7320	JIK1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON UJIMA PROGRAM	\$10,000	\$9,000	\$9,000	\$0	\$0
001	7320	GLA1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON YOUTH BUREAU	\$78,937	\$71,043	\$71,043	\$71,043	\$71,043
192	7512	JHL1	PKS	Museums & Historic Associations	TOWN OF BABYLON, OLD TOWN HALL MUSEUM, BABYLON	\$1,834	\$10,000	\$10,000	\$0	\$0
001	6772	GEM1	EXE	Older Americans Act Programs	TOWN OF BROOKHAVEN	\$16,289	\$24,063	\$24,063	\$24,063	\$24,063
001	7320	ATJ1	EXE	Youth Bureau/Office For Child	TOWN OF BROOKHAVEN	\$21,374	\$19,237	\$19,237	\$19,237	\$19,237
001	7326	JSR1	EXE	State Funded Youth Programs	TOWN OF BROOKHAVEN	\$296,520	\$0	\$277,040	\$0	\$277,040
001	7326	JSR1	EXE	State Funded Youth Programs	TOWN OF BROOKHAVEN	\$0	\$277,040	\$0	\$277,040	\$0
001	6772	GEV1	EXE	Older Americans Act Programs	TOWN OF EAST HAMPTON	\$25,708	\$25,657	\$25,657	\$25,657	\$25,657
001	6777	JZJ1	EXE	Comm Svcs For The Elderly	TOWN OF EAST HAMPTON	\$12,836	\$19,283	\$19,283	\$19,283	\$19,283
001	3166	AUA1	PRO	High Visibility Road Check Project	TOWN OF EAST HAMPTON	\$0	\$0	\$17,500	\$0	\$0
001	3186	AUA1	PRO	STOP-DWI High Visibility Road Check	TOWN OF EAST HAMPTON	\$14,187	\$0	\$0	\$0	\$0
001	3198	AUA1	PRO	STOP-DWI	TOWN OF EAST HAMPTON	\$22,756	\$24,220	\$24,220	\$24,220	\$24,220
115	3135	ATZ1	POL	Town & Village Revenue Sharing	TOWN OF EAST HAMPTON	\$796,017	\$900,917	\$900,917	\$1,005,817	\$1,005,817
001	6772	GEN1	EXE	Older Americans Act Programs	TOWN OF HUNTINGTON	\$24,159	\$24,111	\$24,111	\$24,111	\$24,111
001	7323	AUC1	EXE	Comprehensive Plning-Runaway	TOWN OF HUNTINGTON	\$7,080	\$6,372	\$6,372	\$6,125	\$6,125
001	7326	JSS1	EXE	State Funded Youth Programs	TOWN OF HUNTINGTON	\$153,257	\$0	\$133,777	\$0	\$133,777
001	7326	JSS1	EXE	State Funded Youth Programs	TOWN OF HUNTINGTON	\$0	\$133,777	\$0	\$133,777	\$0
001	4310	JAF1	HSV	Div Of Comm Mental Hygiene	TOWN OF HUNTINGTON	\$3,900	\$7,235	\$7,235	\$7,235	\$7,235
404	8131	DDM1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	TOWN OF HUNTINGTON	\$144,701	\$144,701	\$144,701	\$144,701	\$144,701
001	7320	AUD1	EXE	Youth Bureau/Office For Child	TOWN OF HUNTINGTON YOUTH BOARD	\$112,103	\$100,893	\$100,893	\$100,893	\$100,893
001	4310	AUG1	HSV	Div Of Comm Mental Hygiene	TOWN OF HUNTINGTON/STARSHINE	\$540,529	\$655,671	\$658,166	\$659,233	\$659,233
001	6772	GEP1	EXE	Older Americans Act Programs	TOWN OF ISLIP	\$20,781	\$24,111	\$24,111	\$24,111	\$24,111
001	7320	AUJ1	EXE	Youth Bureau/Office For Child	TOWN OF ISLIP	\$68,794	\$61,915	\$61,915	\$61,915	\$61,915
001	7323	AUI1	EXE	Comprehensive Plning-Runaway	TOWN OF ISLIP	\$16,468	\$14,821	\$14,821	\$14,821	\$14,821
001	7325	AUK1	EXE	Spec Dinqncy Prevention Pgm	TOWN OF ISLIP	\$46,338	\$41,704	\$41,704	\$41,704	\$41,704
