

***Review of the 2009
Recommended
Suffolk County
Operating
Budget***



***Prepared by the
Budget Review Office***

For the Suffolk County Legislature

*Hauppauge, NY
October 17, 2008*

SUFFOLK COUNTY LEGISLATURE



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SUFFOLK COUNTY LEGISLATURE



Gail Vizzini
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BUDGET REVIEW OFFICE

October 17, 2008

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

Dear Legislators:

Accompanying this letter is the Budget Review Office evaluation of the County Executive's 2009 Recommended Operating Budget. Each budget presents fiscal and policy challenges for the Legislature. The 2009 operating budget is overshadowed by the uncertainty in the economy and the potential adverse impact on revenue from sales tax and state aid. This year the major issues in the budget adoption process include the disposition of the John J. Foley Skilled Nursing Facility, an overall reduction of 439 authorized positions, and a level of turnover savings that will make it challenging to fill vacancies. Also of concern is the level of appropriations to meet the Health and Public Safety needs of the County's residents as the economic conditions increase demand for government services. The Tax Stabilization Reserve Fund remains untapped and will achieve an all time high of \$130.1 million by year-end 2009. Despite declining growth rates in sales tax and concerns for fiscal year 2010, the 2009 recommended budget proposes no significant change in the General Fund or Police District Property Tax Levies. A significant question is how does this budget position the County finances for 2010?

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

Very truly yours,

Gail Vizzini, Director
Budget Review Office

TABLE OF CONTENTS

	PAGE
INTRODUCTION.....	1
SUMMARY OF FINDINGS AND RECOMMENDATIONS.....	4
THE PROBLEM IS 2010.....	25
THE ECONOMY.....	26
THE 2009 RECOMMENDED PROPERTY TAX WARRANT.....	39
CAP COMPLIANCE.....	41
STATUS OF FUNDS	
Interdepartmental Operation and Service Fund (016).....	43
Self-Insurance Fund (038).....	45
County Road Fund (105).....	48
Police District Fund (115).....	49
District Court Fund (133).....	50
Suffolk County Downtown Revitalization Fund (191).....	53
Hotel/Motel Tax Fund (192).....	53
Sewer District #3 - Southwest Fund (203).....	57
Community Development Fund (351).....	59
Tax Stabilization Reserve Fund (403).....	61
Assessment Stabilization Reserve Fund - Sewers (404).....	64
Debt Service Reserve Fund (425).....	66
Suffolk County Water Protection Fund (477).....	69
Suffolk County Ballpark Fund (620).....	82
GENERAL FUND REVENUE.....	84
PERSONNEL COSTS AND ISSUES OVERVIEW.....	94
SUFFOLK COUNTY EARLY RETIREMENT INCENTIVE PROGRAM (ERIP).....	102
RECLASSIFICATION AND EARMARKING.....	109
EMPLOYEE BENEFITS.....	112
DEBT SERVICE.....	120
TOBACCO SECURITIZATION.....	127
ENERGY TRENDS FOR LIGHT, POWER AND WATER (4020).....	132
PUBLIC WORKS AND THE USE OF CONSULTANTS.....	153

DEPARTMENTS AND MISCELLANEOUS AGENCIES

AUDIT AND CONTROL.....	159
BOARD OF ELECTIONS.....	162
CIVIL SERVICE/HUMAN RESOURCES.....	166
CONSUMER AFFAIRS.....	167
CORNELL COOPERATIVE EXTENSION.....	170
COUNTY CLERK.....	175

DISTRICT ATTORNEY.....	177
ECONOMIC DEVELOPMENT & WORKFORCE HOUSING.....	180
ENVIRONMENT AND ENERGY.....	186
EXECUTIVE.....	189
FINANCE AND TAXATION.....	190
FIRE, RESCUE & EMERGENCY SERVICES (FRES).....	193
HEALTH SERVICES	
Overview.....	199
Administration.....	207
Division of Services for Children with Special Needs.....	208
Division of Preventive Medicine.....	210
Public Health.....	212
Patient Care.....	215
Community Mental Hygiene Services.....	220
Environmental Quality.....	223
Emergency Medical Services.....	224
Medical, Legal & Forensic Sciences.....	226
John J. Foley Skilled Nursing Facility.....	227
HUMAN SERVICES.....	232
INFORMATION TECHNOLOGY.....	244
LABOR.....	250
LAW.....	256
LEGAL AID SOCIETY.....	258
LEGISLATURE.....	261
PARKS, RECREATION AND CONSERVATION.....	263
PLANNING.....	271
POLICE.....	274
PROBATION.....	280
PUBLIC ADMINISTRATOR.....	288
PUBLIC WORKS	
Overview.....	289
Court Facilities.....	291
Purchasing.....	293
Rent: Offices & Buildings.....	294
Highways, Structures & Waterways.....	295
Facilities Engineering.....	297
Building Design & Construction.....	298
Buildings Operations & Maintenance.....	299
Vector Control.....	302
Custodial Services.....	304
Support Services.....	305
Transportation.....	306

Road Machinery.....	309
Highway & Bridge Maintenance.....	312
Snow Removal.....	313
Sanitation.....	315
REAL PROPERTY TAX SERVICE AGENCY.....	318
SHERIFF.....	319
SOCIAL SERVICES.....	328
SOIL AND WATER CONSERVATION DISTRICT.....	348
VANDERBILT MUSEUM AND PLANETARIUM.....	350
SUFFOLK COUNTY HISTORICAL SOCIETY.....	363
INTERIM REPORT ON THE JOHN J. FOLEY SKILLED NURSING FACILITY.....	365
CONTRACT AGENCY LISTING.....	389

危机

Chinese symbol for crisis

转机

Opportunity or *crucial point* in a time of danger

“The Chinese use two brush strokes to write the word ‘crisis’. One brush stroke stands for danger; the other for opportunity. In a crisis, be aware of the danger-but recognize the opportunity.”

John F. Kennedy (1917-1963)

U.S. Statesman and 35th President of the United States

Few will be able to escape the global financial crisis. Suffolk County is no exception. The uncertainties associated with the economy present a danger as far as a downward trend in the growth rate of sales tax revenue and property tax collections. The New York State Budget is likely to undergo mid year corrections that could adversely impact the flow of state aid to counties. The New York State pension fund may suffer market losses that will have to be made with increased contributions to the retirement fund up as early as 2011. The economy is headed toward recession with upticks in unemployment that are likely to increase demand for government services in Social Services, Health, Probation and Labor. The only certainty is the uncertainty of the situation.

The Legislature has already approved several initiatives in 2008 to reduce the costs of the operating budget in the short term. These include the privatization of the Suffolk Health Plan, the securitization of tobacco revenue through 2034, with the proceeds to be used to reduce debt service payments between 2008 and 2013, and an early retirement incentive program encouraging 186 participants to leave County service. The sale of the Suffolk Health Plan provides revenue of \$17.5 million to the General Fund in 2008. The proceeds of the tobacco revenue are applied to reduce debt service in the 2009 operating budget by \$49.6 million compared to the 2008 adopted amount. The early retirement incentive has provided the basis for savings of over \$8.6 million.

Much like the global financial crisis is overshadowing the world, the recommended closure of the John J. Foley Skilled Nursing Facility overshadows the policy concerns in adopting the 2009 operating budget. The budget narrative quotes the philosopher of science Thomas Kuhn in stating that a paradigm or a perceived truth dominates thinking. The narrative states that such a paradigm is the policy that Suffolk County operates a Skilled Nursing Facility. Kuhn also believes that a crisis is necessary for the emergence of novel theories. In this case, the closing of the Skilled Nursing Facility, the abolishment of 379 authorized positions, the lay off of 278 County employees and the

displacement of more than 240 residents can be termed a crisis. Funds are included in the budget to operate for only a quarter of the year and there are no authorized positions from which to pay employees. If the Legislature takes no action to amend the recommended budget, the facility could close. The Skilled Nursing Facility has more value as an operating entity than a mothballed building, especially if there is any consensus to continue operations or privatize some or all of the operation.

Although overshadowed by the Skilled Nursing Facility there are other dangers in the recommended operating budget. There was a precipitous drop in the General Fund carry over fund balance from \$154 million in 2007 to \$72 million estimated for 2008. There is a net reduction of 429 authorized positions (379 from the Skilled Nursing Facility) and permanent salary appropriations are reduced to provide turnover savings of 7%, equating to \$57 million across all funds. The County will be in transition after this early retirement in which 186 participated and 128 of those vacated positions were abolished, further reducing our capability to meet growing workload demands in Health Services, Public Works, and Probation. Due to abolishing 17 positions, the number of civilian positions in the Police Department is 578, the lowest point since November 2005. Overall, 23% of the positions abolished due to early retirement are clerical support positions. Departments will have to manage effectively to avoid the adverse impact on services or increases in overtime due to this reduction in authorized positions. The budget includes funds for a Correction Officer class but not for Police Officers even though the number of active sworn police personnel on the payroll decreased by 101, from 2,609 in January to 2,508 in September. The current number of active sworn police personnel is at its lowest level since September 2005.

The County is at a *crucial point*, almost a crossroads, in determining what services to continue and how to fund County operations in a time when the economy is likely to increase demand for government services yet financial crisis and consumer confidence has diminished the supporting revenue sources. Eventually there will be opportunity for the financial markets to resume their strengths and consumer confidence will build up. But what is the plan in the interim?

The concerns are exacerbated by a potential budgetary shortfall of \$67.4 million in 2010 related to a planned decrease of \$25 million in relief from tobacco securitization, the possible loss of \$20 million in state aid over the two year 2009-2010 period, as the State makes adjustments for its own shortfalls, and \$22.4 million if sales tax growth is zero.

A contributing factor to the budgetary problem is that it has become increasingly difficult to sustain a \$1.9 billion recommended General Fund budget on a \$51 million property tax. The recommended \$1,062 decrease in the General Fund property tax further exacerbates the problem in 2010. Had property taxes been increased modestly over the years we would have a larger property tax base from which to support operations. To help keep General Fund property taxes low in more recent years the sales tax rate was increased from 4.0% to 4.25% on June 1, 2001 and the residential energy portion of the sales tax was increased from 1% to 2.5% on March 1, 2002. The County also benefited from a strong economy and high sales tax growth rates in the late 1990s

through the first half of this decade. We will not be able to rely on sales tax growth to resolve our budget problems for some time.

The good news is that the County has a \$130 million Tax Stabilization Reserve Fund. Fortunately, the Legislature had the foresight to establish the Tax Stabilization Reserve Fund with Resolution No. 1154-1997. A policy decision should be made as to what if any of these funds should be tapped. Use of the Tax Stabilization Reserve Fund should be considered as part of a larger plan to structurally resolve our budget problems. At this point the County needs to make hard decisions.

Do we raise property taxes? Do we seek state approval to raise the overall sales tax rate? Do we lower the sales tax allocation to the Police District in order to strengthen the General Fund budget at the expense of the Police District? Do we raise revenue from traffic tickets by instituting red light cameras? Do we raise the residential energy portion of the sales tax? Can we identify other potential sources or revenue? Do we further under fund programs? Do we eliminate whole programs in order to properly fund remaining ones? Do we continue to liquidate assets? We are at the crucial point; the crossroads. There are opportunities for choice, none of which are attractive. Nevertheless, we must face reality and begin serious discussions on what direction to take at the crossroads.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

The Economy

- ❖ There is little doubt among economists that nationally all signs point toward recession. The duration of this economic downturn is difficult to gauge. That being said, the outlook is not likely to improve before the start of 2010. It is quite possible that we may very well now find ourselves in an “L-shaped” business cycle, where a downturn in the economy is followed by no to little growth for an extended period.
- ❖ Expenditures related to the current economic downturn are expected to impact several County operations, including among others; Health, Social Services, and Public Safety. Difficulties at the state and federal levels are likely to result in less aid moving forward. As such, net County costs for reimbursable programs may have an adverse affect on the budget.
- ❖ A large state budget shortfall may lead to yet to be determined reductions in state aid to municipalities of \$10 million per year in each of 2009 and 2010.

State Administered Sales and Use Tax (Revenue Code 1110)

- ❖ The County's current economic climate is most similar to our experience in the late 1980s and early 1990s. During that period, there was a national recession.
- ❖ 2009 recommended sales tax growth of 2% is above the zero growth rates (after adjusting for a change in the tax rate) experienced during the 1991-1992 recession. While it is possible that the federal bailout will turn the economy around sooner, the downside risks are greater. Each 1% change in sales tax equates to \$11.2 million. A more likely scenario is zero growth, which would translate into a \$22.4 million shortfall.

Tobacco Securitization

- ❖ Tobacco Securitization is a major contributing factor in the decreased amount of debt service costs in the 2009 budget: \$15 million in 2008 and an additional \$45 million in 2009.
- ❖ After adding back the debt to be paid for with the tobacco bond proceeds, the General Fund debt service costs increase by \$20,042,025 (to \$91,011,370) in 2008 and up by an additional \$8,738,002 (to \$99,749,372) in 2009.
- ❖ Programmed budget relief from tobacco securitization will decline from \$60 million in the 2009 budget to \$35 million in the 2010 budget, for a loss of \$25 million.
- ❖ Tobacco securitization is an expensive form of budgetary relief. The cost of capital for the tobacco bonds is 6.672%, while a typical County serial bond would cost an estimated 4.0%
- ❖ In total, between 2009 and 2034, an estimated \$535 million of the Tobacco MSA revenue will not be available to the County because it will be used to pay off the Tobacco Bonds.

Cap Compliance

- ❖ Over the past several years, many revenue and expenditure items have in our view been misclassified as either mandated or discretionary, making it difficult at best to determine whether or not the budget is in compliance with the cap laws.
- ❖ It makes little sense that the 2009 recommended General Fund property tax of \$51 million is made up of a \$162.4 million mandated tax and a \$111.3 million negative discretionary tax. This is especially puzzling given the \$48.5 million reduction in 2009 General Fund mandated debt service due to tobacco securitization.
- ❖ Since cap calculations have been distorted and the resulting information rendered useless, the Budget Review Office recommends that legislation be introduced to revise or eliminate the cap laws. If the Legislature chooses to revise the cap laws, we recommend replacing them with a cap on discretionary expenditures for the combined General Fund and Police District only.

Real Property Taxes (Revenue Code 001-FIN-1001)

- ❖ The 2008 estimated Real Property collections of \$31.5 million is \$19.6 million less than the adopted budget of \$51.1 million. Based on information from the Treasurer's office the estimated is reasonable. While the Budget Review Office is not recommending a change, there is a greater likelihood that final collections will be less than is stated in the budget, as opposed to more.
- ❖ During the previous housing slump, a deficit in property tax collections of \$3.8 million or more existed in seven consecutive years (1989 to 1995). With tax delinquencies elevated over the past 3-years (2006-2008), past experience would suggest that more of the same can be expected over the next four budgets. Should this be the case, the 2010 budget would include a 2009 estimated property tax shortfall of somewhere in the neighborhood of \$20 million.

The 2009 Recommended Property Tax Warrant

- ❖ The combined funds recommended property tax translates into a decrease in the average homeowner tax bill of an estimated ten cents in County taxes.
- ❖ Four towns are estimated to experience an increase in County taxes, Huntington, Islip, East Hampton, and Shelter Island. Because the overall tax decrease is so small, the change in apportionment between towns explains why not all towns will experience a tax decrease.

Debt Service Reserve Fund (425)

- ❖ The major policy issue affecting Debt Service Reserve Fund 425 is whether or not to transfer an additional \$6.1 from the General Fund in 2008. The purpose of the transfer is to achieve net savings targets over the next five budget years (2009 to 2013) for payment of debt service. Setting specific dollar targets over such a long period is somewhat arbitrary. As such, it is up to the Legislature to determine whether or not this is an acceptable policy. Should the Legislature

decide not to accept the stated targets, it could reduce net General Fund costs by \$3.8 million, the 2009 recommended year end fund balance.

Debt Service

- ❖ Establish a shared database to record the County's debt service obligations that can be accessed by the Comptroller's Office, Treasurer's Office, Executive's Budget Office, and the Legislature's Office of Budget Review.
- ❖ Reconsider the pay-as-you-go financing law. While pay-as-you-go is a wise fiscal policy, if County lawmakers are consistently unable and/or unwilling to adhere to this policy, the County may want to abolish this law entirely.
- ❖ Forego level debt service and return to the more conservative "50%-Rule".

Personnel Costs and Issues

- ❖ The 2009 recommended budget includes \$1.46 billion for personnel costs, salaries, and employee fringe benefits, which represents 54.4% of the \$2.68 billion recommended budget.
- ❖ The recommended budget projects personnel costs to increase by \$41.8 million (2.95%) over the 2008 estimated budget, \$27.3 million for salaries and other compensation payments to employees and \$14.5 million for employee benefit increases.
- ❖ By the end of 2008 all union agreements will have expired, with the exception of the probation officers contract, which expires at the end of 2010.
- ❖ The 2009 recommended budget includes a net reduction of 429 authorized positions from 12,008 to 11,579. This reduction includes 514 abolished positions of which 278 of the 379 abolished positions in the Skilled Nursing Facility are filled positions. The recommended budget also includes the creation of 85 new positions, 75 in the 100% aided Medicaid Compliance Unit.
- ❖ The recommended budget abolishes 128 of the 186 positions vacated through the County's 2008 Early Retirement Incentive Program (ERIP) for an annualized salary savings of \$8.5 million.
- ❖ The 2009 recommended budget includes \$739.8 million for permanent salaries for the 11,579 authorized positions.
- ❖ During 2008, the number of active employees on the payroll decreased by 230 from 10,545 in January to 10,315 in September. This decrease is primarily due to the adoption of the County's Early Retirement Incentive Program (ERIP) whereby 186 employees retired during the period May 23, 2008 through July 31, 2008.
- ❖ The Police Department experienced the greatest net reduction of active employees since the start of the year, -119; followed by Health Services -52 (-35 in the Skilled Nursing Facility), and Public Works -38.
- ❖ As of September 1,553 (12.9%) of the authorized positions are vacant, which exceeds the number of vacant positions at this time last year by 56 vacant

positions. The adoption of the County's 2008 ERIP resulted in a greater number of vacant positions.

- ❖ The Police Department has the greatest number of vacant positions, 585 of which 403 are sworn personnel positions and 182 are civilian positions. Health Services has 286 vacant positions of which 97 are in the Skilled Nursing Facility and Social Services has 129 vacant positions, which is 46 fewer than this time last year.

Employee Benefits

- ❖ The Employee Medical Health Plan (EMHP) includes 20,914 enrollees representing 48,234 lives.
- ❖ In 2008, the average health insurance premium for family coverage, for a self-funded plan such as EMHP, is \$13,025, which is 5.73% less than the EMHP 2008 self-pay family rate. These averages compare favorably to the 2008 EMHP self-pay rates of \$6,479 for individual coverage and \$13,818 for family coverage taking into account that costs in the New York metropolitan area typically exceed national averages.
- ❖ The 2008 budget estimate includes \$259.6 million for health insurance costs, which is \$6.0 million less than the adopted budget of \$265.6 million.
- ❖ The recommended \$271.2 million health insurance budget expenditure deviates from the County's health insurance consultant by approximately \$14.6 million, which can be attributed to the fact that the consultant's projections do not include \$15 million in cost saving measures in 2009 as stipulated in the current EMHP memorandum of agreement.
- ❖ GASB 45 financial reports generated by the Alliance Benefit Group for Suffolk County for the fiscal year beginning January 1, 2007, indicate that the County's actuarial accrued liability (AAL) for other post employment benefits (OPEB) is \$3.93 billion.
- ❖ The recommended retirement budget of \$106,508,844 is \$2.4 million less than the 2008 contribution. It consists of the Employees' Retirement System (ERS) portion of the bill, which excludes the college, and is \$48.5 million derived from an aggregate contribution rate of nine percent and the Police & Fireman Retirement System (PFRS) portion of the bill, which is \$57.8 million derived from an aggregate contribution rate of 16.1%.
- ❖ The 2009 recommended budget includes a total of \$17.7 million for the Benefit Fund contribution, which is an increase of \$327,000 (1.9%) over the 2008 estimated budget. There are no scheduled increases for the AME and PBA Benefit Fund contributions in 2009 as the contracts dictating the rate increase expire prior to 2009.
 - Decrease the 2008 estimated and recommended Benefit Fund contributions in the General Fund (001-EMP-9080) by \$140,000 and \$350,000 respectively.

- Decrease the 2008 estimated and Benefit Fund contributions in the Police District Fund (115-EMP-9080) by \$30,000 and \$400,000 respectably.
- Increase the 2009 recommended budget for Benefit Fund contributions in Fund 360 -Medicaid Compliance Fund (360–Emp. 9080) by \$150,000.
- ❖ The 2009 recommended budget includes \$62.8 million for Social Security, which represents 6.85% of the total personal services costs and is 13% more than the 2007 actual FICA ratio of 6.72%.
 - Decrease the 2009 recommended budget for Social Security contributions in the General Fund (001-EMP-9030) by \$400,000.
 - Decrease the 2009 recommended budget for Social Security contributions in the Police District Fund (115-EMP-9030) by \$250,000.
- ❖ Increase the 2009 recommended budget for unemployment contributions in Fund 632 - John J. Foley Skilled Nursing Facility (632-HSV-4530) by \$400,000 to provide adequate funding if there is no change to the proposal to close the facility.

Resolved Clauses

- ❖ Resolved clauses contained in the 2009 Recommended Operating Budget, pages 52 through 55 in Volume No. 1 and pages 1 through 3 in Volume No. 2 should be expunged and eliminated from the 2009 adopted budget document.

Self Insurance Fund (Fund 038)

- ❖ In order to pay for large losses, the County should establish insurance reserves to avoid the issuance of debt and the payment of interest.
- ❖ The Insurance Recovery Workers Compensation (038-AAC-2680) 2008 estimate of \$1,300,000 is optimistic and should be reduced by \$200,000.
- ❖ The \$1,475,000 bond issued to pay a 2008 claim under the General Liability Insurance in appropriation (038-MSC-1914) should be reduced by the \$734,500 in available appropriations.

Suffolk County Downtown Revitalization Program Fund (191)

- ❖ Accrue all Fund 191 interest revenue into Fund 191 and transfer the balance to the General Fund to properly close out Fund 191.

Hotel/Motel Tax Fund (192)

- ❖ Increase the estimated 2008 Hotel/Motel Tax by \$100,000 to \$1,870,843 and allocate the funds in accordance with New York State law.

Community Development Fund (351)

- ❖ To address the projected 2009 year-ending deficit of \$580,548 in Fund 351, we recommend that the County Executive's Budget Office and the Community Development Director present a formal written plan at the February 2009 meeting of the Legislature's Budget and Finance Committee or successor Committee.

Assessment Stabilization Reserve Fund (Fund 404)

- ❖ The recommended budget includes an interfund transfer of \$17.0 million from Fund 477 to Fund 404, which is significantly less than the \$23.1 million transfer in 2007. This is directly related to the change in allocation of water quality funds whereby referendum, more is allocated to land preservation and stewardship and less for sewer rate stabilization.
- ❖ Revenue, derived from the sales and compensating use tax collections, is adversely impacted from the current state of the economy, which could have deleterious effects upon this revenue during 2009.

Energy Trends for Light, Power & Water

- ❖ Actual expenditures for energy during 2004-2007, rose each year on average approximately 11% over the prior year. Single year increases were as great as approximately 17% over prior year expenditures.
- ❖ The 2008 estimated budget expenditures for Light, Power & Water are \$28.9 million. The Budget Review Office projects energy expenditures for 2008 at \$29.5 million, approximately \$585,000 more than the estimated budget (approximately 7% over 2007 actual expenditures). This increase is primarily due to a year-over-year increase in the cost of electricity and natural gas.
- ❖ The 2009 recommended funding of \$30.3 million represents a \$2.8 million increase (approximately 10%) over 2007 actual expenditures. The Budget Review Office evaluated alternative energy cost projections and agrees that the 2009 recommended budget for Light, Power & Water is reasonable.
- ❖ The year-over-year growth rate in total energy expenditures (for electricity, natural gas, and fuel oil) has exceeded the growth rate of total County revenues since 2005.
- ❖ The main drivers of Suffolk County's energy expenditures are energy commodity prices, fuel and purchased power surcharges imposed by LIPA, natural gas rate increases, and the energy use profile of County facilities.
- ❖ Crude oil prices, which averaged \$14 per barrel in 1998, and approximately \$72 per barrel in 2007, have averaged more than \$111 per barrel in 2008. Crude oil futures traded at \$130 per barrel as recently as September 22, 2008. Natural gas prices, which averaged \$2.16 per million Btu (MMBtu) in 1998, and approximately \$7.12 per MMBtu in 2007, have averaged approximately \$9.51 in 2008.
- ❖ LIPA again faces pressure to account for cost increases, and KeySpan natural gas rate increases will continue to affect Suffolk County's energy expenditures at an annual average increase of 4.9% for each of the next four years. Natural gas storage levels across all regions are lower than a year ago and the National Oceanic and Atmospheric Administration (NOAA) has forecasted a colder winter than last year.

- ❖ Adjustments made to KeySpan's alternate fuel rates (effective January 1, 2008) have contributed to an increase in Suffolk County's average cost of natural gas by approximately 30%.
- ❖ Suffolk County facilities currently consume about 95% natural gas versus 5% fuel oil for space conditioning needs. Until August 1, 2008, approximately 74% of Suffolk County expenditures for natural gas were attributable to facilities with alternate fuel rates. Effective August 1, 2008, six facilities representing approximately half of that consumption were subject to a natural gas rate change initiated by the Department of Public Works, resulting in a near-term savings of approximately 4.5% for those accounts.
- ❖ KeySpan reports that natural gas capacity issues are potentially resulting from modifications to its alternate fuel rates. Elected officials should expect continued pressure from National Grid/KeySpan to actively support the Islander East pipeline and other projects to avoid a natural gas supply crisis of the company's own making. Naturally, debt service for new infrastructure be passed on to the County and other ratepayers.
- ❖ The Energy Information Administration projects that retail natural gas customers will pay approximately 18% more this winter and fuel oil customers will pay approximately 24% more this winter over prices paid last winter.
- ❖ While increasing utility costs are a concern for the budget process, potential supply problems for both fuel oil and natural gas that would adversely affect all energy consumers on Long Island, especially schools, hospitals, and municipalities could have a greater economic impact on the region.
- ❖ The Budget Review Office also recommends that the County assume a leadership role on regional energy issues with the formation of an inter-municipal energy council along with the establishment of an energy bond fund that would facilitate energy efficiency and renewable energy programs to the general public, administered through the Suffolk County Electrical Agency.
- ❖ The Budget Review Office recommends including three new positions dedicated to energy, one Regulatory Attorney in the County Attorney's Office, and one Energy Coordinator (grade 21) and one Energy Systems Computer Specialist (grade 32-34) in the Department of Public Works.

Departments and Miscellaneous Agencies

Audit and Control

- ❖ The KinderTrack system, which is used for payments to childcare providers, has increased the length of time required to audit payments. The system has not functioned as designed and has complicated the process of approving vouchers.

Board of Elections

- ❖ Increase the recommended budget for Elections Inspectors (001-BOE-1450-4510) by \$500,000 to the Board's requested amount of \$2,921,580 to accommodate the cost of seminars and events related to HAVA implementation.
- ❖ Increase the recommended budget for Outside Printing (001-BOE-1450-3040) by \$500,000 from \$1,125,000 to \$1,750,000 to insure that there are sufficient funds for printing paper ballots in 2009.
- ❖ Reduce the recommended budget for Temporary Salaries (001-BOE-1450-1130) by \$25,000 from \$100,000 to \$75,000, as the Board of Elections is no longer requesting a pay raise for custodians.
- ❖ The County may wish to store a portion of its mechanical lever voting machines in the event that they are needed for elections early in 2009. There is no need to expend County funds to store these machines once the County has received all of its optical scan voting machines.

Consumer Affairs

- ❖ Restore the abolished Clerk Typist (Spanish Speaking) (grade 9) position to assist the public in complying with the County's occupational licensing laws.

Cornell Cooperative Extension

- ❖ Charter Law 24-2007 requires all Water Protection Programs be reviewed by the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee. The Committee's recommendation is advisory, however legislation to fund a program (contract) cannot be enacted until after the Committee has rendered their recommendation. Legislative approval by resolution is required to authorize the use of Suffolk County Water Protection Fund (477) contracted agency appropriations adopted in the operating budget. Effective with the 2008 adopted budget, Cornell is required to submit an application to the Committee prior to adoption of an authorizing resolution to fund a Water Protection project or program.
- ❖ Reduce the 2008 estimated budget by \$979,710 for the following four CCE Water Quality Protection programs:
 - Alternative Management Strategies for Control of Insect Pests (HSJ1) by \$142,566
 - Development and Implementation Agriculture Stewardship Program (HSK1) by \$284,080

- Integrated Pest Management Program (IPM) (HSM1) by \$204,000
- Restoration of Peconic Bay Scallop Population & Fisheries (HSN1) by \$349,064
- ❖ Reduce the 2009 funding by \$19,594 for the following CCE Water Quality Protection programs as recommended by the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee and transfer them to the Department of Environment and Energy to be in compliance with Charter Law 24-2007.
 - Alternative Management Strategies for Control of Insect Pests in Suffolk County Agriculture and landscapes (HSJ1), by \$2,851 to \$142,566
 - Implementation and Development of Suffolk County's Agriculture Stewardship Program (HSK1), by \$5,682 to \$284,080
 - Pest Management Program for Suffolk County Properties (HSM1), by \$4,080 to \$204,000
 - Peconic Bay Scallop Restoration Program (HSN1), by \$6,981 to \$349,064
- ❖ The 2008 adopted budget included \$30,000 for Peconic Dunes Camp (HLQ1), however, the 2009 recommended budget does not include this funding.

District Attorney

- ❖ There are sufficient permanent salaries to fill the recommended four new positions; one Paralegal Assistant, two Clerk Typists and one Sr. Programmer Analyst for $\frac{3}{4}$ of the year, which would provide sufficient funding to fill one additional vacant Paralegal Assistant position for $\frac{3}{4}$ of the year. The cost for these five positions is \$11,353 less than the filling the four new positions for a full year.

Economic Development and Workforce Housing

- ❖ The 2008 adopted budget includes \$653,679 for Economic Development Legislative initiatives; the 2009 recommended budget does not include this funding.
- ❖ For the first time since establishing the Airport Enterprise Fund (625) in 2003, the recommended budget includes an interfund transfer to the General Fund of \$1,893,883. The majority of this surplus is based on the development and management of the Hampton Business and Technology Park by the Rechler Equity Partners of Melville and from the one-time payment by the Air National Guard of \$1.2 million for past sewer usage fees.

Environment & Energy

- ❖ The receipt of any revenue from the Sale of Tax Liens (01-1082) in 2008 or 2009 is optimistic.
- ❖ The Office of Recycling & Waste Management should be staffed by a Recycling Coordinator not a Chief Environmental Analyst. The budget request indicates

that the position of Recycling Coordinator as well as any equipment, supplies, educational materials, etc. are all eligible for 50% reimbursement after submission to the NYS Department of Environmental Conservation.

- ❖ The Director of Real Estate should appear before the Legislature pursuant to Local Law 23-1999, to explain the status of the parcel that is in litigation from the May 2002 auction, with an auction price of \$775,000.

Finance and Taxation

- ❖ To provide an adequate staffing level to maintain the integrity of the Tax History System, the Budget Review Office recommends that the abolished Tax History Supervisor position be restored. There are sufficient permanent salary appropriations to fill the restored position.

Health Services

- ❖ In order to continue operation of the John J. Foley Skilled Nursing Facility through Fiscal Year 2009; the Budget Review Office recommends appropriations of \$35,630,999 for the facility's expenses. This translates to an increase in the transfer from the General Fund of \$4.5 million.
- ❖ Increase the current Public Health Sanitarians available to the Food Protection unit in the Public Health Division by six sanitarians.
- ❖ Create a position within Emergency Medical Services Division to act as management staff with the Coordinator of Emergency Medical Services.
- ❖ Permanently reduce the EMS Medical Director to a 50% position. The position has been vacant since October 2006.
- ❖ Transfer the current Medical Program Administrator, who is acting as Preventive Medicine Director to EMS as the director of EMS; and "Dual hat" the Director of Prevention, Education, and Training as the Preventive Medicine Division Director. Given the stated mission of the department, leadership by a health education professional is appropriate.
- ❖ Consider reconfiguration of the Prenatal Float team in Patient Care Program to add one Nurse Practitioner and to replace one of the Medical Assistant positions with one Public Health Nurse I. When the Patient Care Division originally proposed this team in 2004, the intention was for the team to have the capability of maintaining its own panel at multiple sites. As currently configured, without a provider, this is not possible. Addition of one Public Health Nurse would increase the capability of the team by adding a nursing professional with a more global perspective on prenatal care. A decrease in turnover savings of \$98,290 would be required to fill these two positions for 12 months.
- ❖ Increase funding in Patient Care (001-4100-4980) by \$1.5 million for contracted health centers to reflect their actual cost requirements.
- ❖ Abolish the Assistant Deputy Commissioner of Health Services (Public Affairs) (grade 33) at a savings of \$82,085.

- ❖ Consider moving the Office of Minority Health to the Patient Care Division to more directly impact the significant portion of the County's minority community already served by the department.
- ❖ Increase appropriations for Trucks, Trailers and Jeeps to the requested \$144,000 from the recommended zero to purchase eight new vehicles for Public Health Sanitarians and Public Health Engineers who are currently have no vehicles.
- ❖ Consider instituting through appropriate legislation a program similar to New York City's "Golden Apple" award, which leverages the food service manager course requirement into a market incentive for restaurants with food safety performance improvement programs.
- ❖ Health Services requested that the former appropriation numbers be retained in the individual units of the Division of Preventive Medicine, to facilitate state and federal grants and aid calculations. This request does not include Public Health Nursing, which should be transferred to Public Health Division per the Suffolk County Administrative Code.
- ❖ Consider the creation, earmarking, or transfer of two positions appropriate to assist with program evaluation and analysis and preparation of grant applications and reports for a division with 2008 estimated expenditures of over \$80 million.
- ❖ Create one Medical Assistant (Spanish Speaking) position at the Maxine S. Postal TriCommunity Health Clinic (Appropriation 4102), and abolish the vacant Medical Assistant position. Creation of this position and new title will allow the department to consider needed language skills as part of the duty requirements of this position.
- ❖ The NYS Office of Alcohol and Substance Abuse Services (OASAS) has cautioned Suffolk County that unless programs are staffed as budgeted in the program budget submitted to the state, funding could be significantly reduced. Methadone Clinic permanent salaries were decreased by \$272,920, including the abolishment of two Drug Counselor positions. BRO recommends increasing Permanent Salaries by \$272,920 to the requested \$4,810,638 and restoring two Drug Counselor positions to assure that there are sufficient personnel to meet New York State maintenance of effort requirements, and assure state aid for the program.
- ❖ Increase 2009 funding for 4321-3650 by \$124,000 to the requested \$500,000 to reflect building service requests planned and approved for the Huntington Methadone Clinic, per the lease for the facility.
- ❖ Restore funding in 4310-4980-0000 to the requested level \$591,570 to assure the appropriate 2009 funding for HKC1, South Oaks Hospital in 2009.

Human Services

- ❖ Decrease the 2008 estimated EPIC Reimbursements by \$860,000 to reflect a more realistic cost (001-EXE-6802-4631).
- ❖ Retain the Veterans Service Officer (VSO) position to address the need for an additional VSO in Riverhead when the East End Clinic is finished in 2010.
- ❖ The cost to restore contract agencies to 2008 levels for each division is:
 1. Aging \$408,639
 2. Youth \$828,788
 3. Veterans \$25,000
- ❖ The cost to restore the contract for the Legal Aid Society in appropriation 001-EXE-6772-GER1-4980 to the 2008 adopted amount is \$343,464.
- ❖ The reduced staffing level in the Youth Bureau will be a challenge for addressing workload demands. Vacancies should be filled expeditiously as appropriations permit to assure the timely processing of contracts and review of expenditures.
- ❖ Reduce the 2008 estimated budget by \$74,250 from \$242,225 to \$167,975 for the Office for Women contracted agencies in appropriation 001-EXE-8051-4980.

Information Technology

- ❖ It is a Legislative decision to determine if public funds in the amount of \$25,000 in appropriation 016-ITS-1652-Wi-Fi-4560-Fees for Services Non-Employee should be included for Wi-Fi network testing in the 2009 Operating Budget.

Law

- ❖ Lower level attorney positions should be competitive or non-competitive Civil Service titles to reduce turnover and loss of institutional knowledge as administrations change.

Legal Aid

- ❖ The recommended budget provides funding to cover increases in operating costs such as health insurance and disability insurance and salary increases for existing staff. The Legislature has three decisions to make concerning the LAS budget:
 1. If the senior citizens program is to continue at the current level, an additional \$354,594 is needed.
 2. If there is concern that there may be merit to the ACLU lawsuit and additional staff is required, the Legislature could provide the six positions requested at a cost of \$336,421.
 3. Whether the Legislature wishes to provide the \$197,077 increase for merit salary increases and increased costs as shown in the 2009 recommended budget rather than the \$218,862 requested by LAS.

Off-Track Betting (OTB)

- ❖ OTB has indicated that the financial upheaval that has occurred during the last few weeks may negatively impact their handle and the subsequent payments to the County. Because of increasing costs and fiscal turmoil, the 2008 estimated and the 2009 recommended payments to the County of \$2.3 million may be optimistic.

Parks, Recreation and Conservation

- ❖ Increase the 2008 estimated Parks (001-PKS-7110) permanent salaries by \$59,000 based on currently filled positions.
- ❖ Increase the 2008 estimated Historic Services (001-PKS-7510) permanent salaries by \$8,000 based on currently filled positions.
- ❖ To be in compliance with existing legislation, based upon land purchases for the year ending 2007, seven new Park Police Officer (PPO) positions will need to be created and filled at a cost of \$49,120 in salary and \$21,727 in fringe benefits each or \$495,929 for all seven for the full year, along with additional funding for the supplies and equipment.
- ❖ The Legislature could direct the Department of Environment and Energy's Real Estate Division to review and determine if any of the Suffolk County Multifaceted Land Acquisition Program acreage is farmland. If the review results in farmland acreage within the Multifaceted Program, then total acreage included in the calculation for determining the number of PPO's would be reduced and the corresponding number of required PPO positions to comply with current legislation would be recalculated accordingly.
- ❖ Study the Point of Sale (POS) system to determine and resolve what is causing the delay in posting the department's revenues to IFMS. Last year, the department indicated that the POS system created a large amount of daily paperwork that has to be reviewed prior to the monthly reconciliations. The study should include a determination if the process can be streamlined.

Planning

- ❖ The Water Quality Protection and Restoration Fund (Fund 477) is more suitable for capital expenditures rather than used to fund positions in the operating budget.
- ❖ Pursuant to Resolution No. 636-2005 as amended by Resolution No. 1097-2007, "Until a business plan is submitted and accepted by the Suffolk County Executive and the Legislature, the LIRPB should be limited to funding of no more than \$100,000 per annum from Suffolk County".

Police

- ❖ Hire a class of 80 Police Officers in September of 2009 at a total cost of approximately \$2.4 million to compensate for the estimated 80 sworn officer retirements during 2009.

- ❖ Fill the following six vacant positions $\frac{3}{4}$ of the year in the 911 Dispatch Emergency Center (Fund 102); four Emergency Complaint Operators and two Public Safety Dispatchers at a permanent salary cost of \$216,560.
- ❖ The recommended budget abolishes 17 of the 22 civilian positions vacated through ERIP in the Police Department. Currently, there are 578 active civilians in the department, the lowest level since November 2005.

Probation

- ❖ Reduce the 2008 revenue estimate for Probation administrative fees (001-1560) by \$163,011 to match the August revised estimate of \$1,574,824 due to the delay in implementation of the increased fee schedule for presentence investigations and for electronic monitoring.
- ❖ In view of worsening economic pressures, the 2009 revenue from the collection of Probation administrative fees (001-1560) may be overly optimistic, despite the higher fee schedule and the use of a collection agency.
- ❖ Vehicle Seizure Program revenue (001-2623) totaling \$1,300,000 are included in 2009, with \$910,000 allocated to Probation, \$260,000 to Law and \$130,000 to the Sheriff is purportedly connected to Local Law No. 26-2008, expanding vehicle forfeitures to the misdemeanor of reckless driving.
- ❖ Include \$417,000 in State Aid for Criminal Justice Services (001-3321) in the 2009 Recommended Budget to reflect the Reentry Enhancement grant recently awarded for the period 7/01/08 – 6/30/09.
- ❖ The recommended budget abolishes 14 vacant positions, including 12 positions vacated by the 2008 ERIP.
- ❖ Over the past nine years there is a growing disparity between authorized and on-board staff in Probation, a gap which widened in 2008 due to 16 ERIP retirements, 5 regular retirements, 1 resignation and 3 employees passing away while in service.
- ❖ Probation has a current vacancy rate of 16.2%, a 200% increase since 2001 when there was a 5.2% vacancy rate.
- ❖ Not counting the 8 vacancies recently approved for filling, there will not be sufficient permanent salary appropriations to fill many of Probation's remaining 57 vacancies for the majority of 2009.
- ❖ The 50% increase in turnover savings for the Day Reporting Center in 2009 will prevent the filling of any vacancies in this unit, which is a significant partner in the efforts to reduce jail overcrowding and to reduce the need for future additional jail space.
- ❖ Limiting the size of the Electronic Monitoring Unit to 12 working positions out of 26 total authorized staff contravenes the policy of the Legislature to fortify unit staffing resources to reduce the jail population, better track and monitor the movements of sex offenders and other high-risk offenders and to determine whether high-risk DWI offenders are using alcohol.

- ❖ Restore permanent salary appropriations in 2009 by reducing turnover savings by \$384,000 to fill 11 vacant positions in the Electronic Monitoring Unit, in accordance with Legislative policy, for three quarters of the year.
- ❖ Restore permanent salary appropriations in 2009 by reducing turnover savings by \$137,000 to fill four vacant Probation Officer positions for three quarters of the year, which will more properly resource the Sex Offender Services Unit in accordance with Legislative policy.
- ❖ The recommended budget's perpetual policy of providing positions on paper, printing ephemeral numbers of staff not financially resourced to become active members of Probation's workforce does not help the department meet its growing mandates from the court system, keep drunk drivers off the street, monitor and modify the behavior of sex offenders, reduce or prevent institutionalization of youth in trouble, expand alternatives to incarceration, reduce jail overcrowding, attend to the special needs of mentally ill and substance abusing offenders, reduce recidivism and protect the safety of the public overall.
- ❖ Earlier this year, New York State enacted a 3% reduction in State Aid for Probation administrative costs, or half the original 6% across-the-board cuts that were proposed by the Governor. The possibility of additional cuts to Probation remains very real as the State Legislature is being called back into session on November 18th to consider further funding decreases in order to address in the State Budget issues.

Public Works

- ❖ As of September 21, 2008, the department had 1,026 authorized positions, of which 191 or 18.6% are vacant. This is a decrease of 31 in authorized staff compared to the 2004 adopted level.
- ❖ The reduction of DPW staff has required the department to depend more upon outside consultants for planning and design.
- ❖ Based on information from DPW, for the period 2003-2007, the department awarded consultant contracts to more than 50 outside firms totaling nearly \$80 million to provide mainly planning, design and engineering services for the capital program process.
- ❖ Forty-four staff members within the department opted to participate in the 2008 Early Retirement Incentive Program (ERIP) at a cost to the County of approximately \$1.3 million for the incentive payments.
- ❖ The recommended budget abolishes 35 or 80% of the 2008 ERIP vacated positions.
- ❖ Increase the 2008 estimated budget for Overtime Salaries in appropriation 001-DPW-1164-1120 by \$50,000, to \$250,000 to more accurately reflect anticipated overtime expenses resulting from the 2008 ERIP and reduced work force.
- ❖ Increase the 2009 recommended budget for Overtime Salaries in appropriation 001-DPW-1164-1120 by \$50,000, to \$200,000, a reduction as compared to the

2008 estimated budget, reflecting all non abolished vacant positions being filled for all of 2009.

- ❖ Reduce the 2008 estimated budget by \$25,000 and the 2009 recommended budget by \$50,000 for Fuel for Heating in appropriation 001-DPW-1164-3050 to reflect anticipated cost savings.
- ❖ Increase the 2008 estimated budget by \$10,000 and the 2009 recommended budget by \$23,000 for overtime in appropriation 001-DPW-1345-1120 to more accurately portray anticipated expenditures in a division with an increasing workload and dwindling workforce.
- ❖ Reduce the 2008 estimated budget by \$80,000, from \$150,000 to \$70,000 for Rent-Office and Buildings: Fees for Services Non-Employee in appropriation 001-DPW-1363-4560 to more accurately portray anticipated expenditures.
- ❖ Reduce the 2009 recommended budget by \$70,000, from \$300,000 to \$230,000 for Rent-Office and Buildings: Fees for Services Non-Employee to more accurately portray anticipated expenditures.
- ❖ Vacant authorized positions in Highways, Structures & Waterways (001-1490), for which funding is budgeted, should be filled on a priority basis to moderate the ballooning expense associated with the use of outside consultants.
- ❖ Progression of the 2008 contract with Route 110 Redevelopment Corporation should be monitored and the 2008 estimated budget for appropriation 001-DPW-1490-4980-GQR1 adjusted accordingly.
- ❖ Decrease the 2008 estimated budget for permanent salaries in appropriation 001-DPW-1492-1100 by \$70,000 to more accurately reflect anticipated expenditures.
- ❖ Abolish the vacant Public Works Capital Project Manager position and reduce the 2009 recommended budget for permanent salaries in appropriation 001-DPW-1493-1100 by \$74,330.
- ❖ Increase the 2008 estimated budget by \$60,000 for Overtime Salaries in appropriation 001-DPW-1493-1120 to more accurately represent projected expenditures.
- ❖ Increase the 2009 recommended budget for Overtime Salaries in appropriation 001-DPW-1494-1120 by \$250,000.
- ❖ Increase the 2008 estimated budget for overtime in appropriation 001-DPW-1494-1120 by \$150,000, to \$550,000.
- ❖ Funded vacant positions in Buildings Operations & Maintenance (001-1494) should be filled on a priority basis to mitigate the growth trend of overtime expenditures.
- ❖ Vacant positions in Vector Control should be filled promptly as funding permits. The division is operating at 75% of its authorized staff which is an inadequate level to accomplish their core mission in an efficient and cost effective manner and has led to their increased dependency on the use of overtime.