001	7326	JST1	EXE	State Funded Youth Programs	TOWN OF ISLIP	\$195,091	\$0	\$175,611	\$0	\$175,611
001	7326	JST1	EXE	State Funded Youth Programs	TOWN OF ISLIP	\$0	\$175,611	\$0	\$175,611	\$0
001	6772	GEQ1	EXE	Older Americans Act Programs	TOWN OF RIVERHEAD	\$21,896	\$26,263	\$26,263	\$26,263	\$26,263
001	7326	JSU1	EXE	State Funded Youth Programs	TOWN OF RIVERHEAD	\$31,324	\$0	\$31,324	\$0	\$31,324
001	7326	JSU1	EXE	State Funded Youth Programs	TOWN OF RIVERHEAD	\$0	\$31,324	\$0	\$31,324	\$0
001	3166	AUV1	PRO	High Visibility Road Check Project	TOWN OF RIVERHEAD	\$0	\$0	\$17,500	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	3186	AUV1	PRO	STOP-DWI High Visibility Road Check FY15	TOWN OF RIVERHEAD	\$18,095	\$0	\$0	\$0	\$0
001	3198	AUV1	PRO	STOP-DWI	TOWN OF RIVERHEAD	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
115	3135	AUW1	POL	Town & Village Revenue Sharing	TOWN OF RIVERHEAD	\$1,536,555	\$1,536,455	\$1,536,455	\$1,715,355	\$1,715,355
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	6777	JKA1	EXE	Comm Svcs For The Elderly	TOWN OF SHELTER ISLAND	\$14,778	\$19,283	\$19,283	\$19,283	\$19,283
001	7326	JSV1	EXE	State Funded Youth Programs	TOWN OF SHELTER ISLAND	\$1,216	\$0	\$1,216	\$0	\$1,216
001	7326	JSV1	EXE	State Funded Youth Programs	TOWN OF SHELTER ISLAND	\$0	\$1,216	\$0	\$0	\$0
001	3198	AUX1	PRO	STOP-DWI	TOWN OF SHELTER ISLAND	\$0	\$2,375	\$2,375	\$2,375	\$2,375
115	3135	AUY1	POL	Town & Village Revenue Sharing	TOWN OF SHELTER ISLAND	\$129,761	\$146,861	\$146,861	\$163,961	\$163,961
001	6777	JKB1	EXE	Comm Svcs For The Elderly	TOWN OF SMITHTOWN	\$21,699	\$23,631	\$23,631	\$23,631	\$23,631
001	7320	AVB1	EXE	Youth Bureau/Office For Child	TOWN OF SMITHTOWN	\$19,767	\$17,790	\$17,790	\$17,790	\$17,790
001	7326	JSW1	EXE	State Funded Youth Programs	TOWN OF SMITHTOWN	\$51,265	\$0	\$51,265	\$0	\$51,265
001	7326	JSW1	EXE	State Funded Youth Programs	TOWN OF SMITHTOWN	\$0	\$51,265	\$0	\$51,265	\$0
001	4310	JAH1	HSV	Div Of Comm Mental Hygiene	TOWN OF SMITHTOWN	\$0	\$7,235	\$7,235	\$7,235	\$7,235
001	4310	AVH1	HSV	Div Of Comm Mental Hygiene	TOWN OF SMITHTOWN/HORIZONS	\$658,843	\$980,489	\$982,909	\$984,143	\$984,143
001	6777	JKC1	EXE	Comm Svcs For The Elderly	TOWN OF SOUTHAMPTON	\$19,380	\$19,283	\$19,283	\$19,283	\$19,283
001	7326	JSX1	EXE	State Funded Youth Programs	TOWN OF SOUTHAMPTON	\$29,167	\$0	\$29,167	\$0	\$29,167
001	7326	JSX1	EXE	State Funded Youth Programs	TOWN OF SOUTHAMPTON	\$0	\$29,167	\$0	\$29,167	\$0
001	3166	AVK1	PRO	High Visibility Road Check Project	TOWN OF SOUTHAMPTON	\$0	\$0	\$17,500	\$0	\$0
001	3186	AVK1	PRO	STOP-DWI High Visibility Road Check FY15	TOWN OF SOUTHAMPTON	\$23,539	\$0	\$0	\$0	\$0
001	3198	AVK1	PRO	STOP-DWI	TOWN OF SOUTHAMPTON	\$34,327	\$34,500	\$34,500	\$34,500	\$34,500
115	3135	AVJ1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHAMPTON	\$2,238,561	\$2,533,561	\$2,533,561	\$2,828,561	\$2,828,561
001	6777	JKD1	EXE	Comm Svcs For The Elderly	TOWN OF SOUTHDOLD	\$14,874	\$19,283	\$19,283	\$19,283	\$19,283
001	7326	JSY1	EXE	State Funded Youth Programs	TOWN OF SOUTHDOLD	\$20,500	\$0	\$20,500	\$0	\$20,500
001	7326	JSY1	EXE	State Funded Youth Programs	TOWN OF SOUTHDOLD	\$0	\$20,500	\$0	\$20,500	\$0
001	3166	AVM1	PRO	High Visibility Road Check Project	TOWN OF SOUTHDOLD	\$0	\$0	\$17,500	\$0	\$0
001	3186	AVM1	PRO	STOP-DWI High Visibility Road Check FY15	TOWN OF SOUTHDOLD	\$9,924	\$0	\$0	\$0	\$0
001	3198	AVM1	PRO	STOP-DWI	TOWN OF SOUTHDOLD	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000
115	3135	AVL1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHDOLD	\$1,019,873	\$1,154,273	\$1,154,273	\$1,288,673	\$1,288,673
192	6414	JQY1	EDP	Cultural Affairs	TOWNSHIP THEATRE GROUP	\$5,000	\$5,000	\$5,000	\$0	\$0
001	4320	AVV1	HSV	Hs: Mental Health Pgms	UNITED CEREBRAL PALSY (95%)	\$523,506	\$523,506	\$531,379	\$531,379	\$531,379
001	7320	AVY1	EXE	Youth Bureau/Office For Child	UNITED NO AMITY YOUTH	\$88,104	\$79,294	\$79,294	\$69,621	\$69,621
001	6008	HH1	DSS	Housing Division	UNITED VETERANS BEACON HOUSE	\$158,964	\$173,072	\$183,848	\$0	\$0
001	4618	AVW1	HSV	Emergency Medical Care	UNIVERSITY HOSPITAL	\$444,301	\$444,301	\$444,301	\$376,404	\$376,404
192	6414	JRB1	EDP	Cultural Affairs	VAIL-LEAVITT MUSIC HALL	\$600	\$5,000	\$5,000	\$0	\$0
001	3178	GDD1	PRO	Stop Violence Against Women	VIBS	\$104,964	\$111,137	\$135,387	\$111,137	\$111,137
001	6035	GSG1	DSS	Tanf Non Res Dom Violence	VICTIMS INFO BUREAU OF SUF CTY	\$33,962	\$0	\$56,549	\$0	\$0
001	6015	GEK1	DSS	Dss: Public Assist Admin	VICTIMS INFO BUREAU OF SUFFOLK	\$20,114	\$22,088	\$22,088	\$22,088	\$22,088
001	6017	AWF1	DSS	Domestic Violence Programs	VICTIMS INFORMATION BUREAU	\$442,732	\$507,799	\$507,799	\$507,799	\$507,799
001	3176	JVU1	PRO	Byrne JAG FY 15	VICTIMS INFORMATION BUREAU OF SUFFOLK, INC.	\$0	\$0	\$4,408	\$0	\$0
001	3166	AWI1	PRO	High Visibility Road Check Project	VILLAGE OF AMITYVILLE	\$0	\$0	\$3,400	\$0	\$0
001	3186	AWI1	PRO	STOP-DWI High Visibility Road Check FY15	VILLAGE OF AMITYVILLE	\$2,049	\$0	\$0	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
001	3198	AW11	PRO	STOP-DWI	VILLAGE OF AMITYVILLE	\$11,780	\$22,000	\$22,000	\$22,000	\$22,000
115	3135	AWH1	POL	Town & Village Revenue Sharing	VILLAGE OF AMITYVILLE	\$632,702	\$602,902	\$602,902	\$673,102	\$673,102
001	7326	JSZ1	EXE	State Funded Youth Programs	VILLAGE OF AMITYVILLE	\$1,473	\$0	\$1,473	\$0	\$1,473
001	7326	JSZ1	EXE	State Funded Youth Programs	VILLAGE OF AMITYVILLE	\$0	\$1,473	\$0	\$1,473	\$0