- ❖ Vacant custodial positions should be filled as available funding permits to aid in the provision of adequately cleaned County facilities and decrease the division's growing dependence on the use of overtime to perform the most basic of functions in their core mission.
- ❖ Decrease the 2008 estimated budget for Postage (001-DPW-1660-3020) by \$50,000 to more accurately reflect anticipated expenditures.
- ❖ The increased growth in demand for services experienced within the Transportation division over the last several years exerts pressure on current staff and hinders their ability to fulfill their core mission to provide quality service to consumers of transportation services. Although the division has excelled, given its limited resources, it may need to reprioritize its work, request additional staff, or augment existing staff by contracting out certain functions in order to maintain current service levels and implement service enhancements as required.
- ❖ Increase the 2008 estimated budget for overtime salaries in appropriation 105-DPW-5110-1120 by \$200,000 and increase the 2009 recommended budget for overtime salaries by \$225,000 to more accurately reflect anticipated expenditures.
- ❖ Decrease the 2008 estimated budget for Rent: Highway Equipment (105-DPW-5142-3530) by \$250,000 to \$400,000.
- ❖ Increase the 2008 estimated budget for Snow and Ice Removal Supplies (105-DPW-5142-3270) by \$100,000 to \$1,100,000.
- ❖ Vacant positions in Road Machinery (016-5130) should be filled to reduce the need for overtime and to provide sufficient staff to maintain and repair the County fleet.
- ❖ Increase the 2008 estimated budget for Overtime (016-DPW-5130-1120) by a minimum of \$40,000, to \$200,000 to adequately represent anticipated expenditures.
- ❖ Increase the 2009 recommended budget for Overtime in appropriation 016-DPW-5130-1120 by \$40,000 to the requested amount of \$200,000.
- ❖ Fill vacant sanitation positions in a timely fashion as recommended funding allows. Increased vacancies, in conjunction with the increased responsibilities of maintaining and operating additional sewage treatment plants, could prove problematic in enabling the division to fulfill its core mission.
- ❖ It is imperative that the sludge management analysis progress into 2009 so that a decisive sludge management plan can be developed and implemented to reduce the County's vulnerability to external market forces.

Real Property Tax Service Agency

- ❖ Amend the fee schedule for the ARIES subscription to allow for subscriptions covering the East End, Brookhaven, and the West End.
- ❖ Consider increasing the tax map certification fee. Each \$5.00 of fee increase will generate approximately \$1,000,000 on an annual basis.

Sheriff

- ❖ Hire a class of 30 Correction Officers in June 2009, filling vacancies. There are sufficient appropriations for this class. Failure to do so will increase overtime costs to beyond what is included in the 2009 recommended budget.
- ❖ Hire a class of 25 Correction Officers in September 2009, in anticipation of the new correctional facility opening in 2011. There are sufficient appropriations for this class. Failure to do so will create the need for large classes in 2010 and 2011.
- ❖ Hire a class of 10 Deputy Sheriff's during 2009, if possible, depending on the Police academy schedule. An additional \$184,344 would have to be included for permanent salaries, holiday pay, uniforms, cleaning allowance, guns/ammunition, etc. for a class of 10 to begin on September 2, 2009.
- ❖ As of October 8th, the Sheriff is housing 17 prisoners in "out-of-county" facilities compared to 206 at this time last year. Due to this reduced figure, the 2008 estimated amount in appropriation 001-3151-4560 can be reduced by \$250,000.
- ❖ Reduce vehicle expenditures in the Department of Public Works by \$267,000 and allow the Sheriff to allocate the remaining \$739,000 as requested. All of the requested vehicles will replace vehicles with over 110,000 miles by the end of 2009.
- ❖ Based upon the recent grant award, increase the New York State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348, by \$556,685 in 2009.

Social Services

- ❖ Rapidly rising costs of child care and State funding cuts forced DSS to freeze and possibly close active non-guarantee cases, basically the working poor.
- ❖ In order to reopen enrollment for child care subsidies to all eligible families, an estimated \$12 to \$14 million in 100% County cost would have to be added to the 2009 budget.
- ❖ State and local legal challenges are presenting serious operational and financial impacts to Social Services such as the NYS Appellate Court decision Doe vs. Doar, which required SSI-related household budget recalculation by SCDSS back to 2004 with refunds issued totaling \$3 million, and the recent filing of a class action lawsuit on behalf of Suffolk's Medicaid applicants relating to delays in the eligibility determination timeframes.

- ❖ Recommended staff for Social Services in 2009 stands at an historic high of 1,685 with the bulk of the increased staffing occurring in the 100% funded Medicaid Compliance Unit.
- ❖ The Budget Review Office consistently advocated before and since the advent of the 100% funding for Medicaid staff, to fortify staff for the Medicaid eligibility and recertification processes to meet State mandates, to help those in need get access to medical care and to save taxpayer dollars by making sure that only people who are entitled to Medicaid benefits get Medicaid coverage.
- ❖ Economic downturn and all of its repercussions is the most serious unknown factor in trying to answer the question as to whether DSS is properly resourced with sufficient staff and adequate program funding in 2009.
- ❖ The emergence of a “gap” population, not poor enough to qualify for assistance, but struggling to make ends meet, is a growing phenomenon presenting to DSS.
- ❖ Add \$131,216 in DSS Administration (001-6005) for permanent salaries and fringe benefits to fill four vacant Account Clerk positions for $\frac{3}{4}$ of 2009 to ensure compliance with the Prompt Payment Policy and prevent further payment delays to child care and all other types of vendors.
- ❖ Restore \$92,000 to DSS Renovations in 2009, which relates to \$47,000 for CCTV repairs and maintenance and \$45,000 for upgrades to security locks.
- ❖ Increase revenue in 2008 for the following repayment lines in DSS: Medical Assistance (001-1801) by \$196,679, Family Assistance (001-1809) by \$350,000, ADC Foster Care (001-1818) by \$180,000 and Child Care (001-1819) by \$108,000. Increase 2009 revenue for repayments for ADC Foster Care by \$80,000 and Child Care by \$108,000.
- ❖ In line with year-to-date cost trends, reduce Family Assistance program costs (001-6109) in 2008 by \$1,500,000 and in 2009 by \$1,050,000. The revised estimate includes an overall 7% increase from 2007 by decreasing FA caseloads and including \$3 million for the Doe vs. Doar settlements. The 2009 revised amount removes Doe vs. Doar, which is now 97% complete, from the base and includes an increase of 14% to anticipate greater demand, rate increases and the impact of the economy.
- ❖ Reduce Safety Net program costs (001-6140) in 2008 by \$1,200,000 in line with year-to-date trends and to incorporate an 8.8% increase over 2007. This provides a lower base upon which to build a 9.9% increase for 2009 to prepare for rising numbers of SN singles and the impact of the economy.
- ❖ Reduce DSS Institutional Foster Care (001-6118) in 2008 by \$500,000 and decrease the 2009 level by \$1,000,000, and reduce Institutional Foster Care/JD PINS (001-6121) in 2009 by \$500,000 to reflect the success of AFY and other preventive service programs that are bringing down the numbers of children, especially PINS, in institutional foster care.
- ❖ Add \$138,863 in the Housing Division for permanent salaries and fringe benefits to fill three vacant positions for $\frac{3}{4}$ of 2009 to provide flexibility and increased

capability to respond to increasing numbers of homeless families and individuals due to the economy.

- ❖ For every \$1 expended on net CSEB (Child Support Enforcement) administrative costs, nearly \$85 in child support collections are generated.
- ❖ The funds collected by CSEB have a major effect upon helping to move public assistance clients toward self sufficiency.
- ❖ Restore sufficient permanent salaries to CSEB in 2009 to maintain an on-board staffing level at an average level no lower than 95%.
- ❖ Remove the \$500,000 included in the old Medicaid program appropriation (001-6102) in 2009 for a 2009 IGT allotment that is not accounted for in the same manner as in the past, is insufficient and inappropriately placed in this portion of the budget.
- ❖ Extend the autofill policy that currently covers vacancies occurring in Child Protective Services to all 100% funded positions in DSS.
- ❖ DSS hiring plans for all other areas not covered by an autofill policy should be engineered to maintaining all divisions at an average vacancy rate of no more than five percent at all times and should be submitted to both branches of County government.
- ❖ The Legislature should be notified on a regular basis as to the status of DSS vacancy rates by division and the impact on backlogs and workloads.
- ❖ Near tripling and quadrupling growth trends in overtime and temporary salaries are occurring in DSS to make up for the lack of adequate and consistent levels of full-time, fully trained and experienced staff.
- ❖ One of the greatest threats to the funding sources and stability of DSS is coming from the State of New York via two percent cuts in child care allocations already enacted and with an upcoming session of the State Legislature to consider further cuts giving serious cause for concern.
 - Suffolk County was the second hardest hit local district by the State budget cuts for child care funding out of a total of 41 counties that had their child care allocations reduced.
 - Child care subsidies are a critical part of a comprehensive economic development strategy, which stimulates the economy and serves as an integral part of the social infrastructure enabling parents to work.
 - A 2004 study showed that for every \$1 spent in Long Island's child care industry, nearly \$2 would be generated in the local economy; the child care industry was stated as having stronger linkages to the regional economy than many other local industries such as banking, hotels and lodging and apparel and accessory stores.

Soil and Water Conservation District

- ❖ Retain the abolished Senior Soil District Technician to provide field supervision and abolish one of the two vacant Soil District Technician positions.

Suffolk County Historical Society

- ❖ Provide the Historical Society with \$280,000 in 2009 to permit the Historical Society to keep performing its mission of maintaining a tangible recorded history and cultural enhancement.

Vanderbilt Museum

- ❖ Commence the RFP process for investment management services of the Endowment Trust Fund as the current contractual agreement with the Bank of America expires at the end of 2008.
- ❖ By the end of the year, adopt a resolution to modify the annual distribution to the Museum in 2009 to an amount less than the current distribution of \$1.2 million in accordance with current financial markets. The market value of the Fund, as of October 14, 2008, was \$9.0 million. The Fund will be unable to sustain an annual distribution of \$1.2 million in 2009.
- ❖ The Museum's budget as it appears in the County operating budget is a business plan adopted by the Museum's Board of Trustees. We recommend specific fiscal adjustments to the Museum's 2008 estimated and 2009 recommended operating budgets.
- ❖ Allocate a portion of the Hotel/Motel Tax to the Museum.
- ❖ The Budget Review Office makes the following recommendations for the Board of Trustees to consider:
 - Review staffing and consider filling a finance related position.
 - Continue to actively monitor the monthly Treasurer's report of actual revenues and expenditures so that timely spending plan adjustments can be made to address the potential 2008 operating budget deficit and to ensure that the 2009 year-ending operating budget is balanced.

THE PROBLEM IS 2010

The 2009 recommended budget is in many ways a fiscally sound document. The problem is that it places the County in a difficult position to be able to construct a budget for 2010. The purpose of this section is to summarize some of the major problem areas in the budget that are mentioned elsewhere in this report. Many of these problems are a direct result of a declining economy that seems to be getting worse on a daily basis.

As seen in the following table, the overall shortfall that we are likely to face in constructing the 2010 budget is an estimated \$67.4 million. In particular:

- Zero growth in 2009 sales tax – The recommended budget calls for a 2009 sales tax growth rate of 2%. As noted in our write-up on “The Economy”, based on the weak housing market, credit crisis, declining consumer confidence, and impending recession, zero growth would be more realistic. The impact on the General Fund budget is \$22.4 million.
- 2010 decrease in budget relief from tobacco securitization – The 2009 recommended budget is predicated on net budget relief of \$60 million (\$15 million in 2008 and \$45 million in 2009). Net budget relief from tobacco securitization in 2010 is programmed to be \$35 million. The difference of \$25 million is a loss from this multi-year (2009-2013) one-shot revenue source.
- 2009-2010 potential loss of state aid – The state and federal budgets are experiencing mounting budget shortfalls. The Governor plans to address the state shortfall at a meeting on November 18, 2008. The belief is that the state is likely to include cuts in state aid to municipalities. At this point it is difficult to gauge the impact. However, for purposes of discussion we include a loss of state aid equal to \$10 million in each of 2009 and 2010 for a total of \$20 million.

2010 Major General Fund Budget Problems that are implicit in the 2009 recommended budget

Zero growth in 2009 sales tax	\$22,400,000
2010 decrease in budget relief from tobacco securitization	\$25,000,000
2009-2010 potential loss of state aid	\$20,000,000
Totals	\$67,400,000

One reason for the problem is that it has become increasingly difficult to sustain a \$1.9 billion recommended General Fund budget on a \$51 million property tax. The recommended \$1,062 decrease in the General Fund property tax further exacerbates the problem in 2010. Had property taxes been increased modestly over the years we may not be having this discussion.

To put things into perspective, the General Fund property tax peaked at \$166.5 million in 1989 and last exceeded \$100 million in 1995. To help keep General Fund property taxes low in more recent years the sales tax rate was increased from 4.0% to 4.25% on June 1, 2001 and the residential energy portion of the sales tax was increased from 1% to 2.5% on March 1, 2002. The County also benefited from a strong economy and high sales tax growth rates in the late 1990s through the first half of this decade. The Budget Review Office has consistently cautioned that the budget is overly dependent on sales tax revenue and more recently on large fund balances. It is now apparent that we will not be able to rely on sales tax growth to resolve our budget problems for some time.

The good news is that the County has a \$130 million Tax Stabilization Reserve Fund. A policy decision should be made as to what, if any, of these funds should be tapped. Use of the Tax Stabilization Reserve Fund should be considered as part of a larger plan to structurally resolve our budget problems. At this point the County needs to make hard decisions. Do we raise property taxes? Do we raise the residential energy portion of the sales tax? Do we seek state approval to raise the overall sales tax rate? Do we lower the sales allocation to the Police District in order to strengthen the General Fund budget at the expense of the Police District? Do we raise revenue from traffic tickets by instituting red light cameras? Do we further under fund programs? Do we eliminate whole programs in order to properly fund the remaining ones? These are some of the choices, none of which are attractive. Nevertheless, we must face reality and begin serious discussions on what direction to take.

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THE ECONOMY

I. Overview

In this section of our review we present an overview of the economy and its impact on the budget. There is little doubt among economists that nationally all signs point toward recession. Locally, although employment continues to grow at a reduced rate at business establishments, the number of employed residents has been on the decline, the unemployment rate is trending upward, as are foreclosures. The duration of this economic downturn is difficult to gauge. That being said, the outlook is not likely to improve before the start of 2010. In fact, it is quite possible that we may very well now find ourselves in an “L-shaped” business cycle, where a downturn in the economy is followed by no to little growth for an extended period.

The impact of a weak economy on the County budget is most noticeable in the slowdown in sales tax receipts and continued weakness in property tax collections. It would appear that 2% recommended sales tax growth for 2009 would at this point be optimistic. If sales tax mirrors our experience from the recession of the early 1990s,

zero growth would be more likely. Each 1% change in the growth rate of sales tax equates to \$11.2 million. The difference between 2% and 0% growth would amount to a \$22.4 million shortfall in the General Fund for 2009. As for property taxes, it would appear that budgeted tax delinquencies of \$19.6 million for 2008 are reasonable. However, the current housing slump and economic downturn would suggest that tax delinquencies will continue to be elevated for a few more years. Should this be the case, the 2010 budget would include a 2009 estimated property tax shortfall of somewhere in the neighborhood of \$20 million.

II. The Economy in Recession

There is little doubt among economists that, nationally, all signs point toward recession. Although current data would seem to make it all but certain that the economy is in a recession, the official designation is not likely to come for several months. The National Bureau of Economic Research is the arbiter of recession dating. A recession is characterized by “a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production, and wholesale-retail sales.”

The stock market has lost a considerable amount of its value over the course of the last year, the labor market is contracting, real estate prices are falling, the failures of the mortgage industry and financial markets are well documented, and we now find ourselves in the midst of a credit crisis that has slowed the flow of capital. The economic outlook is characterized by both negatives and positives.

Negatives include:

- The stock market
 - As of closing on October 10, 2008, The Dow Jones Industrial Index had dropped 40.3% since its peak of 14,164.53 on October 9, 2007. The Dow has fallen for eight straight sessions; the longest losing streak since the eight days of declines following the September 11, 2001 terror attacks.
 - The S&P 500, the indicator most watched by market professionals, posted its worst weekly run since 1933 and is down 42.5 % in the past year (October 9, 2007 to October 10, 2008)
 - The resulting loss of wealth has a negative impact on consumer confidence and spending.
- Credit problems – despite attempts by the Treasury and Federal Reserve to flood the market with capital, lending institutions are cautious in extending credit. This trepidation is a major factor contributing to market confusion.
- A weak American dollar – the dollar is devalued when compared to other currencies, making imports more expensive, driving up production costs, and lowering profitability.
- A worldwide slowdown will slow recent gains in U.S. exports that was benefiting from a weak dollar.

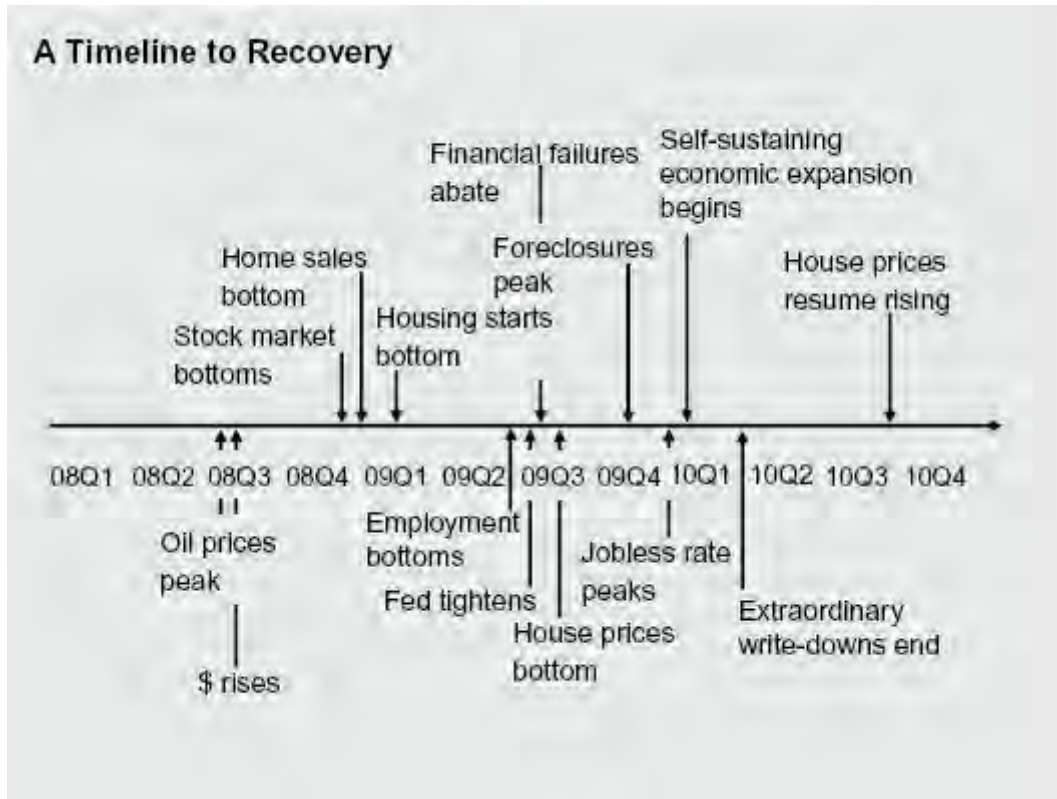
- Housing fundamentals remain poor.
- The economy is generating less income for both households and businesses.

Positives include:

- The government relief package should start to be in effect by end of this year.
 - The relief package authorizes the Treasury to invest \$700 billion in at-risk securities.
 - The intent is to assure the viability of financial institutions and unfreeze the credit markets. It should be noted that the relief package does come with long-term costs associated with issuing more national debt, and possibly having the taxpayers responsible for an \$810 billion price tag.
- Compared to previous downturns, businesses are generally in good financial shape and inventories are at very low levels. As a result, there is not likely to be as many lay-offs in the current recession.
- Nationally the pace of house price declines has abated significantly (as measured by the Case-Shiller 20-city composite index).

The local situation is trickier to ascertain. In August, Moody's 'economy.com' released a list that categorized the status of state and metro-area economies. This list was compiled before the financial meltdown on Wall Street, but it offers some insight nonetheless. Of the 50 states (the list actually includes DC but omitted Alaska), 27 were "in recession", 16 were "at risk", and seven were "in expansion". New York State and Long Island were listed as "at risk".

The duration of this economic downturn is difficult to gauge. At this point, some of the more optimistic forecasts call for the economy to improve in the second half of 2009. Unfortunately, the bad news seems to be getting worse on a daily basis. With that in mind, it is more prudent to assume that the outlook would not improve before the start of 2010. To support this view, the following chart, "timeline to recovery," from Moody's Economy.com, provides one perspective on what to expect moving forward. The chart shows that a "self-sustaining economic expansion" will not take place until the first quarter of 2010. In fact, it is quite possible that we may very well now find ourselves in an "L-shaped" business cycle. While the typical "U-shaped" or "V-Shaped" cycle is one in which the economy declines and then rises, an "L-shaped" cycle would exhibit a downturn and then the economy would not grow, or be flat, for an extended period.

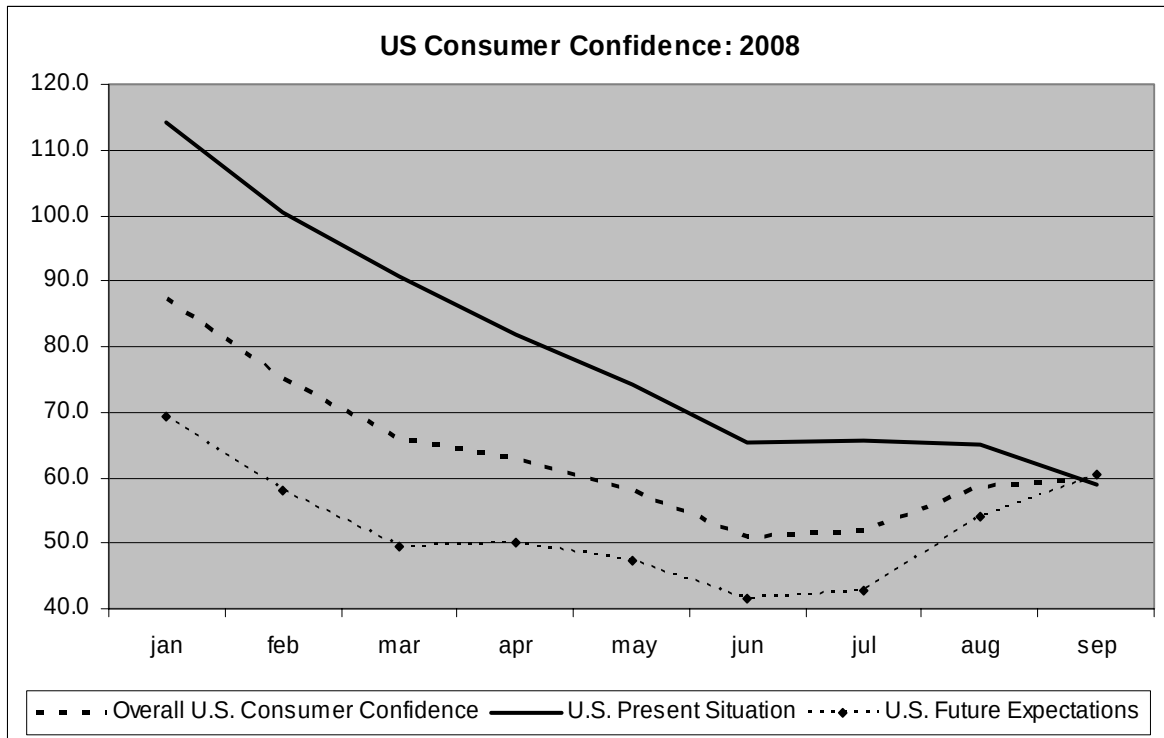


III. Consumer Confidence

Perhaps there is no better gauge as to the direction the economy is heading than consumer confidence. Consumers drive the economy, accounting for 70% of GDP. Low consumer confidence signals that consumers are reluctant to part with their money, resulting in lower sales, lower profits, lower production, and loss of jobs.

The Conference Board's Consumer Confidence index measures various aspects of consumer confidence; among these, thoughts on present conditions and expectations for future conditions.

As seen in the following graph, for most of the year, the Conference Board's overall consumer confidence index has steadily declined. In September, the index was 59.8, up from its all time low of 51 in June; however, much of the data collected for the September release was accrued before the financial panic that occurred late in the month. One would expect a decline in the October release.



IV. The Housing Situation

Much of our current economic woes are tied to the failure of housing markets:

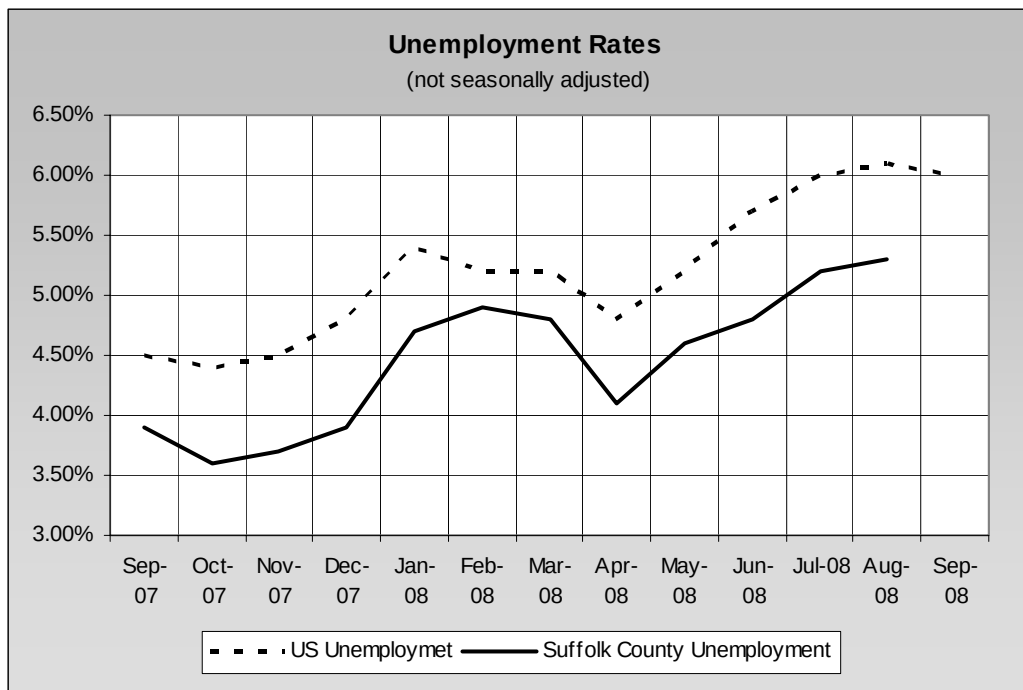
- Nationally, when comparing the same quarters from year-to-year, home prices started to decline in 2007.
- In Suffolk County, prices have been falling since July of 2007, when compared to the corresponding month of the previous year.
- Declining housing prices are expected to continue for the remainder of 2008 and through 2009. Although providing little consolation, this can be viewed as much a market correction as a devaluation.
- After falling for five consecutive years (2001-2005), 2008 will mark the third year in a row that foreclosures in Suffolk County are up.
- Mortgage tax revenue remitted to the towns in Suffolk was down almost 42% in the first half of 2008, compared to the first half of last year.

V. Employment

September marked the biggest loss of jobs nationwide in five years (based on seasonally adjusted data). The U.S. economy lost 159,000 jobs in September, with U.S. job losses through the first three quarters of 2008 totaling 760,000. On Long Island, business establishment employment continues to grow. In particular, when comparing the second quarter of 2008 to the same quarter in 2007, total non-farm

employment on Long Island increased by 4,900 workers (not seasonally adjusted). Non-farm employment at Long Island business establishments has not declined since the third quarter in 2002.

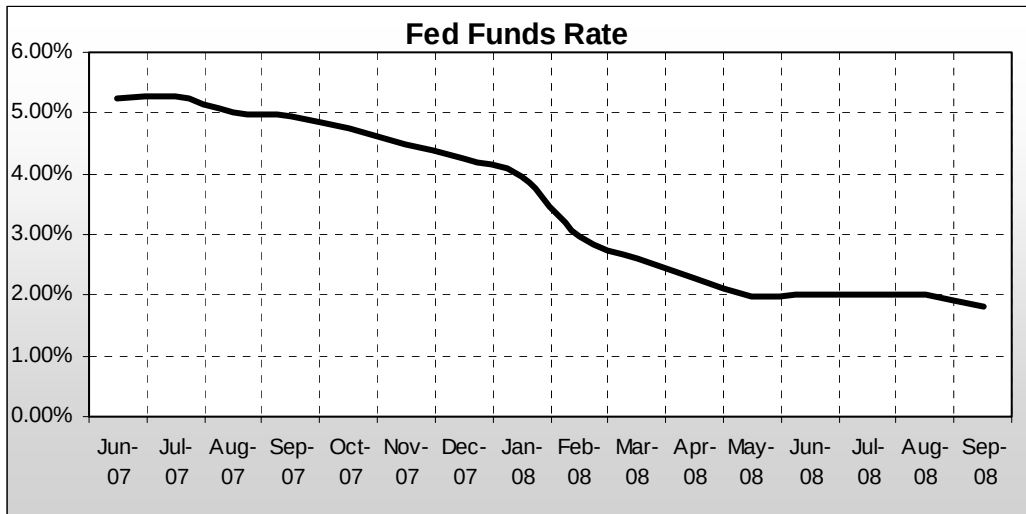
As for unemployment rates, they have been trending up both locally and nationally. The U.S. unemployment rate trended up from 4.5% last September to 6.1% this September (not seasonally adjusted). Locally, unemployment trends have mirrored the national trend; but, Suffolk County's unemployment level is generally lower. As seen in the following graph, unemployment rates are rising in the County. The last official release from the BLS shows a rate of 5.3% (not seasonally adjusted); lower than the national rate of that same period, which was 6.1%.



The discrepancy between (1) continued growth in employment at local business establishments and (2) a shrinking number of employed residents implicit in our rising local unemployment rate, is that many workers who live on Long Island work in NYC or elsewhere.

VI. Interest Rates

Currently, interest rates are extremely low. The Fed has been aggressively slashing rates in attempts to stimulate growth. Prior to August 2007, the fed funds target rates had been rather stable for 12 months at about 5.25%. Since then, the fed funds rate has declined every month. The last officially posted rate for September was 1.81%. On October 8, 2008, the fed led a coordinated global rate cut and lowered the overnight rate to 1.5%. Looking forward, it is hard to imagine further rate cuts, but the same could have been said back when rates were a point higher.



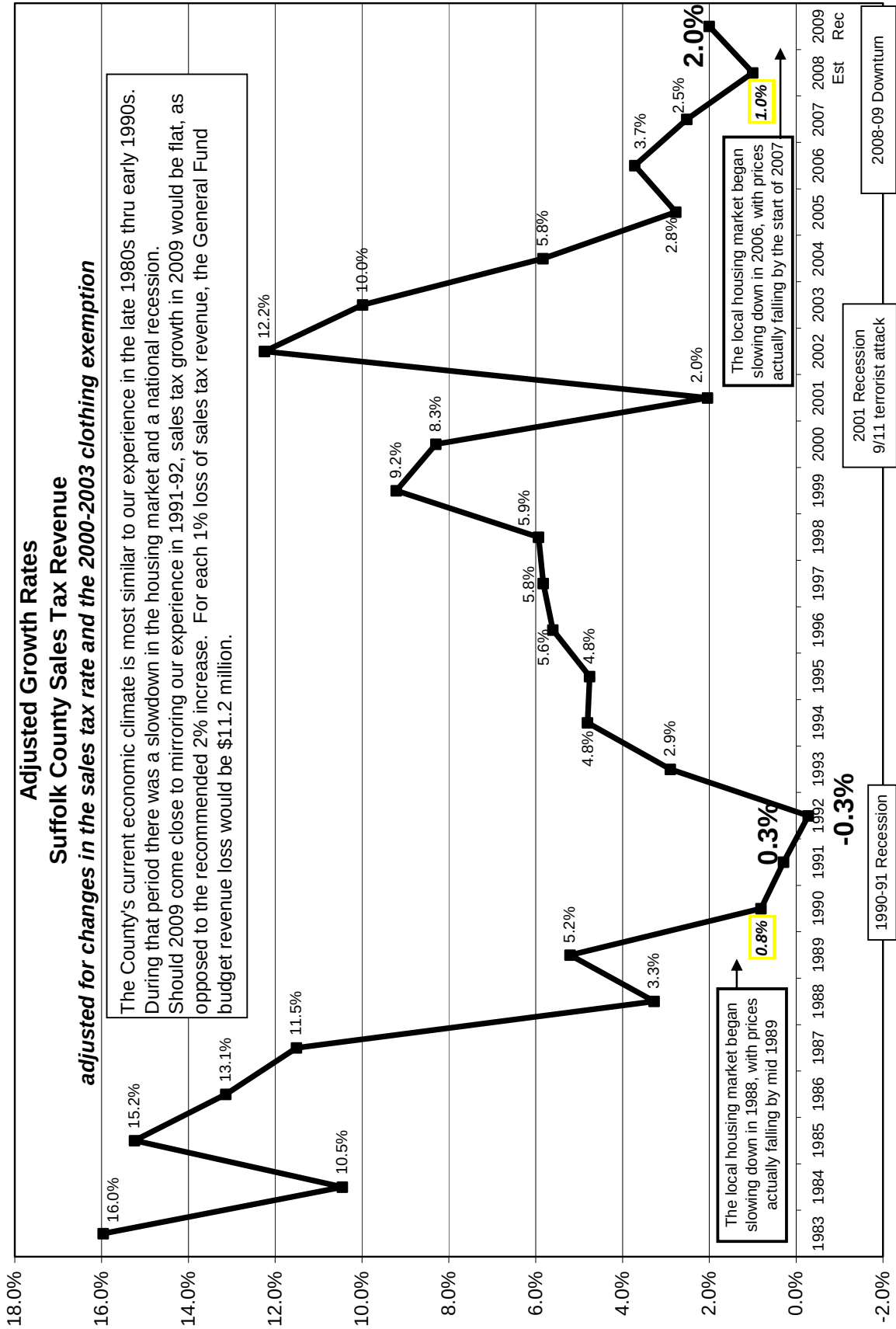
VII. Inflation

In the second quarter of 2008, the CPI in the New York region was 4%, up from 3.7% in the first quarter and 2.8% in 2007. A good portion of the recent increases in inflation were due to increases in food and energy prices. We have already seen the price of energy fall in recent weeks. Looking ahead, with credit being scarce, and consumers wary, spending should decrease, placing further downward pressure on inflation. Yet, as previously mentioned, in addition to the Fed's cuts, the government is attempting to flood the market with liquidity; which, in theory, would lower rates in the short run, but in the long run would increase demand and place upward pressure on inflation. As such, we would expect inflation to moderate throughout the end of next year.

VIII. The Economy's impact on Suffolk County's budget

A. Sales Tax Revenue

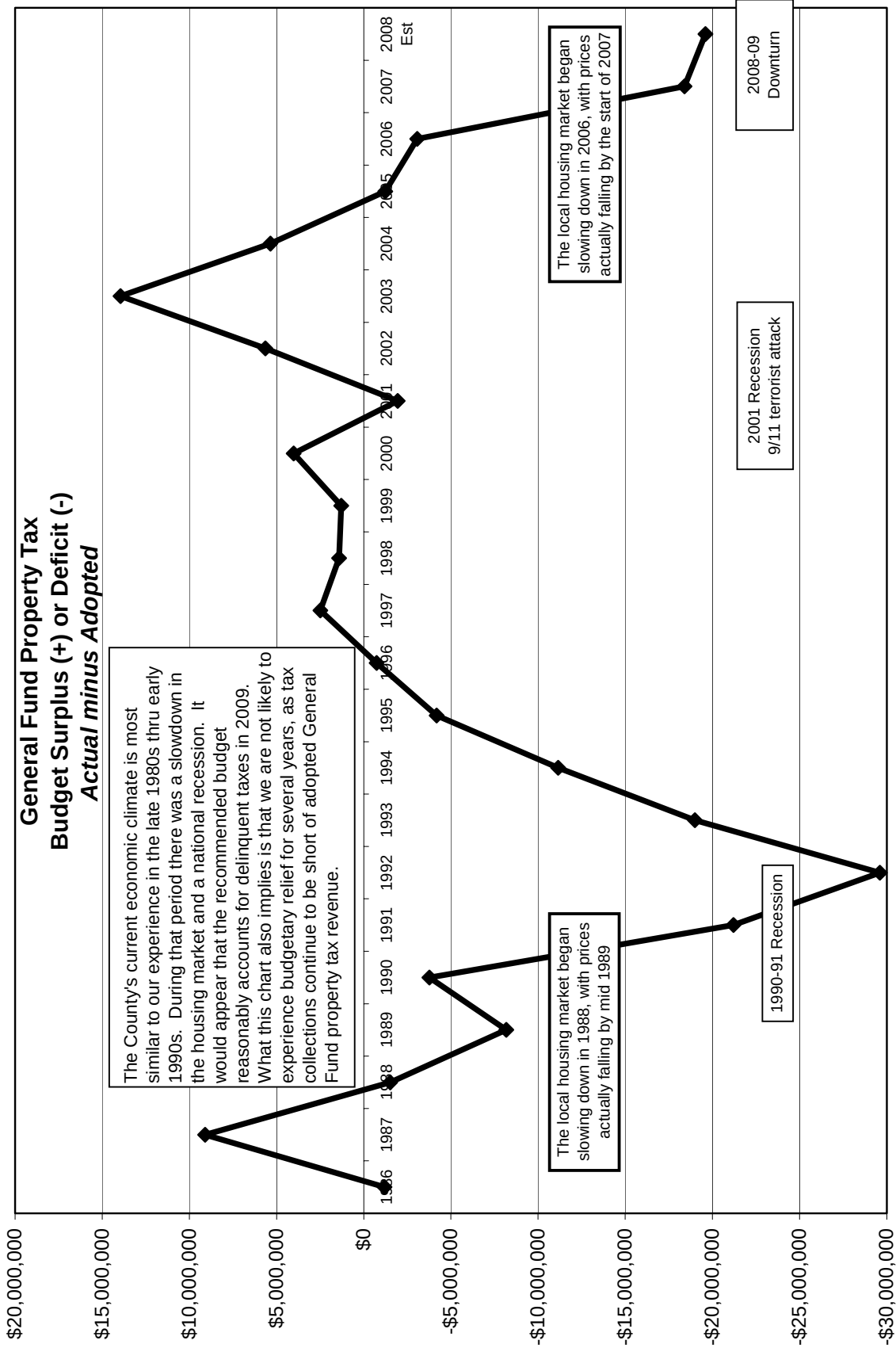
As seen in the following chart, the County's current economic climate is most similar to our experience in the late 1980s and early 1990s. During that period there was a slowdown in the housing market and a national recession. Should this year and next year come close to mirroring our experience in 1990-1992, then 2008 estimated sales tax growth of one percent would be on target with growth experienced in 1990. However, 2009 recommended sales tax growth of 2% is above the zero growth rates (after adjusting for a change in the tax rate) experienced in 1991-1992. While it is possible that the federal bailout will turn things around sooner, the downside risks are greater. As a rule-of-thumb, for every 1% loss of sales tax revenue, the General Fund budget would be short \$11.2 million. A more likely scenario is zero growth, which would translate into a \$22.4 million shortfall.



B. Property Tax

The following chart graphs the surplus or deficit in General Fund property taxes since the mid 1980s. From the chart we observe:

- Since 1986 there was a deficit (actual General Fund property taxes were less than adopted) 65% of the time (15 out of 23 years), while a surplus was generated 35% of the time (8 years).
- 2008 estimated General Fund property taxes are recommended at \$31.5 million, which is \$19.6 million less than the \$51.1 million adopted amount. In comparison, last year 2007 actual property taxes were \$18.4 million less than adopted.
- The method used to calculate property taxes makes it difficult to accurately predict the 2008 actual collections. That being said, based on information from the Treasurer's Office, the recommended budgeted amount is in an acceptable range. However, while the Budget Review Office is not recommending a change, there is a greater likelihood that final collections will be less than is stated in the budget, as opposed to more.
- The chart shows that in the previous housing slump, which began in the late 1980s, a deficit in property tax collections of \$3.8 million or more existed in seven consecutive years (1989 to 1995). With tax delinquencies elevated over the past three years (2006-2008), past experience would suggest that more of the same can be expected over the next four budgets. Should this be the case, the 2010 budget would include a 2009 estimated property tax shortfall of somewhere in the neighborhood of \$20 million.



C. Interest Earning and Expense

Overall, interest rates are relatively low by historic standards and are expected to remain relatively low through 2009. Interest rates have an impact on both the revenue and expenditure side of the budget.

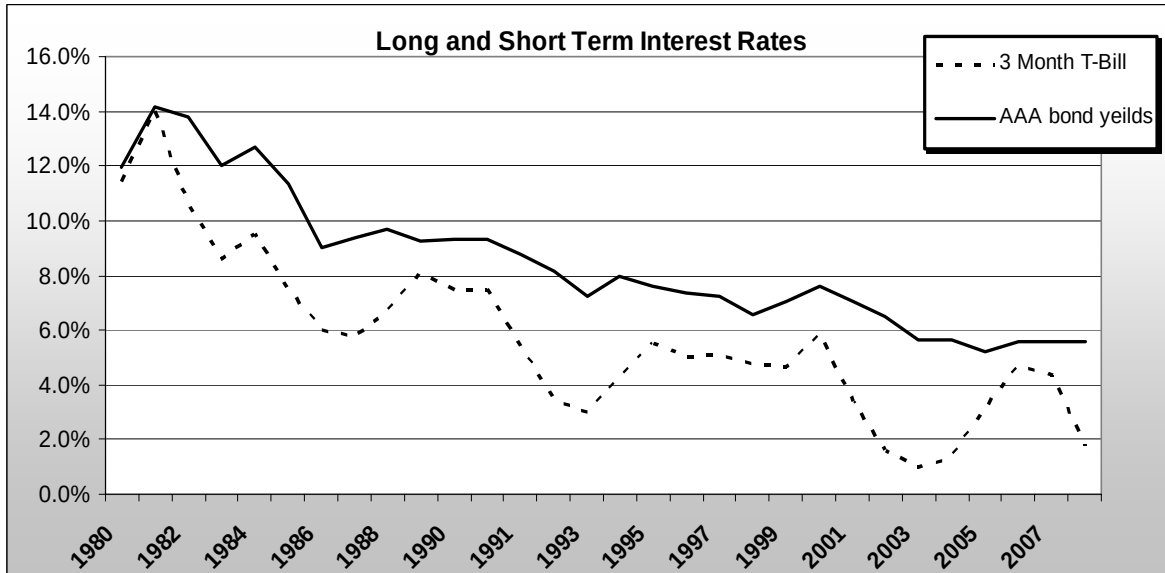
As for budgeted revenues:

Low short-term interest rates stand to mitigate the County's ability to generate revenue via interest bearing accounts. Unless there is a dramatic turnaround in the economy, we expect short term interest rates to remain low.

On the expenditure side of the budget:

Short term interest rates impact the Tax Anticipation Notes (TANs) issued at the beginning of each year and in the fall. Longer term interest rates affect serial bonds issued by the County to finance the capital program. Serial bonds are issued each year in the spring and fall.

Short-term rates are expected to remain low throughout most of the year, perhaps picking up toward year's end. Longer term rates should take longer to react, not picking up until some time in 2010. While both the fed funds and other benchmark rates are currently low; one unsettling aspect of these unprecedented economic times is that debt offerings may not behave in accordance with traditional benchmark rates. With the collapse and or merging of large institutional investment houses, the buyers' pool of municipal bonds has waned. Combine this with liquidity problems being felt by both investors and municipalities; we have a perfect storm for creating a "buyers market". This situation could require the County to pay higher yields on bond offerings; ultimately, increasing expenses. Contrasting this phenomenon is the strength of Suffolk County's credit rating. If investors do have to make a choice between competing issuers; Suffolk County is viewed as being among the less risky choices. In addition, although the credit crisis may require the County to pay higher rates, they remain low by historical standards. For instance, 3 Month Treasury Bill yields are currently averaging about 1.8% for 2008. Other than a dip from 2002-2004, short term rates have never been this low. Longer-term rates are historically low; Triple A bond yields are averaging about 5.6% for 2008. The following graph shows the historical trends in both 3 Month T-Bills and AAA bond yields on an annualized basis.



While current rates are low, it is not likely that they will remain this low for more than a couple of years. Much of the free flowing capital which pushed rates down, has dried up. As newer, more conservative lending practices are implemented in efforts to avoid a repeat of the current credit crisis, upward pressure on interest rates should be the end result. Since the County's interest expenses are much higher than interest earnings, low interest rates are currently a positive for the County, but in the future rising interest rates will have a net negative impact upon budgets.

D. Expenditures for Health and Social Services

Expenditures related to the current economic downturn are expected to impact several County operations, including among others; Health, Probation, Social Services, and Public Safety. Sections of this report dedicated to specific departments elaborate on the adequacy of funding for 2009; however, on balance Budget Review cautions that it is too soon to assess the potential negative impact the current economic situation is likely to have on many programs funded by the County.

The Department of Health Services (DHS) should anticipate an increase in workload due to an increase in the uninsured and Medicaid eligible populations.

- A conservative estimate for Suffolk County is that approximately 7,600 more Medicaid enrollees could be expected for every percentage point increase in unemployment – resulting in up to an additional 2,500 patients in County health centers. Capacity of the County health centers to absorb this influx should not be at issue in 2009, but is dependent on the severity of the economic downturn and on the geographic distribution of any potential patients.
- Other demands for DHS services may result from uninsured residents who have lost coverage once secured through employment, or whose employers have foregone providing health insurance in the face of the economic crisis.

- Statewide and locally adjusted estimates put the uninsured rate in Suffolk County at approximately 15%. It is reasonable to expect that an increase in unemployment would result in an increase in the uninsured – with only a portion of the uninsured (typically children) covered by programs like Medicaid. Again, the degree of negative impact on County funding for these constituents is dependent on the severity and duration of the current economic downturn.

The Department of Social Services (DSS) is already experiencing a growing phenomenon that the department has identified as a “gap” population – not poor enough to qualify for assistance, but struggling to make ends meet. In addition, year-over-year increases in home heating costs, and the prediction of a colder winter than last year, are expected to result in increased applications for the Home Energy Assistance program (HEAP).

The Department of Probation is expected to incur additional workload resulting from increased incidents of criminal activity and substance abuse, due to increased unemployment and financial hardship.

The Suffolk County Sheriff may incur increased activity (and expenditures) relating to incarceration of criminal offenders (i.e. for substance abuse, theft, and violence) above typical annual average levels – as a consequence of economic hard times.

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

THE 2009 RECOMMENDED PROPERTY TAX WARRANT

This section of our report provides a town-by-town breakdown of County property taxes. The accompanying table summarizes the recommended property tax, showing totals for the major County 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.

Overall, property taxes are recommended to decrease by \$702,383 or 0.1%. The breakdown by fund is a proposed decrease of \$1,062 in the General Fund, \$1,142 in the Police District, no change for the College, and a decrease of \$700,179 in the District Court. The Police District and District Court service the five western towns only, while the General Fund and College service the entire County.

The combined funds recommended property tax translates into a decrease in the average homeowner tax bill of an estimated ten cents in County taxes. As seen in the table, the impact varies considerably on a town-by-town basis. In terms of individual towns, four are estimated to experience an increase in County taxes, Huntington, Islip, East Hampton, and Shelter Island. Since the overall tax decrease is so small, the change in apportionment between towns explains why not all towns will experience a tax decrease.

Suffolk County Property Tax Warrant: Comparison of 2009 Recommended to 2008 Adopted

		Total Tax Levy appearing on the tax warrant (county portion)				Average Homeowner Tax Bills (county portion)			
		2008 Adopted	2009 Recommended	Change	Percent Change (county portion of tax warrant)	2008 Adopted	2009 Recommended	Change	Percent Change (county portion of tax warrant)
County Portion of the Tax Warrant:									Percent Change in Total Tax Bill (county, town, school and special district taxes)
General Fund	\$51,093,013	\$51,091,951		-\$1,062	0.0%	\$93.38	\$92.53	-\$0.85	-0.9%
College	\$5,250,467	\$5,250,467		\$0	0.0%	\$9.51	\$9.47	-\$0.04	-0.4%
Police District	\$439,543,186	\$439,542,044		-\$1,142	0.0%	\$977.78	\$980.21	\$2.43	0.2%
District Court	\$8,012,568	\$7,312,389		-\$700,179	-8.7%	\$17.15	\$15.67	-\$1.47	-8.6%
Combined Funds	\$503,899,234	\$503,196,851		-\$702,383	-0.1%	\$917.25	\$917.15	-\$0.10	0.0%
Combined Funds Breakdown:									
Babylon	\$62,595,394	\$60,900,809		-\$1,694,585	-2.7%	\$906.29	\$885.67	-\$20.62	-2.3%
Brookhaven	\$164,204,447	\$160,139,257		-\$4,065,190	-2.5%	\$985.01	\$966.58	-\$18.44	-1.9%
Huntington	\$94,776,537	\$99,182,449		\$4,405,912	4.6%	\$1,293.46	\$1,355.92	\$62.45	4.8%
Islip	\$107,457,841	\$111,011,235		\$3,553,394	3.3%	\$1,032.86	\$1,063.80	\$30.94	3.0%
Smithtown	\$51,398,592	\$50,701,627		-\$696,965	-1.4%	\$1,276.36	\$1,258.26	-\$18.10	-1.4%
East Hampton	\$7,140,438	\$7,422,712		\$282,274	4.0%	\$359.89	\$371.70	\$11.80	3.3%
Riverhead	\$1,436,783	\$1,415,089		-\$21,694	-1.5%	\$82.56	\$80.76	-\$1.80	-2.2%
Shelter Island	\$690,869	\$768,800		\$77,931	11.3%	\$256.86	\$280.84	\$23.99	9.3%
Southampton	\$12,346,984	\$9,920,572		-\$2,426,412	-19.7%	\$299.49	\$234.99	-\$64.50	-21.5%
Southold	\$1,851,349	\$1,734,301		-\$117,048	-6.3%	\$121.79	\$113.34	-\$8.45	-6.9%
County Total	\$503,899,234	\$503,196,851		-\$702,383	-0.1%	\$917.25	\$917.15	-\$0.10	0.0%
5 Western Towns	\$480,432,811	\$481,935,378		\$1,502,567	0.3%	\$1,065.11	\$1,070.98	\$5.87	0.6%
5 Eastern Towns	\$23,466,423	\$21,261,473		-\$2,204,950	-9.4%	\$250.35	\$223.34	-\$27.02	-10.8%

Apportionment of taxes is based on each town's share of the total (less wholly exempt) full equalized value (FEV) of residential property in each town. These data were made available by the County Treasurer's office. To arrive at average tax bills corresponding to the 2008 adopted and 2009 recommended budgets, in 8 of the 10 towns the average residential AV for 2008 is multiplied by the assessed value tax rate in each of the two years. An exception needs to be made in Shelter Island and Southampton, where the assessed value of property has increased in part as a result of increased market values. Shelter Island and Southampton are the only towns in Suffolk that assess property at 100% of market value.

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Actual fund balance surplus/deficit for that year. In the case of the General Fund the 2009 recommended property tax of \$51,091,951 is broken down into a 2009 stand alone property tax levy of \$123,228,942, less a 2007 actual fund balance surplus of \$154,76,097, plus a 2008 estimated fund balance deficit of \$82,623,916.

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

CAP COMPLIANCE

The 2008 recommended budget is required to comply with two cap laws adopted by referendum:

- Local Law 21-1983: Expenditure cap, restricting growth in discretionary appropriations across all funds to 4 percent for 2009.
- Local Law 29-1995: Tax levy cap, restricting growth in the combined General Fund and Police District discretionary tax levy, net of any fund balance surplus or deficit, to 4 percent for 2009.

The Executive's recommended budget document shows compliance with both cap laws. The discretionary portion of the budget for 2009 is shown to be \$136,309,537 below the expenditure cap and \$11,104,916 below the tax levy cap. This presentation can be found on pages 56 and 57 in Volume No. 1 of the 2009 Recommended Operating Budget.

The Budget Review Office finds that over the past several years many revenue and expenditure items have in our view been misclassified as either mandated or discretionary, making it difficult at best to determine whether or not the budget is in compliance with the cap laws. This has been well documented in our previous reviews of the operating budget. The end result has been to make calculation of cap compliance a meaningless exercise. This can be seen in the breakdown of the General Fund property tax into its mandated and discretionary components. The following table shows that the 2009 recommended General Fund property tax of \$51.1 million is made up of a \$162.4 million mandated tax and a \$111.3 million credit or negative discretionary tax. The implication is that based on discretionary spending, the General Fund is effectively giving the taxpayers of Suffolk County a check for \$111.3 million for the privilege of providing discretionary services. Given a \$48.5 million reduction in 2009 General Fund mandated debt service due to tobacco securitization, the disproportionately large mandated portion of the property tax is difficult to understand. The conclusion to be reached is that despite the perception of fiscal restraint, cap calculations have been distorted and the resulting information rendered useless.

2009 Recommended General Fund Property Tax			
	Total	Discretionary	Mandated
Stand Alone Net Property Tax Levy	\$123,228,942	\$28,262,811	\$94,966,131
less Fund Balance, Jan. 1	\$72,136,991	\$139,594,234	-\$67,457,243
<i>equals</i> General Fund Property Tax Warrant	\$51,091,951	-\$111,331,423	\$162,423,374

Budget Review Office Recommendations

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

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Interdepartment Operation and Service Fund (016)

Background

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

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

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

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

Fund 016 receives the majority of its revenue through interfund transfers from other fund entities that are supported by services provided by fleet operations, telecommunications, and computer supported information services. Based on the 2009 Recommended Operating Budget, 18 different fund entities will provide revenue to Fund 016 in 2008/09. The General Fund (001) and the Police District Fund (115) contribute the most of any of these fund entities, which are both supported directly by real property tax levies.

Status of Funds

The 2009 recommended budget for the Interdepartment Operation and Service Fund projects a 2008 year end fund balance of \$6,339,159, which is \$840,806 less than the 2007 actual fund balance of \$7,179,965. The recommended fund balance for 2009 is \$0.

2008 Expenses

Estimated expenses total \$42,487,727, which is \$3,253,886 less than adopted. This reduction is mainly attributable to the following:

- Information Technology Services expenses were \$1,226,788 less than adopted.
- Public Works: Road Machinery costs were \$1,224,457 less than adopted.
- Telecommunications expenses were \$509,623 less than adopted.

2008 Revenues

Estimated revenues total \$41,646,921, which is \$566,521 more than adopted, due primarily to the following change.

- Increases Federal Aid: Other (016-DPW-4089) from \$0 to \$577,242. This revenue has been added in anticipation of receipt of federal aid for reimbursement of the purchase of hybrid vehicles: 80% federal funding, 20% local match on a reimbursement basis.

2009 Expenses

Recommended expenditures for 2009 are \$49,047,668 which is \$3,306,055 more than the 2008 adopted amount of \$45,741,613, due primarily to the following change.

- Increase in expenses for Public Works: Road Machinery of \$3,224,307 from \$22,836,259 to \$26,060,566.

2009 Revenues

There is an increase of \$2,186,388 in the recommended 2009 revenue compared to the 2008 adopted, due primarily to the following changes.

- Increases Federal Aid: Other (016DPW-4089) from \$0 to \$1,600,000. This revenue has been added in anticipation of receipt of federal aid for reimbursement of the purchase of hybrid vehicles.
- Increases the interfund transfer from the General Fund (001) \$3,276,349.
- Decreases the interfund transfer from the Police District Fund (115) \$2,581,041.

Budget Review Office Recommendations

The Budget Review Office agrees with the status of funds presentation for the Interdepartment Operation and Service Fund (016) in the 2009 Recommended Operating Budget.

RD 016InterdepartOper&SvcFd09

Self-Insurance Fund (Fund 038)

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

First instance funding against all insurance risk exposures is provided through the County's Self-Insurance Fund. This allotment of funds is mostly provided for through budgetary transfers from each fund based upon claims payments and risk analysis. The General Fund and the Police District Fund have the greatest exposure and therefore, the greatest cost, which has a direct impact on the real property tax levies for these two funds. In the event appropriations in the Self-Insurance Fund are inadequate to cover losses resulting from court awards or negotiated settlements, the County is able to bond the required payout and pay off the resulting debt over a period of time unless the losses are otherwise covered by specialty or stop-loss insurance policies.

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

The recommended budget includes a 2008 estimated Self-Insurance Fund year-end fund balance surplus of \$6,549,727, which resulted from the following:

- A 2007 actual fund balance of \$6,280,883, which is \$2,010,268 higher than the \$4,270,615 that was included in the 2008 adopted budget. This higher than estimated fund balance beneficially impacts the 2008 fund balance.
- Estimated 2008 revenues of \$43,566,460 exceed the adopted budget by \$1,495,850, which is due to the receipt of \$1,475,000 in unbudgeted proceeds from the issuance of bonded debt to pay off a general liability claim.
- Estimated 2008 expenditures of \$43,297,616 are \$3,043,609 less than the adopted budget. This difference is attributable to less than adopted expenses for Worker's Compensation (\$1,056,000), Unallocated Insurance (\$605,065), Auto Physical Damage (\$813,669), and bonding \$734,500 for General Liability Insurance when there is still \$734,500 of appropriations available. The \$734,500 free balance in General Liability Insurance should be used to reduce the amount borrowed.

The 2008 estimated revenue for Fund 038 includes \$38.6 million from interfund transfers (\$16.6 million from the General Fund, \$13.6 million from the Police District, \$1.6 million from the Suffolk Community College, and \$6.8 million from other Funds) and \$4.9 million (11.2%) from other sources. Other revenues include \$1.3 million from insurance recoveries and \$1.5 million in proceeds from borrowing.

Based on year to date receipts relative to historical collection patterns, the 2008 revenue estimate is overstated by \$160,000, as shown in the following table.

SELF INSURANCE FUND Disputed Revenue Estimates For The Year 2008				
Account Title	Account No.	Executive Estimated	BRO Estimated	Difference More (Less)
Refunds of Prior Exp.	038-AAC-2701	\$210,000	\$250,000	\$40,000
Insurance Recovery Work Comp.	038-AAC-2680	\$1,300,000	\$1,100,000	\$(200,000)
	TOTAL	\$1,510,000	\$1,350,000	\$(160,000)

The 2008 estimated budget includes revenue of \$210,000 from Refunds of Prior Years Expenses (038-AAC-2701). As of September 30, 2008, \$225,645 has been collected and our analysis concludes that this revenue is understated by \$40,000. For 2009 we concur with the recommended amount of \$75,000 because of the unpredictability of this revenue. The revenue from Insurance Recovery Workers Compensation as of September 30, 2008 is \$552,724. Based upon our analysis, we believe that the 2008 estimated revenue of \$1,300,000 is extremely optimistic. We recommend reducing the estimated 2008 revenue by \$200,000.

The 2009 Recommended Budget includes expenditures of \$45.7 million for the Self-Insurance Fund; \$38.7 million for self-insurance claims, \$1.5 million for debt service on claims settlements and \$5.5 million for administrative costs. The following table summarizes the major cost categories.

SELF INSURANCE EXPENSES

Expense	2008 Adopted	2008 Estimated	2009 Recommended
Unallocated	\$5,162,306	\$4,557,241	\$4,772,603
Auto Physical Damage	\$2,398,419	\$1,584,750	\$1,575,000
VDT Claims	\$100,000	\$100,000	\$100,000
General Liability	\$1,624,500	\$2,365,000	\$1,800,000
Auto Liability	\$924,500	\$889,500	\$967,500
Bus Liability & Property	\$1,385,500	\$805,500	\$1,302,500
Employee Practice	\$500,000	\$250,000	\$380,000
Workers' Compensation	\$26,140,000	\$25,084,000	\$27,105,000
Medical Malpractice	\$750,000	\$725,000	\$750,000
Administrative Costs	\$5,421,310	\$5,347,773	\$5,502,672
Debt Service	\$1,934,690	\$1,588,852	\$1,476,106
TOTAL	\$46,341,225	\$43,297,616	\$45,731,381

- The 2009 Recommended Budget provides in most cases less than Actuarial & Technical Solutions, Inc., the County's insurance consultant, proposed in their "Risk Management Actuarial Projection" report dated May 2008. The only category that is higher than the consultant's estimate in the Recommended Budget is Workers' Compensation. Workers Compensation as shown in the consultant's report is projected to cost \$26,890,052. The 2009 Recommended Budget recommends \$27,105,000, which is \$214,948 or less than one percent higher than the consultant's estimate. An additional \$3.2 million for Workers compensation is budgeted in various departments.
- The 2008 estimated and the 2009 recommended revenues and expenditures for Self-Insurance are reasonable. There is discretion in the settlement of claims and depending on court calendars and how aggressively the County pursues closing cases will determine whether or not the self insurance fund will end the year with a fund balance or a deficit. If court calendars' are backlogged or if the County does not aggressively seek to close cases, or if the County chooses to bond settlements when there are available appropriations, there will be a fund balance at the end of 2009. Both the 2007 actual and 2008 estimated expenses were below the adopted amounts. For many years the Budget Review Offices has recommended that the County establish insurance reserves with surpluses to pay for large settlements. The County has failed to establish reserves and instead bonds large settlements. The bonding of settlements is a safety valve that the County has in dealing with self insurance. If the annual expense exceeds the appropriation, the County can bond the difference. There is, however an associated cost for interest expense that is incurred over the life of the bond. The 2009 Recommended Budget has created a fund balance of \$734,500 in the estimated 2008 General Liability (038 MSC 1914) by issuing a bond rather than using available appropriations.

Budget Review Office Recommendations

- In order to pay for large losses, the County should establish insurance reserves to avoid the issuance of debt and the payment of interest.
- The 2008 estimate of \$210,000 for Refunds of Prior Years Expenses (038-AAC-2701) is understated by \$40,000.
- The Insurance Recovery Workers Compensation (038-AAC-2680) 2008 estimate of \$1,300,000 is optimistic and should be reduced by \$200,000.
- The \$1,475,000 bond issued to pay a 2008 claim under the General Liability Insurance (038-MSC-1914) should be reduced by the \$734,500 of appropriations available.

KDLR 038SelfInsurFd09

County Road Fund (105)

Background

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

Status of Funds

2008 Expenses

Estimated expenses total \$21,128,775 which is \$1,469,761 less than adopted.

- Highway and Bridge Maintenance costs were \$94,033 less than adopted.
- Snow removal costs were \$1,370,248 less than adopted.
- The transfer to Fund 001 - General Fund was \$129,660 more than adopted.
- The transfer to Fund 039 - Employee Medical Health Plan was \$135,140 less than adopted.

2008 Revenues

Estimated revenues total \$17,571,905, which is \$302,465 more than adopted.

- Motor Vehicle Registration Surcharge revenues were \$267,291 more than adopted.

- Interest and Earnings decreased by \$81,703.
- Revenue from Residential Permits decreased by \$21,781.
- State Aid for CHIPS increased \$129,660.

2009 Expenses

Recommended expenditures for 2009 of \$22,459,522 are \$139,014 less than the 2008 adopted amount of \$22,598,536, due to the following changes:

- Increases in transfers to Fund 001, Fund 016, and Fund 039 totaling \$437,271
- Decreases in costs for highway and bridge maintenance, snow removal, and the transfers to Fund 038 and Fund 259 totaling \$576,285

2009 Revenues

There is an increase of \$3,371,863 in the recommended 2009 revenue compared to the 2008 adopted, due primarily to the following changes:

- Increase of \$716,877 from the Motor Vehicle Registration Surcharge.
- Increase of \$256,500 from Highway Permits, and impact fees attributed to a fee increase proposed in Introductory Resolution No. 1809-2008.
- Increase of \$298,032 in State Aid for CHIPS.
- Increase of \$2,184,237 in the interfund transfer from the General Fund (001).

Budget Review Office Recommendations

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

RD 105CountyRoadFd09

Police District Fund (115)

2007

The actual 2007 police district fund balance is \$6,033,702. Last year at this time the fund balance was estimated to be a deficit of \$36,023,436. The \$42,057,138 change from an estimated deficit to an actual surplus was due to the deferment of the retirement payment of \$50,975,612.

2008

The Police District fund balance at the end of 2008 is estimated to be a surplus of \$18,010,396. This is \$11,976,694 more than the 2007 actual fund balance of \$6,033,702 that was carried over into 2008. Much of this is due to an increase in sales tax revenues allocated to the Police District fund via Resolution No. 952-2005, which

increased the portion of sales tax for public safety from one-quarter cent to three-eighths of one cent.

2009

The projected year's budget must always be presented as balanced, with total revenues equaling total expenditures. After all other revenue sources are projected, property taxes are calculated to balance the budget.

For 2009, the recommended budget includes a Police District fund property tax warrant of \$439,542,044, which is \$1,142 less than the 2008 adopted property tax warrant. The net levy, or the amount required to fund 2009 expenses on a stand-alone basis, is recommended at \$457,552,440. The minimal decrease in the tax warrant was able to be achieved mainly by:

- Carry over fund balance of \$6 million in 2007 and \$18 million in 2008.
- A reduction in expenditures for personnel as no new Police Officers were hired in 2008 and none are scheduled for 2009.
- Tobacco securitization funds were used to reduce debt service by \$3.6 million.

JO 115PoliceDistFd09

District Court Fund (133)

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

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

Since the District Court is a separate taxing jurisdiction with its own tax levy, a District Court Fund was established to account for all of its financial resources and cost outlays. Although the County's share of the costs to run the District Court system are initially accounted for in the General Fund, a subsequent accounting adjustment is made to charge these costs to the District Court Fund. Funding needed to pay for these charge backs and debt service on bonded debt is secured from several sources: namely state aid, interest earnings from cash investments, fines and forfeited bail, real property taxes and other receipts in lieu of real property taxes.

The 2009 Recommended Budget for the District Court Fund forecasts a 2008 year end fund balance surplus of \$745,660, which is attributed to:

1. a \$607,935 beginning fund balance surplus at the start of 2008 that was carried over from 2007, compared to a \$141,515 deficit that was anticipated when the 2008 budget was adopted;
2. a small reduction of \$3,790 in revenue;
3. no change in expenditures of \$14,796,053.

DISTRICT COURT FUND Status of Fund For The Year 2008				
Description	As of Date Period of Time	Adopted Budget	Executive Estimate	Pos. (Neg.) Difference
Beginning Fund Balance	Jan. 1, 2008	\$(141,515)	\$607,935	\$749,450
Plus Revenues	Jan. 1 – Dec. 31	14,937,568	14,933,778	(3,790)
Total Funds Available	Jan. 1 – Dec. 31	14,796,053	15,541,713	745,660)
Less Expenditures	Jan. 1 – Dec. 31	14,796,053	14,796,053	0
Year End Fund Balance	Dec. 31, 2008	\$0	\$745,660	\$745,660

The 2008 estimated revenue of \$14,933,778 is \$92,848 or 0.6% less than the \$15,026,626 the District Court Fund received in 2007. The District Court Fund receives revenue from seven different sources: real property taxes, payments in lieu of real property taxes, interest earnings, fines and forfeited bail, assessments for illegal handicap parking, capital project close outs and court facilities aid from the State. Based on revenue received through September 21, 2008, the 2008 revenue estimates are reasonable.

The 2008 expenditure estimate of \$14,796,053 is \$834,639 or six percent more than the \$13,961,414 the District Court Fund was charged in 2007. Expenditures charged to the District Court Fund include debt service on bonded debt that was used to pay for capital improvements to District Court facilities, and interfund transfers to the General Fund to pay for custodial, maintenance, and utility services incurred in support of these facilities. The redistribution of these costs to the District Court Fund is essentially accomplished based on a square footage allocation between all court facilities supported by the County.

The 2009 Recommended real property tax levy for the District Court Fund is \$7,312,389, which is \$700,179 less than the 2008 Adopted levy of \$8,012,568. When combined with other District Court Fund revenue of \$7,028,000, the 2009 Recommended Budget for this fund is sufficient to pay for an anticipated \$15,086,049 in expenditures for 2009, which represents a two percent increase compared to the 2008 adopted/estimated amount.

DISTRICT COURT FUND Real Property Tax Levy Requirement For 2008 and 2009			
Description	2008 Adopted	2009 Recommended	Pos. (Neg.) Difference
Carryover Deficit	\$141,515	\$0	\$(141,515)
Debt Service	296,053	286,049	(10,004)
Transfer to General Fund	<u>14,500,000</u>	<u>14,800,000</u>	<u>300,000</u>
Total Funding Requirements	14,937,568	15,086,049	148,481
Carryover Surplus	0	745,660	745,660
Payments In Lieu of Taxes	125,000	110,000	(15,000)
Interest Earnings	50,000	30,000	(20,000)
Fines and Forfeited Bail	5,000,000	5,200,000	200,000
Fines – Handicapped Parking	50,000	88,000	38,000
State Aid for Court Facilities	<u>1,700,000</u>	<u>1,600,000</u>	<u>(100,000)</u>
Total Funding Sources	<u>6,925,000</u>	<u>7,773,660</u>	<u>(848,660)</u>
Real Property Tax Levy	\$8,012,568	\$7,312,389	\$ (700,179)

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

The General Fund does not separately identify the costs that are likely to be incurred to maintain the facilities belonging to the District Court. A separate set of accounts to keep track of the District Court's expenditure requirements are not provided for in the County's Integrated Financial Management System (IFMS). Therefore, the system does not readily facilitate budgetary projections and analysis of the District Court Fund's cost of operations. Given the fact that the District Court represents a separate taxing jurisdiction with its own real property tax levy similar to the Police District Fund, the Legislature should require the County Executive to separately identify in Fund 133 all costs incurred on behalf of and all revenues received in support of the District Court. Future budgetary presentations should include a breakdown of what costs are included in the transfer to the General Fund. The 2009 recommended transfer to the General Fund is \$14.8 million.

Suffolk County Downtown Revitalization Program Fund (191)

Major Issues

Fund balance

Budget Review Office Evaluation

The Downtown Revitalization Fund (191) was established with transfers from the General Fund to provide pay-as-you-go funds for Capital Project 6412, Suffolk County Downtown Revitalization Program. Commencing with the adoption of the 2008-2010 Capital Program and Budget, the funding source was changed to serial bonds. No funds have been expended from this since 2006. The 2009 Adopted Capital Budget schedules \$500,000 in serial bonds.

As of September 28, 2008 the Fund (191) received interest revenue of \$1,692 during 2008, which exceeds the estimated interest revenue by \$171. It is likely that the Fund will accrue additional interest by the end of the year bringing the 2008 year end fund balance to approximately \$102,000. The Budget Review Office agrees with the recommended budget to transfer all funds back to the General Fund (the original source of the principal funds) to close out this Fund.

Budget Review Office Recommendations

The Budget Review Office recommends accruing all interest revenue into the account prior to transferring the funds to the General Fund to properly close out Fund 191.

MUNFund191DowntownRevitalization09

Hotel/Motel Tax Fund (192)

Budget Review Office Evaluation

The hotel/motel tax is deposited into Fund 192 in accordance with Chapter 327, Hotels and Motels, Article II of the Suffolk County Code. The revenue assists the County in promoting tourism and convention business and in supporting its cultural programs and activities relevant to the continuation and enhancement of the tourism industry. The term hotel and motel establishments includes: resorts, convention centers, tourist homes, lodging houses, cottages, bed-and-breakfast inns, campgrounds, tourist cabins, camps, taverns, inns, boardinghouses, or any other establishment comparable or equivalent to any of those previously mentioned. Establishments that are covered by this law are required to obtain a certificate of registration from the County Treasurer or incur fines.

The hotel and motel tax rate is 0.75% of the per diem rental rate (exclusive of sales tax) actually imposed for lodging. The tax is 75 cents per \$100.

The collection of the hotel and motel tax in Suffolk County is authorized through Section 1202-o of the New York State Tax Law. Resolution No. 1032-2005 extended this tax to December 31, 2010 and strengthened the County's enforcement powers as it relates to the collection of this tax. Hotel and motel operators, if found guilty of not complying with this law, are subject to misdemeanor penalties and/or a fine of up to \$1,000.

The allocation formula for the distribution of Hotel/Motel tax revenue is as follows:

- 66.66% of all revenues collected shall be allocated to a contract agency for the promotion of tourism in Suffolk County.
- 33.33% of all revenues shall be utilized in support of cultural programs and activities relevant to the continuation and enhancement of the tourism industry. Such revenues shall be apportioned equally as follows:
 - 16.66% for the care, maintenance and interpretation for the general public of the historic structures and sites and unique natural areas that are managed by the Suffolk County Department of Parks and Recreation for sites and activities that are open to tourists on a regular and predictable basis.
 - 16.66% for the program support of nonprofit museums and cultural organizations in Suffolk County subject to the final approval of the Suffolk County Legislature.
- Chapter 327 requires the County to enter into a contract, as mandated by Tax Law § 1202-o (5), with a tourism promotion agency to administer programs designed to develop, encourage, solicit and promote convention business and tourism within the County of Suffolk. The promotion of convention business and tourism shall include any service sponsored or advertised by the tourism promotion agency with the intent to attract transient guests to the County.
 - Such contract shall provide that all sums paid to the tourism promotion agency shall be expended on Suffolk County tourism, and/or historic or cultural areas, programs or activities as required under Tax Law § 1202-o (5).
 - Such contract shall provide that the tourism promotion agency must adhere to a business, marketing and/or financial plan which clearly delineates how the moneys received shall be utilized.
 - Schedules of availability of all historic and cultural activities and events funded from any part of these revenues shall be provided to the tourism promotion agency so as to enhance tourism promotion and tourist visitation.
 - The tourism promotion agency shall be subject to an audit by the County Comptroller relating to the contract and moneys received.

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

Fund 192

The following table illustrates the Executive's 2008/2009 Fund 192 forecast.

2008 Estimated	Status of Fund 192	2009 Recommended
\$593,655	Fund Balance, January 1	\$365,841
\$1,770,843	Plus Revenue, January 1 to December 31	\$1,863,687
\$2,364,498	Total Funds Available	\$2,229,528
\$1,998,657	Less Expenditures, January 1 to December 31	\$2,229,528
\$365,841	Fund Balance, December 31	\$0

Based upon historical trends and year-to-date data, the Budget Review Office estimates that the estimated 2008 hotel/motel tax revenue of \$1,770,843 is understated by \$100,000, and the recommended 2009 hotel/motel tax revenue of \$1,863,687 is reasonable.

Annual element allocations are based on the allocation formula and the actual annual hotel/motel tax revenue received. Correct allocation of hotel/motel tax revenue requires unexpended allocations to remain within their element until expended.

In the past, unexpended Parks allocations were incorrectly reallocated to tourism and to cultural organizations. The recommended budget properly re-appropriates the \$365,841 estimated fund balance generated from unexpended 2007 Parks appropriations back to Parks, Historic Services in 2009. This adjustment results in a 2009 allocation of \$1,240,358 for promoting tourism within Suffolk County, \$675,930 for the Department of Parks and Recreation for sites and activities that are open to tourists, and \$313,240 for support of nonprofit museums and cultural organizations. We agree with this distribution correction as it satisfies the State law allocation formula for the distribution of Hotel/Motel tax revenue.

We recommend if the hotel/motel tax is extended beyond December 31, 2010 that the County request the State:

- Increase hotel and motel tax rate from .75% to 3% of the per diem rental rate (exclusive of sales tax) actually imposed for lodging. The tax would be \$3 per \$100. This rate is equitable and consistent with other hotel/motel tax rates collected throughout the State.

- Allocation formula be modified to provide the County more flexibility in the revenue allocation. The following chart summarizes the appropriations included in the 2009 recommended budget for the distribution of the hotel/motel tax.

Unit	OBJ	AGY	Agency Name / Unit Name	Object Name	2008 Recommended
6410	4340	ECD	Economic Development & Workforce Housing	Travel: Other	\$3,150
6410	4770	ECD	Economic Development & Workforce Housing	Special Services	\$310,090
6410	4980	ECD	Economic Development & Workforce Housing	Contracted Agencies	\$1,240,358
7510	1130	PKS	PARKS: HISTORIC SERVICES	Temporary Salaries	\$11,000
7510	2500	PKS	PARKS: HISTORIC SERVICES	Other Equipment	\$50,000
7510	3050	PKS	PARKS: HISTORIC SERVICES	Fuel For Heating	\$60,000
7510	3250	PKS	PARKS: HISTORIC SERVICES	Building Materials	\$75,000
7510	3500	PKS	PARKS: HISTORIC SERVICES	Other: Unclassified	\$75,000
7510	3650	PKS	PARKS: HISTORIC SERVICES	Repairs: Buildings	\$302,930
7510	4560	PKS	PARKS: HISTORIC SERVICES	Fees For Services: Non-employee	\$102,000
Total					\$2,229,528
Table 1: The allocation formula for the distribution of Hotel / Motel tax revenue is based on New York State Tax Law § 1202-o (5).					

Budget Review Office Recommendations

The Budget Review Office recommends increasing the estimated 2008 hotel/motel tax by \$100,000 to \$1,870,843 to be allocated in accordance with the law.

MUN 192HotelMotelTaxFd09

Sewer District #3 - Southwest (203)

Background

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

Status of Funds

2008 Expenses

2008 estimated expenditures of \$82,200,354 are \$33,426 less than the adopted budget due to the following:

- Decreased funding to Sewer District #3 of \$523,868
- Decreased interfund transfer to Fund 039 of \$108,585
- Decreased Welfare Fund Contribution of \$9,988
- Decreased funding of \$5 for Retirement
- Decreased funding of \$24,072 for Social Security
- Increased funding for Unemployment Insurance of \$100
- Increased funding to Debt Refinancing of \$59,125
- Increased funding to Serial Bonds of \$573,867

2008 Revenues

2008 estimated revenues of \$83,500,573 are \$98,983 less than the adopted budget, primarily related to anticipated reductions in revenue generated from the following:

- Increased Real Property Taxes of \$321,600
- Increased Capital Fund Earnings of \$109,501
- Decreased Departmental Income of \$178,966
- Decreased Charges to Other Governments for sewer services of \$223,510
- Decreased Uses of Money and Property of \$127,608

2009 Expenses

Recommended 2009 expenses of \$75,211,344 are \$7,022,436 less than the 2008 adopted expenses as a result of changes in all expense lines except Debt Issuance and Redemption Expense and Transfers to Fund 405 Southwest Assessment Stabilization Reserve, which have remained static in recent years. The most significant changes are as follows:

- An increase of \$1,219,565 for Sewer District #3 expenses
- An increase in the interfund transfer to Fund 404 Assessment Stabilization Reserve of \$21,176,942
- A decrease of \$20,305,950 for Debt Refinancing costs
- A decrease in Serial Bonds service costs of \$5,613,585
- A decrease in the interfund transfer to Fund 261 Sewer Maintenance and Operation of \$3,745,443

2009 Revenues

Recommended 2009 revenues of \$74,931,988 are \$8,667,568 less than the 2008 adopted budget and mainly attributable to the following decreases:

- A \$5,579,470 decrease in Earnings Investment-Capital, which represents interest on capital project cash. In the past this revenue was held for five years as deferred revenue until an arbitrage analysis was done to determine whether the interest earned exceeded interest expense. If arbitrage earnings were realized, the County was required to rebate the earnings to the IRS as per the 1986 Omnibus Budget Reconciliation Act. As a result of recommendations made by Ernst & Young, the County's independent auditors, the practice of deferring the interest earnings was ceased and the decision was made that future capital interest will be credited as earned. The 2008 revenue represented accrued capital interest for several years and was considered a one-time adjustment. The

2009 recommended revenue of \$80,182 is likely indicative of future anticipated revenue for investment earnings on capital funds.

- The interfund transfer from Fund 404 - Assessment Stabilization Reserve is recommended at \$0 for 2009 which reflects a reduction of \$4,353,052 from 2008 Adopted levels. The approximately \$20 million reduction in debt refinancing has allowed the district to moderate the cost increase within the district whereas the three percent rate increase assessed within the district provides ample funding and the district need not borrow from Fund 40 - ASRF in 2009. In fact Fund 203 - Southwest is recommended to repay approximately \$23 million in outstanding debt back to Fund 404 - ASRF in 2009.

Budget Review Office Recommendations

The Budget Review Office agrees with the status of funds presentation in the 2009 Recommended Operating Budget for Sewer District #3 – Southwest (203).

RD 203SewerDistrictFd09

Community Development Fund (351)

Budget Review Office Evaluation

The Community Development Fund (351) is the aggregate of three federal aid funding streams that reimburse the County for the following three programs:

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

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

- Community Development Block Grant Program (351-8691): participating municipalities and non-profit agencies develop block grant applications for affordable housing and community development projects for Suffolk County.

- Consortium Home Improvement Program (351-8692): participating municipalities and financial institutions provide low interest loans and deferred payment loans to eligible families to repair their residential structures.
- Downpayment Assistance Program (351-8693): provides first time homebuyers with federal funds for a portion of the downpayment.
- Employer Assistance Housing Program (351-8693): provides downpayment assistance to employees of participating businesses to assist with the retention and recruitment of employees in Suffolk County.
- New Construction Program HOME (351-8693): assists with the construction of new single family homes for first-time homebuyers and senior rental units.
- Emergency Shelter Grant: provides federal funding for emergency shelter needs, the County contracts with non-profit organizations for this service. The Community Development Division works with the Department of Social Services in the disbursement of these grant funds based on need.

2008 Grant Revenue

Resolution No. 133-2008 accepted the Community Development Entitlement Block Grant of \$3,639,781 and program income of \$75,000, of which \$3,300,000 was distributed to 14 communities listed below and \$414,781 was transferred to Fund 351 to reimburse the County for its operating expenses in administering the functions of this program.

Name of Town / Village	Amount
Town of Brookhaven	\$2,030,000
Town of East Hampton	\$108,000
Town of Riverhead	\$156,000
Town of Shelter Island	\$16,000
Town of Smithtown	\$292,000
Town of Southampton	\$204,000
Town of Southold	\$130,000
Village of Bellport	\$16,000
Village of Lake Grove	\$52,000
Village of Patchogue	\$222,000
Village of Port Jefferson	\$23,000
Village of Sag Harbor	\$16,000
Village of Southampton	\$23,000
Village of Westhampton Beach	\$12,000
Total Grants to Cooperating Municipalities	\$3,300,000

Resolution No. 134-2008 accepted \$2,153,832 for the HOME Investment Partnership Program Grant, of which \$14,613 for the American Dream Downpayment Initiative

Grant, \$1,906,643 was distributed to the Downpayment Assistance Program, Employer Assistance Housing Program, New Construction Programs and \$261,802 was transferred to Fund 351 to reimburse the County for its operating expenses in administering the functions of this program.

Resolution No. 132-2008 accepted the Emergency Shelter Grant of \$163,391, of which \$155,226 was distributed to non-profit organizations county wide that provide emergency shelter services throughout the County and \$8,165 was transferred to Fund 351 to reimburse the County for its operating expenses in administering the functions of this program.

The County applies annually for community development grant funding the year prior to its award. The cycle for grant funding is from April 1 to March 31 of the following year. Unused grant funding is carried over to the next County operating budget cycle. The 2007 actual fund balance was a deficit of \$404,206. In March 2008 this Office discussed with the Budget Office the problem of chronic growing deficits in this fund. We were told that there were sufficient off-budget funds in Funds 352, 353, and 354, for an inter-fund transfer in 2008 to balance the Fund by the end of 2008. The recommended Fund 351 budget presentation estimates a 2008 ending fund deficit of \$332,358.

Based upon the 2007 and 2008 grant awards, the 2008 estimated revenue is overstated by \$141,436 and the recommended 2009 revenue is overstated by \$439,122, which will result in a projected 2009 year-ending deficit of \$580,548.

We recommend that at the February 2009 meeting of the Legislature's Budget and Finance Committee or successor Committee, the County Executive's Budget Office along with the Community Development Director, present a formal written plan to address the continued deficits in Fund 351.

MUN 351CommDevFd09

Tax Stabilization Reserve Fund (403)

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

Expenditures from the Fund (403-E001-Transfer to General Fund) are used to avoid a projected increase in the real property tax levy in excess of 2.5%. The resulting interfund revenue received by the General Fund cannot exceed an amount that would lower the tax levy increase to less than 2.5%. It should be noted that Section 6E of New York State General Municipal Law defines the tax levy to include fund balance. In addition, expenditures from the Tax Stabilization Reserve Fund can be made to finance

an unanticipated revenue loss or an unanticipated expenditure for which there are insufficient appropriations.

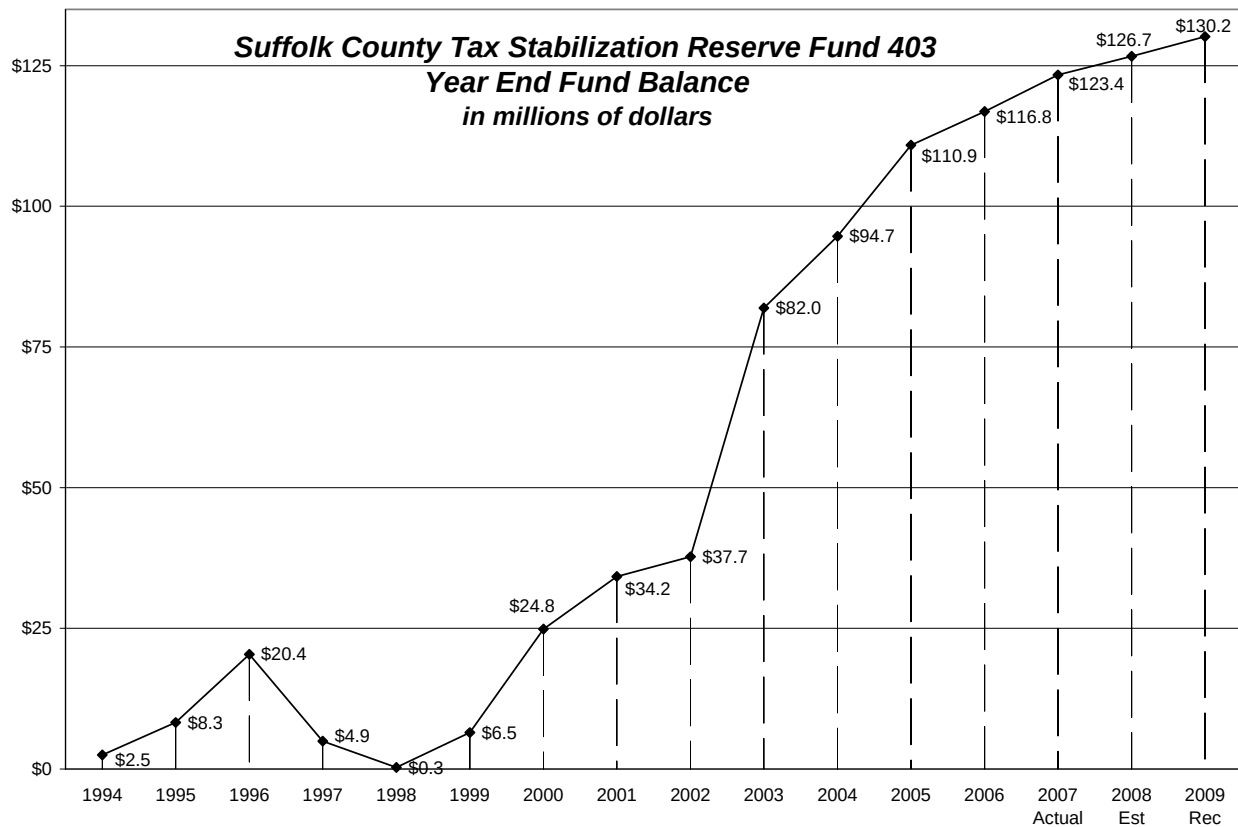
Fund 403 is also subject to Local Law 29 of 1995, which requires a minimum of 25% of the General Fund actual discretionary fund balance surplus be transferred to the Tax Stabilization Reserve Fund (403) or Debt Service Reserve Fund (425) (see Article 4 of the County Charter, page 38.43). This requirement was amended by Local Law 43-2006 (Res. No. 923-2006). Once the tax stabilization reserve fund exceeds the greater of \$120 million or 5% of the General Fund operating budget, adopted in the prior year, use of funds in excess of the \$120 million cap may be either returned to the taxpayers or appropriated for one of the following approved purposes: (1) clearing of snow and ice, (2) road maintenance, (3) heat, light and power, (4) disaster preparedness, (5) debt service, or (6) pay-as-you-go financing pursuant to LL 23-1994.

Currently, the Tax Stabilization Reserve Fund is in excess of \$120 million and is greater than 5% of the budget. As a result, the recommended budget appropriates the required 25% of the General Fund actual discretionary fund balance surplus for debt service, one of the approved purposes noted above. For a further discussion, the reader is referred to our write up on the "Debt Service Reserve Fund (425)." It should also be noted that as an upper limit, contributions to the Tax Stabilization Reserve Fund cannot exceed 10% of the eligible portion of the annual General Fund budget. The 2009 recommended year-end fund balance of almost \$130.2 million represents 6.76% of budgeted expenditures.

Status of Funds

There are no expenditures being made by Fund 403 over the 2007 to 2009 period covered in the recommended budget. On the revenue side, the most recent General Fund transfer to the Tax Stabilization Reserve Fund (001-E403) was \$12,767,659 in 2005.

The accompanying chart graphs the year-end tax stabilization reserve fund balance over time. As can be seen from the chart, the 2009 recommended fund balance is the largest in the history of the reserve fund.



Budget Review Office Evaluation

A policy needs to be established to address budget shortfalls discussed in this report. With the property tax designed to be the budget balancing source of funds it is problematic to establish a General Fund property tax that is recommended to be only 2.66% of expenditures. An unexpected fall off in non property tax revenue or increase in expenditures that amounts to a modest 2.66% of the budget could double the property tax.

In order to access the Tax Stabilization Reserve Fund, the General Fund property tax would have to increase by a minimum of 2.5% or \$1,277,326 above the 2008 adopted amount or \$1,278,387 above the 2009 recommended amount. The Budget Review Office recommends serious consideration be given to planned increases in the General Fund property tax that would be supplemented by reasonable use of proceeds from the Tax Stabilization Reserve Fund. As noted last year in our review of the 2008 budget, *“if the County waits any longer to address this problem it may very well be too late. The current economic climate increases the likelihood that we are running out of time.”* The current economic climate is clearly more dire now than it was last year and the budgetary problems noted elsewhere in this report make all the more important that the County’s long term fiscal problems be addressed.

RL403 TaxStabilizReserveFD09

Assessment Stabilization Reserve Fund - Sewers (404)

History

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

Status of Funds

2008 Expenses

- Funds are loaned to sewer districts in the amount needed to stabilize tax rates after the mandated minimum three percent rate increase. In 2008, thirteen sewer districts were supplemented with an estimated \$14.1 million of transfers.
- Subsidies of \$511,278 are estimated to be distributed to towns and village sewer districts. This expense has remained static since 1995.

- The estimated budget includes a \$1,150,000 transfer to Fund 261 for Sewer Operation & Maintenance chargebacks.
- The estimated budget includes a transfer of \$5,715,000 to Fund 527 for capital improvements and \$600,000 to Fund 528 – Southwest Sewer District. Funds transferred for capital improvements must be repaid to the ASRF with interest by the sewer district receiving those funds.

2008 Revenues

- Fourteen sewer districts transferred a total of \$6,930,500 to Fund 404.
- The majority of revenue received by the Assessment Stabilization Reserve Fund is a transfer from Fund 477 – Suffolk County Water Protection Fund, which receives revenue from sales tax. In 2008, Fund 404 is estimated to receive \$16,680,639 from this source, a decrease of \$6,402,029 from 2007 and \$308,285 less than adopted.
- Total estimated revenues in 2008 are \$25,016,139 which is \$3,590,941 less than actual revenues in 2007.

2009 Expenses

- Expenditures are recommended at \$15,675,133, which is \$3,746,114 less than the 2008 adopted budget and \$4,130,178 less than the 2007 actual.
- The largest portion of the decrease, when compared with the 2007 actual, can be attributed to the elimination of a transfer to Fund 528 for the Southwest Sewer District of \$1.65 million.

2009 Revenues

- The transfer from Fund 477 – Suffolk County Water Protection Fund is recommended at \$17,018,296, which is \$337,457 less than the 2008 estimated budget.
- The recommended budget includes interfund transfers totaling \$26,567,338 from 15 sewer districts to Fund 404 for the repayment of loans, an increase of \$19,636,838 from the 2008 Adopted Budget. The vast majority of the transfer is from the Southwest Sewer District, \$23,798,409.

Relevant Considerations

- Local Law No. 24-2007 extended the Suffolk County $\frac{1}{4}\%$ Drinking Water Protection Program 17 years and accelerated the land acquisition component by modifying the allocations of $\frac{1}{4}\%$ tax revenue. The allocations of revenue for the sewer taxpayer protection portion of the program were reduced by 30%, from 35.7% of total revenues generated to 25%.

- The recommended budget includes an interfund transfer of \$17.0 million from Fund 477 to Fund 404 which is significantly less than the \$23.1 million transfer in 2007. This revenue, derived from the sales and compensating use tax collections, is adversely impacted from the current state of the economy which could have deleterious effects upon this revenue during 2009.
- The number of sewer treatment plants operated by the County is growing as are the costs to operate them thereby exerting additional pressure on ASRF to provide funds to stabilize rates.

RD 404AssessStabResFd09

Debt Service Reserve Fund (425)

Suffolk County's Debt Service Reserve Fund is authorized under Section 6-h of New York State General Municipal Law for the purpose of stabilizing the payment of debt service costs. Only the General Fund can have a debt service reserve fund. Expenditures from the fund (425-E001-Transfer to General Fund) are used to pay for mandated principal and interest payments on General Fund serial bonds. These are bonds issued to finance long-term County borrowing, which for the most part is used to fund capital projects.