115	3135	AWK1	POL	Town & Village Revenue Sharing	VILLAGE OF ASHAROKEN	\$46,289	\$52,389	\$52,389	\$58,489	\$58,489
192	7512	JRF1	PKS	Museums & Historic Associations	VILLAGE OF BABYLON (HIST. PRESRVTN & VILLAGE MUSEUM)	\$0	\$15,000	\$15,000	\$0	\$0
001	7326	JTA1	EXE	State Funded Youth Programs	VILLAGE OF BELLE TERRE	\$1,216	\$0	\$1,216	\$0	\$1,216
001	7326	JTA1	EXE	State Funded Youth Programs	VILLAGE OF BELLE TERRE	\$0	\$1,216	\$0	\$1,216	\$0
001	3198	AWM1	PRO	STOP-DWI	VILLAGE OF EAST HAMPTON	\$10,936	\$11,000	\$11,000	\$11,000	\$11,000
115	3135	AWL1	POL	Town & Village Revenue Sharing	VILLAGE OF EAST HAMPTON	\$80,436	\$91,036	\$91,036	\$101,636	\$101,636
404	8131	AWV1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF GREENPORT	\$26,984	\$26,984	\$26,984	\$26,984	\$26,984
115	3135	AWY1	POL	Town & Village Revenue Sharing	VILLAGE OF HEAD OF HARBOR	\$77,401	\$87,601	\$87,601	\$97,801	\$97,801
115	3135	AWY1	POL	Town & Village Revenue Sharing	VILLAGE OF HUNTINGTON BAY	\$87,266	\$98,766	\$98,766	\$110,266	\$110,266
001	7326	JTB1	EXE	State Funded Youth Programs	VILLAGE OF LINDENHURST	\$4,268	\$0	\$4,268	\$0	\$4,268
001	7326	JTB1	EXE	State Funded Youth Programs	VILLAGE OF LINDENHURST	\$0	\$4,268	\$0	\$4,268	\$0
192	7512	HQV1	PKS	Museums & Historic Associations	VILLAGE OF LINDENHURST	\$5,000	\$6,000	\$6,000	\$0	\$0
115	3135	AXB1	POL	Town & Village Revenue Sharing	VILLAGE OF LLOYD HARBOR	\$191,985	\$217,285	\$217,285	\$242,585	\$242,585
115	3135	AXD1	POL	Town & Village Revenue Sharing	VILLAGE OF NISSEQUOQUE	\$93,337	\$105,637	\$105,637	\$117,937	\$117,937
001	3166	AXH1	PRO	High Visibility Road Check Project	VILLAGE OF NORTHPORT	\$0	\$0	\$3,400	\$0	\$0
001	3186	AXH1	PRO	STOP-DWI High Visibility Road Check	VILLAGE OF NORTHPORT	\$5,402	\$0	\$0	\$0	\$0
001	3198	AXH1	PRO	STOP-DWI	VILLAGE OF NORTHPORT	\$12,362	\$12,500	\$12,500	\$12,500	\$12,500
115	3135	AXG1	POL	Town & Village Revenue Sharing	VILLAGE OF NORTHPORT	\$434,812	\$492,112	\$492,112	\$549,412	\$549,412
404	8131	AXF1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF NORTHPORT	\$126,851	\$126,851	\$126,851	\$126,851	\$126,851
001	7326	JTC1	EXE	State Funded Youth Programs	VILLAGE OF OCEAN BEACH	\$0	\$0	\$1,216	\$0	\$1,216
001	7326	JTC1	EXE	State Funded Youth Programs	VILLAGE OF OCEAN BEACH	\$0	\$1,216	\$0	\$1,216	\$0
115	3135	AXI1	POL	Town & Village Revenue Sharing	VILLAGE OF OCEAN BEACH	\$7,588	\$8,588	\$8,588	\$9,588	\$9,588
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
001	7326	JTD1	EXE	State Funded Youth Programs	VILLAGE OF PATCHOGUE	\$0	\$0	\$1,107	\$0	\$0
001	7326	JTD1	EXE	State Funded Youth Programs	VILLAGE OF PATCHOGUE	\$0	\$1,107	\$0	\$0	\$0
404	8131	AXK1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF PATCHOGUE	\$18,099	\$18,099	\$18,099	\$18,099	\$18,099
001	7326	JTE1	EXE	State Funded Youth Programs	VILLAGE OF PORT JEFFERSON	\$0	\$0	\$1,216	\$0	\$0
001	7326	JTE1	EXE	State Funded Youth Programs	VILLAGE OF PORT JEFFERSON	\$0	\$1,216	\$0	\$0	\$0
001	3198	AXN1	PRO	STOP-DWI	VILLAGE OF QUOGUE	\$9,852	\$10,000	\$10,000	\$10,000	\$10,000
115	3135	AXM1	POL	Town & Village Revenue Sharing	VILLAGE OF QUOGUE	\$51,601	\$58,401	\$58,401	\$65,201	\$65,201
001	3198	AXL1	PRO	STOP-DWI	VILLAGE OF SAG HARBOR	\$9,685	\$14,500	\$14,500	\$14,500	\$14,500
115	3135	AXO1	POL	Town & Village Revenue Sharing	VILLAGE OF SAG HARBOR	\$122,172	\$138,272	\$138,272	\$154,372	\$154,372
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
001	7326	JTF1	EXE	State Funded Youth Programs	VILLAGE OF SALT LAIRE	\$1,216	\$0	\$1,216	\$0	\$1,216
001	7326	JTF1	EXE	State Funded Youth Programs	VILLAGE OF SALT LAIRE	\$0	\$1,216	\$0	\$1,216	\$0
115	3135	AXR1	POL	Town & Village Revenue Sharing	VILLAGE OF SALT LAIRE	\$2,277	\$2,577	\$2,577	\$2,877	\$2,877
001	3198	AXS1	PRO	STOP-DWI	VILLAGE OF SOUTHAMPTON	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000
115	3135	AXQ1	POL	Town & Village Revenue Sharing	VILLAGE OF SOUTHAMPTON	\$228,409	\$258,509	\$258,509	\$288,609	\$288,609
001	3198	AXT1	PRO	STOP-DWI	VILLAGE OF WESTHAMPTON BEACH	\$2,451	\$7,500	\$7,500	\$7,500	\$7,500
115	3135	AXU1	POL	Town & Village Revenue Sharing	VILLAGE OF WESTHAMPTON BEACH	\$90,301	\$102,201	\$102,201	\$114,101	\$114,101

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2015 Actuals	2016 Adopted	2016 Estimated	2017 Requested	2017 Recommended
192	7516	JG11	MSC	Museums & Historic Associations	WALT WHITMAN BIRTHPLACE	\$138,788	\$145,590	\$145,590	\$145,590	\$0
192	7516	JG11	PKS		WALT WHITMAN BIRTHPLACE	\$0	\$0	\$0	\$0	\$165,716
192	7512	JWK1	PKS	Museums & Historic Associations	WARD MELVILLE HERITAGE ORGANIZATION	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	AYF1	EXE	Youth Bureau/Office For Child	WEST ISLIP YES	\$85,332	\$76,799	\$76,799	\$74,828	\$74,828
001	4310	JQ11	HSV	Div Of Comm Mental Hygiene	WEST ISLIP YES	\$346,383	\$321,491	\$322,429	\$322,981	\$322,981
192	6414	GTG1	EDP	Cultural Affairs	WESTHAMPTON BCH PERFORM ARTS	\$20,000	\$20,000	\$20,000	\$0	\$0
001	4310	HKC1	HSV	Div Of Comm Mental Hygiene	WSNCHS EAST, INC	\$309,759	\$440,058	\$111,169	\$111,343	\$111,343
192	7512	JHJ1	PKS	Museums & Historic Associations	YAPHANK HISTORICAL SOCIETY	\$18,445	\$20,000	\$20,000	\$0	\$0
001	4310	AYU1	HSV	Div Of Comm Mental Hygiene	YMCA OF L INC	\$940,018	\$1,248,104	\$1,251,177	\$1,253,373	\$1,253,373
001	7320	JTY1	EXE	Youth Bureau/Office For Child	YOUTH DIRECTIONS AND ALTERNATIVES COMM. AND YOUTH AGY INC.	\$10,000	\$9,000	\$9,000	\$0	\$0
001	7320	AZB1	EXE	Youth Bureau/Office For Child	YTH DEVLPMT ASSN OF COMMACK IN	\$20,000	\$18,000	\$18,000	\$17,640	\$17,640