Status of Funds

The Debt Service Reserve Fund was first established in the 2006 adopted budget. As seen in the table at the end of this section, the year-end fund balance surplus was \$20.9 million in 2007. Although the 2008 adopted budget transferred all proceeds from this reserve fund back to the General Fund, the 2008 estimated amount has a \$6.1 million year end balance. The reason has to do with "Tobacco Securitization". Net savings targets from Tobacco Securitization were set by the County Executive that do not exactly correspond to the use of tobacco bond proceeds. As a result, the recommended budget makes transfers into and out of the Debt Service Reserve Fund in order to meet those targets. To accomplish net savings targets, \$2.3 million of this additional \$6.1 million is recommended to be transferred back to the General Fund in 2009. The resulting 2009 recommended year-end fund balance surplus in Debt Service Reserve is \$3.8 million (= \$6.1 million – \$2.3 million). The reader is referred to the "Tobacco Securitization" section of this report for a more in-depth discussion.

Budget Review Office Evaluation

The major policy issue affecting Debt Service Reserve Fund 425 is whether or not to allow the \$6.1 million additional transfer from the General Fund. The purpose is to achieve net savings targets over the next five budget years (2009 to 2013). Setting specific dollar targets over such a long period is somewhat arbitrary. As such, it is up to the Legislature to determine whether or not this is an acceptable policy. Should the

Legislature decide not to accept the stated targets, it could reduce net General Fund costs by \$3.8 million, the 2009 recommended year end fund balance.

Debt Service Reserve Fund 425					
Status of Funds					

	2007 Actual	2008 Adopted	2008 Estimated	2009 Recommended
Fund Balance, Jan. 1	\$26,351,533	\$21,478,983	\$20,911,414	\$6,137,341
plus Revenue	\$17,571,028	\$26,923,140	\$33,628,050	\$0
Total Funds Available	\$43,922,561	\$48,402,123	\$54,539,464	\$6,137,341
less Expenditures	\$23,011,147	\$48,402,123	\$48,402,123	\$2,356,972
Fund Balance, Dec. 31	\$20,911,414	\$0	\$6,137,341	\$3,780,369

Total Revenue	\$17,571,028	\$26,923,140	\$33,628,050	\$0
425-2401-Interest and Earnings	\$598,544	\$200,000	\$200,000	\$0
425-R001-Transfer from General Fund	\$16,972,484	\$26,723,140	\$33,428,050	\$0

Expenditures				
425-E001-Transfer to the General Fund	\$23,011,147	\$48,402,123	\$48,402,123	\$2,356,972

RL 425 DebtServiceReserveFd09

Suffolk County Water Protection Fund (477)

Local Law 35-1999, approved by the voters in November 1999, extended the quarter percent sales tax to December 31, 2013. This legislation was converted into a mandatory referendum pursuant to Section 34(4) of the New York Municipal Home Rule Law by a vote of the County Legislature and may only be amended, modified, repealed or altered by enactment of an appropriate Charter law subject to mandatory referendum.

Local Law 24-2007, approved by mandatory referendum in November 2007, made the following substantive changes to the Suffolk County Drinking Water Protection Program.

- Extended the quarter cent sales tax that was due to expire on December 31, 2013 an additional 17 years to November 30, 2030.
- Combined the two land acquisition components (the 7.35% allocated for farmland purchases and 13.55% allocated for open space purchases) into a single land acquisition program that permits additional types of land acquisitions
- Increased the quarter-cent sales tax allocation for land acquisition by 10.2% from 20.9% to 31.1% of revenues.
- Amended and redefined the criteria of the Water Quality Protection and Restoration Program (WQPRP) to include a Land Stewardship initiative and increased the quarter-cent sales tax revenue allocation by .50% from 11.25% to 11.75%.
- Decreased quarter-cent sales tax revenue allocation for the sewer taxpayer protection component of the program (Assessment Stabilization Reserve Fund 404) by 12.5% from 35.7% to 25% to offset increased allocation for land acquisition and Water Quality Protection and Restoration Program and Stewardship Initiatives.
- Changed the land acquisition policy from “pay-as-you-go” to bonding and provided a bonding vehicle for the expanded land acquisition program.
- Changed the management responsibility for the Suffolk County Drinking Water Protection Program, which was previously centralized in the Executive Budget Office, to shared responsibility between the Department of Environment and Energy (EVE) and the Executive Office. EVE is now responsible for the management, administration, and day-to-day operations and supervision of this program and the Budget Office maintains the financial records, including the allocation of revenue and expenditures pursuant for each of the program components.
- The following table compares the allocation for each \$1.00 of sales tax revenue under the 1999 program to the program as it now exists. Local Law 24-2007 consolidated and expanded the land acquisition component and the Water Quality Protection and Restoration Program was redefined and expanded to include a

Stewardship Initiatives component. Approximately eleven cents of each dollar of sales tax was reallocated to the new combined land program and the new Water Quality Protection and Restoration Program and Stewardship Initiative.

SUFFOLK COUNTY DRINKING WATER PROTECTION PROGRAM ALLOCATIONS				
Category	Local Law 35-1999		Local Law 24-2007	
Open Space Acquisition	13.55%	0.14		
Farmland Acquisition	7.35%	0.07		
WQPRP	11.25%	0.11		
Tax Stabilization	32.15%	0.32	32.15%	0.32
Sewer tax Rate Stabilization	35.70%	0.36	25.00%	0.25
WQPRP & Land Stewardship			11.75%	0.12
Land Acquisition S12-2(A)			31.10%	0.31
TOTAL	100.00%	\$1.00	100.00%	\$1.00

The Suffolk County Drinking Water Protection Program is not a direct continuation of the 1989 Water Quality Protection Program. Funds for the Suffolk County Drinking Water Protection Program are accounted for in Fund 477 (Suffolk County Water Protection Fund). The 1989 Water Quality Protection Program is accounted for in Fund 475, (Water Quality Protection Reserve Fund). Since the land acquisition components as amended are not direct continuations of the 1989 Water Quality Protection Program, they are not subject to its tests or prohibitions. The 1999 Water Quality Protection Program requires mandatory annual allocations of all revenue to its component parts. Because of different requirements, the two new components should be accounted for separately from the existing Open Space, Farmland and WQPRP components. The funds for the new Section 12-2(A) consolidated land program and Water Quality Protection and Restoration Program and Stewardship Initiatives funds should not be commingled with the existing funds for Open Space, Farmland, or Water Quality Protection and Restoration Programs. Since the Water Quality Protection Program's inception in 1999, the Executive has never established the required program reserves but just shows a total fund balance. Even though in 1999 the program was expanded to seven components, the 2009 Recommended Budget continues to combine all seven components into one lump-sum fund balance amount. For the past nine years, the Budget Review Office has noted that this budget presentation is not transparent and blurs the audit trail. It took ten years for the Executive Office to establish reserves in Fund 475 to account for the 1989 Water Quality Protection Program, two years before the program ended.

The 2009 Recommended Budget fails to allocate the interest income as required by Local Law 35-1999 and Local Law 24-2007. The legislation requires that the total revenue generated each calendar year be allocated.

Program expenditures for the period 2007 through 2009 recommended are summarized in the following table. It should be noted that starting in 2005, the estimated Open

Space component includes the repayment of Environmental Facilities Corporation (EFC) funding. In 2009 the annual debt service for the EFC funding is approximately \$1.3 million. In addition, the 2009 Recommended Budget includes \$4,222,061 for Serial Bond Debt service for bonding land acquisition purchases as allowed per Local Law 24-2007. Due to the current volatile financial markets and the expected increase in the cost of borrowing, the Legislature may wish to rely on cash transactions and reconsider issuing serial bonds for land acquisitions until market conditions improve.

Category	2000/03	2004	2005	2006	2007	2008 Estimated	2009 Recomm.	Total
Open Space	\$22,438,098	\$6,584,826	\$1,651,234	\$7,065,326	\$15,516,144	\$1,239,882	\$1,297,130	\$55,792,640
Water Quality	\$7,040,310	\$6,262,656	\$13,942,872	\$7,902,514	\$8,419,136	\$1,521,763	\$0	\$45,089,251
Farmland	\$13,044,000	\$6,230,115	\$759,000	\$1,091,673	\$12,385,250	\$0	\$0	\$33,510,038
Tax Relief	\$51,094,235	\$19,728,695	\$20,192,579	\$20,661,575	\$21,343,619	\$21,451,301	\$21,885,528	\$176,357,532
Sewer Tax Relief	\$56,736,056	\$21,907,136	\$22,422,242	\$22,943,024	\$23,082,668	\$16,680,639	\$17,018,296	\$180,790,061
Land Acq S12-2(A)					\$0	\$0	\$4,222,061	\$4,222,061
WQPRSP					\$0	\$6,137,427	\$5,773,002	\$11,910,429
Total	\$150,352,699	\$60,713,428	\$58,967,927	\$59,664,112	\$80,746,817	\$47,031,012	\$50,196,017	\$507,672,012

2008 Estimated Status of Funds

The 2008 opening fund balance for Fund 477 was \$7.6 million. The estimated 2008 revenue earned from the one-quarter percent sales tax and interest is \$67.7 million, which included \$538,799 from capital fund close outs. Of the \$75.2 million in total available 2008 funds, \$47.0 million is estimated to be expended as follows; \$21.4 million transferred to the General Fund, \$16.7 million transferred to the Assessment Stabilization Reserve Fund 404, \$1.2 million for land acquisitions and debt service, and \$7.6 million for Water Quality Protection.

The \$7.6 million Water Quality Protection expenditure includes both capital and operating expenses. Operating expenses are estimated to be \$6.1 million and capital expenses are estimated to be \$1.5 million. In the preceding table, the \$1.5 million of capital expenses have been charged against the WQPRP and the \$6.1 million of operating expenses have been charged against the new Water Quality Protection and Restoration Program and Stewardship Initiative. Of the 53 positions provided in the 2008 Fund 477 budget, four or 7.5% are vacant as of October 5, 2008.

For a number of years the Budget Review Office has expressed concern about the continued and growing use of Water Quality Protection funds for permanent salaries. The Water Quality Protection Fund should not be used as a substitute for General Fund expenses. The 2009 Recommended Budget does not comply with Local Law 17-2008, which requires the County Executive to include detailed information on the positions funded with Water Quality Protection funds. The law requires that "The proposed expense budget for any fiscal year shall include, as an appendix, a listing of all positions of employment that are funded with revenues generated by the Water Quality Protection and Restoration Program and Land Stewardship Initiatives, pursuant to Section C12-2(B) of the Suffolk County Charter. Such listing shall describe the duties of each position of employment so funded and the percentage of each such employee's work schedule that will be dedicated to duly approved water quality protection and restoration projects and land stewardship initiatives."

Prior to the 2008 recommended budget, the actual interest earned was not material. Since 2005, interest income has increased dramatically with \$529,020 received in 2005, \$1,301,339 in 2006 and \$1,348,047 in 2007. The 2009 Recommended Budget includes \$395,000 in interest which is a significant decline in interest earnings. The 2009 interest is allocated in our calculations in the table that follows but not in those of the 2009 Recommended Budget.

The recommended budget does not make a distinction between 1999 Water Quality Protection & Restoration Program (WQPRP) revenues and the 2007 Water Quality Protection & Restoration Program and Stewardship Initiatives (WQPR&SP) revenues. The budget presentation includes all revenues in Fund 477. The 1999 program sales tax revenue sunset on November 30, 2007. Starting December 1, 2007, the sales tax revenues should have flowed into a separate WQPR&SP account (fund). In addition, the 2007 and 2008 expenses should have been charged to the appropriate Water

Quality component depending on expense criteria. The recommended budget presentation treats the 1999 and 2007 Water Quality Programs as if they are a single program component. The two water quality components have different criteria that must be accounted for separately. The following tables detail our interpretation of the Water Quality Programs, the capital expenses incurred in 2008 have been charged against the WQPRP and the 2008 operating expenses have been charged against the WQPR&SP. Dwindling fund balances and institutionalized operating expenses leaves little for other initiatives.

WATER QUALITY PROTECTION & RESTORATION PROGRAM FUND BALANCE LOCAL LAW 35-1999				
Year	Open Balance	Revenue	Expenses	End Fund Balance
2000	\$0	\$450,221	\$0	\$450,221
2001	\$450,221	\$5,344,255	\$0	\$5,794,476
2002	\$5,794,476	\$5,805,750	\$732,112	\$10,868,114
2003	\$10,868,114	\$6,370,401	\$6,308,198	\$10,930,318
2004	\$10,930,318	\$6,935,073	\$6,262,656	\$11,602,735
2005	\$11,602,735	\$7,125,347	\$13,942,872	\$4,785,210
2006	\$4,785,210	\$7,377,810	\$7,902,514	\$4,260,506
2007	\$4,260,506	\$6,871,119	\$8,419,136	\$2,712,489
2008	\$2,712,489	none	\$1,521,763	\$1,190,726
TOTAL		\$46,279,977	\$45,089,251	\$1,190,726

WATER QUALITY PROTECTION & RESTORATION PROGRAM & STEWARDSHIP INITIATIVE FUND BALANCE LOCAL LAW 24-2007				
Year	Open Fund Balance	Revenue	Expenses	End Fund Balance
2007	\$0	\$624,043	\$0	\$624,043
2008	\$624,043	\$7,949,622	\$6,137,427	\$2,436,238
2009	\$2,436,238	\$8,045,012	\$5,773,002	\$4,708,248
TOTAL		\$16,618,677	\$11,910,429	\$4,708,248

Prior to 2009 the only debt service, which commenced in 2005, that existed under the Suffolk County Drinking Water Protection Program was the repayment of the debt service on \$10.8 million of Environmental Facilities Corporation (EFC) bonds, issued to finance the purchases of the Duke and AVR properties. The total cost of repayment is \$10.8 million through 2013. Debt service for these two properties should have been reserved in the open space component of the Water Quality Protection Program. Without established reserves it is not apparent whether sufficient Suffolk County Drinking Water Protection Program funds will be available to retire the EFC debt. The 2009 recommended EFC interest expense is \$1,297,130. Local Law 24-2007 not only consolidated the two land acquisition programs but changed the land acquisition philosophy from "pay-as-you-go" to bonding. The 2009 Recommended Budget includes Serial Bond expense of \$4,222,061.

2009 Recommended Status of Funds

Available funds for 2009 include the \$28,242,030 estimated carryover fund balance, \$68,073,183 in sales tax receipts, and \$395,000 in interest, for a total of \$96,710,213. The fund balance does not include \$25,000 in 2002 water quality funds under appropriation 477-E001 that were charged against the General Fund. These funds were appropriated by Resolution No. 260-2002 (\$5,000) and Resolution No. 535-2002 (\$20,000).

The recommended budget includes appropriation expenditures of \$50,196,017, which should result in a 2009 year-end fund balance of approximately \$46.5 million. The 2009 budget presentation does not segregate the fund balance into the seven possible reserves; three land reserves, Open Space, Farmland (established by Local Law 35 - 1999) and the S12-2(A) Combined Land Acquisition Program of Local Law 24-2007. The open space and farmland reserve balances should be calculated as of November 30, 2007, the sales tax sunset date for those programs. The Section 12-2(A) Combined Land Acquisition Program commenced December 1, 2007, therefore all sales tax revenues earned after that date accrue to that program. By not establishing separate reserves, the audit trail is blurred.

The same is true of the Water Quality Programs because there was a material change between the parameters of the program under Local Law 35-1999 and the program as amended by Local Law 24-2007. Local Law 24-2007 also increased the funding allocation from the quarter cent sales tax from 11.5% to 11.75% and added the Stewardship component.

The 2009 recommended expenditure allocations are as follows:

PLN-8038	Water Quality Improvement	\$88,948
EVE-8210	Division of Water Quality Improvement	\$1,176,604
HSV-8751	CCE	\$999,304
EMP-9030	Social Security	\$202,266
EMP-9080	Welfare Fund Contribution	\$71,171
EMP-9010	Retirement	\$203,733
EMP-9055	Unemployment Insurance	\$500
DBT-9710	Serial Bonds	\$4,222,061
DBT-9750	EFC Long Term Financing	\$1,297,130
IFT-E039	Tr to Fd 039, EMHP Fund	\$433,646
IFT-E038	Tr to Fd 038, Self-Insurance Fund	\$51,317
IFT-E016	Tr to Fd 016, Interdepartmental Service Fund	\$81,998
PKS-7114	Organic Maintenance Program	\$2,463,515
IFT-E001	Transfer to the General Fund	\$21,885,528
IFT-E404	Transfer to the Assessment Stabilization Fund	\$17,018,296
Total		\$50,196,017

Budget Review Office Evaluation

Suffolk County Environmental Program Trust Fund

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

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

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

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

- The amendment of the program has complicated the accounting requirements. The “Open Space” and “Farmland” components created under Local Law 35-1999 need to be tracked independently from the consolidated land program of Local Law 24-2007. Separate reserves should be established for the three independent land programs.

Local Law 24-2007 also created a Water Quality Protection and Restoration Program and Land Stewardship Initiatives. These funds should also be accounted for separately from the original Water Quality Protection and Restoration Program and the fund balance for this program should be accounted for separately. All revenues must be allocated by the percentages indicated in either Local Law 35-1999 if received prior to December 1, 2007 or Local 24-2007 if received after December 1, 2007. The amendment took affect on December 1, 2007 and the revenue that flowed into Fund 477 for 2007 would be as follows:

Category	2007
Open Space	\$8,275,880
Water Quality Protection & Restoration Program	\$6,871,119
Farmland	\$4,489,131
Tax Relief	\$21,343,619
Sewer Tax Relief	\$23,132,103
Land Acquisition under Section 12-2(A)	\$1,651,723
Water Quality Protection Restoration & Stewardship Program	\$624,043
Total	\$66,387,618

Suffolk County Taxpayers Trust Fund

The original legislation contained several stipulations that the County has not implemented. Local Law 24-2007 does not change these stipulations. For example, the General Fund portion of revenues should be deposited in the Suffolk County Taxpayers Trust Fund for property tax relief. The 2009 Recommended Budget does not create this fund.

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

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

- The first condition is that revenues may not be used to fund new programs or positions of employment, which is defined as programs or positions not budgeted by Suffolk County in the prior fiscal year.
- The second condition is that revenues must be credited in direct proportion to the real property taxes assessed and collected by the County of Suffolk from parcels within the County.
- The recommended budget fails to comply with the first condition in that all quarter cent sales tax receipts are deposited into Fund 477, the Suffolk County Water Protection Fund, which then transfers 32.15% of the sales tax receipts to the

General Fund. Such a treatment complies with neither the letter nor the spirit of the legislation because there is no audit trail to determine that the funds were allocated in accordance with legislative conditions.

- To establish the required audit trail, the budget should contain separate appropriations for those items funded from the Suffolk County Taxpayers Trust Fund. This type of treatment was done for the two percent sales tax payment for Parks Maintenance and Security under Section 12-5(E) of the 1989 Water Quality Protection Program. The separate appropriation would thereby identify the existing program that is being funded with Suffolk County Taxpayers Trust Fund sales tax receipts.

Suffolk County Sewer Assessment Stabilization Fund (404)

To account for Sewer Taxpayer Protection, Local Law 35-1999 created the Suffolk County Sewer Assessment Stabilization Fund into which 35.7% of the total revenues from the quarter cent sales tax generated each calendar year were deposited. Local Law 24-2007 reduced that allocation by 10.7% from 35.7% to 25%. The logic for the annual reduction was that the program had been extended 17 years, thereby over the life of the program, the sewers will receive more revenue than the original program.

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

Suffolk County Water Quality Protection and Restoration Program

- Resolution No. 659-2002 implemented the Suffolk County Water Quality Protection and Restoration Program by setting up an advisory committee that will make recommendations to the Legislature on project funding. Under the 1999 program Legislative Counsel indicated that the committee's role is purely advisory and that the Legislature may act with or without their advice. Local Law 24-2007

established the nine member Water Quality Protection and Restoration Program and Land Stewardship Review Committee. Unlike the committee established by Resolution 659-2002, the Committee established by Local Law 24-2007 is a gatekeeper in that the Legislature cannot vote on a project until the Committee makes a recommendation. Under Section 12(2)(B)(d) "All projects shall be subject to the approval of the Suffolk County Legislature after review and submission of the recommendation by the Committee."

- The contract process for 477 funding should be improved. There should be an independent written evaluation of the programmatic performance with measurable standards for both the multi-year and single year contracts. Resolution No. 659-2002 assigned responsibility for project evaluations to the Department of Public Works. Local Law 24-2007 Section 12(2)(B)(g) assigned responsibility to implement, administer and monitor approved projects to the Department of Environment and Energy. The legislation also provides that copies of the evaluations prepared by EVE should be provided to both the Executive and Legislature on an annual basis to determine whether the contract performance was in accordance with the terms of the agreement. If contract performance standards are not met, that could be an objective basis not to renew the contract.
- Local Law 24-2007 assigns responsibility for the management, administration, and day-to-day supervision of the program (not the actual allocation of revenues or appropriations) to the Department of Environment and Energy (EVE). It is not clear how this responsibility can be harmonized with the recommended budget assigning the Health Department responsibility for managing Cornell Cooperative Extension's Water Quality Protection Program contracts with the County. This issue was raised in the 2008 budget when the Planning Department was assigned responsibility for Cornell's WQPRP contracts, which has not been resolved as the County and Cornell have not fully executed the 2008 contract.
- As the following charts detail, a number of Water Quality projects staffed with County personnel have been institutionalized in the operating budget. These projects involve County departments and contract agencies. In January 2005, there were 42 positions funded by the Water Quality Protection and Restoration Program. The 2006 Budget contained 63 positions that were funded by the WQPRP. In 2007 the number of positions funded by WQPRP was reduced to 61. As shown in the following table, there were 53 positions in the 2008 budget funded by the WQPRP. For 2009, the recommended budget continues to fund 53 WQPRP positions. It continues to be the opinion of the Budget Review Office that Water Quality funds should not be used as a substitute for operating funds, especially permanent salaries and the associated fringe benefits.

2008 Estimated Total Operating Cost - \$6,137,427						
Total Positions, 53						
DEPARTMENT	SALARY	BENEFITS	SUPPLIES	EQUIP.	OTHER	CONTRACT
Parks (35)	\$1,596,561		\$488,040	\$268,200	\$7,750	
Planning (2)	\$29,116		\$1,750	\$1,000	\$5,600	
E & E (16)	\$660,228		\$26,500	\$5,750	\$3,500	\$457,400
Benefits		\$452,944				
Interfunds					596,293	
Cornell						\$979,710
Shellfish Rest						\$557,085
TOTAL	\$2,285,905	\$452,944	\$516,290	\$274,950	\$613,143	\$1,994,195

- The 2009 recommended operating expenses decreased by \$364,425 from the 2008 estimated expenses as detailed in the following chart. The decrease reflects the elimination of funding for the shellfish restoration program. The character of the expenses continues to shift from one-shots to recurring expenses. Permanent salary, employee benefits, and other departmental operating costs have increased by \$176,466 to over \$4.3 million in the recommended budget compared to the 2008 estimated budget.
- The Shellfish Restoration Program has been in the WQPRP since 2005 when \$1 million was appropriated for the program. In 2006 the actual program expense was \$152,915, the 2007 actual program expense was \$122,544 and the 2008 estimated expense is \$557,085. The 2009 Recommended Budget does not continue funding for this program. For a complete discussion on shellfish restoration, see the section of the Budget Review Office report on Economic Development and Workforce Housing.
- Based on the fact that the 2008 Cornell Cooperative Extension's Water Quality Protection and Restoration Program and Land Stewardship contract for \$979,710 was not submitted in a timely fashion to the Water Quality Protection and Restoration Program and Land Stewardship Review Committee as required by Section 12-2(B)(3)(a) and that there may be insufficient time to execute the contract prior to year end, we recommend deleting the estimated 2008 expense of \$979,710. (See the Cornell Cooperative Extension section of this report for a more detailed explanation).

2009 Recommended Total Operating Cost -\$5,773,002						
Total Positions, 53						
DEPART.	SALARY	BENEFITS	SUPPLIES	EQUIP.	OTHER	CONTRACT
Parks (35)	\$1,652,615		\$533,600	\$269,200	\$8,100	
E & E (16)	\$680,354		\$34,500	\$2,250	\$5,500	\$454,000
Planning (2)	\$77,598		\$3,100		\$8,250	
Benefits		\$477,670				
Interfunds					566,961	
Cornell						\$999,304
TOTAL	\$2,410,567	\$477,670	\$571,200	\$271,450	\$588,811	\$1,453,304

- Each of our last three operating review reports discussed the issue of using Water Quality funded positions in the Parks Department to perform tasks that could be considered routine park maintenance, and as such should be funded in the General Fund. The four different types of projects that may be funded using WQPRSP are delineated in Section 12-2(B) of the Suffolk County Charter. Parks has 35 WQPRP positions, of which three are vacant. In February 2008 the Environment, Planning, and Agriculture Committee requested the Parks Department provide the Committee updated information on the Parks 477 employees. To date the department has not provided the Committee with the requested updated information. Based on the lack of information received during last three years; we recommend abolishing the three vacant Parks Department positions.
- The Park Department's overtime issue discussed in our operating budget review last year still exists. Overtime is charged to the appropriation where an individual is assigned, not where the work is performed. This inconsistency, which exists throughout the County, can be addressed by charging back General Fund related work to Fund 001.
- The Planning Department has two filled positions, one professional and one clerical, which are used to provide support for the Department's 477 projects. EVE has 16 WQPRSP positions of which one is vacant. EVE has supplied the Legislature with documentation that Environment and Energy's 477 employees are involved with WQPRSP projects.
- It still continues to be the opinion of the Budget Review Office that the 53 positions funded with 477 – Water Quality Protection Funds and the associated fringe benefit and departmental costs be transferred to the General Fund. This will be a cost of approximately \$4.32 million to the General Fund but will have the benefit of 1) making \$4.32 million in water quality funds available for projects that meet the program criteria and 2) allow the departments to assign a broader range of duties to those employees, rather than to restrict their responsibilities to the limits of the Water Quality Protection Program.
- The Budget Review Office recommends abolishing all three vacant Parks Department positions in Fund 477 as shown in the following chart:

Vacant Fund 477 Positions		
Dept	Title	Grade
Parks	Laborer	08
Parks	Environmental Assistant	14
Parks	Laborer	08

Suffolk County Ballpark Fund (620)

Budget Review Office Evaluation

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

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

The County share for the project was \$4,500,000 or 23.8%. Resolution No. 1213-1998 amended the 1998 Capital Budget and appropriated the \$4.5 million in Suffolk County serial bonds for the construction of the ballpark. The total cost of the ballpark was \$17,809,000.

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

While revenues exceeded expenditures, at the end of 2007 the fund had a deficit of \$434,297 due to \$720,000 being reserved for capital improvements.

Expenditures

- The major cost centers for the ballpark are:
 1. Debt service to pay the County's portion of the construction costs.
 2. Fees for services to pay for the consultant's annual fee for securing the naming rights.
 3. General building repairs.
- The 2008 estimated debt service is \$563,017.
- The consultant receives \$34,500 annually for ten years for obtaining Citibank as the title sponsor of the ballpark.
- The total expenses for 2009 are recommended at \$639,268. This expenditure level is \$8,250 less than the 2008 estimate due to a reduction in debt service.
- Each year, \$90,000 is reserved for future capital improvements to the ballpark. The total amount reserved through 2008 is properly budgeted at \$810,000. An additional \$90,000 is included in the 2009 recommended budget bringing the

amount of the reserve for capital improvements to \$900,000. The funds are shown as a reserve of the fund balance.

- 2009 recommended expenditures include:
 1. Debt service of \$554,768
 2. Repairs to Buildings \$50,000
 3. Fees for Services: \$34,500
 4. For the third consecutive year, there is no transfer to the General Fund since the fund continues to operate with a negative fund balance estimated for 2008 and a minimal fund balance recommended for 2009.

Revenue

Revenue	2008 Estimated	2009 Recommended
Title Sponsorship (Citibank)	\$230,001	\$230,001
Ticket Sales	\$400,000	\$400,000
Sky Box Sales	\$130,000	\$130,000
Advertising	\$180,000	\$180,000
Concession & Merchandise Income	\$ 7,500	\$ 7,500
Interest & Earnings	\$ 9,000	\$ 9,000
TOTAL	\$956,501	\$956,501

- Overall revenue is estimated at \$956,501 for both 2008 and 2009. An analysis of the funds revenue accounts indicates that revenue is reasonably budgeted for each year.

GENERAL FUND REVENUE

Real Property Taxes (Revenue Code 001-FIN-1001)

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

The 2009 recommended budget has a General Fund Property Tax Warrant for 2009 of \$51,091,951, which is \$1,062 less than adopted for 2008. This is accomplished by recommending a reduction in General Fund appropriations of \$77.2 million, which is offset by an approximately equal decrease in revenues in the form of (1) a \$23.9 million decrease in non property tax revenue and (2) a fund balance surplus that is \$53.1 million less than last year. The large reduction in appropriations can more than be accounted for by a combination of (1) reducing the transfer to the Debt Service Reserve Fund (425) from \$26.7 million in 2008 to zero in 2009, (2) a \$48.5 million decrease in General Fund debt service attributed to debt being paid out of the proceeds of tobacco bonds, and (3) a \$9.6 million decrease in salaries due in part to staffing reductions from the 2008 early retirement incentive plan.

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

For 2007, the General Fund property tax was adopted at \$51,455,503, but the actual amount recognized was \$33,063,054, a shortfall of \$18,392,449. For 2008 the 2009 recommended budget estimates a shortfall of \$19,593,013, with \$31,500,000 of the adopted \$51,093,013 being recognized. A shortfall also occurred in 2005 and 2006, while a surplus was experienced in seven of the previous eight years (1997-2004).

Factors affecting collections include the size of the overall tax warrant and the delinquency rate (or its complement, the collection rate). While the County General Fund property tax has been more or less flat since 1998 (ranging from \$48.9 million to \$55.3 million), the overall tax warrant has increased considerably, going from \$2.8 billion in 1998 to \$4.6 billion in 2008. 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. In the long run this all works out – the level of delinquent taxes increases and as they are paid off a surplus develops. We are now in a phase where property owners are not paying their back taxes as fast as delinquencies on current taxes are rising. All of this is confounded by a rising tax warrant.

In terms of the appropriateness of the 2008 estimated property tax, the method used to calculate property taxes makes it difficult to accurately predict what the 2008 actual amount will be. That being said, based on information from the Treasurer's Office, the Executive's budgeted amount is in an acceptable range. However, while the Budget Review Office is not recommending a change, there is a greater likelihood that final collections will be less than is stated in the budget, as opposed to more.

In closing, it should be noted that the current housing slump and economic downturn would suggest that tax delinquencies will continue to be elevated for a few more years. Should this be the case, the 2010 budget would include a 2009 estimated property tax shortfall of somewhere in the neighborhood of \$20 million.

ES RealPropTax1001 09

State Administered Sales and Use Tax (Revenue Code 1110)

The breakdown of the current 8.625% sales tax rate in Suffolk County is presented in **Table 1**. Of this amount 4.25% is for County purposes and 4.375% for state purposes. This is further broken down as follows:

- General Fund (001): Sales tax revenue in the General Fund comes from 4% of the 4.25% County portion of the sales tax. The General Fund does not receive the full 4%, but instead allocates a share to the Police District. The Police District share cannot exceed three-eighths of one-cent (0.375%). In the 2007 to 2009 period covered in the recommended budget the Police District receives between one-quarter and three-eighths of one-cent in each year, with the General Fund portion between 3.625% and 3.75%.
 - General Fund sales tax revenue was an estimated \$6.3 million less than 3.75% in 2007, \$20.3 million less in 2008 and is recommended to be \$6.5 million less than 3.75% in 2009.
- Police District Fund (115): Resolution No. 952-2005 increased the portion of sales tax revenue that can be allocated for public safety purposes from one-quarter cent to three-eighths of one-cent. Public safety purposes can be any combination of General Fund or Police District public safety functions. Over the 2007 to 2009 period covered in the recommended budget, the Police District has been allocated fixed dollar amounts of \$72,708,621 in 2007, \$87,059,643 in 2008, and a recommended \$74,600,586 for 2009.

- These amounts equate to \$26.9 million less than the maximum three-eighths of one-percent allocation in 2007, \$13.0 million less in 2008, and \$27.5 million less than the full allocation in 2009.
- Suffolk County Water Protection Fund (477): Local Law 24 of 2007 (Resolution No. 770-2007) extended this one-quarter cent of the sales tax, which was due to expire at the end of 2013, but was extended to Nov. 30, 2030 – an additional 17 years. The program was also modified starting on Dec. 1, 2007. Funds dedicated to the Suffolk County Water Protection Fund were previously distributed, as per Local Law 35-1999, with 35.7% for sewer rate relief (Fund 404), 32.15% for tax relief (General Fund), 7.35% for farmland acquisitions, 13.55% for open space acquisitions, and 11.25% for water quality protection and restoration programs. The previous 20.9% allocated for farmland and open space (=7.35%+13.55%) is now a part of a new category, SC Environmental Trust Fund, which receives 31.1% of program revenues, an increase of 10.2%. In addition, the water quality component was increased by 0.5% to 11.75%.
- New York State sales tax (including the portion going to the MTA): The State portion of the sales tax is 4.0% and the New York State Metropolitan Transportation Authority (MTA) portion is 0.375%.

In **Table 2** we present recommended sales tax revenue. Growth in 2007 was 3.2%, is estimated to be 1% this year, and is recommended at 2% for 2009.

Referring to the section of this report on “The Economy”, the County's current economic climate is most similar to our experience in the late 1980s and early 1990s. During that period there was a slowdown in the housing market and a national recession. Should this year and next come close to mirroring our experience in 1990-1992, then 2008 estimated sales tax growth of one-percent would be on target with growth experienced in 1990. However, 2009 recommended sales tax growth of 2% is above the zero growth rates (after adjusting for a change in the tax rate) experienced in 1991-1992. While it is possible that the federal bailout will turn things around sooner, the downside risks are greater. As a rule-of-thumb, for every 1% loss of sales tax revenue, the General Fund budget would be short \$11.2 million. A more likely scenario is zero growth, which would translate into a \$22.4 million shortfall.

Table 1
Suffolk County Sales Tax Rates

	2007	2008	2009
State	4.00%	4.00%	4.00%
NYS Metropolitan Transportation Authority (MTA)	0.375%	0.375%	0.375%
General Fund (001)	4.0% less the \$72,708,621 allocation to the Police District	4.0% less the \$87,059,643 allocation to the Police District	4.0% less the \$74,600,586 allocation to the Police District
Police District (115) ^{1, 2.}	\$72,708,621	\$87,059,643	\$74,600,586
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%

Table 2
Sales Tax Revenue in the 2009 Recommended Budget

Fund	2007 Actual	2008 Adopted	2008 Estimated	2008 Estimated <i>minus</i> 2008 Adopted	2009 Recommended	2009 Recommended <i>minus</i> 2008 Estimated
General Fund (001)	\$1,038,412,132	\$1,048,173,266	\$1,035,501,238	-\$12,672,028	\$1,070,395,335	\$34,894,097
Police District (115)	\$72,708,621	\$87,059,643	\$87,059,643	\$0	\$74,600,586	-\$12,459,057
Suffolk County Water Protection Fund (477)	\$66,387,618	\$67,955,696	\$66,722,555	-\$1,233,141	\$68,073,183	\$1,350,628
All Funds	\$1,177,508,371	\$1,203,188,605	\$1,189,283,436	-\$13,905,169	\$1,213,069,104	\$23,785,668
Growth rates: All Funds	3.19%	2.25%	1.00%		2.00%	

RL SalesTax09

Off-Track Pari-Mutual Tax (Revenue Code 1150)

- The Off-Track Betting (OTB) Corporation of Suffolk County began operations in 1975. Its purpose was to curb illegal bookmaking, to provide gaming revenues to support education, to provide a source of revenue to local governments, and to help ensure the well-being of the horse racing industry.
- Since its inception, the off-track pari-mutual tax has been an important source of revenue for the County General Fund. The County's share of the "Handle," the total dollar amount wagered, is derived in two ways:
 - the County receives half of a five percent surcharge levied against all wagers if the race is running in the area, and the full surcharge for races run on out-of-state tracks;
 - the County receives the residue of the betting handle after payouts for winning bets are made, obligations to racetracks and racing associations

are satisfied, remittances to the State are deducted, and all OTB operating expenses are paid.

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

*Figures are based on actual receipts received by the County as reported in IFMS.

^Figures are based on what was reported in Suffolk OTB's audited financial statements.

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

- The actual 2007 OTB revenue distribution was \$2,497,607. The 2008 OTB estimated revenue is \$2,450,000, which is \$150,000 more than the 2008 adopted amount. As of September 30, 2008, the County has received \$1,562,476. The financial upheaval that has occurred in the last few weeks is well known. OTB has indicated that this may negatively impact their handle and the subsequent payments to the County. Because of the increasing costs and the fiscal turmoil, the 2008 estimate and the 2009 recommended amount of \$2.3 million may be optimistic.

KD OTB09

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

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

- Balances in interest bearing accounts, an important determination of earnings, are down from the previous year. It is reasonable to assume that this trend will continue through 2009.
- Interest earnings, on average are based on the three month Treasury bill plus 40 basis points. Forecasts for three month T-Bill rates were obtained from the Research Seminar in Quantitative Economics. To be more conservative, only 20 basis points were added to our 2009 forecasts resulting in an effective annualized interest rate of 2.03%. The following table summarizes our findings:

REV CODE	Recommended Budget	BRO estimate	Budget minus BRO estimate
General Fund Interest Earnings 2008			
001-FIN- 2401	\$4,250,000	\$4,235,032	(\$14,968)
001- FIN- 2403	\$151,780	\$332,799	\$181,019
001- FIN- 2404	\$2,250,000	\$2,591,528	\$341,528
001- FIN- 2405	\$900,000	\$988,074	\$88,074
General Fund Interest Earnings 2009			
001- FIN- 2401	\$4,600,000	\$3,884,884	(\$715,116)
001- FIN- 2403	\$209,050	\$313,458	\$104,408
001- FIN- 2404	\$2,400,000	\$2,415,007	\$15,007
001- FIN- 2405	\$900,000	\$945,079	\$45,079
Combined			
2008	\$7,551,780	\$8,147,433	\$595,653
2009	\$8,109,050	\$7,558,428	(\$550,622)

Our analysis concludes that the combined General Fund interest earnings is understated by \$595,653 and is overstated by \$550,662 in 2009. Since these two amounts more or less cancel each other out, the impact on the 2009 operating budget is minimal.

Revenue Code 001- FIN- 2401: Interest Earnings:

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

- For 2008, we find the recommended budget to be overstated by \$14,968.
- For 2009, we find the recommended budget to be overstated by \$715,116.

Revenue Code 001-FIN-2403: Department Interest Earnings:

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

- For 2008, we find the recommended budget to be understated by \$181,019.
- For 2009, we find the recommended budget to be understated by \$104,408.

Revenue Code 001-FIN-2404: Interest Earnings: Other Governments:

This code represents interest earned by other governmental entities while holding the County's money. When money due the County is received by the County Treasurer from other governmental entities, the portion that represents interest earnings is credited to this revenue account.

- For 2008, we find the recommended budget to be understated by \$341,528.
- For 2009, we find the recommended budget to be understated by \$15,007.

Revenue Code 001-FIN-2405: Treasurer's Interest Savings:

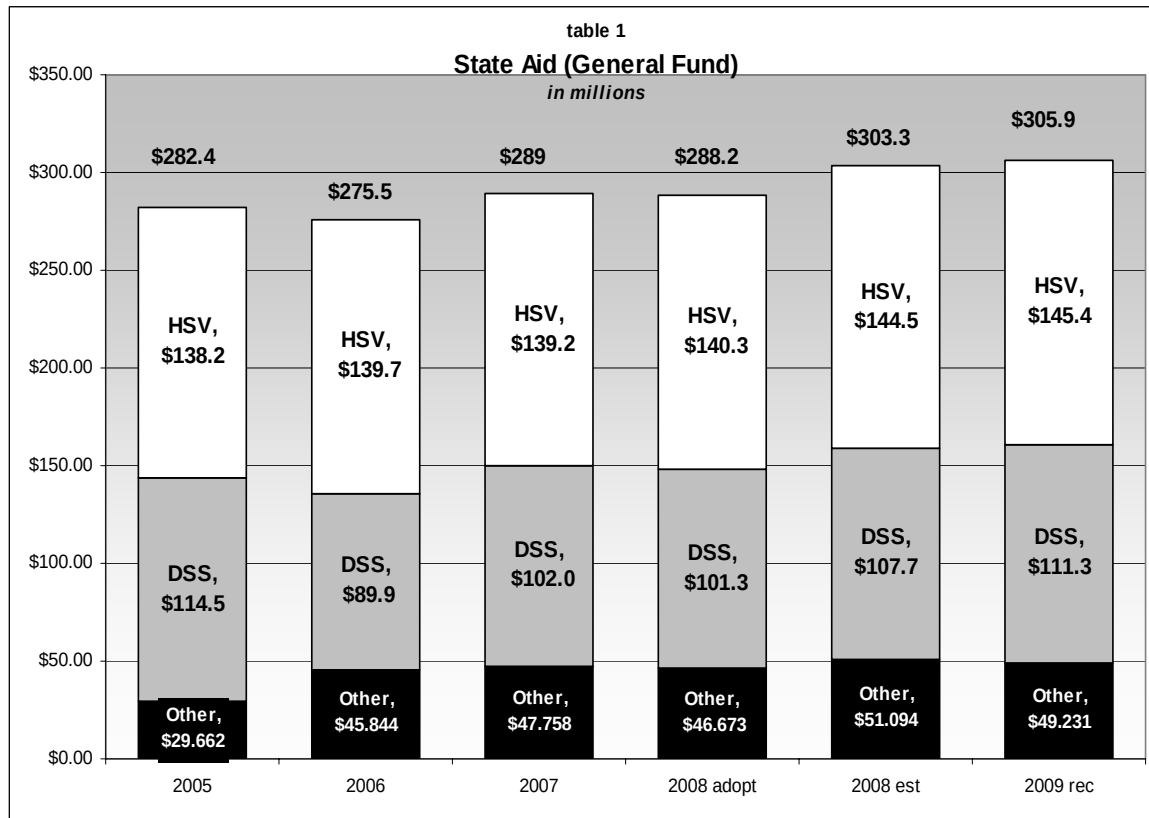
Interest deposited in this revenue account is earned on the overnight "sweep" investment account linked to the vendor checking account. The vendor checking account is the main account from which all vendors are paid. Once payments are approved on the County's Integrated Financial Management System (IFMS),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

- For 2008, we find the recommended budget to be understated by \$88,074.
- For 2009, we find the recommended budget to be understated by \$45,079.

State and Federal Aid

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

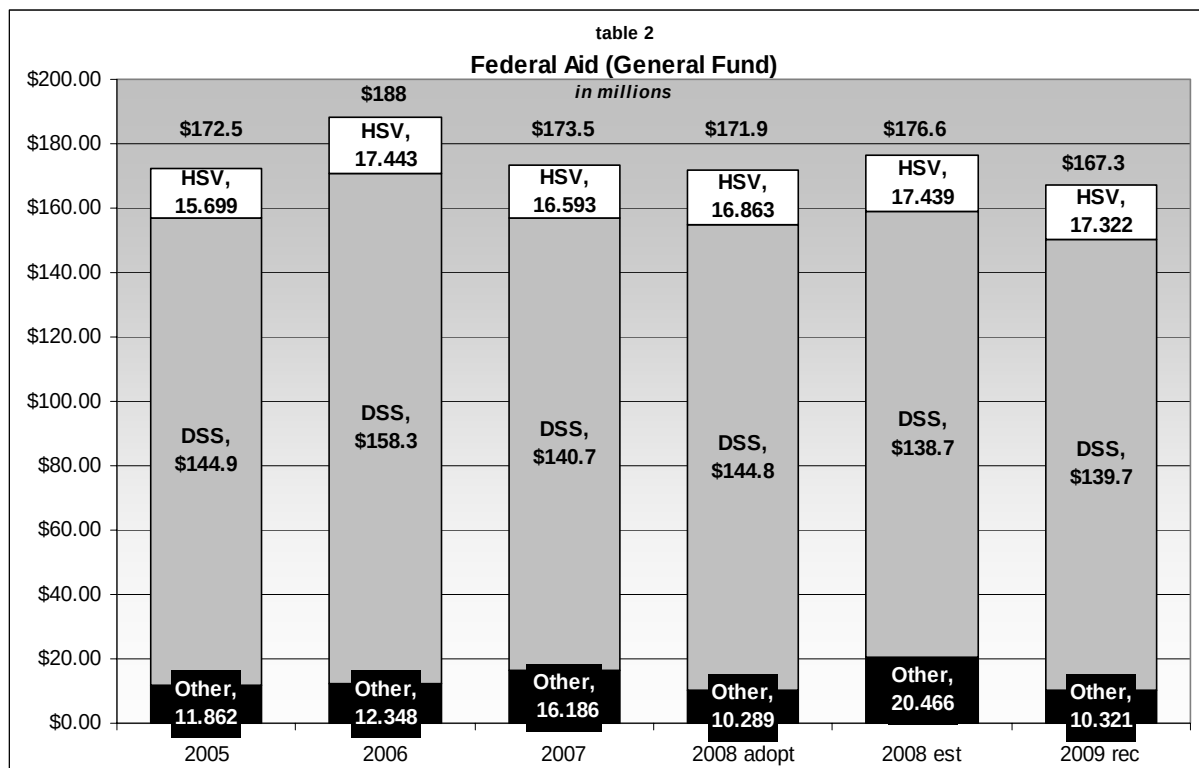
The Department of Health Services (HSV) and the Department of Social Services (DSS) are the biggest receivers of state aid. All other departments combined receive amounts of state aid which are less than either HSV or DSS. Table 1 depicts the allocations of state aid received for the County's General Fund from 2005 through the 2009 recommended budget.



State aid represented 16% of General Fund Revenue in 2007, a slight increase from the previous year. The recommended budget expects state aid estimates to increase again in 2008 and in 2009, and to increase as a percentage of total General Fund revenue as shown in the following table:

Year	Total Fund 001 Revenue	State Aid Fund 001	Percent of Total Revenue Attributed to State Aid
2005	\$1,781,363,463	\$282,363,876	15.9%
2006	\$1,785,778,603	\$275,509,163	15.4%
2007	\$1,802,741,367	\$288,964,365	16.0%
2008 est	\$1,867,305,948	\$303,328,763	16.2%
2009 rec	\$1,829,047,985	\$305,873,111	16.7%

Table 2 depicts the allocations of federal aid received by the County's General Fund from 2005 through the 2009 recommended budget. The Department of Social Services receives the greatest amount of federal aid by far. The Department of Health Services receives the second largest amount; larger than the remaining departments combined, with the 2008 estimate being the exception.



Federal aid represents 9.6% of 2007 General Fund actual revenues. Federal aid is estimated to increase in 2008, and decrease in 2009 as shown in the following table:

Year	Total Fund 001 Revenue	Federal Aid Fund 001	Federal Aid: Change from previous year	% of Total Revenue Attributed to Federal Aid
2005	\$1,781,363,463	\$172,465,086		9.7%
2006	\$1,785,778,603	\$188,046,403	9.0%	10.5%
2007	\$1,802,741,367	\$173,519,116	-7.7%	9.6%
2008 est	\$1,867,305,948	\$176,600,628	1.8%	9.5%
2009 rec	\$1,829,047,985	\$167,343,534	-5.2%	9.1%

In total, state and federal aid represent approximately 26% of General Fund revenues.

Year	Combined State & Federal Aid	Percent of Total Revenue Attributed to State & Federal Aid
2005	\$454,828,962	25.5%
2006	\$463,555,567	26.0%
2007	\$462,483,481	25.7%
2008 est	\$479,929,391	25.7%
2009 rec	\$473,216,645	25.9%

Finally, while the initial recommended amounts of state and federal aid are deemed to be reasonable, there have been many developments in the economy after the release of the 2009 recommended budget. Governor Patterson called for a special session of the State Legislature in order to address a predicted State Budget shortfall related to the Wall Street financial crisis. There is the potential that state aid could be reduced, with amounts yet to be determined. Should this happen, the recommended state aid amounts could be overstated and the County may have to restrict expenditures accordingly or provide a safety net.

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PERSONNEL COSTS AND ISSUES OVERVIEW

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

The 2009 recommended budget includes \$1.46 billion for personnel costs, salaries, and employee fringe benefits, which represents 54.4% of the \$2.68 billion recommended budget. The recommended budget projects personnel costs to increase by \$41.8 million (2.95%) over the 2008 estimated budget, \$27.3 million for salaries and other compensation payments to employees and \$14.5 million for employee benefit increases.

- The 2009 recommended budget includes personal service appropriations for scheduled contractual wage increases and for anticipated collective bargaining agreements. The following union contracts have either expired or will expire by the end of 2008:
 - Correction Officer's Association (COA): expired on December 31, 2003;
 - Police Benevolent Association (PBA), Superior Officers Association (SOA), Suffolk County Detectives Association, Detective Investigators PBA, and Deputy Sheriffs Benevolent Association (DSBA): expired December 31, 2007;
 - Suffolk County Association of Municipal Employees (AME) and Park Police: expires on December 31, 2008;
 - The salary schedule for employees excluded from collective bargaining units, exempt employees, expires on December 31, 2008.
- The 2009 recommended budget includes an increase of \$13.2 million (5.1%) for health insurance expenditures (excluding administrative personnel costs), from \$257.1 million in the 2008 estimated budget to \$270.3 million in the recommended budget. This increase is moderated by \$15 million in unspecified health benefit cost reductions to be instituted in 2009. The cost reductions are in accordance with the Memorandum of Agreement (MOA) signed on October 15, 2007 by the eleven labor unions and the County.
- Health insurance expenditures include the Community College's health claims costs. The recommended budget includes revenue from the College of \$18.1 million in the 2008 estimated budget and \$19.3 million in the 2009 recommended budget.

Authorized Budgeted Positions

- The 2009 recommended budget includes a net reduction of 429 authorized positions from 12,008 to 11,579. This reduction includes the abolishment of 514 positions and the creation of 85 new positions.

- Seventy-five (75) of the 85 new positions are for the 100% state funded Medicaid Compliance Unit.
 - Three hundred seventy-nine (379) of the 429 abolished positions are in the Skilled Nursing Facility of which 278 are filled positions.
 - The recommended budget abolishes 128 positions of the 186 positions vacated through the 2008 County early retirement incentive program (ERIP) with an annualized salary savings of \$12.8 million. Fourteen of the ERIP abolished positions are in the Skilled Nursing Facility.
 - The recommended budget abolishes 35 of the 44 positions vacated through ERIP in Public Works.
 - The recommended budget abolishes 17 of the 22 civilian positions vacated through ERIP in the Police Department. Currently, there are 578 active civilians in the department, the lowest level since November 2005.
 - The recommended budget abolishes 14 vacant positions in the Probation Department of which 12 were vacated through ERIP.
 - The recommended budget abolishes nine grant-funded positions in Fire Rescue and Emergency Services (FRES) that will be continued in subsequent grants.
- The following table lists twenty-one abolished positions, which excludes 379 abolished Skilled Nursing Facility positions and 128 ERIP abolished positions. See the County Early Retirement Incentive section in this report for the listing of the ERIP abolished positions.

Recommended Abolished Positions, net Skilled Nursing Facility and ERIP Abolished Positions

Department	# Abolished	Title	Gd.
County Clerk Office	1	Clerk Typist	9
County Executive Office	1	Clerk Typist, Span Speak	9
County Executive Office	1	Office Systems Analyst II	21
Fire Rescue & Emergency Services	2	Training Officer-Emergency Prep.	16
Fire Rescue & Emergency Services	1	Planning Aide	17
Fire Rescue & Emergency Services	4	Training Officer-Emergency Prep.	16
Fire Rescue & Emergency Services	2	Resource Management Officer, Emerg. Prep.	16
Health	4	Medical Assistant	9
Health	1	Public Health Nurse II	24
Probation	1	Probation Officer	21
Probation	1	Program Coordinator (Criminal Justice Plan)	24
Sheriff	1	Deputy Sheriff I	D1
Soil & Water	1	Senior Soil District Tech	19
TOTAL	21		

The following table lists the 85 recommended new positions:

Recommended New Positions

Dept	# New	Title	Gd.
County Executive Office	1	Director of Consumer Affairs	31
County Executive Office	1	Weights & Measures Insp	20
District Attorney	1	Paralegal Assistant	14
District Attorney	2	Clerk Typist	9
District Attorney	1	Sr. Programmer Analyst	27
Health Services	1	Account Clerk	11
Social Services	3	Caseworker Trainee	17
Social Services	1	Social Services Examiner III	23
Social Services	1	Social Services Examiner III	19
Social Services	3	Medical Services Specialist	23
Social Services	2	Social Services Examiner IV	27
Social Services	5	Social Services Examiner III	23
Social Services	13	Social Services Examiner II	19
Social Services	35	Social Services Examiner I	16
Social Services	2	Senior Account Clerk	14
Social Services	3	Senior Clerk Typist	12
Social Services	1	Account Clerk	11
Social Services	9	Clerk Typist	9
TOTAL	85		

The following table compares the number of authorized positions in the County's operating budgets over the period 2002 through 2009.

Adopted for Year	Authorized Positions All Funds	Difference from Previous Line
2002	11,754	N/A
2003	11,597	-157
2004	11,907	310
2004 Modified	11,752	-155
2005	11,882	130
2006	11,958	76
2007	11,968	10
2008 Adopted	11,977	9
2008 Modified.	12,008	31
2009 Rec.	11,579	-429

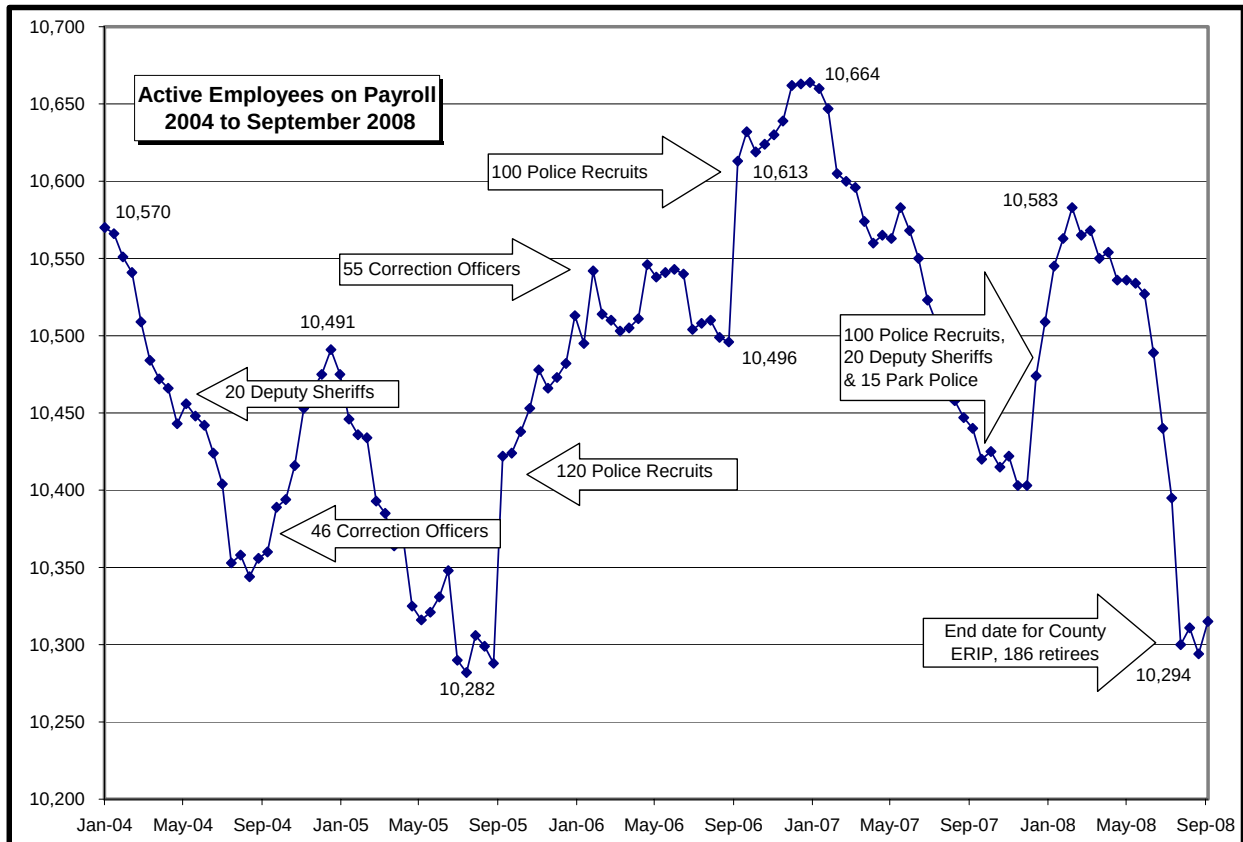
- The 2003 adopted budget included a net reduction of 157 authorized positions prompted by the 2002 early retirement incentive program (ERIP) whereby 614 employees retired and 307 of those vacated positions were abolished.
- The 2004 adopted budget increased the number of authorized positions to a level that exceeded pre-2002 ERIP authorized positions. During 2004 the Legislature abolished 175 vacant positions (Resolution No. 271-2004).
- The net increase of 31 positions from the 2008 Adopted Budget to the 2008 Modified Budget generally represents the acceptance of grant funded positions during the year.

Filled Positions

During 2008 the number of active employees on the payroll decreased by 230 from 10,545 in January to 10,315 in September. This decrease is primarily due to the adoption of the County's early retirement incentive program (ERIP) whereby 186 employees retired during the period June 30 through July 31, 2008. The other contributing factor for the net decline is the significant number of sworn police personnel retirements. During 2008 the number of active sworn police personnel on the payroll decreased by 101, from 2,609 in January to 2,508 in September. The current number of active sworn police personnel is the lowest level since September 2005.

- To date, the average number of active employees on the payroll during 2008 is 10,480, which is a decrease of 41 from the 2007 average of 10,552 active employees.
- The number of active Correction Officers on the payroll has remained constant at 815 since the hiring of 40 correction officers in February 2008. It is anticipated that there will be a significant number of retirements once their labor contract is settled. The COA contract expired in December 2003.
- Aside from the Police Department, which experienced the greatest net reduction of active employees since the start of the year, 119; Health Services experienced the second greatest net reduction of active employees, 52 of which 35 are in the Skilled Nursing Facility. Public Works has had a net reduction of 38 active employees during 2008.

The following graph plots the active number of employees on each bi-weekly payroll during the period January 2004 through September 2008. During this period the net number of employees decreased by 276 while at the same time the County hired 476 uniformed public safety employees.



Vacant Positions

Using data obtained from the personnel and payroll system, specifically the September 21, 2008 position control register, and biweekly payroll register, the Budget Review Office determined that county-wide 1,553 (12.9%) of the authorized positions are vacant. Compared to the same payroll as last year, the number of vacant positions exceeds last year's 1,497 vacant positions by 56. The adoption of the County's early retirement incentive program resulted in a greater number of vacant positions.

- The recommended budget abolishes 149 vacant positions and creates 85 new positions for a net reduction of 64 vacant positions, assuming no change in staffing between now and January 2009.
- The Police Department has the greatest number of vacant positions, 585, an increase of 37 more vacant positions over this same time last year. Historically, this department carries a high number of vacant, unfunded police officer positions. As of September 21, 2008 there are 328 vacant police officer positions, 25 vacant superior officer positions, and 50 vacant detective positions for a total of 403 vacant sworn personnel positions. The remaining 182 vacant positions are civilian positions.
- Health Services has 286 vacant positions of which 97 are in the Skilled Nursing Facility.

- Social Services has 129 vacant positions, which is 46 fewer than this time last year.
- The following table summarizes the current number of vacant positions for each department based upon the September 21, 2008 position control register.

Department	2008 Total Authorized Positions	Filled Positions (9-21-08)	Vacant Positions (9-21-08)	% Vacant
Audit & Control	90	84	6	6.7%
Elections	123	121	2	1.6%
Civil Service	107	104	3	2.8%
County Clerk Office	133	116	17	12.8%
District Attorney	412	381	31	7.5%
Public Works	1,026	835	191	18.6%
Social Services	1,607	1,478	129	8.0%
Economic Development	31	27	4	12.9%
Environmental & Energy	63	58	5	7.9%
County Executive Office	227	190	37	16.3%
Finance & Taxation	56	46	10	17.9%
Fire Rescue & Emergency Services	99	77	22	22.2%
Health Services	1,627	1,341	286	17.6%
Information Technology Services	85	76	9	10.6%
Labor	190	164	26	13.7%
Law	121	107	14	11.6%
Legislature	146	134	12	8.2%
Public Administrator	6	6	0	0.0%
Parks	226	206	20	8.8%
Planning	29	24	5	17.2%
Police	3,782	3,197	585	15.5%
Probation	488	409	79	16.2%
Real Property Tax Service	42	35	7	16.7%
Sheriff	1,285	1,235	50	3.9%
Soil & Water Conservation Dist.	7	4	3	42.9%
TOTAL	12,008	10,455	1,553	12.9%

Commencing in 2005, the County Executive instituted the policy of earmarking vacant Police Officer positions to civilian titles. This administrative procedure reduces the number of authorized police officer positions on the position control register without abolishing the positions in the budget. As of September 21, 2008 there are 21 vacant sworn personnel positions earmarked to civilian titles: 18 vacant police officer positions, two vacant superior officer positions and one vacant detective position.

- During 2008 the number of active civilian employees in the Police Department decreased by 18 to a yearly low of 578 due to 22 civilians participating in the County ERIP.

Permanent Salary Appropriations

The Budget Review Office monitors permanent salary expenditures throughout the fiscal year. Our independent analysis of the permanent salary appropriations concludes that generally the 2008 estimated permanent salary budget of \$733.3 million is reasonable and is \$29.7 million less than the 2008 adopted budget.

- The 2008 estimated permanent salary surplus of \$29.7 million for all funds includes salary savings of \$5.6 million associated with the County ERIP. However, the 2008 salary savings is offset by the estimated \$5.2 million for ERIP lump-sum incentive payments.
- The 2008 estimated General Fund permanent salaries; \$423.5 million is \$21.4 million less than the adopted budget of \$444.9 million and is within six-tenths of one percent (.59%) of our estimated permanent salary cost.
- The last four operating budgets, 2005 through 2008 permanent salary appropriations were adopted by the Legislature without major changes to the Executive's recommended amounts (excluding minor adjustments associated with the addition of new and restored positions).
- The 2009 recommended budget includes \$739.8 million for the net permanent salary cost for 11,579 authorized positions. The net cost of positions is derived by the following formula.
 - The salary cost for all existing authorized positions (filled and vacant), plus the salary cost for new positions, plus the cost of other salary adjustments (contractual wage increases), minus the salaries of the abolished positions and the salaries of vacant positions (turnover savings).
- Turnover savings is a term unique to government. The term refers to the savings that will occur in the budgeted salary costs for the time the position is vacant. The vacancy rates and the resultant turnover savings are attributable to the following:
 - The lead time in filling the current vacant positions and positions that become vacant during the year due to retirements, resignations, death, other terminations, and leaves of absences.
 - Hiring individuals into a position that becomes vacant during the year at a lower step (pay rate) than the previous incumbent.

- Not filling new positions in a timely fashion.
- The Budget Review Office created an interactive computer model that allows modeling of both gross and net turnover savings under differing scenarios. The model allows differing fill rates for new positions as well as existing vacancies and also takes into account the estimated changes in state or federal aid associated with adjusting turnover savings.
 - To create this model, we first verified the recommended amounts included in the total cost of positions, new positions, abolished positions, salary adjustments, transfers, and turnover savings. This analysis was based upon the payroll register of September 21, 2008.
- Our model enables the Budget Review Office to verify that the 2009 recommended net appropriations for permanent salaries include:
 - Accurate amounts for new and abolished positions,
 - That transfer-in salaries equal transfer-out salaries, and
 - Scheduled step increases.
- Our analysis concludes:
 - The Recommended Budget includes 85 new positions at an annual permanent salary cost of \$3,276,760. The majority of the new positions, 75 in Social Services, Medicaid Compliance Unit, can be filled for eight months.
 - The transfer-out salaries of \$22,947,831 exceeds transfer-in salaries by \$40,000.
 - The 2008 turnover savings for all funds is \$57.5 million, which represents 7.0% of the permanent salaries.
 - In the General Fund, turnover savings represents 4.6% of the permanent salaries, which leaves approximately \$20.7 million to fill new and vacant positions.
 - The high turnover savings in the Police District, \$31.3 million, represents 11.6% of permanent salaries, is attributable to 328 vacant Police Officer positions and does not include funds for a police class in 2009. We anticipate that approximately 80 sworn police personnel will retire during the next year.

The following table summarizes the turnover savings included in the recommended budget for each fund.

Summary of Turnover Savings by Fund

Fund	Fund Name	Total Cost of Positions	Recommended Turnover Savings	% Turnover Savings
001	General Fund	\$462,398,745	(\$21,299,666)	4.6%
016	Interdepartmental Service	\$8,945,662	(\$544,348)	6.1%
038	Self-Insured	\$2,894,072	(\$12,835)	0.4%
039	EMHP	\$452,572	\$0	0.0%
102	E-911	\$7,360,301	(\$208,174)	2.8%
105	County Road Fund	\$4,931,758	(\$347,934)	7.1%
115	Police District	\$268,388,230	(\$31,265,345)	11.6%
203	Southwest Sewer District #3	\$8,826,978	(\$469,147)	5.3%
259	Building/Sanitation	\$3,365,775	(\$357,593)	10.6%
261	Sewer O/M	\$10,372,946	(\$650,242)	6.3%
320	Labor	\$5,421,986	(\$503,027)	9.3%
351	Economic Development	\$603,327	(\$104,287)	17.3%
360	Medicare Compliance	\$16,750,497	(\$1,566,069)	9.3%
477	Water Quality	\$2,379,135	(\$204,481)	8.6%
625	Gabreski Airport	\$461,974	\$0	0.0%
632	Skilled Nursing Facility	\$17,077,725	\$0	0.0%
TOTAL		\$820,631,683	(\$57,533,148)	7.0%

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SUFFOLK COUNTY EARLY RETIREMENT INCENTIVE PROGRAM (ERIP)

The adoption of Resolution No. 283-2008, A Responsible Plan for Cost Savings to Mitigate an Anticipated 2009 Shortfall authorized the County Executive to enter into an agreement with the Suffolk County Association of Municipal Employees (AME) to establish a County targeted early retirement incentive program for employees represented by AME (excluding College employees).

This retirement incentive program is the ninth incentive program offered by the County. In 1990, the County offered its own retirement incentive in which retirees received a lump-sum payment upon retiring. In 1991, 1992, 1995, 1997, 1999, and 2002 the County participated in the state's retirement incentive programs, which offered additional service credits to retirees based upon their years of service. In 1995, the County participated in two separate state-legislated ERIP programs, one targeted (vacated positions were abolished) and one non-targeted.

The 2008 County ERIP provides a maximum lump-sum payment of \$45,000 to eligible employees upon their retirement, not to exceed 50% of their annualized salary. The lump-sum incentive is determined by years of County service: \$1,000 for each year of

service for years one through 10; \$1,250 for each year for years 11 through 15; and \$1,500 for each year thereafter. Eligible ERIP participants had to retire during the period May 23, 2008 to July 30, 2008. Participation was restricted to those employees whose salaries are less than 50% state and/or federally funded. A total of 186 employees retired under this program with an estimated retirement incentive payment of \$5.3 million, \$28,337 per retiree.

Early retirement programs, coupled with restrictions on hiring, provide a positive alternative for reducing the number of employees and payroll costs without layoffs. In order to maintain salary cost reductions, this incentive program restricts the filling of vacated positions to a maximum, twenty percent (20%) of the cost equivalent of the previous incumbent's salary. The annualized salaries of the ERIP participants totaled \$12.8 million. Although the program does not require abolishing vacated positions, the recommended budget abolishes 128 of the 186 positions vacated through ERIP for an annualized salary savings of \$8.5 million. Abolishing positions is an effective way of preserving the associated ERIP permanent salary reductions. The following table summarizes the number of ERIP participants by department.

Summary of 2008 ERIP Participants

Department: Section	ERIP Participants	Abolished Positions
Audit & Control	4	1
Civil Service	2	1
County Clerk	2	1
District Attorney	8	6
Environment and Energy	1	0
Executive: Consumer Affairs	1	0
Executive: Handicapped Services	1	0
Executive: Office for the Aging	3	0
Executive: Office for Woman	1	1
Executive: Veterans Service	1	1
Executive: Youth Bureau/Office For Child	3	2
Finance & Taxation	5	4
Fire, Rescue & Emergency Svc	1	0
Health Services	32	18
Health Services: Skilled Nursing Faciltiy	14	14
Information Technology Service	2	1
Law	4	2
Legislature: Budget Review Office	2	1
Parks, Rec & Conservation	9	7
Planning	2	1
Police	22	17
Probation	15	12
Public Works: Bldg/Sant Administration	2	1
Public Works: Bldgs Operations & Maint	3	3
Public Works: Court Facilities	6	5
Public Works: Custodial Svcs & Security	6	5
Public Works: Engineering	6	5
Public Works: Engineering: Sewerage Fac	2	1
Public Works: Facilities Engineering	1	0
Public Works: Hghwy & Bridge Maintenance	4	4
Public Works: Road MacHinery	4	3
Public Works: Sewer District #3	3	3
Public Works: Sewer Maintenance & Operation	4	4
Public Works: Transportation	1	0
Public Works: Vector Control	2	1
Sheriff	6	3
Soil & Water Conservation Dist	1	0
TOTAL	186	128

The following table lists the titles and annualized salaries of the ERIP participants by department and relevant major department division:

Titles of the Participants in the 2008 County Early Retirement Incentive Program

Department: Division	Title	Gd.	Annualized Salary	2009 Rec. Budget
Audit & Control	Secretarial Assistant	17	\$ 60,077	Abolish
Audit & Control	Principal Account Clerk	17	\$ 60,077	
Audit & Control	Payroll Compliance Examiner	28	\$ 96,180	
Audit & Control	Municipal Finance Administrator	32	\$ 114,520	
Civil Service	Principal Clerk	14	\$ 49,099	
Civil Service	Senior Clerk Typist	12	\$ 47,710	Abolish
County Clerk	Micrographics Technician	14	\$ 52,243	Abolish
County Clerk	Records Service Manager	30	\$ 104,879	
District Attorney	Investigative Auditor	29	\$ 100,451	
District Attorney	Principal Legal Steno	17	\$ 60,077	Abolish
District Attorney	Materiel Control Clerk IV	15	\$ 54,889	
District Attorney	Senior Clerk Typist	12	\$ 47,710	Abolish
District Attorney	Complaint Evaluation Specialist	19	\$ 61,937	Abolish
District Attorney	Principal Legal Steno	17	\$ 60,077	Abolish
District Attorney	Senior Clerk Typist	12	\$ 46,348	Abolish
District Attorney	Senior Clerk Typist	12	\$ 47,710	Abolish
Environment and Energy	Chief Environmental Analyst	33	\$ 119,577	
Executive: Consumer Affairs	Dir Of Weights & Measures	32	\$ 114,520	
Executive: Handicapped Services	Neighborhood Aide	13	\$ 50,121	
Executive: Office for the Aging	Administrator II	25	\$ 84,678	
Executive: Office for the Aging	Neighborhood Aide	13	\$ 50,121	
Executive: Office for the Aging	Senior Neighborhood Aide	17	\$ 60,077	
Executive: Office for Woman	Women's Rsrcs Advisor I	17	\$ 60,077	Abolish
Executive: Veterans Service	Veterans Service Officer	16	\$ 57,483	Abolish
Executive: Youth Bureau/Office For Child	Administrator I	21	\$ 72,181	Abolish
Executive: Youth Bureau/Office For Child	Secretarial Assistant	17	\$ 60,077	
Executive: Youth Bureau/Office For Child	Prin Planner (Youth Svcs)	28	\$ 96,180	Abolish
Finance & Taxation	Senior Clerk Typist	12	\$ 47,710	Abolish
Finance & Taxation	Tax History Supervisor	21	\$ 72,181	Abolish
Finance & Taxation	Exec Dir Of Finance & Tax	34	\$ 124,660	
Finance & Taxation	Principal Clerk	14	\$ 52,243	Abolish
Finance & Taxation	Senior Account Clerk	14	\$ 47,632	Abolish
Fire, Rescue & Emergency Svc	Emerg Svcs Dispatcher I	15	\$ 54,889	
Health Services	Sr Public Health Engineer	29	\$ 100,451	
Health Services	Drug Counselor	19	\$ 65,841	Abolish
Health Services	Assoc Pub Hlth Sanitarian	28	\$ 96,180	
Health Services	Clerk Typist	09	\$ 43,020	Abolish
Health Services	Registered Nurse	19	\$ 65,841	
Health Services	Senior Clerk Typist	12	\$ 47,710	
Health Services	Chief Public Health Engr	36	\$ 136,450	Abolish
Health Services	Coord Comm Based Drug Pgm	26	\$ 85,726	Abolish
Health Services	Assoc Pub Health Engineer	32	\$ 114,520	
Health Services	Public Health Engineer	26	\$ 73,622	
Health Services	Home Health Aide	08	\$ 41,396	Abolish
Health Services	Sr Psychiatric Soc Worker	25	\$ 84,678	Abolish
Health Services	Clinic Administrator	27	\$ 92,250	Abolish
Health Services	Prin Publ Hlth Sanitarian	32	\$ 114,520	
Health Services	Senior Clerk Typist	12	\$ 44,959	
Health Services	Clinical Nurse Practitioner	27	\$ 92,250	Abolish
Health Services	Asst Dir Of Mngmt & Rsch	33	\$ 119,577	Abolish
Health Services	Physician II	37	\$ 142,659	Abolish
Health Services	Drafter III	20	\$ 68,880	Abolish

Continued:

Titles of the Participants in the 2008 County Early Retirement Incentive Program

Department: Division	Title	Gd.	Annualized Salary	2009 Rec. Budget
Health Services	Principal Clerk	14	\$ 52,243	
Health Services	Morgue Ambulance Driver	14	\$ 52,243	Abolish
Health Services	Sr Psychiatric Soc Worker	25	\$ 84,678	Abolish
Health Services	Public Health Sanitarian	21	\$ 72,181	Abolish
Health Services	Sr Public Hlth Sanitarian	24	\$ 81,377	
Health Services	Prin Publ Hlth Sanitarian	34	\$ 124,660	
Health Services	Special Education Coord	23	\$ 78,207	Abolish
Health Services	Senior Account Clerk Typist	14	\$ 52,243	
Health Services	Public Health Nurse IV	30	\$ 104,879	Abolish
Health Services	Chief Public Health Sanitarian	34	\$ 124,660	Abolish
Health Services	Secretarial Assistant	17	\$ 60,077	
Health Services	Drug Counselor	19	\$ 65,841	Abolish
Health Services	Registered Nurse	19	\$ 65,841	
Health Services: Skilled Nursing Facility	Food Service Worker II	09	\$ 41,684	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Food Service Worker	07	\$ 39,641	Abolish
Health Services: Skilled Nursing Facility	Therapeutic Activities Worker	10	\$ 45,169	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Nursing Care Director	27	\$ 84,207	Abolish
Health Services: Skilled Nursing Facility	Nurses' Aide	09	\$ 43,020	Abolish
Health Services: Skilled Nursing Facility	Food Service Worker	07	\$ 39,641	Abolish
Health Services: Skilled Nursing Facility	Registered Nurse	19	\$ 65,841	Abolish
Health Services: Skilled Nursing Facility	Supvng Physical Therapist	23	\$ 78,207	Abolish
Health Services: Skilled Nursing Facility	Cook	12	\$ 47,710	Abolish
Information Technology Service	Pr Programmer Analyst	30	\$ 104,879	
Information Technology Service	Sr Programmer Analyst	27	\$ 92,250	Abolish
Law	Human Rights Investigator	19	\$ 58,269	
Law	Principal Stenographer	15	\$ 47,160	
Law	Exec Asst For Fin & Admin	34	\$ 124,660	Abolish
Law	Tort Claims Assistant	11	\$ 46,453	Abolish
Legislature: Budget Review Office	Chief Auditor	31	\$ 109,621	Abolish
Legislature: Budget Review Office	Sr Legislative Analyst	27	\$ 92,250	
Parks, Rec & Conservation	Cnty Parks Superintendent	26	\$ 88,425	
Parks, Rec & Conservation	Administrator I	21	\$ 72,181	Abolish
Parks, Rec & Conservation	Recreation Supervisor	21	\$ 72,181	Abolish
Parks, Rec & Conservation	Sr Contracts Examiner	24	\$ 76,504	Abolish
Parks, Rec & Conservation	Auto Equipment Operator	10	\$ 45,169	Abolish
Parks, Rec & Conservation	Park Supervisor II	19	\$ 65,841	Abolish
Parks, Rec & Conservation	Park Supervisor II	19	\$ 65,841	
Parks, Rec & Conservation	Sr County Parks Superintendent	28	\$ 96,180	Abolish
Parks, Rec & Conservation	Secretarial Assistant	17	\$ 60,077	Abolish
Planning	Principal Planner	28	\$ 96,180	Abolish
Planning	Prin Research Analyst	28	\$ 96,180	
Police	Emergency Complaint Oper	13	\$ 50,121	Abolish
Police	Police Operation Aide	11	\$ 42,392	Abolish
Police	Principal Clerk	14	\$ 52,243	
Police	Evidence Recovery Tow Operator	16	\$ 57,483	Abolish

Continued:

Titles of the Participants in the 2008 County Early Retirement Incentive Program

Department: Division	Title	Gd.	Annualized Salary	2009 Rec. Budget
Police	Principal Clerk	14	\$ 52,243	
Police	Secretarial Assistant	17	\$ 60,077	Abolish
Police	Administrator II	25	\$ 77,211	
Police	Principal Clerk	14	\$ 49,099	Abolish
Police	Principal Clerk	14	\$ 52,243	Abolish
Police	Principal Clerk	14	\$ 52,243	Abolish
Police	Stenographer	10	\$ 45,169	Abolish
Police	Senior Clerk Typist	12	\$ 46,348	Abolish
Police	Senior Clerk Typist	12	\$ 47,710	
Police	Senior Police Operations Aide	14	\$ 52,243	Abolish
Police	Clerk Typist	9	\$ 34,715	Abolish
Police	Courier	12	\$ 46,217	Abolish
Police	Principal Clerk	14	\$ 52,243	
Police	Principal Clerk	14	\$ 52,243	Abolish
Police	Marine Mechanic	18	\$ 62,906	Abolish
Police	Principal Stenographer	15	\$ 54,889	Abolish
Police	Administrator I	21	\$ 72,181	Abolish
Police	Senior Clerk Typist	12	\$ 47,710	Abolish
Probation	Supervising Psychologist	29	\$ 100,451	
Probation	Administrator II	25	\$ 84,678	Abolish
Probation	Probation Assistant	17	\$ 60,077	Abolish
Probation	Registered Nurse	19	\$ 65,841	
Probation	Secretarial Assistant	17	\$ 60,077	Abolish
Probation	Systems Anal Supvr(C-J)	30	\$ 104,879	Abolish
Probation	Systems Anal Supvr(C-J)	30	\$ 104,879	Abolish
Probation	Account Clerk	11	\$ 46,453	Abolish
Probation	Principal Stenographer	15	\$ 54,889	Abolish
Probation	Probation Assistant	17	\$ 60,077	Abolish
Probation	Probation Assistant	17	\$ 60,077	Abolish
Probation	Psychiatric Social Worker	21	\$ 72,181	Abolish
Probation	Principal Account Clerk	17	\$ 60,077	
Probation	Senior Stenographer	12	\$ 47,710	Abolish
Probation	Senior Program Examiner	25	\$ 84,678	Abolish
Public Works: Bldg/Sant Administration	Head Clerk	18	\$ 62,906	
Public Works: Bldg/Sant Administration	Chief Budget Examiner	31	\$ 109,621	Abolish
Public Works: Bldgs Operations & Maint	Maintenance Mechanic Iv	18	\$ 62,906	Abolish
Public Works: Bldgs Operations & Maint	Bldg Maintenance Manager	23	\$ 78,207	Abolish
Public Works: Bldgs Operations & Maint	Maintenance Mechanic III	15	\$ 54,889	Abolish
Public Works: Court Facilities	Custodial Worker III	16	\$ 57,483	Abolish
Public Works: Court Facilities	Bldg Maintenance Manager	23	\$ 78,207	Abolish
Public Works: Court Facilities	Maintenance Mechanic III	15	\$ 54,889	Abolish
Public Works: Court Facilities	Custodial Worker I	08	\$ 41,396	Abolish
Public Works: Court Facilities	Maintenance Mechanic III	15	\$ 54,889	
Public Works: Court Facilities	Custodial Worker II	11	\$ 46,453	Abolish
Public Works: Custodial Svcs & Security	Custodial Worker II	11	\$ 46,453	Abolish
Public Works: Custodial Svcs & Security	Custodial Worker III	16	\$ 57,483	Abolish
Public Works: Custodial Svcs & Security	Administrative Aide	19	\$ 65,841	
Public Works: Custodial Svcs & Security	Custodial Worker II	11	\$ 46,453	Abolish
Public Works: Custodial Svcs & Security	Custodial Worker III	16	\$ 57,483	Abolish
Public Works: Custodial Svcs & Security	Custodial Worker I	08	\$ 41,396	Abolish
Public Works: Engineering	Asst Map & Coord Supvr	26	\$ 88,425	
Public Works: Engineering	Dir Of Information Mngmnt	33	\$ 109,175	Abolish
Public Works: Engineering	Administrator I	21	\$ 72,181	Abolish

Continued:

Titles of the Participants in the 2008 County Early Retirement Incentive Program

Department: Division	Title	Gd.	Annualized Salary	2009 Rec. Budget
Public Works: Engineering	Principal Civil Engineer	34	\$ 124,660	Abolish
Public Works: Engineering	Asst Dir-Traffic Safety	31	\$ 109,621	Abolish
Public Works: Engineering	Jr Civil Engineer	23	\$ 78,207	Abolish
Public Works: Engineering: Sewerage Fac	Laboratory Director	28	\$ 96,180	Abolish
Public Works: Engineering: Sewerage Fac	Asst Civil Engineer	23	\$ 78,207	
Public Works: Hghwy & Bridge Maintenance	Hwy Labor Crew Leader	18	\$ 62,906	Abolish
Public Works: Hghwy & Bridge Maintenance	Equipment Contracting Officer	30	\$ 84,705	Abolish
Public Works: Hghwy & Bridge Maintenance	Hwy Labor Crew Leader	18	\$ 62,906	Abolish
Public Works: Hghwy & Bridge Maintenance	Principal Clerk	14	\$ 49,099	Abolish
Public Works: Road MacHinery	Auto Mechanic III	16	\$ 57,483	Abolish
Public Works: Road MacHinery	Senior Account Clerk Typist	14	\$ 52,243	Abolish
Public Works: Road MacHinery	Auto Mechanic III	16	\$ 57,483	
Public Works: Road MacHinery	Auto Mechanic V	21	\$ 72,181	Abolish
Public Works: Sewer District #3	Maintenance Mechanic III	15	\$ 48,601	Abolish
Public Works: Sewer District #3	Sr Wastewater Trt Plt Op (3A)	18	\$ 62,906	Abolish
Public Works: Sewer District #3	Instrumentation Tech	21	\$ 72,181	Abolish
Public Works: Sewer Maintenance & Operation	Dir Oper & Maint(Swr Dst)	33	\$ 119,577	Abolish
Public Works: Sewer Maintenance & Operation	Maintenance Mechanic IV	18	\$ 62,906	Abolish
Public Works: Sewer Maintenance & Operation	Construction Equip Oper	16	\$ 57,483	Abolish
Public Works: Sewer Maintenance & Operation	Head Clerk	18	\$ 60,994	Abolish
Public Works: Transportation	Bus Transportation Tech	14	\$ 49,099	
Public Works: Vector Control	Auto Equipment Operator	10	\$ 45,169	Abolish
Public Works: Vector Control	Vector Cntrl Lbr Crew Ldr	18	\$ 62,906	
Public Works: Facilities Engineering	Senior Clerk Typist	12	\$ 47,710	
Sheriff	Jail Head Cook	21	\$ 72,181	
Sheriff	Payroll Manager	25	\$ 84,678	
Sheriff	Administrator III	28	\$ 96,180	Abolish
Sheriff	Secretarial Assistant	17	\$ 60,077	Abolish
Sheriff	Jail Cook	15	\$ 54,889	
Sheriff	Rehabilitation Coord	24	\$ 81,377	Abolish
Soil & Water Conservation Dist	Dist Mgr (Soil & Water)	23	\$ 78,207	
TOTAL	186		\$ 12,865,248	128

Organizationally, the County will be in transition in 2009 due to abolishing 128 positions vacated by the early retirement program. Naturally, the larger departments had the most retirements and have lost the largest numbers of positions. Thirty-two positions are abolished due to early retirement in Health Services, of which 14 are in the Skilled Nursing Facility. Thirty-five are abolished due to early retirement in Public Works, of which eight are in sanitation, an area already struggling to meet State mandates. Seven civilian positions are abolished in the Police Department and three in the Sheriff. Overall, 23% percent of the abolished positions are clerical support positions. Departments will have to manage effectively to avoid the adverse impact on services or increases in overtime due to this reduction in authorized positions.

LR ERIP09

RECLASSIFICATION & EARMARKING

Reclassifications

- Reclassification is the process whereby the Department of Civil Service, pursuant to the authority of Civil Service Law Sections 116-121, identifies the proper title or classification of a position.
- Reclassification may involve filled positions for which duties and responsibilities have changed justifying a change in title. Resolution No. 123-1980 precludes the reclassification of a vacancy without Legislative approval. Therefore, when a department changes the duties or responsibilities of a vacant position, earmarking provides a temporary change in title. When the position is filled, it may be reclassified to its appropriate title.
- Reclassifications and earmarks impact the operating budget by changing the title of a position and thereby increasing or decreasing the cost for personal services.
- Civil Service processed 327 reclassifications during the period January 1, 2008 through September 18, 2008, including the College. This is an increase of 16% over the 2008 level of 282. We project the level of reclassifications during this same period in 2009 will continue to increase. This projection is based in part on the abolishment of 128 positions due to early retirement. As these duties and responsibilities are realigned, there is the potential that remaining employees will request desk audits.
- Of the 327 reclassifications during the period January 1, 2008 through September 18, 2008, the Budget Review Office was able to analyze 310 of the 327 due to the timing of payroll cycles. Of these, 140 or 45% were filled positions and involved only the reclassification. The remaining 170 or 55% were vacancies requiring an earmark prior to reclassification.
- The methodology used to calculate the cost of reclassification is based upon a comparison of biweekly salaries identified on the authorized position control register before and after the reclassification. Based upon the effective date of the reclassification, the difference in bi-weekly salary is multiplied by the number of remaining payrolls at the new rate.
- The projected 2008 cost for the 140 reclassifications not involving earmarks is \$263,168 or an increase of \$1,880 per reclassification.

The following table summarizes all reclassifications by department through September 18, 2008. Costs are shown only for those 140 positions that were not earmarked prior to reclassification.

Department	# Reclass with Earmarks	# Reclass without Earmarks	Cost of Reclasses without Earmark
Audit and Control	0	0	\$0
Civil Service / Human Resources	1	9	\$11,213
County Clerk	0	5	\$6,632
District Attorney	17	27	\$49,008
Economic Development	1	1	\$1,244
Environment and Energy	4	1	\$3,418
Executive Office	10	2	\$2,423
Finance and Taxation	0	1	\$1,125
Health Services	34	7	\$17,726
Information Technology	4	1	\$2,185
Labor	0	5	\$11,474
Law	4	2	\$2,385
Legislature	7	1	\$3,465
Parks, Recreation and Conservation	2	3	\$5,319
Planning	3	3	\$17,227
Police	28	12	\$23,121
Probation	3	7	\$10,220
Public Administrator	0	0	\$0
Public Works	15	43	\$73,343
Real Property Tax Service Agency	0	0	\$0
Sheriff	2	3	\$5,939
Social Services	14	3	\$7,428
Soil & Water Conservation	0	0	\$0
Suffolk County Community College	21	4	\$8,273
Totals	170	140	\$263,168

- Out of 170 earmarked positions, six positions were determined to be performing job responsibilities higher than their earmarked grade. The net annual salary change for these six is estimated at \$11,507 or an increase of \$1,918 per reclassification.

The Budget Review Office is unable to accurately track the salary change for positions that are earmarked and filled prior to reclassification because Civil Service does not provide us with the effective date of the earmark or the date the position is filled. However, the Budget Review Office has established methodologies to estimate the financial impact. Our methodology compares the grade of the original title to the grade of the earmarked title upon its reclassification, utilizing entry level salaries. The difference in the bi-weekly salary is multiplied by the number of remaining payrolls at the

new rate. The computation of this amount is combined with the net annual salary change of earmarked positions determined to be performing job responsibilities higher than their earmarked grade.

- The projected net annual salary change of the 170 earmarked positions is an increase of \$70,588 or \$415 per earmark.
- The majority of reclassifications and earmarks involve changes within the same jurisdictional class and career ladder.

The following table highlights the exceptions where an earmark or reclassification results in a change in jurisdictional class or significant change in title series. There were seven non-competitive class positions changed to competitive class positions; three labor class positions changed to non-competitive class positions.

Dept.	JC	GR	Pre-Reclass Title	JC	GR	Reclassified / Earmarked to:	No.
DPW	N	18	COMMUNICATIONS MECH II	C	21	COMMUNICATIONS TECH I	1
DPW	N	18	MAINTENANCE MECHANIC IV	C	21	INSTRUMENTATION TECH	1
DPW	N	18	HWY LABOR CREW LEADER	C	20	ASST HIGHWAY ZONE SUPERVISOR	1
HSV	N	19	REGISTERED NURSE	C	22	REG NURSE SUPVR-CLINIC	1
ITS	N	16	COMMUNICATIONS MECHANIC	C	21	COMMUNICATIONS TECH I	1
POL	N	14	MICROGRAPHICS TECHNICIAN	C	16	SR MICROGRAPHICS TECH	1
SHF	N	19	CRIMINAL IDENT TECHNICIAN	C	21	SR CRIMINAL IDENT TECH	1
PKS	L	08	LABORER	N	10	AUTO EQUIPMENT OPERATOR	2
DPW	L	08	LABORER	N	15	BRIDGE MAINT MECHANIC II	1

The following table highlights the examples in reclassification and earmarking that result in an increase or decrease of at least five grades; thirteen positions are upgraded by more than five grades.

Dept.	GR	Pre-Reclass Title	GR	Reclassified / Earmarked to:	Grade Change	No.
DPW	09	AUTO MECHANIC I	16	AUTO MECHANIC III	7	3
DPW	08	LABORER	15	BRIDGE MAINT MECHANIC II	7	1
EXE	19	LABOR RELATIONS ANALYST	25	PAYROLL MANAGER	6	1
DPW	21	AUTO MECHANIC V	26	ASST FLEET SERV MANAGER	5	1
DPW	19	DUPLICATING MACHINE OP IV	24	PRINT SHOP SUPERVISOR	5	1
DPW	18	PRIN ENGINEERING AIDE	23	ASST CIVIL ENGINEER	5	1
DPW	18	PRIN ENGINEERING AIDE	23	TRAFFIC ENGINEER I	5	1
DPW	13	BRIDGE MAINT MECHANIC I	18	BRIDGE MAINT MECHANIC III	5	1
DPW	13	HEAVY EQUIPMENT OPERATOR	18	HWY LABOR CREW LEADER	5	1
HSV	16	ASSOC PUB HLTH SANITARIAN	21	PUBLIC HEALTH SANITARIAN	5	1
ITS	16	COMMUNICATIONS MECHANIC	21	COMMUNICATIONS TECH I	5	1

The 2009 Recommended Budget includes lists in each department of those positions that are earmarked and/or reclassified up to the date of its release. The implication of this budget presentation is that earmarking, like reclassification, is a process that amends the budget. The Legislature historically has approved this earmarking method as a part of the budget presentation.

MUNReclassification&Earmarking09

EMPLOYEE BENEFITS

Health Insurance

Major Issues

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

Budget Review Evaluation

Suffolk County withdrew from the fully insured New York State Empire Plan and started its own self-insured health program known as the Employee Medical Health Plan (EMHP) in 1992. The County's motivation in forming EMHP, a self-insured health plan, was anticipated cost savings as compared with the Empire Plan. Ninety-eight percent of the County's employees and retirees are enrolled in the self-insured Employee Medical Health Plan (EMHP) and the remaining two percent are enrolled in one of three HMO health plans (HIP, Health Net, and Choice Care). The EMHP provides health insurance for active employees, employees on leave of absence, dependent survivors, retirees, self-paying faculty, terminated vesteds, Benefit Fund employees, as well as COBRA participants and offers a full range of benefits to include major medical, hospital, mental health, and prescriptions. At the beginning of September, the County's health insurance plan includes 20,914 enrollees representing 48,234 lives.

Outlook for the Future

The Kaiser Family Foundation (KFF) and the Health Research and Educational Trust (HRET) conduct an annual survey, on a nationwide basis, of private and public employers and the health insurance coverage they sponsor for more than 155 million recipients. Their most recent findings indicate, "In 2008 the average annual premiums for employer sponsored health insurance are \$4,704 for single coverage and \$12,680

for family coverage, up about 5% from the 2007 average premiums.”¹ Additionally, the report cites the fact that since 2004 family coverage average premiums have increased 27% and since 1999, 119%. In 2008, the average health insurance premium for family coverage, for a self-funded plan such as EMHP, is \$13,025, which is 5.73% less than the EMHP 2008 self-pay family rate. These averages compare favorably to the 2008 EMHP self-pay rates of \$6,479 for individual coverage and \$13,818 for family coverage taking into account that costs in the New York metropolitan area typically exceed national averages. Despite the moderation of rate growth in premiums, the increasing costs for healthcare are straining all employer-sponsored health insurance programs; and are not unique to Suffolk County’s EMHP. The Budget Review Office anticipates that EMHP costs will continue to increase moderately in the future, regardless of cost savings measures implemented within the plan.

EMHP Cost Saving Measures

- On October 15, 2007, the eleven unions and the County agreed to extend the EMHP Memorandum of Agreement (MOA) through December 31, 2011.
- Resolution No. 1098-2007 granted legislative approval of the agreement as required by Civil Service Law on November 20, 2007.
- The agreement stipulates that the implementation of annual, recurring, cost savings measures of \$15 million commence in 2009. The EMHP Labor Management Committee’s Benefit Consultant is charged with the task of providing a menu of various cost-saving measures, which can be used to achieve the required savings, to the unions. The unions have 120 days from receipt of the menu to choose appropriate cost saving-measures. If the unions fail to elect appropriate measures in a timely manner, the County is authorized to unilaterally adopt appropriate savings measures.
- According to the Office of Labor Relations, the unions received the menu of cost-saving measures on or about June 30, 2008 therefore, based upon the terms of the EMHP MOA, if no elections are made by the unions by October 30, 2008 the County Executive will be authorized to institute Health Plan cost-saving changes unilaterally.

Other Post Employment Benefits

The Governmental Accounting Standards Board (GASB) requires phase 1 governments (annual revenues in excess of \$100 million) to implement Statement No. 45 in financial statements for periods beginning after December 15, 2006. Statement No. 45 requires governments to establish standards for the measurement, recognition, and display of other post employment benefits (OPEB) expenses, expenditures, and related liabilities. OPEB includes all forms of post employment benefits, which are administered separately from a pension plan and may include benefits such as life insurance and healthcare. Currently, Suffolk County budgets and finances its OPEB obligations on a pay-as-you-go basis, which fails to:

¹ KFF/HRET Employer Health Benefits 2008 Summary of Findings pg.1

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

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

GASB 45 financial reports generated by the Alliance Benefit Group for Suffolk County for the fiscal year beginning January 1, 2007 indicate that the County's actuarial accrued liability (AAL) for OPEB is \$3.93 billion. Current retirees age 65+ account for the greatest portion of the liability, approximately \$1.8 billion, followed by future retirees age 65+, which account for approximately \$1.3 billion. The following table lists the actuary's GASB disclosures for pay-as-you-go vs. ARC costs for Suffolk County's OPEB obligations 2007-2009.

Pay-As-You-Go vs. ARC Costs	Pay-As-You-Go	Annualized Required Contribution
2007	\$95,900,000	\$386,800,000
2008	\$107,800,000	\$409,700,000
2009	\$119,400,000	\$431,400,000

GASB Statement No. 45 requires municipalities to quantify accrued OPEB liabilities only. The funding methodology employed remains a policy decision as stated in last year's Review of the 2008 Recommended Suffolk County Operating Budget.

EMHP Expenditures

The recommended \$271.2 million health insurance budget expenditure deviates from the County's new health insurance consultant, Lockton, Suffolk County Annual Health Benefits Report dated September 10, 2008 by approximately \$14.6 million. The discrepancy between the consultant's figures and the recommended budget is

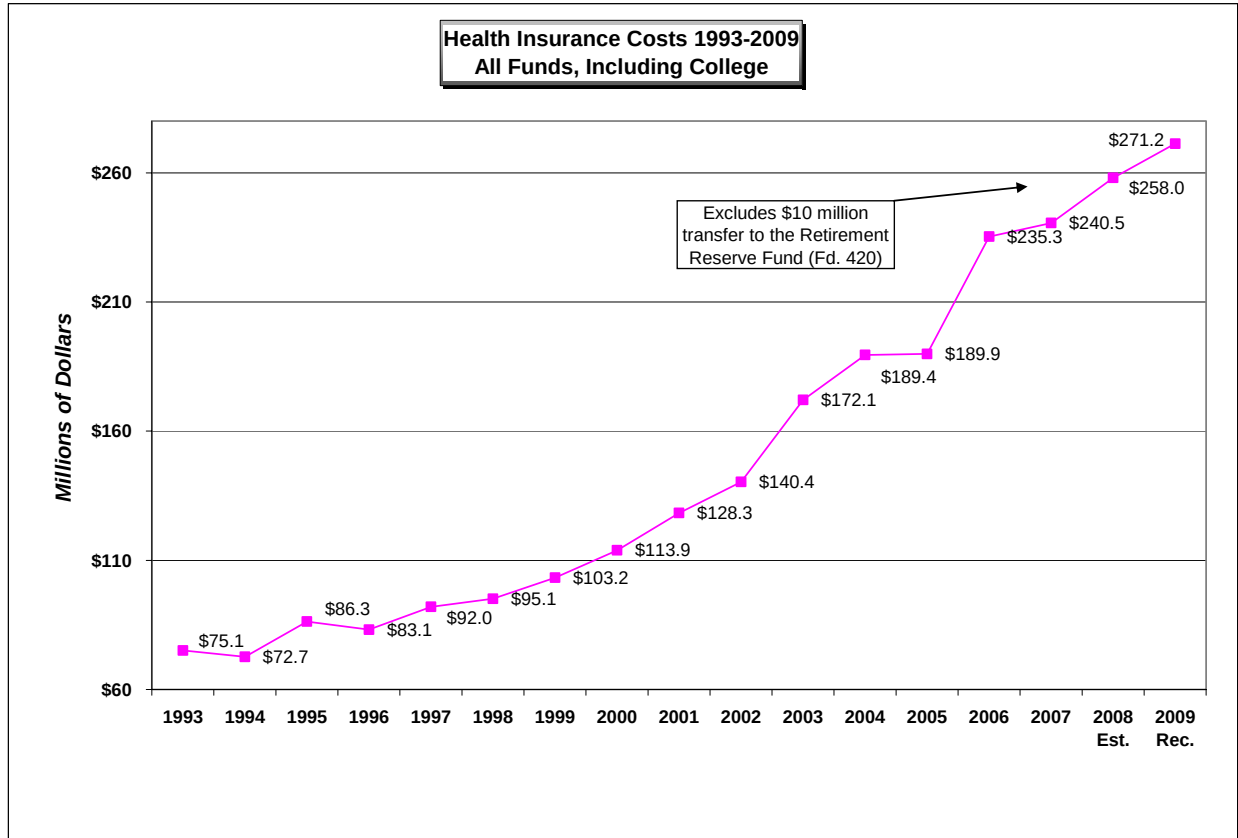
attributable to the fact that the consultant's projections do not include the \$15 million in cost savings measures in 2009 as stipulated in the current EMHP memorandum of agreement. The health insurance consultant's medical/hospital, mental health, and prescription drug claims projections are based upon actual experienced annual medical cost trends and actuarial assumptions specific to EMHP to estimate the County's 2008-09 health insurance costs. The consultant's 2009 annual trend rates for EMHP are 10% for medical claims (major medical and hospitalization), 11% for prescription drugs, and 5% for mental health, which equate to a 10.2% composite trend for these three areas. Their cost projection includes an increase of 273 eligible members in the average number of enrollees from 20,927 to 21,200. The assumed annual trend rates are identical to the rates the County's prior health insurance consultant utilized in generating their projections for 2008 health insurance expenditures.

Lockton projects the County's health insurance costs to grow by 9.86% (\$28.2 million) in 2009. Adjusting the consultant's projected expenditures to account for an additional \$15 million in cost savings measures in 2009 mitigates health insurance cost growth to 4.87%.

The 2008 budget estimate includes \$259.6 million for health insurance costs, which is \$6.0 million less than the adopted budget of \$265.6 million and \$2.0 million or 0.8% more than Lockton's projection of \$257.6 million. The estimate is reasonable.

The health insurance budget includes a funded reserve estimate for incurred but not reported claims (IBNR) specific to the line of coverage (major medical, hospitalization, prescription drugs and mental health). The County's healthcare consultant has projected \$25.5 million should be budgeted for IBNR reserves for 2009 in the aggregate. The Executive has recommended \$24.4 million be budgeted for IBNR reserves for 2009. Generally, 98% of claims are received within six months of the close of the fiscal year. The estimated and recommended health insurance budgets are reasonable however, to what extent actual claims experience deviates from the projections will determine whether the health insurance fund will end 2009 with a surplus or deficit.

The following graph shows health insurance costs of the self-insured health program from 1993 to 2008, excluding the 2006 \$10 million transfer to the Retirement Reserve Fund. The source of the data is the relevant County operating budget.



EMHP Revenue

The 2008 estimated budget includes the 2007 actual fund balance of \$11.4 million, which is \$1.3 million greater than the adopted budget. The health insurance fund typically receives 95% of its revenue from interfund transfers and the remaining 5% from COBRA, other premiums, interest, rebates, and recoveries from providers. The estimated budget includes \$237 million in revenue from interfund transfers to the Health Insurance Fund (Fund 039) which is \$7 million less than adopted. Additionally the 2008 estimated budget includes \$11.2 million in other revenues, which is \$250,000 less than the consultants estimate.

The 2009 recommended budget includes \$11.6 million in revenues from sources other than interfund transfers as compared to Lockton's projection of \$11.8 million in other revenues.

The revenue differences in both the estimate and recommended are primarily accounted for in the Executive's more conservative estimates for recoveries from providers and seem reasonable based upon historical data.

Retirement

The recommended retirement budget of \$106,508,844 is reasonable and represents both the Employees' Retirement System (ERS), excluding the college and the Police

and Fire Retirement System (PFRS). This payment is due to New York State on February 1, 2009 and is \$2.4 million less than the 2008 contribution.

- The ERS portion of the bill, excluding the college, is \$48.5 million derived from an aggregate contribution rate of nine percent.
- The PFRS portion of the bill is \$57.8 million derived from an aggregate contribution rate of 16.1%.

Benefit Fund and Life Insurance Contributions

The County contribution to each benefit fund is based upon the negotiated per employee rate with each of the ten collective bargaining units. Each benefit fund has a Board of Trustees, designated by the Union and the County to manage their respective fund, which includes setting the benefits levels. The County also pays the life insurance premiums as stipulated in each collective bargaining agreement for employees and for retired Correction Officer Association members and Deputy Sheriff Benevolent Association members.

Only one of the County's nine labor unions will enter fiscal year 2009 with a labor agreement, Bargaining Unit 16-Probation, which expires at the end of 2010. Generally, the benefit fund contribution rates for all collective bargaining units and for exempt employees are tied to either the AME or the PBA contribution rate. The 2008 estimated and the 2009 recommended budgets include sufficient appropriations based upon the annual employer contribution rates for AME and for the PBA. The current annual employer contribution rates are \$1,381 for AME and \$1,905 for PBA benefit funds. Currently there are no scheduled increases for the AME and PBA Benefit Fund contributions in 2009 as the contracts dictating the rate increase expire prior to 2009. The contribution rates will remain static assuming no new contracts are negotiated prior to the beginning of the 2009 fiscal year.

The estimated 2008 benefit fund/life insurance contribution of \$17.4 million is \$1.3 million less than the adopted budget and reflects savings from the County's 2008 ERIP. Based upon year-to-date expenditures of \$14,327,678 as of September 2008, the Executive's estimate is overstated by \$170,000.

The recommended budget includes a total of \$17.7 million for the benefit fund/life insurance contribution, which is an increase of \$327,000 (1.9%) over the estimated budget. The recommended budget includes \$94,000 within Fund 632 - John J. Foley Skilled Nursing Facility in accordance with the Executive's plan to cease operations at the facility in 2009. BRO projects that an additional \$308,000 will be needed to augment the Fund 632 Benefit Fund contribution if the facility continues to operate through 2009 at current staff levels. Fund 360 (Medicaid Compliance Fund) contribution is recommended at \$350,819, which BRO projects is understated based upon current staffing levels, by approximately \$115,000 excluding the recommended 75 new positions. Additionally, BRO projects that Fund 001-General Fund and Fund 115-

Police District Benefit Fund contributions are overstated by \$350,000 and \$400,000, respectively.

Social Security (FICA)

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

- The 2008 wage base for Old Age, Survivors, and Disability Insurance (OASDI) is \$102,000. This wage base has increased every year since 1971 while the rate has remained at 6.2% for the past 19 years. The Budget Review Office is projecting the 2009 OASDI wage base to increase by 4% or \$4,080 to \$106,080.
- The Medicare tax has no maximum wage base. The Medicare tax is 1.45% on all wages.

The estimated 2008 Social Security liability of \$62.6 million is \$1.1 million less than the adopted budget and represents 6.6% of estimated personal services costs. This estimate is reasonable and consistent with the 2007 actual FICA ratio of 6.72%.

- The estimated General Fund Social Security appropriation of \$35.8 million is \$700,000 less than the 2008 adopted budget and represents 7.11% of the estimated personal services within the General Fund. This estimate is reasonable and consistent with the 2007 actual FICA ratio of 7.11%.
- The estimated Police District Social Security appropriation of \$19.8 million is \$31,123 less than the 2008 adopted budget and represents 6.05% of the estimated personal services within the Police District Fund. This estimate is reasonable and consistent with the 2007 actual FICA ratio of 5.95%.

The 2009 recommended budget includes \$62.8 million for Social Security, which represents 6.85% of the total personal services costs and is 13% more than the 2007 actual FICA ratio of 6.72%.

- The 2007 actual Social Security ratio for the General Fund is 7.11% of personal services and the 2008-estimated Social Security ratio for the General Fund is 7.10% of personal services. Using the two-year average of 2007 actual Social Security ratios and 2008 estimated Social Security ratios, the 2009 Recommended Social Security appropriations appear overstated within the General and Police District Funds. Assuming that all budgeted 2009 personnel appropriations are expended, it appears the General Fund contribution is overstated by \$400,000 and the Police District Fund is overstated by \$250,000.

Unemployment Insurance

- The County reimburses the State dollar-for-dollar for all unemployment claims paid to former employees.
- The 2008 estimated unemployment insurance appropriations total \$501,087 for all funds. This estimate is \$99,338 less than the adopted budget of \$600,425. The estimated General Fund appropriation of \$375,000 is reasonable based upon

expenditures through September 21, 2008 of \$176,491 and account for two of four payments, which the County will make to the State.

- The 2009 Recommended Operating Budget includes \$1,650,579 across all funds and is recommended as requested, with the exception of Fund 632 - John J. Foley Skilled Nursing Facility, in which the Executive has augmented the request by \$1,104,024 to accommodate expenses associated with the ceasing operations of the facility. Based upon the current economy, job market, and state unemployment benefits that provide a maximum benefit of \$405 weekly up to 26 weeks, BRO believes that the recommended unemployment appropriation for Fund 632 is understated. Assuming the facility is closed, as recommended by the Executive, the unemployment appropriation is deficient by approximately \$400,000 to \$1 million.

Budget Review Office Recommendations

- Decrease the 2008 Estimated for Benefit Fund contribution in the General Fund (001-EMP-9080) by \$140,000.
- Decrease the 2008 Estimated for Benefit Fund contribution in the Police District Fund (115-EMP-9080) by \$30,000.
- Decrease the 2009 Recommended Benefit Fund contribution in the General Fund (001-EMP-9080) by \$350,000.
- Decrease the 2009 Recommended Benefit Fund contribution in the Police District Fund (115-EMP-9080) by \$400,000.
- Decrease the 2009 Recommended Social Security contribution in the General Fund (001-EMP-9030) by \$400,000.
- Decrease the 2009 Recommended Social Security contribution in the Police District Fund (115-EMP-9030) by \$250,000.
- Increase the 2009 Recommended Unemployment Contribution in Fund 632 - John J. Foley Skilled Nursing Facility (632-HSV-4530) by \$400,000 to provide adequate funding in conjunction with the closure of this facility.
- Increase the 2009 Recommended Benefit Fund contribution in Fund 360 - Medicaid Compliance Fund (360-Emp. 9080) by \$150,000.

RD EmployeeBenefits09

DEBT SERVICE

Serial Bonds

Serial bonds are general obligation debt used to finance most capital improvements with long periods of probable usefulness, generally greater than five years. Debt service on serial bonds is object 6900 in the budget, which represents principal repayment, and object 7800, which represents interest on bonds. Serial bond debt service and interest costs for all funds, excluding the community college, as represented in the 2009 Recommended Budget are \$120.1 million for 2007 actual, \$99.4 million for 2008 estimated, and \$73.1 million for 2009 recommended. The General Fund portion is \$86.8 million in 2007, \$71 million in 2008, and \$51.3 million in 2009. These decreases, while accurate, do not reveal the details behind this reduction. They are, largely, the result of the County's securitization of Tobacco Master Settlement Agreement revenues. The County issued \$233 million in "Tobacco Bonds", \$219 million of which was used to pay off portions of the County's debt. This portion of County debt service payments from the Tobacco Bonds require that they be considered as an off-budget expense to be footnoted on the County's financial statements. The General Fund cost after adding back these payments results in debt service costs going up by \$20,042,025 (to \$91,011,370) in 2008 and up by an additional \$8,738,002 (to \$99,749,372) in 2009.

In addition to serial bonds, lease payments are made to the Judicial Facilities Agency for the Cohalan Court Complex (001-1164-Public Works Court Facilities-4420-Payments To NYS Dormitory Authority) and the IDA for the Southwest Sewer District (203-8114-Debt Refinancing -4410-Rent: Offices & Buildings). These agencies issued debt on behalf of Suffolk County. Although they are not considered debt obligations of the County, they are reported as if they were debt in the County's official statements. The payments are considered mandated, as are all debt service costs in the budget. Lease costs were \$31 million in 2008 and are expected to be \$11 million in 2009. At that point, lease payments would end and the cost in 2010 would drop to zero. As a result of the \$20 million reduction in 2009 expenses, the Southwest Sewer District will be making a transfer to the Assessment Stabilization Reserve Fund 404. This transfer represents partial repayment of loans from Assessment Stabilization to Southwest.

To calculate debt service payments for 2009, we project principal and interest payments on serial bonds to be issued later this fall. The County is expected to issue \$87,910,000 this fall in serial bonds for general purposes; \$37,576,114 is expected to be for the General Fund. Of the remainder, \$43 million will be for land acquisition to be paid with sales tax receipts from the Suffolk County Water Protection Fund 477. The \$37,576,114 General Fund portion is expected to cost an additional \$1,335,468 in principal and \$1,441,606 in interest for the year 2009; a combined cost of \$2,777,074 for the first year.

Tax Anticipation Notes

Tax anticipation notes (TANS) are short-term notes, one year or less, issued for cash flow purposes in anticipation of the receipt of property taxes and delinquent property taxes (DTANS). Two borrowings take place each year; in January TANS are issued, and around November DTANS are issued. The County is expected to borrow \$85 million in DTANS in early November, with interest paid off in mid September of 2009. At the beginning of January 2009, the County is expected to borrow \$300 million in TANS, with interest paid off in August of 2009. The 2009 recommended budget includes \$6,725,000 for TAN interest expense. Based on an anticipated rate of 2.5%, and using the same rate for the January TAN, the budget overestimates 2009 TAN interest expenses by \$365,278. However, uncertainties surrounding the recent credit crisis would make it unwise to reduce TAN interest costs in the budget.

Debt Issuance and Redemption Expense

Expenses involved with the issuance of debt instruments are paid out of the operating budget under “001-9700-DBT-Debt Issuance & Redemption Expense-4760-Bond & Note Issue Expense”. This includes costs for putting together the official statement that accompanies each bond issue, bond counsel, fiscal advisors and bond insurance. The budget includes \$600,000 for both 2008 estimated and 2009 recommended. This is the same amount as recommended, adopted and actually incurred in 2007.

Pay-As-You-Go Financing

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

The County’s record in funding pay-as-you-go has been inconsistent. Over the past 20 years (1988-2007), funding has averaged \$2.5 million per year. However, in eleven of those years, County funding was below \$1 million, averaging only \$298,561 per year. In the remaining nine years, over \$1 million per year was spent, with the average being \$5.3 million per year. For 2009, \$444,528 is recommended; this however, will not be used to fund pay-as-you-go, rather it will be used to pay off a deficit in the General Capital Reserve Fund of the same amount. Increasingly larger levels of borrowing for capital projects in recent years is indicative of a lack of funding for projects that are suited for financing with cash. An aggressive pay-as-you go policy could fund \$15 million to \$20 million in capital projects.

It should be noted that pay-as-you-go financing has been suspended every year since 2001. In particular:

- Res. No. 669-2008 (Local Law 35-2008) suspended pay-as-you-go for 2008 and 2009,
- Res. No. 675-2006 (Local Law 35-2006) suspended pay-as-you-go for 2006 and 2007,
- Res. No. 272-2004 (Local Law 15-2004) suspended pay-as-you-go for 2004 and 2005,
- Res. No. 41-2003 (Local Law 8-2003) suspended pay-as-you-go for 2003, and
- Res. No. 1155-2001 (Local Law 6-2002) suspended pay-as-you-go for 2002.

The Budget Review Office has long been an advocate of a strong pay-as-you-go policy. This policy saves money over time and, as previously noted, is viewed favorably by the financial markets. Due to current fiscal and economic challenges, this marks the first year where BRO concurs with the logic to forgo pay-as-you-go financing.

The 50% Rule

Resolution No. 676-2006 authorized the Suffolk County Comptroller the authority to issue bonds with “level or declining annual debt service” for the years 2006, 2007 and 2008. Previously, the County issued bonds in accordance with Section 21(d) of Local Finance Law, “The-50% Rule”.

“No annual installment of serial bonds shall be more than fifty percentum in excess of the smallest prior installment.”

The law does extend authority to the “finance board” of any municipality to authorize level or declining debt service. It is our understanding that the “finance board” of Suffolk County would be the Legislature and the County Executive. If the County does wish to continue to allow the Comptroller to continue issuing level debt service beyond 2008, an authorizing resolution would be the recommended course of action. With that in mind, one may want to further examine the fiscal implications of using “level debt service” vs. “The-50% rule”.

“The 50%-Rule” has a faster payback period. The trade-off is that total debt service costs are less under the “50%-Rule”, but higher in the first few years. The financial markets and rating agencies react favorably to municipalities that consistently issue their debt with relatively short payback periods. Relaying exclusively on level debt service will increase the County’s payback periods.

The following table is an excerpt from the Budget Review Office’s Review of the 2009-2011 Capital Program. Using the \$138.5 million in serial bonds issued by the County in 2007 as an example, the table illustrates:

In the first five years, debt service payments are lower under “level debt service”.

- When observed cumulatively, debt service costs are lower in the first 12 years under “level debt service”.

- In nominal dollars, the overall cost of “level debt service” over 20 years is greater in this example by \$28.7 million, when compared to “The 50%-Rule”.

While the short run savings of “level debt service” may seem attractive to the architects of current budgets, the ramifications of such a policy is millions of dollars in non productive interest costs imbedded in future budgets.

**Savings (+) / Loss (-) associated with using the more conservative
"50%-Rule" instead of a "Level Debt Service" schedule
to repay debt on \$138.85 million per year in borrowing**

Year	"50%-Rule" <i>minus</i> "Level Debt Service" repayment schedule	
	Annual Savings	Cumulative Savings
1	-\$4,120,391	-\$4,120,391
2	-\$1,660,095	-\$5,780,486
3	-\$1,753,448	-\$7,533,934
4	-\$1,835,610	-\$9,369,544
5	-\$1,911,608	-\$11,281,153
6	\$747,438	-\$10,533,714
7	\$811,701	-\$9,722,013
8	\$886,692	-\$8,835,321
9	\$972,573	-\$7,862,748
10	\$1,068,771	-\$6,793,976
11	\$2,507,372	-\$4,286,604
12	\$2,622,561	-\$1,664,044
13	\$2,747,295	\$1,083,251
14	\$2,879,885	\$3,963,136
15	\$3,019,927	\$6,983,063
16	\$4,047,345	\$11,030,408
17	\$4,185,052	\$15,215,459
18	\$4,328,227	\$19,543,686
19	\$4,476,759	\$24,020,445
20	\$4,631,134	\$28,651,579

Level Debt Service: Method of debt repayment that calculates equal debt service repayments (principal plus interest) each year. Resolution 676-2006 authorized the Suffolk County Comptroller to issue bonds with level debt service, as well as with other forms of borrowing that are consistent with finance law. The authorization is from 2006-2008. Debt Service is based on a 20-year default setting for the weighted average maturity (WAM) repayment schedule, which is consistent with the county's current 2008 Series A bond issue.

50%-Rule: Method of debt repayment that requires the difference between the smallest and largest principal repayment to not exceed 50%. Until recently, this has been the traditional method used by Suffolk County to repay debt. Most pay-as-you-go projects that are financed with bonds, instead of cash, are based on a 5-year payback period.

\$138,850,000 represents a doubling of the prospective 2008 Series A bond issuing. The above table calculates the cumulative impact of borrowing that amount every year.

Debt service schedules generated are based on the 4/22/08 MMD yield curve plus 25 basis points. With Level Debt Service, the weighted average maturity is set to 20 years. For the 50%-Rule, repayments are based on each projects period of probably usefulness (PPU).

Credit Ratings

Serial Bonds issued by Suffolk County currently hold a strong rating with the three major rating agencies: Moody's, Standard & Poor's, and Fitch. Currently the County's ratings are:

- **Moody's: Aa3**
 - A rating of Aa3 puts the County in the "Investment Grade". These securities are deemed to be of high quality and are subject to very low credit risk.
- **Standard and Poor's: AA**
 - A rating of AA is the second best rating from S&P. Agency's rated AA are considered quality borrowers.
- **Fitch: AA- *with a positive outlook***
 - The Fitch rating of AA is similar to the S&P rating; however, Fitch has the "negative" modifier, placing one notch below AA.

In the past, the County's fiscal practices have been mindful of the impact any decisions would have on the County's credit ratings. The following table illustrates the affect of a full grade ratings drop from AA to A (an intermediate drop within a level is more likely and less costly than a movement from one grade to another).

The following table uses a \$100 million, 20-year level debt serial bond as an example of such a ratings change. It shows that the County could expect to pay over \$200,000 more per year or \$4.1 million more over 20 years.

Putting things into perspective, should the County take actions that are viewed unfavorably by the credit rating agencies, the short-term impact would likely be considerably less than \$200,000 per year (any downgrade is not likely to be a full grade drop in our credit rating). Of course, in the final analysis the County should be mindful that its actions do not have a long-term unfavorable impact on its credit rating.

Total Debt Service on \$100 Million Bond Impact of Rating Downgrade			
Year	AA	A	Increased Cost to County
1	\$7,390,529	\$7,585,157	\$194,628
2	\$7,543,556	\$7,748,552	\$204,996
3	\$7,543,557	\$7,748,553	\$204,996
4	\$7,543,555	\$7,748,553	\$204,998
5	\$7,543,556	\$7,748,553	\$204,997
6	\$7,543,556	\$7,748,553	\$204,997
7	\$7,543,556	\$7,748,553	\$204,997
8	\$7,543,556	\$7,748,553	\$204,997
9	\$7,543,556	\$7,748,553	\$204,997
10	\$7,543,556	\$7,748,554	\$204,998
11	\$7,543,556	\$7,748,552	\$204,996
12	\$7,543,556	\$7,748,553	\$204,997
13	\$7,543,555	\$7,748,554	\$204,999
14	\$7,543,555	\$7,748,553	\$204,998
15	\$7,543,556	\$7,748,554	\$204,998
16	\$7,543,555	\$7,748,553	\$204,998
17	\$7,543,556	\$7,748,554	\$204,998
18	\$7,543,555	\$7,748,552	\$204,997
19	\$7,543,556	\$7,748,554	\$204,998
20	\$7,543,556	\$7,748,552	\$204,996
Totals	\$150,718,089	\$154,807,665	\$4,089,576

based on 4/22/08 mmd curve

Budget Review Office Recommendations

- The Budget Review Office finds that debt service projections in the 2009 Recommended Budget are acceptable. There are some discrepancies between the amounts in the budget and those provided by the Comptroller's Office and the Treasurer's Office.
 - We recommend that this situation be rectified by establishing a single unified set of files to establish a coherent and useable record of the County's debt obligations that can be accessed by the Comptroller's Office, Treasurer's Office, Executive's Budget Office, and Legislature's Office of Budget Review.
 - Budget Review intends to organize a meeting and work toward the establishment of a shared database.
- With pay-as-you-go financing suspended every year for the past eight years, the County may want to re-think its stance on this law. While pay-as-you-go is a wise

fiscal policy, if County lawmakers are consistently unable and/or unwilling to adhere to this policy, the County may want to abolish this law entirely.

- With favorability from credit rating agencies, faster retirement of debt, and lower long-run costs; the BRO recommend's forgoing level debt service in the future; and, returning to the more conservative "50%-Rule".

ES DebtService09

TOBACCO SECURITIZATION

During 2008, Suffolk County experienced a budget short fall that was estimated to adversely impact property taxes between \$120 million and \$150 million. To address this problem; Resolution No. 283–2008, "A RESPONSIBLE PLAN FOR COST SAVINGS TO MITIGATE AN ANTICIPATED 2009 SHORTFALL" was adopted. A key feature of the plan was the securitization of County revenue from the Tobacco Master Settlement Agreement (MSA). The County established a Local Development Corporation (LDC), the Suffolk Tobacco Asset Securitization Corporation (STASC), which issued tobacco bonds backed by a portion of future revenue from the MSA. STASC is a bankruptcy remote corporation that holds the County harmless should the Tobacco MSA prove to be insufficient to repay the bonds.

The following table summarizes some of the details of the tobacco bonds issued in August by STSAC.

Suffolk Tobacco Asset Securitization Corporation Tobacco Settlement Asset-Backed Bonds, Series 2008	
delivery date	8/21/2008
percent of TSRs pledged	36.00% starting in 2009 75.00% starting in 2013
Aggregate Initial Par	\$233,151,862.70
plus: premiums (discounts)	-\$4,136,635.20
Gross Proceeds	\$229,015,227.50
less: costs	
COI	\$1,428,286.07
Underwriter's Discount	\$972,243.27
Liquidity Reserve	\$18,760,231.25
Capitalized Interest	\$1,511,129.69
Operating Expenses	\$100,000.00
Total Net Proceeds	\$206,243,337.22
interest earned	\$13,069,506.78
Total Used to Defease Bonds	\$219,312,844.00
final maturity	6/1/2048
expected final maturity	6/1/2034
cost of capital	6.672%
total debt service costs	\$548,245,355.93

The County will receive all of the net bond proceeds up front, in 2008. From 2009 to 2012, 36% of Tobacco MSA revenue will be securitized. These funds will go to STASC to pay debt service on the tobacco bonds. The remaining 64% of tobacco revenue will continue to be received by the County. Starting in 2013, 75% of tobacco revenue will be securitized. At that point, the County's share would drop to 25%.

The County issued debt with a par value of \$233 million; however, of that amount, \$206 million represents bond proceeds that will be used to retire existing County debt. The difference is attributed to:

- \$4.1 million discount paid to investors in return for not requiring higher interest rates;
- \$1.4 million for the costs of issuance (COI) fees paid to professionals for work on transaction (lawyers, financial advisors, printing, rating agencies, etc.);
- \$1 million for fees paid to underwriters;
- \$18.8 million for liquidity reserve, which is similar to a debt service reserve fund, it maintains funds equal to the maximum annual debt service and is only accessed to pay debt service in the event the MSA revenues are insufficient to pay the debt service;
- \$1.5 million in capitalized interest for the December 1, 2008 interest payment that will be paid with bond proceeds;
- \$100,000 in other miscellaneous expenses.

Since defeasing County debt with tobacco proceeds will take place over several years, some of that revenue will earn interest. When all is complete, the County will have reduced its debt service costs over six years (2008-2013) by \$219 million. The breakdown by fund is shown in the table below:

Tobacco Securitization: Debt Service Relief by Fund				
Year	001 General Fund	632 Nursing Home	115 Police District	Total
2008	\$20,042,025	\$153,952	\$941,364	\$21,137,341
2009	\$48,483,154	\$341,639	\$2,258,336	\$51,083,129
2010	\$46,123,000	\$340,437	\$1,949,901	\$48,413,338
2011	\$39,375,238	\$335,222	\$1,632,084	\$41,342,544
2012	\$35,569,368	\$329,844	\$1,434,441	\$37,333,653
2013	\$19,536,925	\$239,555	\$226,360	\$20,002,841
total	\$209,129,710	\$1,740,649	\$8,442,485	\$219,312,844

The securitization of tobacco revenue resulted in the issuance of four different types of bonds as shown in the following table:

Tobacco Settlement Asset-Backed Bonds, Series 2008					
Bond Type	Listed Maturity Date	Expected Maturity Date	Par Value	Interest Rate	Premiums (discounts)
serial bonds	12/1/2018	12/1/2018	\$9,765,000	4.000% - 5.000%	-\$88,518
current interest	6/1/2048	12/1/2030	\$102,340,000	5.375% -6.000%	-\$4,048,117
convertible CAB	6/1/2024	12/1/2028	\$107,671,781	6.625%	-
capital appreciation	6/1/2048	12/1/2034	\$13,375,082	8.000%	-
Total			\$233,151,863	6.672%	-\$4,136,635

The four different types of bonds issued were:

- Serial Bonds – These are the least expensive to the County, and are to vary between four and five percent. The bonds sold at a discount of \$88,518.
- Current Interest Bonds – Are projected to retire in 2030, however, if Tobacco Settlement revenue comes in lower than projected, it is possible that these bonds will not retire until 2048. These bonds are slightly more expensive to the County, with the County paying out between 5.735 and 6% in interest. In order to sell these bonds, it was necessary to offer a discount of \$4,048,117.
- Convertible CABs – These bonds are projected to retire in 2024, but may retire as late as 2028 if settlement revenue is below projected levels. Interest rates on the CABs are higher than those on the Current Interest bonds. The County will pay 6.25% interest on Convertible CABs.
- Capital Appreciation Bonds- These bonds are the most costly to the County, eight percent. The bonds are not expected to retire until 2034; but, may last as long as 2048. With a revenue source so far out, investors demand to be well compensated for the risk.

Tobacco Bonds and the Budget

The following table shows the impact of Tobacco Securitization on the budget:

Suffolk County Tobacco Securitization and the Budget						
Year	TSR Pledged to repay Tobacco Securitization	Debt Defeased from Tobacco Bonds*	Net Budget Relief	Plus Transfers from Debt Service Reserve Fund	Less Transfers to Debt Service Reserve Fund	Net Budget Savings
2008	\$0	\$21,137,341	\$21,317,340	\$0	\$6,137,340	\$15,000,000
2009	\$8,414,770	\$51,083,129	\$42,643,027	\$2,356,973	\$0	\$45,000,000
2010	\$8,467,378	\$48,413,338	\$39,945,959	\$0	\$4,945,959	\$35,000,000
2011	\$8,570,440	\$41,342,544	\$32,772,103	\$2,227,897	\$0	\$35,000,000
2012	\$8,671,313	\$37,333,653	\$28,662,340	\$6,337,660	\$0	\$35,000,000
2013	\$18,273,273	\$20,002,841	\$1,729,568	\$160,769	\$0	\$20,163,610

*due to an error in the budget, the 2008 debt defeased is \$179,999 higher and 2009 debt defeased is \$25,332 lower than the amounts now agreed upon.

One peculiar aspect of how the budget is affected by Tobacco Securitization is that net savings targets were set; therefore transfers into and out of the Debt Service Reserve fund are made in order to meet those targets. As mentioned before, the ultimate impact of the Tobacco Securitization is a \$219 million reduction in debt service costs during the period 2008-2013. Beyond 2013, budgets will be adversely impacted from the loss of 75% of revenues associated with the Tobacco MSA.

The following table was derived from the Global Insights report on the Tobacco Master Settlement Agreement with the figures implicit in Citigroup's final presentation of the Tobacco Securitization deal. Column (3) in the table shows the amount of revenue that the County expects to receive from the Tobacco MSA. Column (2) shows how much of that revenue will be used to pay tobacco bonds. Column (1) shows how much of the total revenue will be available to the County. In total, an estimated \$535 million of the TSR will not be available to the County because it will be used to pay off the Tobacco Bonds.

Projected Tobacco MSA Revenues			
	(1)	(2)	(3)
Year	TSRs Available to County	TSR Pledged to repay Tobacco Securitization	Total TSR = (1) +(2)
2008	N/A	0	N/A
2009	14,959,591	8,414,770	23,374,361
2010	15,055,358	8,468,639	23,523,997
2011	15,237,711	8,571,212	23,808,923
2012	15,419,176	8,673,287	24,092,463
2013	6,091,091	18,273,273	24,364,364
2014	6,158,701	18,476,103	24,634,804
2015	6,224,783	18,674,349	24,899,132
2016	6,302,297	18,906,891	25,209,188
2017	6,379,812	19,139,436	25,519,248
2018	7,222,873	21,668,619	28,891,492
2019	7,307,000	21,921,000	29,228,000
2020	7,387,831	22,163,493	29,551,324
2021	7,478,535	22,435,605	29,914,140
2022	7,567,859	22,703,577	30,271,436
2023	7,662,046	22,986,138	30,648,184
2024	7,754,848	23,264,544	31,019,392
2025	7,855,866	23,567,598	31,423,464
2026	7,960,360	23,881,080	31,841,440
2027	8,065,280	24,195,840	32,261,120
2028	8,171,568	24,514,704	32,686,272
2029	8,282,625	24,847,875	33,130,500
2030	8,394,337	25,183,011	33,577,348
2031	8,506,461	25,519,383	34,025,844
2032	8,617,719	25,853,157	34,470,876
2033	8,732,743	26,198,229	34,930,972
2034	8,848,885	26,546,655	35,395,540
Total	\$227,645,356	\$535,048,468	\$762,693,824

Concluding Remarks

The benefit of tobacco securitization is it provides short-term budgetary relief of:

- \$60 million in 2009 – \$15 million in 2008 that, along with \$45 million in 2009, will generate relief in the 2009 budget.
- \$35 million per year between 2010 and 2012.
- \$20 million in 2013.

The cost of tobacco securitization is that:

- It represents a multi-year (2009-2013) one-shot source of revenue that will not be available in future budgets. This will create a structural problem in future budgets. While it would appear that the structural problem will not begin until 2014, this is not the case. In 2010 the use of tobacco bond proceeds will drop from \$60 million to \$35 million, a loss of \$25 million.
- Tobacco securitization is an expensive form of budgetary relief. The final deal provides the County with 41-cents on the nominal dollar (\$219.3 million in budgetary relief at a long-term cost of \$548 million in debt service payments). In comparison, County long-term serial bonds provide a return of about 67-cents on the nominal dollar. Another approach is that the cost of capital for the tobacco bonds is 6.672%, while a typical County serial bond would cost an estimated 4.0%.

ES TobaccoSecuritization09

ENERGY TRENDS FOR LIGHT, POWER AND WATER

Across all funds, actual expenditures for Light, Power & Water (4020) have ranged from approximately \$15.9 million in 1998 to an actual peak of approximately \$28.3 million in 2006 (an increase of approximately 77.3%). Annual expenditures for this object increased in 2004 through 2006 by an average rate of 15.2%. Actual expenditures for Light, Power & Water decreased in 2007 to approximately \$27.5 million, due primarily to a one year decrease in LIPA's fuel and purchased power charges and a natural gas rate change for several landmark County facilities. On average, approximately 74% of expenditures for this object flow from the General Fund. Payments for LIPA electricity (approximately 79%) and KeySpan natural gas (approximately 16%) represent nearly all year-to-date expenditures from this object. The fund also includes expenditures to the Suffolk County Water Authority (SCWA) and other local water districts; the New York Power Authority (NYPA) and other performance based energy contracts, as well as energy related expenditures for leased properties.

The County Executive's estimated 2008 expenditures for Light, Power & Water are \$28.9 million. Year-to-date expenditures were \$19.04 million as of October 3, 2008, roughly equal to year-to-date expenditures for the same period a year ago, but the Executive's estimated 2008 expenditures represent an increase of 5% over actual 2007 expenditures. The Executive's recommended 2009 funding of \$30.3 million represents a \$2.8 million increase (approximately 10%) over 2007 actual expenditures (and an increase of 81% over 1998 actual expenditures).

On the basis of year-to-date expenditures, a year-over-year increase in the cost of LIPA electricity implemented in January and July 2008, increased natural gas commodity

costs – and natural gas rate increases effective January 1, 2008; Budget Review projects energy expenditures for 2008 at \$29.5 million, approximately \$585,000 more than the Executive's estimate, reflecting an increase of approximately 7% over 2007 actual expenditures.

We caution that historic trends bear little weight in current attempts to forecast energy commodity futures. In light of unprecedented levels of uncertainty, we offer two alternative 2009 projections for consideration. Projection 1 assumes; that energy commodity prices drop, relies on LIPA's continued practice of deferring and/or capitalizing recovery of excess fuel and purchased power costs, and anticipates modest avoided costs attributable to a recent natural gas rate change for six of the County's large volume natural gas consuming facilities. Based on those assumptions (and others), we project that 2009 expenditures for Light, Power & Water might be as low as approximately \$27.7 million (a decrease of approximately \$2.6 million below the Executive's recommended budget of approximately \$30.3 million). Budget Review offers a caution that this projection assumes significant demand destruction (nationally and globally) resulting from the current economic downturn, and a suggestion that geopolitical and other influences could easily result in an upward trend in energy commodity prices.

Projection 2 is based on the potential year-over-year leveling or modest rise in energy prices and suggests that the County could incur 2009 energy expenditures of approximately \$32.5 million (an increase over the Executive's recommended budget of approximately \$2.2 million).

As noted a year ago, an optimistic projection of County energy expenditures would suffer from a high risk factor in the face of current energy market volatility. Indeed, the most recent publication of the Energy Information Administration's (EIA) Short-term Energy Outlook suggests the second scenario offered above (Projection 2) may be more likely, in spite of price trends of the past several weeks². On the other hand, Energy Economist James Williams observes that "fear of demand destruction will outweigh fears of supply interruptions for the next year ... and ... in the absence of a large supply interruption, the dominant factor will be the world economic outlook."³

For reasons explained in greater detail below, Budget Review supports the Executive's Recommended 2009 funding level of \$30.3 million for Light, Power & Water – with the following caution. As the cost of energy declines in the short-term from historic peak levels, global economic turmoil and ongoing geopolitical events suggest that energy prices will remain at historically high levels for the foreseeable future⁴. In that context, the County should embrace the near-term drop in energy prices as an opportunity to invest in energy efficiency gains that will mitigate cost increases that are likely as prices rise again in the long-term.

² Short-term Energy Outlook, Energy Information Administration (EIA), September 9, 2008, p. 1 of 42

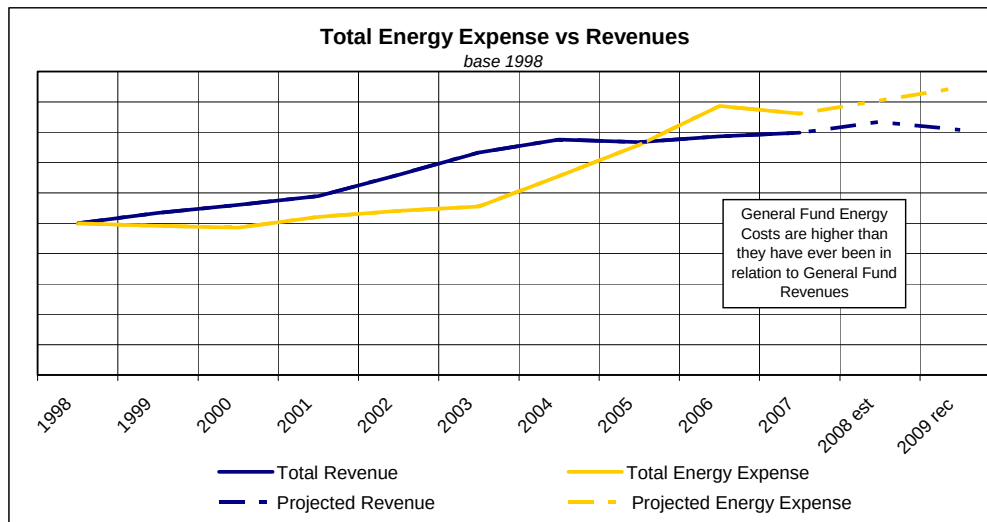
<http://www.eia.doe.gov/emeu/steo/pub/contents.html>

³ James Williams, Energy Economist: The Big Picture – September 29, 2008, p. 1 of 5.

⁴ James Williams, Energy Economist: Oil Price Outlook, October 7, 2008, p. 1-3 of 5.

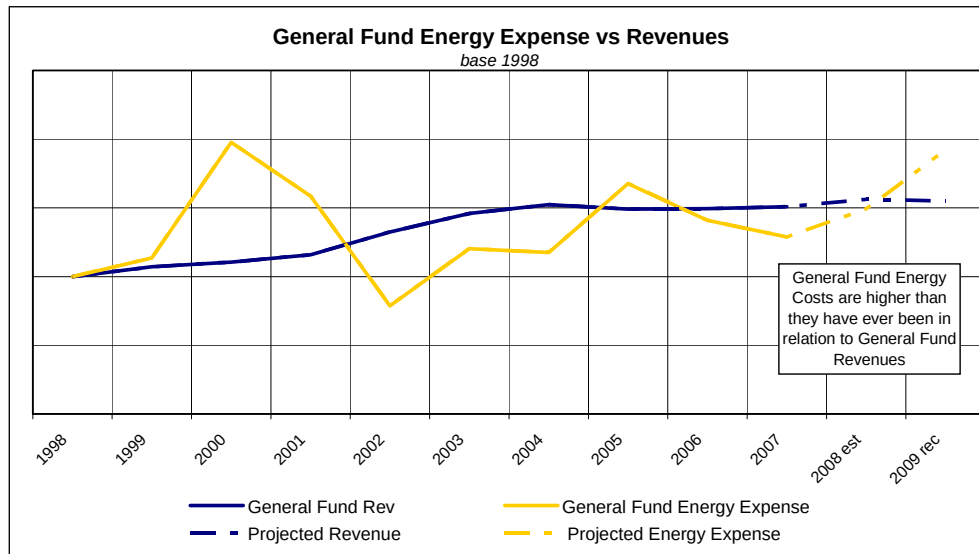
While the County may benefit from “relatively lower” energy prices in the near-term, the economic downturn that may be driving lower energy prices may result in collateral losses in County revenues during the same period. Current market volatility renders it virtually impossible to forecast whether reduced energy expenditures will outweigh a loss in revenues, or whether a drop in revenues will outweigh a fall in energy prices. A simple historical comparison of energy expenditures and County revenues is illustrated in Graph I below, and yields interesting results. The graph compares the relationship between the growth rates in actual total energy expenditures and total revenues from 1998 through the Executive’s 2009 recommended levels. The comparison reveals that total Suffolk County expenditures for energy (electricity, natural gas, and fuel oil) have exceeded the growth rate for total Suffolk County revenues since 2005.

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



Source: Budget Review Office

Over the same period, Graph II below illustrates the relationship between General Fund expenditures for energy (electricity, natural gas, and fuel oil) and General Fund revenues – in terms of annual growth rate over 1998 actual expenditures and revenues. As expected, General Fund expenditures for energy generally surpass General Fund revenues during periods of energy price spikes and energy markets volatility.

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

Source: Budget Review Office

An important consequence of Suffolk County's vulnerability to energy prices, therefore, is that the County has less "disposable income" with which to fund discretionary expenditures, and possibly even essential services, during periods of energy price volatility. Budget Review supports efforts to improve the operating efficiency of County government. Given all the influences beyond the County's ability to control that affect the cost of energy and projected revenues, it would be prudent for the County to take more aggressive action to improve its energy use profile. By investing a portion of the avoided cost the County may experience in 2009 due to near-term decreases in energy pricing (i.e. a portion of \$2.6 million from BRO Projection 1), the County can avoid future cost increases in the long-term.

Energy Market Overview

Whether accurate or not, comparisons to the Great Depression of 1929 are being drawn to characterize the severity of the current global economic crisis. The significant volatility in our national and global economies has resulted in a period of unprecedented volatility in energy commodity markets. Single day price swings in crude oil of approximately 25%⁵ have shattered generally accepted market performance parameters. Budget Review and others observe that the risk of higher energy prices due to terrorism, weather, and other factors has been surpassed only by concerns related to the economy.

A recent MarketWatch article observes first that "Even before the latest squeeze in the credit markets, the U.S. economy had slipped into what could be a relatively lengthy

5 BRO Energy Price Trends – based on WTRG NYMEX daily closing price data, NYMEX trading prices on September 22, 2008 surged more than \$25 per barrel over the day before closing price of \$104 per barrel; price surge reversed the following day, and on September 29, 2008 drops more than \$10 per barrel

Recession”⁶. The downward trend of our national economy and the weakened exchange rate of our currency are compounded by the slowing global economy. Of particular concern abroad is the state of the Chinese economy, which may be experiencing a significant slowdown⁷. While a slowing global economy is expected to result in lower energy commodity prices, driven down by reduced demand for energy, other factors portend the possibility of greater relative energy costs for U.S. consumers. For instance, James Williams observes that “... there are indications that China may be moving out of the U.S. currency. It has enough dollar assets to crash the dollar, but it will do so at the cost of lower exports to the U.S. market”.⁸ The degree to which the value of our dollar is reduced should be reflected in at least short-term increased cost of energy commodities, from both foreign and domestic sources.

Adding even more uncertainty to the mix of influences on energy pricing are the more traditional concerns relating to seasonal weather conditions, extraordinary storms, and other local market factors. Ironically, we escaped major energy price increases locally that might have resulted from the significant damage inflicted on the Gulf coast by hurricane Ike – even though energy infrastructure in the Gulf region may not be up to full capacity for several more months⁹.

Main Drivers of Suffolk County Energy Expenditures:

- Energy Commodity prices, subject to a wide range of influences beyond the County’s ability to control, have been a significant influence on the cost of retail energy for all energy consumers.
- In context to the energy use profile of Suffolk County’s facilities, the greatest component in the aggregate cost of energy is the cost of electricity supplied by LIPA. Annual expenditures for electricity have been driven upward since 2001, primarily by fuel and purchased power surcharges imposed by LIPA. A response to the rising costs of crude oil and natural gas, the surcharges include costs for direct fuel and power purchases, new electric generation and transmission resources, and a variety of other costs. New charges related to the cost of Regional Greenhouse Gas Initiative (RGGI) allowances are expected to contribute to the cost of LIPA supplied electricity, beginning in January 2009.
- Natural gas expenditures represent the second greatest component in the aggregate cost of energy expenditures for County facilities. Compounding increased natural gas commodity costs, natural gas rate increases and alternative fuel rate modifications have resulted in a 30% increase in the cost of natural gas for Suffolk County facilities during 2008. The County should anticipate an average increase in natural gas rates of 4.9% across all natural gas accounts in

⁶ MarketWatch, Recession not certain, economist say Consumer spending on track for first quarterly decline since early 1990’s, October 1, 2008, p.1 of 3. <http://www.marketwatch.com/news/story/recession-now-certain-economists-say/story.aspx?guid={19786F11-56EF-4FCF-94CA-88189A007276}>

⁷ Market Watch, China’s post-Olympics recovery hopes fading fast, September 24, 2008, p. 1 of 2.

<http://www.marketwatch.com/news/story/chinas-post-olympics-recovery-hopes-fading/story.aspx?guid={2DE1A7B4-CE97-4ECB-8D3E-8D188A467099}>

⁸ James Williams, Energy Economist: Price Collapse – September 18, 2008, p. 3 of 5.

⁹ James Williams, Energy Economist: Damage & Recovery Update (6), October 3, 2008, p. 1-5.

- each of the next four years. Natural gas rates are expected to increase by a greater percentage thereafter.
- In the end, the more energy consumed by County facilities the greater expenditures for energy will be. The primary influence on Suffolk County energy expenditures is, therefore, the energy use profile of County facilities, which drives annual demand for all retail energy products and leaves the County vulnerable to unmitigated energy cost increases driven by global, national, and local influences.
- Payments to NYPA and other performance contractors have become a long-term line item in expenditures for Light, Power & Water. Annual debt service payments to NYPA are determined by variable rate financing – re-set each January. While variable rate debt has provided a financial advantage to the County in past years, the current uncertainty in financial markets may translate into higher variable rates for NYPA in 2009. Consequently, Suffolk County may incur higher monthly payments to NYPA and others during the same period.

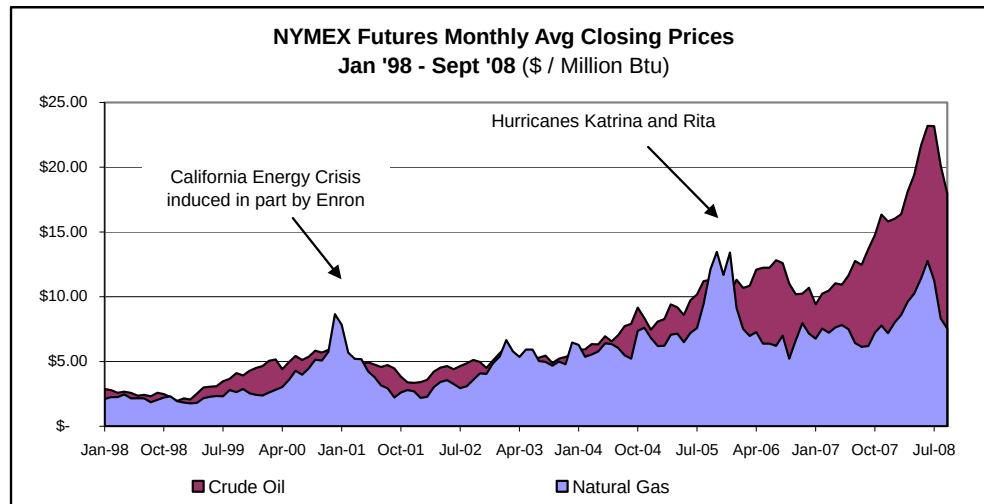
NYMEX Commodity Prices – Energy Forecasts – and NOAA Winter Weather

Crude oil prices, which averaged \$14 per barrel in 1998, and approximately \$72 per barrel in 2007, have averaged more than \$111 per barrel in 2008. During the current year, crude oil prices have risen from approximately \$93 per barrel in January, to a peak monthly average of greater than \$134 per barrel in July, and are trending in early October at a running average of approximately \$94 per barrel¹⁰. In that context it is important to note that the last time crude oil traded at \$130 per barrel was September 22, 2008.¹¹

Natural gas prices, which averaged \$2.16 per million Btu (MMBtu) in 1998, and approximately \$7.12 per MMBtu in 2007, have averaged approximately \$9.51 in 2008. During the current year, natural gas commodity prices have risen from approximately \$8.00 per MMBtu in January, to a peak monthly average of approximately \$12.77 per MMBtu in June, and are trending in early October at a running average of approximately \$7.40 per MMBtu. In that context it is important to note that demand for natural gas as a heating fuel typically results in a rise in natural gas prices through the peak winter months.

¹⁰ BRO Energy Price Trends through October 6, 2008.

¹¹ James Williams, Energy Economist: What happened to crude? – September 23, 2008.

Graph III ~ Ten-Year NYMEX Energy Price History

Source: Budget Review Office

Graph III above illustrates the most recent ten-year history of crude oil and natural gas monthly average closing prices, from January 1998 through September 2008. Since the commodities are traded in different units of sale, the price comparison in Graph III is illustrated as an expression of units of energy, in million Btu's (MMBtu).

As illustrated in Graph III above, the market price for natural gas prices typically trends below the market price of crude oil. Current natural gas prices are approximately 42% of crude oil prices (on a Btu basis), compared to 49% a year ago.¹² Typically, the two fuels track more closely together resulting in a relative price cap where substitute capability exists (for example several of the County's landmark facilities have the ability to burn either fuel oil or natural gas – aka alternate fuel capability). The decoupling of oil and natural gas pricing has resulted in higher 2008 energy expenditures for Suffolk County, and will be addressed in greater detail in the natural gas section below.

Energy Information Administration (EIA) and others

Energy commodity price forecasts are subject to extreme market volatility and widely divergent on price levels for the coming months. The Energy Information Administration (EIA) forecast on October 7, 2008 suggests energy commodity prices will flatten through the next year, with an average price of WTI crude oil at \$112 per barrel in 2008 and 2009. The EIA also anticipated an increase in natural gas prices for 2009 of approximately 17% that is expected to be compounded by a 1% increase in consumption. Current levels of natural gas in storage¹³ are lower than a year ago¹⁴, and EIA anticipates that natural gas consumers will incur a winter spike of

¹² Budget Review Office, BRO Energy Price Trends.

¹³ "There is insufficient production, import or pipeline capacity to support winter consumption and, therefore, natural gas must be added to storage each year before the winter heating season begins." James L. Williams, Energy Economist: Natural Gas Prices & Storage – September 19, 2008, p. 5 of 5.

¹⁴ Energy Ibid, p. 2 of 5.

approximately 18% over 2008 winter prices¹⁵. EIA forecasts a higher year-over-year increase for home heating oil prices of approximately 23% during the winter of 2008-2009¹⁶, and James Williams notes that current stocks of heating oil are lower than at the same period a year ago, approximately 10.3 million barrels (7.7%) below the five-year average¹⁷.

In contrast, others forecast a drop in energy prices through the first half of 2009. Energy Economist James Williams notes: "At the end of 2008 we doubt that Goldman's (Goldman Sachs) forecast of \$200 per barrel will even be half right. As we look forward, \$50 is as likely as \$200 and prices below \$100 appear a near certainty"¹⁸. Williams also notes "there are two courses for OPEC, it can either attempt to maintain prices through drastic cuts ... or adopt a long-term view allowing prices to fall below the economic threshold of alternative fuels"¹⁹.

National Oceanic Atmospheric Administration (NOAA)

National Oceanic Atmospheric Administration (NOAA) is forecasting a 2008-2009 winter heating season colder than last year – but warmer than the 30-year average²⁰.

LIPA

As stated above, expenditures to LIPA represent approximately 79% of total expenditures for Light, Power & Water. Given the magnitude of expenditures to LIPA, the potential for any increase in cost imposed by LIPA would have a significant impact on County expenditures from this fund.

Fuel & Purchased Power

For at least the last three years LIPA has implemented a fuel hedging program intended to mitigate significant price increases related to energy commodity price spikes. Even so, LIPA representatives have stated that the most significant influence on the cost of electricity supplied by LIPA has been the cost of fuel and purchased power, which has risen primarily due to significant increases in energy commodity pricing. Following a one-year reduction in those costs, LIPA implemented a 4% increase effective January 1, 2008, and a second 3% increase effective July 1, 2008.

Based on billing records, the County's average cost of electricity (total \$ / total kWh) dropped from 17 cents to 16 cents per kilowatt hour from 2006 to 2007. Year-to-date 2008 data indicates the County's average cost of electricity has increased to 17.2 cents per kilowatt hour. (This should be typical of the average LIPA commercial billing account.) As a point of interest, the typical residential electric ratepayer paid an average of 21 cents per kilowatt hour in 2006, an average of 20 cents per kilowatt hour

¹⁵ Short-term Energy Outlook, Energy Information Administration (EIA), October 7, 2008, p. 1 of 42
<http://www.eia.doe.gov/emeu/steo/pub/contents.html>

¹⁶ Ibid. p.2 of 6.

¹⁷ James Williams, Energy Economist: Petroleum Report, October 2, 2008, p. 11 of 14.

¹⁸ James Williams, Energy Economist: The Big Picture – September 29, 2008, p. 1 of 5.

¹⁹ Ibid. p. 5 of 5.

²⁰ National Oceanic Atmospheric Administration (NOAA) <http://www.cpc.ncep.noaa.gov/pacdir/DDdir/ddforecast.txt>

in 2007, and approximately 22 cents per kilowatt hour following the July 1, 2008 increase for fuel and purchased power. As in years past, ratepayers are already paying a high price for electric service and so LIPA may choose to avoid an increase if at all possible.

According to LIPA, its on-Island generation mix of electricity purchased from fuel oil and natural gas fired plants (2005-2007) was approximately 48% fuel oil and 52% natural gas. In that context it is important to note that year-to-date average NYMEX prices for crude oil (the basic component for fuel oil) increased by approximately 54% over the 2007 year-to-date average. Similarly, the year-to-date average NYMEX prices for natural gas (the same product used by residential and commercial consumers) increased by approximately 34% over the 2007 year-to-date average. Depending on how successful LIPA's fuel hedging program has been to mitigate 2008 price volatility, it would seem that a combined 7% increase in fuel and purchased power costs charges to ratepayers might be insufficient to completely cover the year-over-year significant increase in oil and natural gas prices.

It is possible that LIPA has sufficient cash on hand to cover possible shortfalls of its hedging program. It is possible that LIPA is over-collecting revenues through base rates plus surcharges – and using those revenues to “absorb” excess fuel and purchased power costs. (Note: Budget Review has estimated in past reports that LIPA has “absorbed” more than \$1.5 billion in excess fuel and purchased power costs.) It is also possible that LIPA is bonding excess fuel and purchased power costs as it has in the past, compounding operating costs with debt service.

A recently published article suggests that even as it entertains a joint offshore wind project with Con Edison, LIPA is becoming more focused on revenues and may be hampered from promoting new programs and future projects due to the weight of long-term debt²¹. In that context, Suffolk County and all LIPA ratepayers should anticipate that LIPA will be forced to adopt a direct pass-through of energy commodity price spikes more in line with regulated utilities throughout New York State. That would mean 100% of excess fuel and purchased power costs would be passed on to consumers within 30 to 90 days of when the utility incurs the cost (as opposed to LIPA past practice of “partial” recovery once, twice, or three times a year).

If LIPA's fuel hedging program has not sufficiently mitigated commodity price spikes, and LIPA has not over-collected revenues that can be used to cover excess fuel and purchased power costs, then Suffolk County and all other LIPA ratepayers should anticipate a painful increase in expenditures for electricity. If LIPA is contemplating a move in this direction during 2009, Budget Review would expect it to be revealed in LIPA's 2009 Operating Budget.

Regional Greenhouse Gas Initiative (RGGI)

In cooperation with several other states, New York has implemented an initiative to reduce carbon dioxide emissions from electric power generation facilities. The Regional

21 Mark Harrington, LIPA shackled by debt, Newsday, September 23, 2008, p. A 2.

Greenhouse Gas Initiative (RGGI) is intended to encourage power plant improvements by forcing the purchase of carbon dioxide “allowances” to cover emissions over operating permit levels. In theory, higher emitting plants will out-price themselves in a market where more efficient plants will be better positioned to sell electricity to local utilities at a cheaper price. (Note: newer plants tend to have higher debt service that compounds the base cost of generation. Consequently, newer (more efficient) plants are theoretically less competitive on a cost per kilowatt hour basis, – when compared to older plants. In fact, as an inducement for new plant development, the market price of electricity in the day-ahead market is determined by the highest bid price.)

The New York State Department of Environmental Conservation (DEC) is the lead state agency on the RGGI program. Three state auctions were scheduled for portions of the total allowances available for 2009. The first auction was held on September 25, 2008 when sale of allowances (approximately 12.6 million tons) increased in cost from a reserve price of \$1.86 per ton to \$3.07 per ton. Based on that information, approximately \$38.6 million has been added to the cost of electricity from affected plants. Two additional auctions (one for 2009 allocation and one for 2012 allocation) will both be held on December 17, 2008. The State has not yet announced the volume of allowances available or the reserve price for the December auctions. In addition to allowances being auctioned, RGGI allowances will be traded on the NYMEX. According to NYMEX rules²², RGGI allowances will be traded in the same schedule as crude oil.

Since LIPA's inventory of on-Island electric generation consists predominantly of aging National Grid power plants, and since there is insufficient excess capacity to displace those plants, there is a high probability that the cost of RGGI allowances purchased for the LIPA service territory will be passed on to LIPA ratepayers. Given the volatility in NYMEX energy commodities, the potential increased cost may be compounded significantly above auction levels. Questions and concerns submitted to NYS DEC regarding the auction and NYMEX trading of RGGI allowances were not answered.

Budget Review is concerned that RGGI related charges may contribute to higher fuel and purchased power costs for LIPA, beginning in January 2009. Consequently, the possibility exists that Suffolk County may incur a higher year-over-year cost per kilowatt hour for electricity in 2009. LIPA has not yet responded to an inquiry from Budget Review on this matter rendering the potential fiscal impact indeterminate.

Other Influences on the Cost of Electricity

As reported by Budget Review in the Review of the 2009-2011 Proposed Capital Program, “the New York State Public Service Commission has issued a policy statement that regulates the recovery of PSC approved private sector investment in new generation, transmission cables, and/or demand-side initiatives²³. According to the

²² NYMEX Rule 874.04, NYMEX Exchange Rulebook http://www.nymex.com/rule_main.aspx?pg=433

²³ State of New York Public Service Commission, CASE 07–E-1507 - Proceeding to Establish a Long-Range Electric Resource Plan and Infrastructure Planning, Policy Statement on Backstop Project Cost Recovery and Allocation (Issued and Effective April 24, 2008). [http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/E6730BE16EE137D185257435006770A1/\\$File/301_07e1507_final.pdf?OpenElement](http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/E6730BE16EE137D185257435006770A1/$File/301_07e1507_final.pdf?OpenElement)

PSC, investments would be recovered across utility service territory borders, from regulated and non-regulated utilities throughout the state (including LIPA). This policy is at least partially driven by projections that by 2013 there will be a 2,000 megawatt shortfall of electric generation/supply in the downstate New York region. Should the Indian Point nuclear plant be shut down between now and then, the anticipated shortfall could exceed 4,000 megawatts.”

Finally, Budget Review reminds the Legislature that LIPA’s Management Service and Power Supply agreements with National Grid will expire in 2013. Combined, those two contracts weigh heavily on the cost of energy for the Long Island region. It is expected that issues relating to those contracts will be the subject of active review in less than two years. In that context it is important to note that National Grid’s poor performance in the upstate service territory formerly served by Niagara Mohawk continues to be an issue in that region, and appears to have spread to the Long Island region – as LIPA recently fined its service provider \$1 million for “failing a key measure of customer satisfaction ...²⁴”.

National Grid / KeySpan

Higher commodity costs (for natural gas and other fuels) are passed directly on to consumers, in addition to local retail price influences. On Long Island, independent of the influence of commodity futures, natural gas consumers will be subject to annual rate increases in each year of the PSC approved 5-year rate plan (2008-2013) for KeySpan Energy Delivery of Long Island (KEDLI). Residential customers are expected to incur an annual average increase of approximately 5.3%, while commercial customers (including Suffolk County) are expected to incur an annual average increase of approximately 4.9%. Since January 1, 2008, large volume natural gas consumers with fuel switching capability (including Suffolk County) have incurred a significant increase (approximately 30%) in the cost of natural gas. The utility induced increase has made firm gas rates (traditionally more expensive) a viable option for large volume consumers for the first time since the early 1980’s – but have a negative impact on available capacity in existing natural gas infrastructure. Consumers most affected by the increase are school districts, municipalities (including Suffolk County), hospitals, and nursing homes.

Year-to-date natural gas and fuel oil data supplied by the Department of Public Works suggests that natural gas accounts for approximately 95% of fuel used for space conditioning of Suffolk County facilities. Based on actual billing data provided by KeySpan, until August 1, 2008 approximately 74% of Suffolk County expenditures for natural gas were attributable to landmark County facilities, and other facilities with alternate fuel capability.

According to the Department of Public Works; effective August 1, 2008 six County facilities were subject to a natural gas rate change initiated by the department. Budget Review estimates the six facilities in question account for approximately 53% of natural

²⁴ Mark Harrington, National Grid Fails – Zapped \$1 million over service, Newsday, October 8, 2008, p. A8.

gas the County formerly consumed on KEDLI alternate fuel rates. BRO also agrees with DPW that the rate change may result in approximately 4.5% savings in energy expenditures for natural gas purchased for those accounts through the remainder of 2008. Based on utility provided year-to-date billing data for the facilities in question, the difference in expenditures for natural gas might have resulted in savings of approximately \$65,000 between January and August 2008. While the rate change may yield an avoided cost benefit to the County on a going forward basis, Budget Review observes that the savings in nominal dollars resulting from the rate change will be short-lived – as the next 4.9% increase on KEDLI's commercial billing accounts will be effective January 1, 2009.

Contingent upon the rate change the Department of Public Works also secured approximately \$200,000 in utility incentives, including the value of two high efficiency condensing gas boilers that DPW plans to install in the H.L. Dennison building. Based on verbal feedback from the department, fuel oil stored in tanks at the facilities in question will likely remain in place, in part to fuel emergency stand-by generators and also as a contingent fuel source in the event that circumstances necessitate a switch back to fuel oil.

Regulatory Issues

Pursuant to Resolution No. 612-2006, and in an effort coordinated with the Nassau County Legislature, on behalf of Suffolk County ("The Counties") Budget Review has participated in the Public Service Commission (PSC) proceedings relating to the acquisition/merger of KeySpan by National Grid, and related natural gas rate adjustments for the Long Island region. While the acquisition/merger was approved August 22, 2007, and the related rate adjustments were conditionally approved December 21, 2007, Budget Review is still participating in several ongoing "collaborative" groups to work out details relating to new natural gas energy efficiency programs, and certain provisions pertaining to natural gas rates.

There are serious near-term and long-term issues relating to the acquisition of KeySpan by National Grid, and the associated KeySpan Energy Delivery of Long Island (KEDLI) rate adjustments recently approved by the PSC. These approvals have already resulted in increased costs for Suffolk County, and are having an adverse impact on local schools, municipalities, hospitals and other health care facilities. In particular, some of the major issues that are likely to have negative consequences for the Long Island economy include:

- Pricing Power yielded to KeySpan/National Grid relating to alternate fuel customers – and resulting Natural Gas Capacity issues
- approval of Self-administered KeySpan Energy Efficiency Programs, and
- other issues that make it difficult to advocate on behalf of ratepayers.

Pricing Power:

Simply put, large volume natural gas consumers are frequently equipped to burn alternate fuels (fuel oil or natural gas) and contract for natural gas service on special

discounted rates. Utility service to those special “interruptible” customers helps to provide a balancing service for limited natural gas infrastructure, and provide a financial benefit for residential and small commercial natural gas consumers.

The alternate fuel rate modifications effective January 1, 2008 have enabled KeySpan/National Grid to charge alternate fuel ratepayers more for natural gas than the utility pays for the commodity. Historically, regulated utilities were only allowed to charge what was paid for the commodity, because regulators ensure that an adequate return on investment is earned by the utility in transportation and delivery of the gas to ratepayers. As a direct result of the modifications to alternate fuel natural gas rates, the year-to-date blended average of natural gas purchased for Suffolk County facilities equipped to burn alternate fuels has increased by approximately 30% over the same period a year ago. The increase should be typical of most alternative fuel customers.

A significant percentage of KEDLI’s alternative fuel ratepayers are school districts, municipalities, hospitals, and other health care facilities – market segments that can least afford non-discretionary increases in energy expenditures – and whose increase flow back to the general public in the form of higher taxes and health care costs. The approved rate modifications seem inconsistent with statewide efforts to reign in property taxes (relating primarily to school district budgets) and health care costs. In any case, effective January 1, 2008, the weight of approved rate modifications fell on the affected market segments without advanced notice – and without an opportunity to make adequate budget provisions. Consequently, the purported social benefit to ratepayers facilitated by the acquisition of KeySpan by National Grid has instead resulted in a negative consequence to those ratepayers – as taxpayers and health care subscribers – due to non-discretionary increase in expenditures for energy in these effected market segments.

Natural Gas Capacity Issues

Another direct consequence of approved modifications to alternate fuel rates has been the curtailment of natural gas availability to portions of KEDLI’s Long Island service area. This is a natural gas capacity issue of KeySpan’s own making – and was the subject of concerns expressed by PSC Staff²⁵ and firm objections raised on behalf of the Counties²⁶ during pre-merger PSC proceedings. Ironically, only five months into the new 5-year rate plan (2008-2013) Suffolk County and other large volume natural gas consumers received the following notification from KeySpan/National Grid:

“NOTE: The January 1, 2008 approved tariff has created a great deal of interest in rate changes from dual-fuel to a firm gas supply. These requests are being evaluated on a case by case basis. It is possible that National Grid will have to reinforce some mains before it can deliver un-interrupted service in some areas. Be advised that the company has begun an engineering study of these areas.”

25 Staff “Merger” testimony submitted by John Sano (January 2007, p. 7/17-24, p. 8/1-24, and p. 9/1-9)

26 Direct Testimony of Frank W. Radigan on Behalf of Suffolk County, January 29, 2007, p. 12/10-14.

Even as the cautionary note was issued, Suffolk County, Suffolk County Community College, and other alternate fuel ratepayers were approached by KEDLI with proposals to switch from alternate fuel rates to firm gas rates.

In that context, National Grid continues to press elected officials for support on the languishing Islander East pipeline proposal – in order to provide adequate natural gas supply to Long Island.

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

Energy Efficiency Programs

It is generally accepted that utilities have an inherent (and acknowledged) conflict promoting energy efficiency, because energy efficiency is in direct conflict with the goal of increasing revenues. Consequently, efficiency programs administered by energy providers often result in window dressing for regulators. Indeed, the County's first request for energy efficiency assistance from KeySpan/National Grid resulted in a significantly flawed analysis of the energy consumption at the John J. Foley Skilled Nursing facility²⁷.

While the County supported implementation of natural gas energy efficiency programs, we supported that effort with the understanding that it would be administered by The New York State Energy Research and Development Authority (NYSERDA). NYSERDA has gained a national reputation for its impressive administration of statewide electric energy efficiency programs. NYSERDA programs for residential and commercial customers are predominantly funded by local electric utilities through a System Benefit Charge levied on ratepayers. LIPA ratepayers have been excluded from NYSERDA programs because LIPA self administers its own programs.

In a parallel proceeding that the County was not informed of, the Public Service Commission reversed its policy against self-administered utility energy efficiency programs, effective June 2008. Consequently, KeySpan (KEDLI) will be self-administering its own energy efficiency programs. Based on current benchmarks related to KeySpan/National Grid energy efficiency programs:

- Energy efficiency programs in Brooklyn are funded with \$20 million but Long Island programs are only funded with \$10 million.

27 The Department of Public Works is currently coordinating a Level 3 engineering analysis of the John J. Foley facility that will be conducted by an engineering firm participating in LIPA's Technical Assistance program. The analysis will cost approximately \$18,000 which will be fully funded by both LIPA and KeySpan/National Grid. Budget Review is also participating in the analysis.

- Approximately 40% of program funding will be consumed by administrative costs – paid to KeySpan by ratepayers. Consequently, out of total budgeted amounts for energy efficiency, KeySpan/National Grid ratepayers will only have access to:
 - \$12 million in Brooklyn, and
 - \$6 million on Long Island.

It is worth noting that (based on available information) KeySpan Energy Delivery Long Island (KEDLI), recorded average total revenues of approximately \$1.3 billion (2004-2006). In that context, annual funding of approximately \$6 million, investment in natural gas energy efficiency programs on Long Island equates to only 0.46% of total annual KEDLI revenues.

In comparison, over the same period (2004-2006), LIPA has recorded average total revenues of approximately \$2.9 billion, and has maintained funding of energy efficiency programs at approximately \$40 million annually (approximately 1.39% of total annual revenues). Should LIPA expand its programs as has been suggested, its annual funding for energy efficiency would rise to approximately \$100 million (approximately 3.47% of total annual revenues) for the ten-year period beginning January 2009.

- Out of more than 550,000 Long Island ratepayers, KeySpan projects that only 12,000 (less than 2.2%) will be able to participate in energy efficiency programs annually.
- Energy Efficiency programs as currently described exclude large volume alternate fuel customers, including Suffolk County's largest facilities and other typical alternate fuel customers noted above.
- Programs as currently described also exclude conversion customers (customers switching from an alternate fuel (i.e. fuel oil) to natural gas) – on any natural gas rate.

New Revenue Streams for KeySpan/National Grid

- Over and above administrative fees for energy efficiency programs the utility will be entitled to:
 - incentive payments for “efficiently” administering the programs, and
 - bonus payments for achieving annual program goals yet to be determined.
- In addition, the utility will calculate and collect “lost revenues” it will attribute to the success of the efficiency programs.

Limited County Resources

The County's interests relating to the acquisition/merger of KeySpan by National Grid, the Stand Alone KeySpan Rate cases, and the ongoing collaborative efforts, have been vigorously represented by the Budget Review Office, the County Attorney, the Department of Health (regarding Manufactured Gas Plant issues), and the Legislature's expert consultant, Mr. Frank Radigan. We also received limited assistance from outside counsel relating to a merger/acquisition hearing, and more recently we have received technical assistance from the Department of Public Works to address the County's interests relating to energy efficiency programs. Of the total resources brought to bear by the Counties, primary effort was performed by two people, and at no time was there more than five people addressing the needs of the residents of both Suffolk and Nassau Counties.

It is also worth noting that despite repeated requests on behalf of the Counties, during the past two years not a single settlement meeting was held on Long Island. The Counties limited resources were required, therefore, to travel to either New York City or Albany in order to participate on behalf of the more than 550,000 Long Island natural gas ratepayers (more than half in Suffolk County) directly affected by the proceedings.

A greater level of internal expertise is needed to adequately advocate the County's interest in the regulatory process. The millions of dollars at stake for Suffolk County and the local economy more than justify the cost of additional staff. New staff would participate in ongoing PSC proceedings, closely monitor year-end adjustments relating to alternate fuel rates and energy efficiency programs, and lay the ground work to advocate the County's interests in the year-three reopener of natural gas rates in 2010. (See: *Internal Resources Dedicated to Energy* section below)

Other Influences on Energy Pricing

As noted above, some energy forecasters suggest that geopolitical and other factors have been surpassed by the global economic downturn as the predominant influence on energy commodity pricing. In fact it would seem that concerns relating to "demand destruction" resulting from reduced economic activity, natural conservation resulting from limited net income, and deferred discretionary spending overall have taken hold of near-term energy pricing. The current economic climate has certainly rendered historical trends less than useful in energy pricing for the coming year.

Geopolitical and other factors will not continue to influence energy commodity pricing, however, and the horizon has ominous potential. In fact, recent developments involving Russia, China, and Venezuela represent the most significant geopolitical issue threatening energy futures at this time:

According to Bloomberg News²⁸:

²⁸ Steven Bodzin and Wang Ying, Venezuela, China to Build Refineries, Boost Sales (Update3), Bloomberg.com, September 24, 2008 <http://www.bloomberg.com/apps/news?pid=20601086&sid=aXB0vw6CUrF4&refer=news>

- Venezuelan President Hugo Chavez has repeatedly threatened to cut off oil sales to the U.S. (which currently imports approximately 1.5 million barrels a day from that country).
- Venezuela, the world's fifth-largest oil exporter, and China plan to build refineries and boost oil shipments that will reduce Venezuela's dependence on the United States. Venezuela already supplies 4% of China's total oil imports.
- China is short of oil and must cooperate with foreign countries for supply. China will surpass the U.S. as the world's biggest energy consumer in five years.

Associated Press has reported²⁹:

- Russia and Venezuela officials signed agreements meant to bolster cooperation in the oil and gas industry, playing up energy ties between two nations trying to decrease U.S. influence around the world.
- Prime Minister Vladimir Putin offered to discuss further arms sales to Venezuela and possibly help it develop nuclear energy.
- Russian and Venezuelan energy ministers signed a separate memorandum calling for the establishment of a body that would oversee broader cooperation in oil and gas between the energy-rich nations.

PRESS TV notes³⁰:

- Russia has submitted a draft Memorandum of Understanding to OPEC concerning closer cooperation.

Reuters Reports³¹:

- The biggest potential effect on prices would come if Russia joined any move by the Organization of the Petroleum Exporting Countries (OPEC) to cut supplies.
- Russian Energy Minister stated that Moscow wanted to influence prices by publishing output forecasts and delaying the development of fields.

In that context, it is important to note that in the aftermath of hurricanes Gustav and Ike the federal government released approximately 5.7 million barrels of oil from the Strategic Petroleum Reserve (SPR) in order to stabilize the energy sector during the ongoing Gulf Coast recovery³².

²⁹ Steve Gutterman, Russia, Venezuela sign oil and gas deals, Moscow (AP), September 26, 2008
<http://ap.google.com/article/ALeqM5iHvE2zvwkZUbF3qqvLMu7q5-H2XQD93EFJJ00>

³⁰ PRESS TV, Russia seeks closer ties with OPEC, September 26, 2008
<http://www.presstv.ir/detail.aspx?id=70585&sectionid=3510213>

³¹ Simon Webb, Russia may boost OPEC clout, raise oil risk premium, September 30, 2008
<http://www.guardian.co.uk/business/feedarticle/7839282>

³² Tina Seeley, U.S. Approves 900,000-Barrel Oil Reserve Release (Update2), Bloomberg News, October 1, 2008
<http://www.bloomberg.com/apps/news?pid=20601103&sid=awTsOciDo2No&refer=us>

Energy Use Profile of County Facilities:

The Department of Public Works has taken a more sophisticated approach to improve the energy use profile of County facilities, but that effort is limited to a case-by-case project basis. The department lacks sufficient staffing and funding to develop a long-term strategy that would affect an overall reduction of energy use at County facilities.

For the past several years, Budget Review has recommended an increase in staff dedicated to energy design and operational performance. Budget Review has also recommended increased capital funding to facilitate proper planning and implementation of a County-wide energy efficiency initiative.

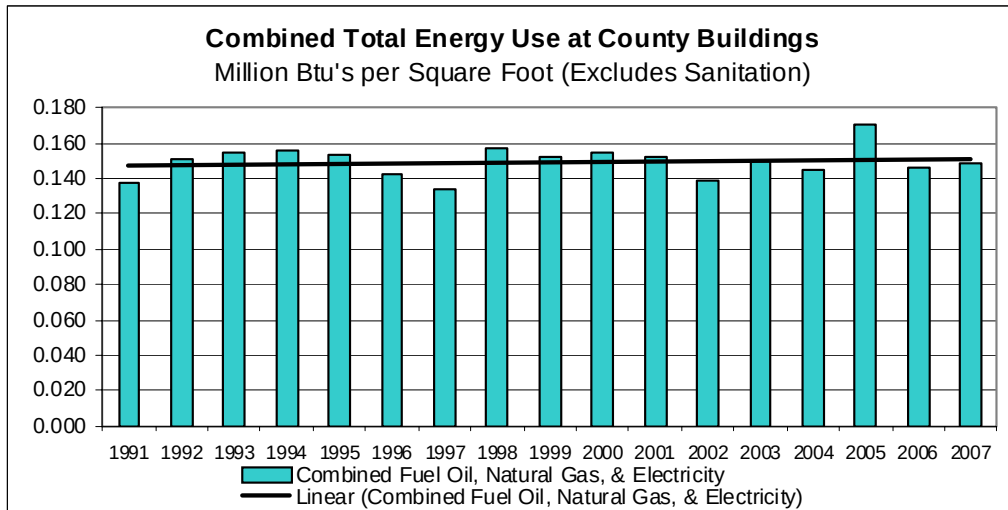
LIPA and KeySpan Incentives

Instead, to complete energy upgrades at County facilities, Suffolk County has relied almost exclusively on utility incentives from LIPA and KeySpan, and performance contracts with the New York Power Authority (NYPA) and others. Overall, LIPA's programs have been implemented at great cost to ratepayers – but have been only marginally effective at reducing energy use in the region. To its credit, the Department of Public Works has leveraged available incentives to greater efficiency gains than LIPA typically promotes.

Public Works has also relied heavily on KeySpan sales incentives to facilitate energy upgrades at County facilities. To positively affect specific projects, KeySpan incentives are typically secured in the form of equipment, but also include cash payments. Although KeySpan has initiated energy efficiency incentives that could be used at facilities already utilizing natural gas, the utility's programs lack sufficient funding to support meaningful benefit for the County (or other commercial customers).

In either case, cash incentives secured from LIPA and KeySpan typically flow to the General Fund rather than being applied to additional efficiency improvements. Given the County's dependence on utility incentives, and feedback that LIPA may be forced to cut back on energy efficiency programs³³, it will be even more difficult for the department to affect energy efficiency improvements going forward. As Budget Review has pointed out, despite the best efforts of the Department of Public Works, energy consumption per square foot of County buildings in inventory remains flat, or has increased slightly since 1998, illustrated in Graph IV below.

³³ Mark Harrington, LIPA Shackled by debt, *Newsday*, September 23, 2008, p. A2.

Graph IV ~ Combined Energy Use Profile of County Buildings

NYPA Performance Contracts

In the Review of the 2009-2011 Proposed Capital Program, Budget Review estimated that the County pays a premium of approximately 16% when contracting with NYPA for energy improvements as opposed to funding the same projects through the Capital Program. Budget Review has since learned that the County's annual payments for contracts with NYPA are based on variable rate financing which resets each January over the financing term. While variable rate financing has resulted in past savings, near-term uncertainty in credit markets are as likely to result in higher interest rates as not. With that uncertainty, it is possible that Suffolk County could incur an unanticipated increase in payments to NYPA during 2009.

Budget Review continues to support performance contracts as an alternative that Public Works should have at its disposal, but not at the exclusion of internal funding. The imbalance between Capital Program funding and performance contracts burdens future operating budgets with avoidable debt.

Internal Resources Dedicated to Energy

Regulatory & Policy Assets

Expert Legal Assistance

A greater level of internal expertise is needed to adequately advocate the County's interest in the regulatory process. The millions of dollars at stake for Suffolk County and the local economy more than justify the cost of additional staff. New staff would participate in ongoing PSC proceedings, closely monitor year-end adjustments relating to alternate fuel rates and energy efficiency programs, and lay the ground work to advocate the County's interests in the year-three reopener of natural gas rates in 2010.

Budget Review recommends the County Attorney retain permanent legal expertise in the energy regulatory process. The "regulatory attorney" should have expertise at the

state level, and be equipped to deal with regulatory bodies at the federal level. In the context of current and pending issues relating to KeySpan/National Grid, LIPA, and multiple energy supply proposals to Long Island, it is recommended that the County Attorney retain such staff now.

In the near-term, the new “regulatory specialist” attorney should immediately initiate liaison meetings with KeySpan/National Grid, the Public Service Commission, and internal County resources – and document Suffolk County’s concerns relating to:

- natural gas rates
- Manufactured Gas Plants, and
- other related issues

An effort should be initiated with letters to the NYS Public Service Commission, so that we will be better positioned to positively affect adjustments relating to natural gas rates, energy efficiency programs, and PSC policy relating to Manufactured Gas Plants at the time of the year-three reopener in the ongoing 5-year natural gas rate plan.

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

Regulatory & Policy Assistance

The Energy Division of the Budget Review Office should be augmented with a technical assistant to facilitate timely response to legislative issues while also addressing regulatory initiatives. Existing vacancies should be filled on a timely basis to provide necessary assistance to the Legislature’s Energy Specialist.

Engineering and Building Systems Operations Assistance

In the Review of the 2009-2011 Proposed Capital Program, Budget Review recommended the addition of one Energy Coordinator (grade 21) in the Department of Public Works Division of Facilities Engineering. Budget Review also recommended the addition of one Energy Systems Computer Specialist (grade 32-34): A well trained system-wide operator within Buildings Operation & Maintenance, equipped to diagnose and resolve system-wide operations of Building Management Systems, interpret the variety of system-wide “languages”, and modify system-wide intelligence. This individual would oversee and review local controllers, analyze and review county-wide energy systems, and affect changes in computer logic system-wide.

Energy Management Tools

Reduced staffing and antiquated recordkeeping software (Excel) within the Department of Public Works Finance Division render it virtually impossible to facilitate the timely assessment of the energy performance of County facilities (individually or in the aggregate) and/or measurement and verification of energy improvements at County facilities. Budget Review has suggested augmenting existing staff with either:

- utility software (at a cost of approximately \$20,000 to \$60,000, including training and set-up requirements), or

- subscription to a Utility Data Mining Service (at a cost of approximately \$10 per utility meter per month, or approximately \$60,000 per year for the Suffolk County inventory of buildings).

As previously stated, both alternatives will facilitate real-time facility specific and/or County-wide data on demand. This will better equip the County for building design, operations & maintenance, and energy expenditure budgeting purposes.

Budget Review recommends that the County should adopt the recommended positions and software – and turn the near-term dip in energy prices into an opportunity to mitigate increases in energy expenditures that the County will surely face in the long-term. Increased staff dedicated to energy issues should be charged with implementing the energy improvements and strategies outlined by Budget Review in the Review of the 2009-2001 Proposed Capital Program as well as the regulatory efforts outlined above.

Regional Energy Policy

Historically high home heating oil prices for the second consecutive winter call for a coordinated effort across municipal jurisdictions to protect the health and welfare of Suffolk County residents and businesses. As recommended a year ago, the Legislature should continue and expand upon its leadership role on energy issues in Suffolk County by coordinating an inter-municipal comprehensive energy policy through a Clean Fuels / Energy Efficiency Council. That policy should include mobile and stationary energy use, and also include an emissions reduction profile.

- Mobile Energy Use – As a stakeholder in the Greater Long Island Clean Cities Coalition, the Legislature should coordinate and head a Clean Fuels Council that will include all coalition members, especially municipalities (including Nassau County governments).

The Council should:

- Develop a consensus driven policy that creates a regional focus on alternative fuels for municipal fleets.
- Promote and coordinate the purchase of “limited” alternatives to dedicated vehicle technologies, to help minimize the direct and indirect costs (i.e. mechanic training, facility modifications) of fleet upgrades.
- Leverage investment dollars of collaborative fueling infrastructure projects and promote equal access to fueling facilities amongst coalition members to promote maximum possible benefit.
- Encourage and facilitate the local manufacturing of bio and synthetic fuels, with an emphasis on non-seed based feedstock. Where possible, promote municipal partnerships to provide an end market for those fuels.
- Stationary Energy Use – to advance the will of the Legislature to change the culture of energy use on Long Island, the Clean Fuels Council should:

- Coordinate design resources with all municipalities throughout the County.
- Encourage and coordinate the installation of high efficiency and renewable energy technologies, where appropriate.

Energy Bond Fund

Budget Review has also recommended the County create an energy bond fund to advance energy efficiency and renewable energy technologies in Suffolk County. The past performance of ratepayer funded energy efficiency programs offered by LIPA and the limited nature of ratepayer funded energy efficiency programs now offered by KeySpan speak to the focus of those utilities on revenue generation – even at the cost of long-term affordability.

The lack of a sound energy policy at the federal and state levels, and material support for energy improvements relegated to self-administered utility programs leaves the general public, our local economy, and our environment exposed to market driven excesses. While the current economic crisis presents significant economic challenges to Suffolk County, in the long-term we cannot survive as a thriving community unless we begin to help ourselves.

Suffolk County needs to exert its leadership role to change the culture of energy use in Suffolk County. To the extent possible in these difficult times, the County should consider establishing a fund that could leverage utility incentives (in the near-term) with additional funding administered to Suffolk County residents and businesses through the Suffolk County Electrical Agency. In the longer-term, the County should adopt and/or develop programs of its own that promote energy efficiency and renewable energy technologies. In addition, the County needs to invest more in academic programs for energy that will produce a local “green-collar” workforce. The combined efforts recommended would provide near-term relief to County residents – and help to build a stronger local economy in the long-term.

JS EnergyTrends09

PUBLIC WORKS AND THE USE OF CONSULTANTS

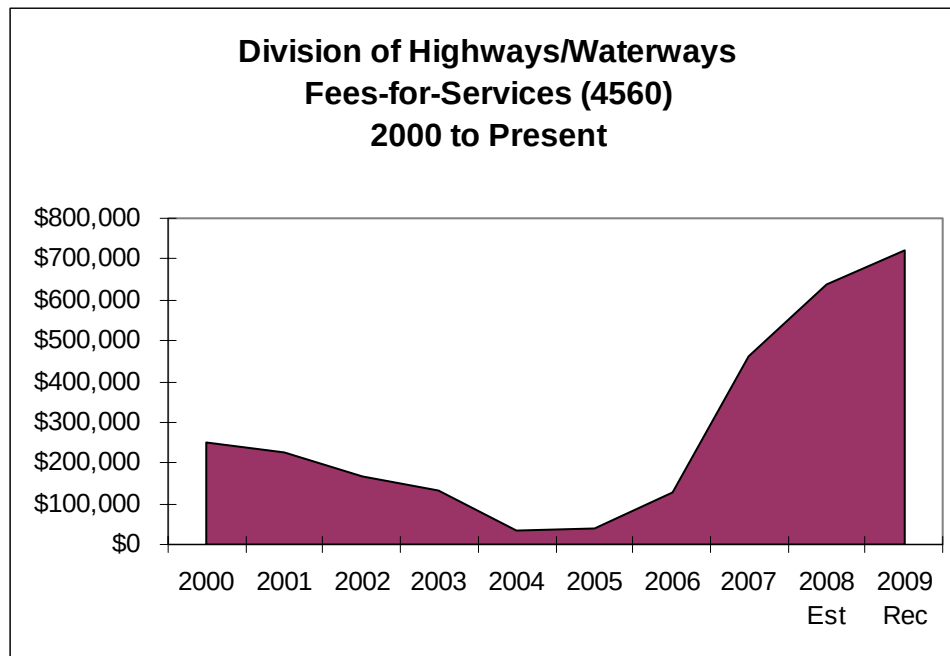
Public Works has aggressively pursued federal and state funds for projects that are included in the capital program. Federal funding requirements necessitate complex design work and thorough preliminary study for project justification. This places a burden on operating resources to meet design schedules to assure funding and meet project deadlines. Historically, the Department of Public Works (DPW) performed in-house survey, design and engineering for many capital projects. However, since the mid 1990's, the reduction of DPW staff and other factors, including the deadlines and intricate requirements for federal and state funding, have required the department to depend more upon outside consultants for planning and design.

Based on information from DPW, for the period 2003-2007, the department awarded consultant contracts to more than 50 outside firms totaling nearly \$80 million to provide mainly planning, design and engineering services for the capital program process. The majority of funding is attributed to projects in the highways (\$31 million), buildings (\$28 million) and sanitation (\$21 million) functional areas. The total actual costs for these services are substantially higher as most involve the incurrence of debt service expenses.

<i>DPW Consultant Contracts</i>					
	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>
Buildings	\$7,712,792	\$8,201,131	\$5,837,081	\$2,945,698	\$2,933,034
Highways	\$3,304,158	\$4,223,182	\$7,117,985	\$2,071,216	\$14,471,921
Sanitation	\$6,928,180	\$2,048,907	\$5,097,719	\$4,168,785	\$2,733,626
Transportation	\$158,594	\$38,000	\$0	\$0	\$0
<i>Total</i>	<i>\$18,103,724</i>	<i>\$14,511,220</i>	<i>\$18,052,785</i>	<i>\$9,185,699</i>	<i>\$20,138,581</i>

Resolution No. 676-2006 authorized the Suffolk County Comptroller to issue bonds with “level debt service” through the end of 2008. The County’s traditional method of borrowing was previously based on the more conservative “50%-Rule”, which requires that the difference between the largest and smallest principal repayment not exceed 50%. The “50%-Rule” has a faster payback period. The trade-off is that total debt service costs are less under the “50%-Rule”, but are higher in the first few years. In addition, when utilizing the “50%-Rule”, the payback term for planning and design expenditures was generally limited to five years compared to 20 years under “level debt service”. Assuming a 20-year term, the total debt service costs would equal \$1.50 for each \$1 borrowed utilizing “level debt service”. For additional information, please refer to the front end section entitled, “Debt Service”. In a future analysis, we can include a review of the specific debt service costs attributed to DPW consultant contracts.

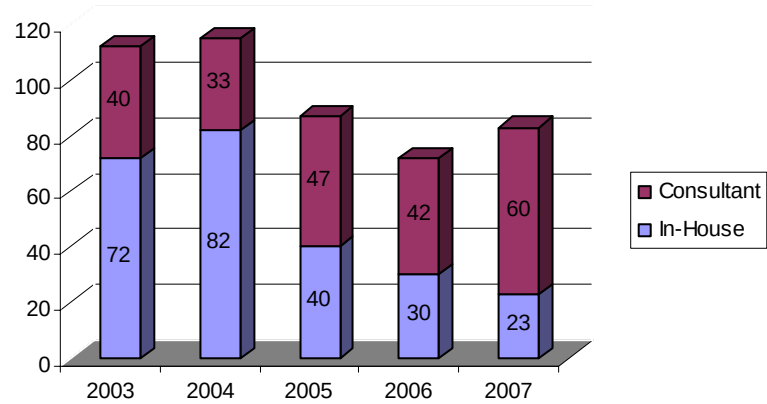
In addition to related debt service costs, the operating budget contains other funding that can be utilized to hire consultants. For example, the 2009 Recommended Operating Budget for DPW includes \$720,000 for Fees-for-Services (4560) in the Division of Highways/Waterways for this purpose. The following graph illustrates the trend in the dependence on these funds.



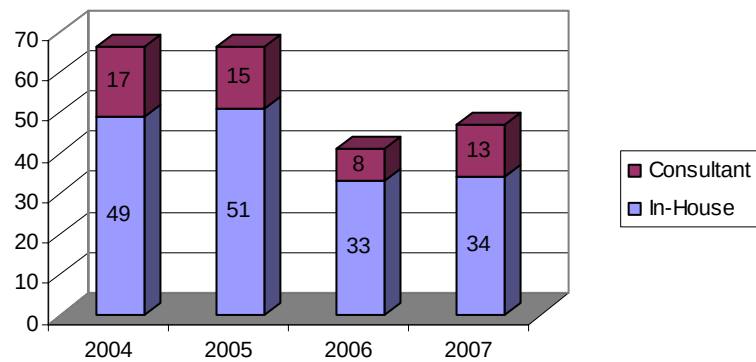
The work of outside consultants must be monitored by Public Works staff to assure adherence to Public Works standards and compliance with project plans and specifications. According to the 2009 Operating Budget Request for the Division of Highways and Waterways, “4 inspectors are responsible for 18 on-going construction projects. Much of the future inspection will be performed by consulting firms at a great expense to the County if no vacant positions are filled.” The majority of highway projects also require an initial survey and laboratory work. There continues to be only one in-house survey crew for highway, bridge and waterways projects. For this reason, funding for consultant survey work continues to be necessary to augment survey efforts.

The following graphs illustrate the trend in the use of consultants for project design, surveys and right-of-way maps in the operating budget of the Division of Highways and Waterways.

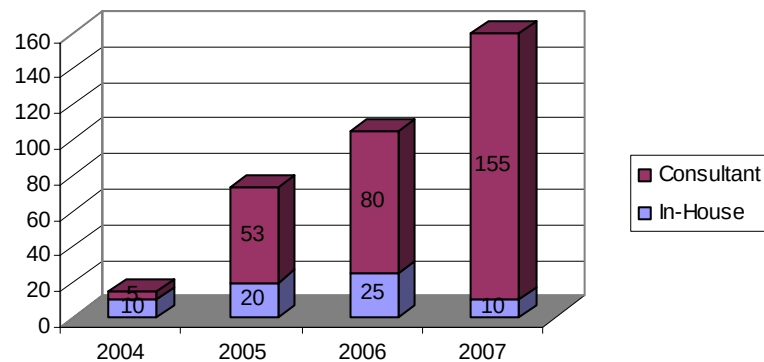
**Highways/Waterways Projects Under Design
2003-2007**



**Highways/Waterways Surveys
2004-2007**



**Highways/Waterways Right-of-Way Maps
2004-2007**



The adoption of Resolution No. 283-2008, "A Responsible Plan for Cost Savings to Mitigate an Anticipated 2009 Shortfall" authorized the County Executive to enter into an agreement with the Suffolk County Association of Municipal Employees (AME) to establish a County targeted early retirement incentive program for employees represented by AME (excluding College employees). This retirement incentive program is the ninth incentive program offered by the County since 1990. A total of 186 employees participated in the program, of which 44 were from the Department of Public Works (DPW). Engineering related titles account for three of these positions, of which two are abolished in the 2009 Recommended Operating Budget. A total of 35 vacant DPW positions are recommended to be abolished in 2009.

In addition to retirement incentives, other factors have contributed to the reduction in positions and reliance upon consultants. These factors include a combination of freezing vacancies, cap laws and abolishing vacancies, all of which present an obstacle to hiring new engineers to bolster the in-house engineering functions. Currently, there are 91 engineering related positions authorized in the Department of Public Works, including those that are earmarked from other titles. As of September 21, 2008, twenty-two, or more than 24%, are vacant.

Engineering personnel are budgeted in several divisions of the department, including Sanitation, with titles ranging from Engineering Aide (grade 12) with an annual associated entry level salary and benefit cost of \$48,730, to a Chief Engineer (grade 36) at a cost of \$113,840. The following table details the filled engineering positions in DPW with their associated average bi-weekly salary, as of September 21, 2008.

Title	Grade	# Filled	Current Average Bi-Weekly Salary
Chief Engineer	36	2	\$5,054
Principal Civil Engineer	34	4	\$4,560
Principal Mechanical Engineer	34	1	\$4,086
Associate Civil Engineer	32	2	\$4,242
Associate Electrical Engineer	32	1	\$3,989
Associate Mechanical Engineer	32	2	\$4,006
Energy Engineer	31	1	\$4,058
Senior Civil Engineer	29	2	\$2,961
Senior Mechanical Engineer	29	1	\$3,191
Traffic Engineer III	29	1	\$3,098
Civil Engineer	26	4	\$2,687
Traffic Engineer II	26	3	\$2,889
Assistant Civil Engineer	23	12	\$2,685
Assistant Electrical Engineer	23	2	\$2,449
Assistant Mechanical Engineer	23	4	\$2,588
Junior Civil Engineer	23	4	\$2,615
Traffic Engineer I	23	2	\$2,271

Title	Grade	# Filled	Current Average Bi-Weekly Salary
Junior Civil Engineer	19	1	\$1,908
Principal Engineering Aide	18	6	\$1,930
Senior Engineering Aide	14	4	\$1,767
Engineering Aide	12	10	\$1,458
Total		69	

Restoring DPW to a full staffing level would not be sufficient to meet the demands of the current capital program for in-house design, engineering, survey work and associated studies and to eliminate the County's reliance on consultant services for these activities. However, debt service costs spent on consultants could be used to fund additional staff in the operating budget. In order to determine the degree to which this would be cost effective, considerably more analysis is needed before a final determination could be made.

RG DPW Consultants09

AUDIT AND CONTROL

Major Issues

1. Workload
2. DSS Vouchers
3. Staffing

Workload

The department is facing an increasing workload in terms of volume and complexity. Without sufficient staff to deal with this larger and more demanding workload, the Department's ability to respond timely in addressing those matters that might involve fraudulent activity may be impaired.

DSS Vouchers

The new KinderTrack system, which is used for payments to childcare providers, has increased the length of time required to audit payments. The system has not functioned as designed and has complicated the process of approving vouchers. According to the department, they are beginning to experience some relief after disabling a portion of the system. Resolution 1353-2007 established a prompt payment policy for DSS vouchers, but it has been difficult auditing and approving vouchers by the deadline.

Staffing

The recommended budget does not include the department's request for the following two new positions; one Auditor for the External Auditing Unit to address the increasing difficulty of auditing complex agencies and one Account Clerk for the Meridian Unit to address the increased workload associated with the KinderTrack system and the prompt payment policy regarding DSS vouchers. The growing volume of work and reduced time available for auditing vouchers has caused backlogs and could increase the need for overtime expenditures.

Budget Review Office Overview

- The recommended budget includes \$6,745,578 for Audit and Control, which is \$34,858 less than the 2008 adopted budget and \$38,556 less than the 2008 estimated budget. The recommended budget is \$362,692 less than the department's request primarily due to the reduction in Permanent Salaries (001-AAC-1315-1100) by 4.1% and reducing Fees for Services (001-AAC-1315-4560) to 36.2% of what was requested.
- The department requested 92 positions for 2009, which is two more than the 90 positions adopted for 2008. The recommended budget includes 89 full-time staff positions, abolishing one Secretarial Assistant position.

Budget Review Office Evaluation

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

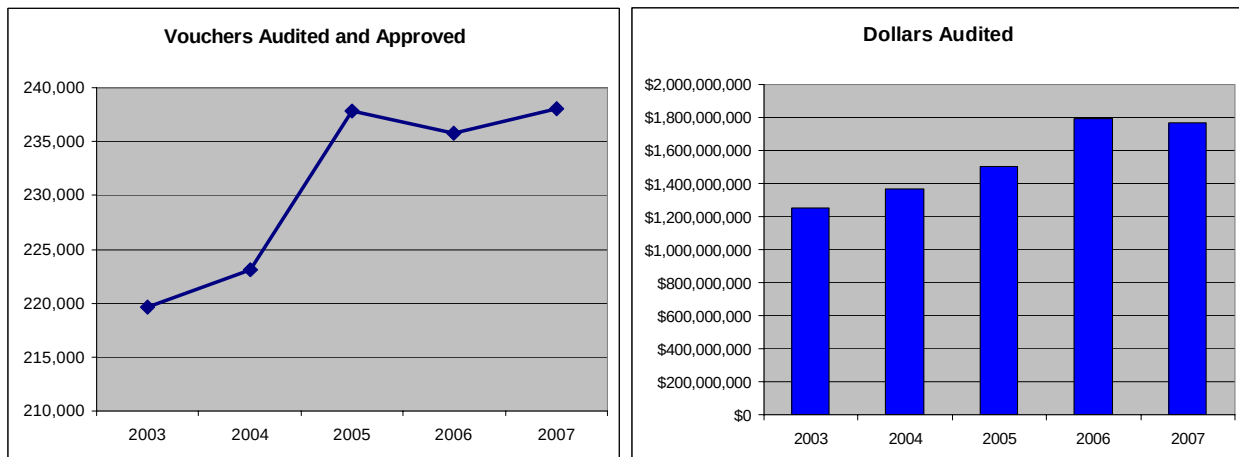
Workload

The Appropriations Unit reviews and approves payment vouchers for every department in the County. In 2007 the Unit audited and approved 238,020 vouchers totaling more than \$1.7 billion.

The Meridian Plaza Unit audits checks, vouchers, service contracts, and electronic benefits issued to vendors and clients. A significant portion of the unit's workload is devoted to auditing standard vouchers for the Department of Social Services (DSS).

Both the Appropriations Unit and the Meridian Unit have been challenged due to the workload associated with the KinderTrack system and complying with Resolution No. 1353-2007, which instituted the prompt payment policy. The need to process vouchers quickly is complicated by the volume of vouchers and the complexity of the KinderTrack system. With the staff that they have available, the department is finding it difficult to keep up with the workload.

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



Full-Time Staffing

- The aforementioned difficulties with KinderTrack and DSS vouchers along with the increased volume and workload associated with W9 forms and LIPA arrears

- payments have prompted the department to request one new Account Clerk position (grade 11) for the Meridian Unit of the Accounting Services Division.
- There has been a heightened sensitivity to the need for timely audits and accordingly, the department requested one new Auditor position (grade 20) for the External Audit Unit of the Audit Division. The External Audit Unit is responsible for conducting audits of contract agencies that receive annual funding from the County that exceeds \$150,000. For 2008, the County allocated approximately \$110,000,000 for contract agencies with defining pseudo codes. Conducting field audits on these agencies is becoming increasingly more difficult due to staffing limitations.

Permanent Salaries

- The recommended budget includes \$6,018,644 for permanent salaries, which is \$33,953 more than the 2008 adopted amount and \$157,875 more than 2008 estimated amount, but \$263,831 less than requested. The recommended budget is sufficient to fund all currently filled positions for the full year and all vacancies for 90% of the year.

Fees for Services

The Department of Audit and Control requested \$138,000 for Fees for Services, the same amount as was adopted in 2008 for the preparation of the annual Indirect Cost Allocation Plan and other services provided by external auditors. The recommended budget provides \$50,000 for these expenses, \$88,000, or 63.8% less than adopted in 2008 and requested by the department. However, the recommended amount is \$20,000 or 67% greater than the estimated for 2008 and \$21,282 or 71% greater than the 2007 actual expenditure. The department estimates the cost of the Indirect Cost Allocation Plan to be \$28,000 in 2009. The recommended budget would provide an additional \$22,000 for other external auditing services. The Budget Review Office agrees with the budget presentation.

Audit Recoveries

The Department generated \$415,770 in revenue from Audit Recoveries in 2007. The estimated budget includes \$400,000 from audit recoveries, which is \$200,000 less than the adopted budget. The 2009 recommended budget includes \$2.1 million from audit recoveries, more than five times the estimated 2008 budget. According to the department, this anticipated increase is due to repayment agreements with Southside Hospital/LIJ and Community Housing Innovations.

Budget Review Office Recommendations

None

BP Audit&Control09

BOARD OF ELECTIONS

Major Issues

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

Budget Review Office Overview

The 2009 recommended budget is \$14,004,792, which is \$2,543,000 or 15% less than requested and \$284,887 or two percent less than the 2008 adopted budget. The difference between the recommended budget and the requested budgets is due primarily to the following reductions; Outside Printing (-\$1,125,000), Instructional Supplies (-\$586,000), and Election Inspectors (-\$500,000). The 2008 estimated budget is approximately \$1.5 million greater than the adopted budget due mainly to the inclusion of state grant funds totaling \$1,366,899. Introductory Resolution No. 1835 and Resolution No. 1836-2008 appropriate the funds to purchase privacy voting booths with handicapped accessibility, two box trucks to transport new optical scanning voting machines to public voting education seminars, 366 "Ask Ed Problem Solvers" to assist poll workers with helping voters, and purchase of other equipment in accordance with HAVA.

The recommended budget includes 123 positions, which is the same as the Adopted 2008 Budget, and the Board's request. The recommended budget includes \$6,843,912 for permanent salaries for the 121 positions that are presently filled, but does not provide funding for the Board's two vacancies.

Budget Review Office Evaluation

Federal Election Reforms and the Help America Vote Act of 2002

- The federal government has jurisdiction over Presidential, Senate and House of Representatives elections. As a result, the requirements imposed for federal election reform are incorporated into state and local elections.
- After failing to comply with HAVA by the deadline, New York State was ordered on December 20, 2007 to submit a Plan of Compliance to the federal district court. The plan provides for the purchase of at least one handicapped accessible ballot marking device for each polling station in New York State in order to achieve the minimum interim compliance that the Court will accept for 2008. According to the Suffolk County Board of Elections, the County has 375 optical

scanner voting machines that will be used solely for handicapped accessible ballot marking purposes during the 2008 General Election. These machines are HAVA compliant voting machines.

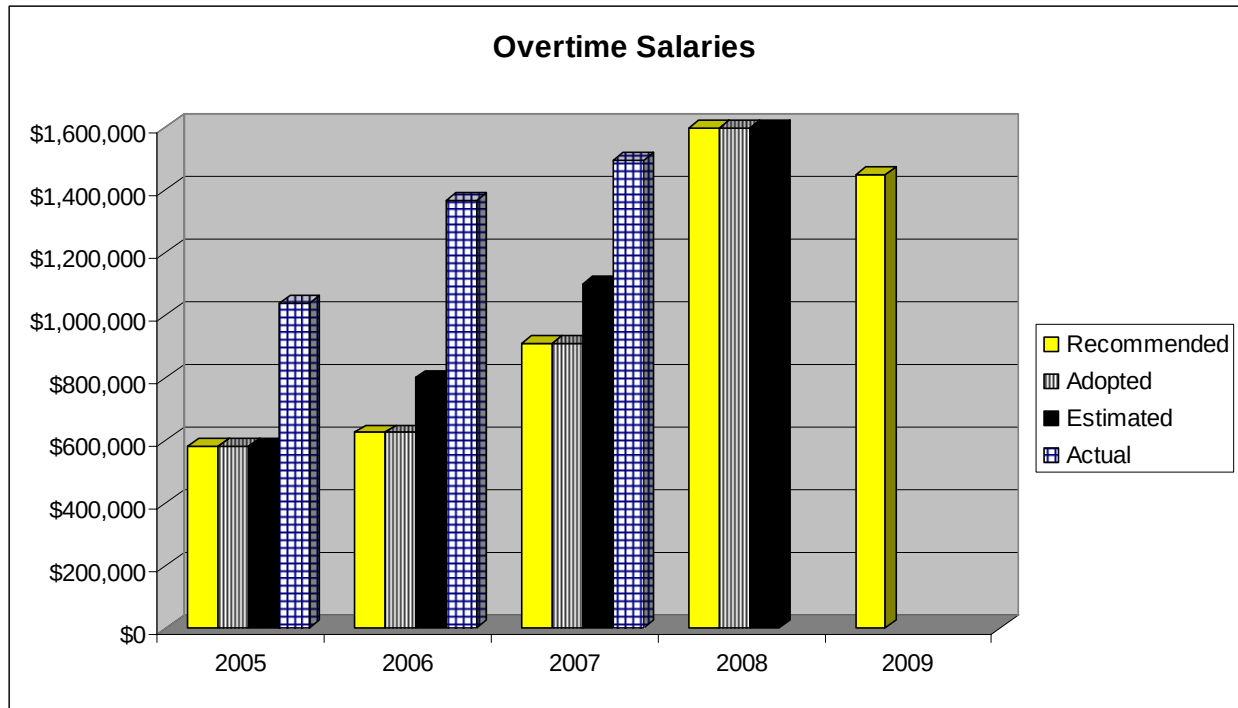
- The Suffolk County Board of Elections estimates they will need approximately 1,200 optical scanner machines, which includes the 375 machines that are already in County possession. The Board of Elections anticipates that these machines will be certified by New York State by October 15, 2008 and orders will be placed by December 4, 2008. New York State expects to fully replace all lever voting machines with optical scanner machines and achieve full HAVA compliance in time for the 2009 General Election.
- Lever voting machines do not comply with HAVA standards and are not permitted for use in federal elections.

Election Inspectors

- Resolution No. 841-2007 amended the classification and salary plan and authorized a fee schedule for the Suffolk County Board of Elections election inspectors in response to the difficulty the Board was experiencing in recruiting new inspectors. The resolution provided an hourly wage of \$12.50 per hour (\$200 per diem) for temporary Inspectors, Poll Clerks, Interpreters, and Chairpersons and increased the compensation for attending classes and passing the exam required of election inspectors to \$37.50, conditional upon the election inspector working on Election Day.
- The recommended budget includes \$2,421,580 for election inspectors, which is \$1,373,285 less than the 2008 adopted budget of \$3,794,865. This 36% decrease reflects not having a presidential primary election in 2009.
- The recommended budget for election inspectors is \$500,000 less than the department's request of \$2,921,580. The Board of Elections contends that they will need the additional funds to pay election inspectors for increased trainings, seminars, and voter outreach events associated with the implementation of HAVA voting requirements.

Overtime Salaries

- The department has once again requested \$1.6 million in 2009 for overtime even though in 2009 there is no presidential primary. The department anticipates additional work to successfully implement new voting machine procedures.
- Overtime salaries continue to increase at the Board of Elections. Actual overtime salaries increased nine percent between 2006 and 2007 from \$1,369,977 to \$1,494,190. The 2008 estimated budget includes \$1.6 million for overtime salary expenses, a seven percent increase from 2007. The 2009 recommended budget of \$1,450,000 is a nine percent decrease from the estimated budget.



Actual expenditures for overtime salaries continue to exceed the recommended, adopted, and estimated budgets. Over the last three years, overtime salaries have averaged 88% above the recommended and adopted amounts while averaging 62% over the estimated figures.

Outside Printing

The Board requested \$2.25 million for outside printing (001-BOE-1450-3040). This dramatic increase from the \$40,000 adopted in 2008 is due to the fact that paper ballots will need to be printed for the new optical scan voting machines. The recommended budget includes \$1,125,000 for printing, half the request. The Executive believes that the County will obtain a much lower cost of printing through the RFP process. The Board of Elections believes they need at least a minimum of \$1.75 million for printing.

Privacy Booths

The Board of Elections requested \$586,000 in Instructional Supplies (001-BOE-1450-3100) for privacy booths, which are required for the new voting machines in 2009. According to the Board of Elections, the County needs 1,200 booths. The County will be able to offset 25% of the total cost for privacy booths through state grant funds for increasing voting accessibility for individuals with disabilities. The Budget Review Office estimates that the Board of Elections will need to expend \$547,500 for the remaining cost of the privacy booths. The recommended budget includes no funding for privacy booths. The Board of Elections now believes that it is possible that they will be able to

cover the remaining cost of the privacy booths through the original federal HAVA grant issued for the purchase of voting machines.

Lever Machines

- Lever machines are no longer permitted in federal elections as per the Help America Vote act of 2002. Additionally, New York State Election Law § 7-202 establishes guidelines for voting machines that lever machines do not meet. Lever machines will no longer have a legal function for any official election in New York State.
- The optical scan voting machines will function by reading paper ballots marked by voters. Should there be a technical malfunction with these machines, no votes would be lost because the marked paper ballot will be retained and the ballots could be counted by hand.
- Since there is no longer a lawful use for lever voting machines and they are not needed as an emergency backup, there is no need to spend County funds on storing these machines for an extended period of time. It may be necessary to rent temporary storage space for lever machines in 2009 in the event the machines are needed for a special election and the new machines have not fully arrived.

Budget Review Office Recommendations

- Increase Elections Inspectors (001-BOE-1450-4510) \$500,000 to the Board's requested amount of \$2,921,580 in order to accommodate for the cost of seminars and events related to HAVA implementation.
- Increase Outside Printing (001-BOE-1450-3040) by \$500,000 from \$1,125,000 to \$1,750,000 in order to insure that there are sufficient funds for printing paper ballots in 2009.
- Reduce Temporary Salaries (001-BOE-1450-1130) by \$25,000 from \$100,000 to \$75,000, as the Board of Elections is no longer requesting a pay raise for custodians.
- The County may wish to store a portion of its mechanical lever voting machines in the event they are needed for a special election early in 2009. There is no need to expend County funds to store these machines once the County has received all of its optical scan voting machines.

CIVIL SERVICE/HUMAN RESOURCES

Major Issues

None

Budget Review Office Evaluation

- The 2009 Recommended Operating Budget provides \$7,234,492 for the Department of Civil Service/Human Resources, which is an increase of \$245,510 or 3.5% from the 2008 estimated budget of \$6,988,982. In the aggregate, the Budget Review Office finds that the 2008 estimated and the 2009 recommended budgets are reasonable.

Personnel Overview

- Two employees participated in the County's early retirement incentive program (ERIP), one Senior Clerk Typist (grade 12) and one Principal Clerk (grade 14). The 2009 recommended budget abolishes the Senior Clerk Typist position vacated through ERIP.
- Currently, two employees are working part-time in Civil Service (001-1430). Assuming those individuals continue to work part time during 2009, there is \$50,000 in excess permanent salaries after filling the one vacant position, Principal Clerk, for the year.
- The recommended budget includes sufficient salaries in Insurance and Risk Management to fill the one vacant position, Senior Management Analyst (grade 24) for three-quarters of the year.
- The recommended budget transfers several positions within Insurance and Risk Management to reflect current work assignments.

Civil Service Fees

- The estimated revenue from Civil Service fees (001-1240), \$450,000, is \$25,000 more than adopted and significantly less than the 2007 actual revenue of \$2,819,620. The 2007 revenue included revenue from the police test. The 2009 recommended budget includes \$500,000 from Civil Service fees, which is \$150,000 greater than the department requested. The recommended revenue reflects Introductory Resolution No. 1809-2008 that increases Civil Service Examination Fees effective January 1, 2009 as follows:

Civil Service Examination Fees, IR 1809-2008			
	Current Fee	Proposed Fee	Increase
Promotional Examinations	\$15	\$25	\$10
Promotional Examinations (law enforcement)	\$50	\$100	\$50
Open Competitive (non-law enforcement)	\$25	\$35	\$10

- The 2008 estimated and the 2009 recommended revenue is reasonable.

Budget Review Office Recommendations

None

ES CivServHumanRes09

CONSUMER AFFAIRS

Major Issues

1. Staffing
2. Revenue

Budget Review Office Evaluation

The Office of Consumer Affairs, a division of the County Executive's Office, is structured into four main functional areas: Administration, Bureau of Complaints and Investigation, Bureau of Licensing, and Bureau of Weights and Measures.

The mission of the Office of Consumer Affairs is to ensure equity in the marketplace and promote high standards of commercial integrity in the manufacture, distribution, and sale of consumer goods and services in Suffolk County.

Staffing and Office Reorganization

- Introductory Resolution No. 1874-2008 "Amending the Suffolk County Classification and Salary Plan to Update an Existing Title for use in the Consumer Affairs Division of the Office of the County Executive (Director of Consumer Affairs)" was laid on the table September 16, 2008. If adopted, this resolution would: 1.) amend the classification and salary plan by changing the position title of Director of Citizen Affairs, a competitive position (grade 31), to the Director of Consumer Affairs, a pending non-competitive position (grade 31), and 2.) abolish one Clerk Typist, (grade 9).

- A brief history shows that in 1993 the Department of Consumer Affairs became an office under the County Executive known as the Office of Citizen Affairs administered by a Director of Citizen Affairs, a competitive position (grade 31). In 1997, the Office of Citizen Affairs became the Office of Consumer Affairs administered by the Director of Weights and Measures, a competitive position (grade 30). The Director of Weights and Measures retired in 2008 under the Early Retirement Incentive Program. The Director of Weights and Measures position was not abolished, as it is required under State Law.
- The 2009 recommended budget presupposes the passage of Introductory Resolution No. 1874-2008 and creates one new Director of Consumer Affairs, (grade 31) and abolishes one Clerk Typist (Spanish Speaking) (grade 9).
- As of the September 21, 2008 authorized position control, there were six vacancies in the Office of Consumer Affairs. The vacancies are Director of Weights and Measures, (grade 32), Occupational Licensing Specialist V, (grade 27), Weights and Measures Inspector, (grade 20), Consumer Affairs Investigator I, (grade 18), Principal Account Clerk, (grade 17), and Clerk Typist (Spanish Speaking) (grade 9) and 39 filled positions.
- The vacant Clerk Typist (Spanish Speaking) if filled would support the day-to-day office operations in interfacing with the Spanish speaking public. Consumer Affairs anticipates that this position would help reduce processing time and be beneficial in assisting in occupational licensing. We recommend restoring the vacant Clerk Typist (Spanish Speaking) position and filling it in a timely manner to assist the department and the Spanish speaking public in complying with the County's occupational licensing laws and facilitate the associated revenue.
- The recommended budget provides sufficient funding to fill the two new positions and five of the vacant positions for eight months of the year. If the Clerk Typist (Spanish Speaking) position is restored, there is sufficient funding to fill five currently vacant and the two new positions for seven months of the year.

Revenue

- The 2008 estimated revenue for Consumer Affairs is \$3,812,224, which is \$120,224 or 3.26% higher than the 2008 adopted amount of \$3,692,000.
- The 2009 recommended revenue for Consumer Affairs is \$4,792,300 which is reasonable as compared to the 2008 estimated revenue because of two significant changes to revenue associated with item pricing and application fees for occupational licensing.
- Resolution No. 283-2008, A Responsible Plan for Cost Savings to Mitigate an Anticipated 2009 Shortfall, was adopted in April 2008. The 11th Resolved clause directed Consumer Affairs to conduct a comprehensive review of all departmental fees and to develop a plan to phase in an increase in licensing fees and to institute a Consumer Affairs Item Pricing Waiver Fee.

- Resolution No. 588-2008, A Local Law Authorizing a Program to Waive Item Pricing Requirements, was adopted in August 2008. The recommended budget creates a new unit within the Office of Consumer Affairs, "Price Waiver Unit" to implement this responsibility. It is staffed with two Weights and Measures Inspector positions (grade 20). One position is new and the other is transferred in from the Weights and Measures unit. Based on discussions with Consumer Affairs, an additional \$500,000 in Revenue Code 2547, Weights and Measures Fees, is anticipated from the item pricing waiver fee in 2009, and is reflected in the recommended budget.
- Resolution No. 587-2008, A Local Law to Increase the Application Fee for Occupational Licenses, authorized an increase in the application fee for occupational licensing from \$25 to \$200. This fee has not changed since 1972. The increase is anticipated to provide additional revenue of over \$315,000, which is reflected in the recommended budget.

The following table itemizes current revenue for the Office of Consumer Affairs.

Revenue Code	Description	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
2546	Fees: License For Consumer Affairs*	\$3,111,755	\$3,050,000	\$3,135,045	\$3,107,300	\$3,407,300
2547	Fees: Weights & Measures	\$295,490	\$312,000	\$300,000	\$300,000	\$1,020,000
2631	Fines: Weights & Measures	\$197,970	\$210,000	\$237,179	\$225,000	\$225,000
2632	Fines: Complaints & Licensing	\$81,650	\$80,000	\$100,000	\$100,000	\$100,000
3089	Octane+ Sampling	35,711	\$40,000	\$40,000	\$40,000	\$40,000
Totals		\$3,722,576	\$3,692,000	\$3,812,224	\$3,772,300	\$4,792,300

* **Table CA1** # Not included in the above table are 2403 bank interest & 2770 other unclassified revenues, combined estimated revenue totals equal \$2,500. Not included in the above table is the DPW portion of 001-DPW-2546. This revenue amount is estimated annually at \$8,500, and is obtained through DPW efforts. + Department requested and BRO estimated amounts were used for revenue data not supplied in the recommended 2009 operating budget.

Budget Review Office Recommendations

The Budget Review Office recommends restoring the abolished Clerk Typist Spanish Speaking (grade 9) position to assist the general Spanish speaking and non-Spanish speaking public in complying with the County's occupational licensing laws. There is adequate funding in 2009 permanent salaries for all current vacant, newly created positions and for restoring the abolished Clerk Typist Spanish Speaking for seven months of the year. MUNConsumerAffairs09

CORNELL COOPERATIVE EXTENSION

Major Issues

1. Contract Oversight and Budget Presentation
2. CCE 477 Funded Programs

Background

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

- Cornell Cooperative Extension core programs can be categorized into four primary areas; Agricultural, Youth Development, Marine Sciences, and Family & Consumer Education.
- Specialized programs offered by CCE in 2008 are administered through the following County departments: Environment & Energy, Executive, Health Services, Planning, Probation, and Social Services.
- CCE receives funding through the County General Fund (001), Water Protection Fund (477), Federal and State Aid, and Non-County Fees for Service.

Budget Review Office Evaluation

To increase accountability and monitoring, the 2009 recommended budget transfers six General Fund (001) core CCE programs (HSD1, HSE1, HSF1, HSG1, HSH1, and HSI1) and four Fund 477 water protection programs (HSJ1, HSK1, HSM1, and HSN1) to the Department of Health Services. This transfer will modify subsequent budget presentations in that CCE will no longer have an individual narrative section followed by its budget presentation.

The following evaluation only addresses County funding and does not include off budget CCE expenditures and revenues that are not part of County services. The 2009 recommended budget includes a total of \$5,913,660 in the aggregate of County funding for CCE programs, which is \$69,182 (1.2%) more than the 2008 Adopted budget, and

does not include \$30,000 for Peconic Dunes Camp (HLQ1), a Legislative initiative. CCE's request reflects a cost to continue budget with no increased funding as directed by the County Executive.

The following table summaries County funding as recommended for CCE.

FD	X-ORG	Dept.	Program Description	2009 Recommended Budget
001	HSD1	HSV	Admin., Finance, & Communications	\$816,161
001	HSE1	HSV	Marine Program	\$495,632
001	HSF1	HSV	Agriculture & Horticulture Program	\$507,613
001	HSG1	HSV	4H Youth Dev. & Farm Education Programs	\$222,950
001	HS11	HSV	Family & Consumer Sciences Programs	\$306,277
001	HSI1	HSV	Farm Meat Production Program	\$948,134
001	GHE1	DSS	Food Stamp Program	\$172,922
001	GTR1	EXE	Vanderbilt Marine Day Camp	\$16,561
001	GTQ1	EXE	Cedar Beach Marine Day Camp	\$38,643
001	HLQ1	EXE	Peconic Dunes Camp	\$0
001	6805	EXE	Long Term Care Education & Outreach	\$50,000
001	GSU1	HSV	Diabetes Education Program	\$0
001	GGW1	HSV	Diabetes Prevention Program	\$385,875
001	3190	PRO	Juvenile Day Reporting Center (SOAR)	\$574,588
477	HSJ1	HSV	Alt. Mgmt. Strategies Insects in S.C.	\$145,417
477	HSK1	HSV	Dev. & Implementation Agriculture Stewardship	\$289,762
477	HSM1	HSV	Integrated Pest Management Program	\$208,080
477	HSN1	HSV	Restoration Peconic Bay Scallop & Fish	\$356,045
477	GZA1	EVE	S.C. Stormwater Phase II Program	\$379,000
			TOTAL	\$5,913,660

County Oversight

477 Funded CCE Programs

The monitoring of the Cornell contracts should not be taken lightly. In 2006 CCE submitted prior year WQPRP expenses of \$581,984 which had to be authorized by a separate resolution in order to be paid. In 2007 Cornell requested \$169,900 to cover the WQPRP expense for lantern nets which had been submitted for payment in 2004. Both of these amounts are material and demonstrate the need to closely monitor CCE 477 expenses.

In November of 2007, the public voted on a referendum to adopt Charter Law 24-2007, which amended the County Charter and extended the Suffolk County ¼ Percent Drinking Water Protection Program for Environmental Protection. Section §12-3 was amended and assigns the management, administration, and day-to-day care and supervision of Fund 477 programs to the Department of Environment and Energy (EVE), and requires the Budget Office to maintain the official records of moneys expended.

Although the referendum was adopted, the management, administration, and day-to-day care and supervision of CCE Fund 477 programs were not transferred in 2008 from the Planning Department to the Department of Environment and Energy (EVE) as per Charter Law.

The 2007 operating budget correctly transferred CCE Suffolk County Stormwater Phase II Program (GZA1) from DPW to EVE. However, the 2009 recommended budget incorrectly transfers CCE Alternative Management Strategies for Control of Insects in Agriculture and Landscapes a/k/a Entomology Program (HSJ1), CCE Development & Implementation Agriculture Stewardship Program (HSK1), CCE Integrated Pest Management Program (HSM1), and CCE Restoration of Peconic Bay Scallop Population & Fisheries (HSN1) to the Department of Health Services. We recommend HSJ1, HSK1, HSM1, and HSN1 be budgeted in EVE as per Charter Law 24-2007, if the Legislature desires to fund these programs in 2009.

General Funded CCE Programs

The administration and supervision of General Fund CCE Programs was transferred in 2008 to the Planning Department. This resulted in contract difficulties for CCE and the County. As of September 20, 2008, the County and CCE have not fully executed various, if not all, contracts for 2008.

The recommended budget transfers the core General Fund CCE Programs (HSD1, HSE1, HSF1, HSG1, HSH1, and HSI1) to the Department of Health Services (DHS). One new account clerk position is recommended to assist in the additional workload.

CCE Water Protection Fund Programs

2008

The estimated budget includes \$979,710 in Fund 477 for the following four CCE water protection programs in 2008.

- HSJ1 Alternative Management Strategies for Control of Insect Pests at \$142,566
- HSK1 Development and Implementation Agriculture Stewardship Program at \$284,080
- HSM1 Integrated Pest Management Program (IPM) at \$204,000
- HSN1 Restoration of Peconic Bay Scallop Population & Fisheries at \$349,064

Cornell Cooperative Extension Association of Suffolk County has been operating these four 477 CCE programs in 2008 without any County contracts. The Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee just recommended funding for these four on September 25, 2008 at the 2007 adopted funding levels. The County cannot enter into contracts for these four programs until the adoption of legislative authorization to enter into a contract. There may not be time to contract with CCE for these four 477 CCE programs in 2008. This situation may result in CCE funding these four programs without County financial support in 2008. As it is highly unlikely that the County will be able to pass legislation and contract with CCE for these 477 CCE programs in 2008, we recommend that the estimated budget not include funding for these four 477 CCE programs in 2008.

2009

The 2009 recommended budget provides \$999,304 in Fund 477 for the following four CCE programs, which is \$19,594 more than the aggregate amount recommended by the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee:

- HSJ1 Alternative Management Strategies for Control of Insect Pests at \$145,417
- HSK1 Development and Implementation Agriculture Stewardship Program at \$289,762
- HSM1 Integrated Pest Management Program (IPM) at \$208,080
- HSN1 Restoration of Peconic Bay Scallop Population & Fisheries at \$356,045

On September 25th, the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee recommended the following four 477 CCE programs at the 2007 funding levels with amended program titles. The Committee's recommendation is advisory only and legislative approval by resolution is required to authorize the use of appropriations adopted in the operating budget.

- HSJ1 Alternative Management Strategies for Control of Insect Pests in Suffolk County Agriculture and landscapes, at \$142,566
- HSK1 Implementation and Development of Suffolk County's Agriculture Stewardship Program, at \$284,080
- HSM1 Pest Management Program for Suffolk County Properties, at \$204,000
- HSN1 Peconic Bay Scallop Restoration Program, at \$349,064

The Suffolk County Drinking Water Protection Program requires the Department of Environment and Energy (EVE) to prepare for the County Executive and Legislature progress reports for each of the above multi-year 477 CCE programs to assist the County Executive, the Legislature and the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee in determining the merit of these programs, and to determine if further funding is required.

Charter Law 24-2007, Section §12-3 assigns the management, administration, and day-to-day care and supervision of Fund 477 programs to the Department of Environment and Energy (EVE), and requires the Budget Office to maintain the official records of moneys expended. All four of the above 477 CCE programs are recommended in the Department of Health Services which is not in compliance with Charter Law 24-2007.

We recommend that the four CCE 477 programs: HSJ1, HSK1, HSM1, and HSN1, be transferred to the Department of Environment and Energy, to be in compliance with Charter Law 24-2007, at the 2007 funding level, and amended titles as approved by the Committee on September 25, 2008.

Ending CCE Water Protection Fund Programs

As per discussions with EVE, CCE Suffolk County Stormwater Phase II Program (GZA1) contract only extends to the end of 2008. A request for a contract extension to the end of 2009 is currently being reviewed by the Law Department. EVE is in support of this extension to provide CCE with the time required to complete the GZA1 program. We agree with this extension, provided CCE is able to complete this task by the end of 2009 or sooner.

CCE Diabetes Programs

The recommended budget melds CCE GSU1 Diabetes Education Program and CCE GGW1 Diabetes Prevention Program into the GSU1 Diabetes Education Program with no increased cost. We agree with this restructuring and anticipate improvements with CCE staff complying with instructions from the County's Department of Health Services staff.

Legislative Initiative

Peconic Dunes Camp (HLQ1) provides education programs on environmental awareness to over 500 young campers (children), ages 8 to 15 years old, per year. The recommended budget does not include the Legislative initiative of \$30,000 in 2009 to

assist funding this effort. If not restored CCE will need to scale back this program or increase camp fees for this service.

Budget Review Office Recommendations

- Reduce the estimated budget by \$979,710 in Fund 477 for the following four 477 CCE programs, HSJ1 at \$142,566, HSK1 at \$284,080, HSM1 at \$204,000, and HSN1 at \$349,064, as CCE does not have contracts with the County to provide these services in 2008, and EVE has not provided the Legislature with year ending 2007 in-house reports to indicate the success or failure of these 477 CCE programs, and if further funding is required, as required by Charter Law 24-2007.
- Reduce the recommended 477 funding by \$19,594 for the following four 477 CCE programs: HSJ1 at \$2,851, HSK1 at \$5,682, HSM1 at \$4,080, and HSN1 at \$6,981. These reduced funding amounts are at the recommended funding levels established by the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee on September 25, 2008.
- Transfer the following four 477 CCE programs, HSJ1, HSK1, HSM1, and HSN1, to the Department of Environment and Energy to be in compliance with Charter Law 24-2007 and at the 2007 funding levels and amended program titles as recommended by the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee on September 25, 2008. If it is the desire of the Legislature to fund these 477 CCE programs in 2009, legislative approval by resolution is required after the adoption of the operating budget.
- Fund Peconic Dunes Camp (HLQ1) at \$30,000 if it is the Legislature's desire.

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COUNTY CLERK

Major Issues

1. Expenditures
2. Revenue

Budget Review Office Evaluation

Expenditures

- The 2009 recommended budget includes expenditures of \$8,022,865, which represents a decrease of \$44,645 or 0.5%, from the 2008 adopted budget. The recommended budget is \$193,008 or 2.5% more than the 2008 estimate and \$294,362 or 3.5% less than requested.

- The \$294,362 difference between the requested and recommended amounts is attributable to permanent salary reductions of \$219,798 and a \$116,914 reduction in furniture and furnishings (2010), primarily offset by an increase of \$42,350 in laundry and sanitation (3920). Two vacant positions are abolished – one Clerk Typist (grade 9) in appropriation 1410 and one Micrographics Technician (grade 14) in appropriation 1412. The remainder of the salary reduction is due to an increase in turnover savings.
- No new positions were requested or recommended. As of the end of September, the Clerk's Office has 18 vacancies, two of which are abolished by the recommended budget.
- In 001-1983 County Clerk Archives the County Clerk originally requested \$80,000 to purchase a shredder. The County Clerk then modified the request to a more cost efficient alternative. The 2009 recommended budget provides \$42,350 in laundry and sanitation to have the document shredding done by an outside vendor. The County Clerk requested this change because the cost of the machine would have been \$120,000 and the Clerk would also have been required to incur additional ongoing cost in the disposal of the shredded confidential documents. The outside vendor is more cost effective, is under County contract, and is used by other County departments to dispose of confidential material.

Revenue

- New York State has passed state legislation that permits counties to adopt a Local Law that would increase the handling fees for documents from \$5.00 to \$20.00 per document and the per page charge from \$3.00 to \$5.00. The County adopted Local Law No. 36-2008 (Resolution No. 727-2008), which has been filed with the Secretary of New York State. The increased fees are expected to go into effect on October 16, 2008 and will increase revenue from County Clerk Fees by \$1,000,000 in 2008. On an annual basis, the per document and per page increases will generate an additional \$4 to \$6 million.
- In 2008, the County no longer rented cubicle space to title searchers. The cubicles were mini offices containing computers, telephones, copiers, and faxes. The title searches must now use County equipment and pay for the use. These funds are also accounted for as County Clerk Fees.
- The recommended budget estimates revenue of \$12,000,000 for 2008 in County Clerk Fees (001-1255), which is a decrease of \$1,250,000 or 9.4% from the 2008 adopted amount of \$13,250,000. The decline in the real estate market is well known and this has had an impact on County Clerk filing fees. Even with the declining real estate market, the increase in per document and per page fees should allow the County to collect the \$17,700,000 that is recommended for 2009 and the \$12,000,000 estimated for 2008.
- 2008 Micrographics Fees (001-1256) are estimated to be \$149,616. Based upon revenue received to date, we concur with this amount. For 2009 the

recommended budget includes revenue of \$150,000 for Micrographic Fees as requested by the department. We concur with the recommended amount.

- For 2008 County Clerk Subscription Fees (001-1260) are estimated to be \$789,000. Based upon revenue received to date, we concur with this amount. For 2009 Subscription Fees are recommended at \$1,000,000 as requested by the department. We concur with this amount.

Budget Review Office Recommendations

We concur with the recommended budget as submitted.

KD CountyClerk09

DISTRICT ATTORNEY

Major Issues

1. Staffing/Workload
2. Vehicles
3. Record Storage

Budget Review Office Evaluation

The recommended 2009 budget for the District Attorney is \$33,369,170, which represents a 1.4% increase from the 2008 adopted amount. The principal portion of expenditures is for personnel costs, which are 92% of the recommended amount. The amount included for personnel costs will allow for all currently filled positions and four new positions to be funded for a full year.

The DA requested \$2.4 million more than recommended with the majority of these expenditures for personnel costs to fill new and vacant positions and \$700,000 for the development of the Case Management System. A portion of this funding, \$400,000, was included in the DoIT budget.

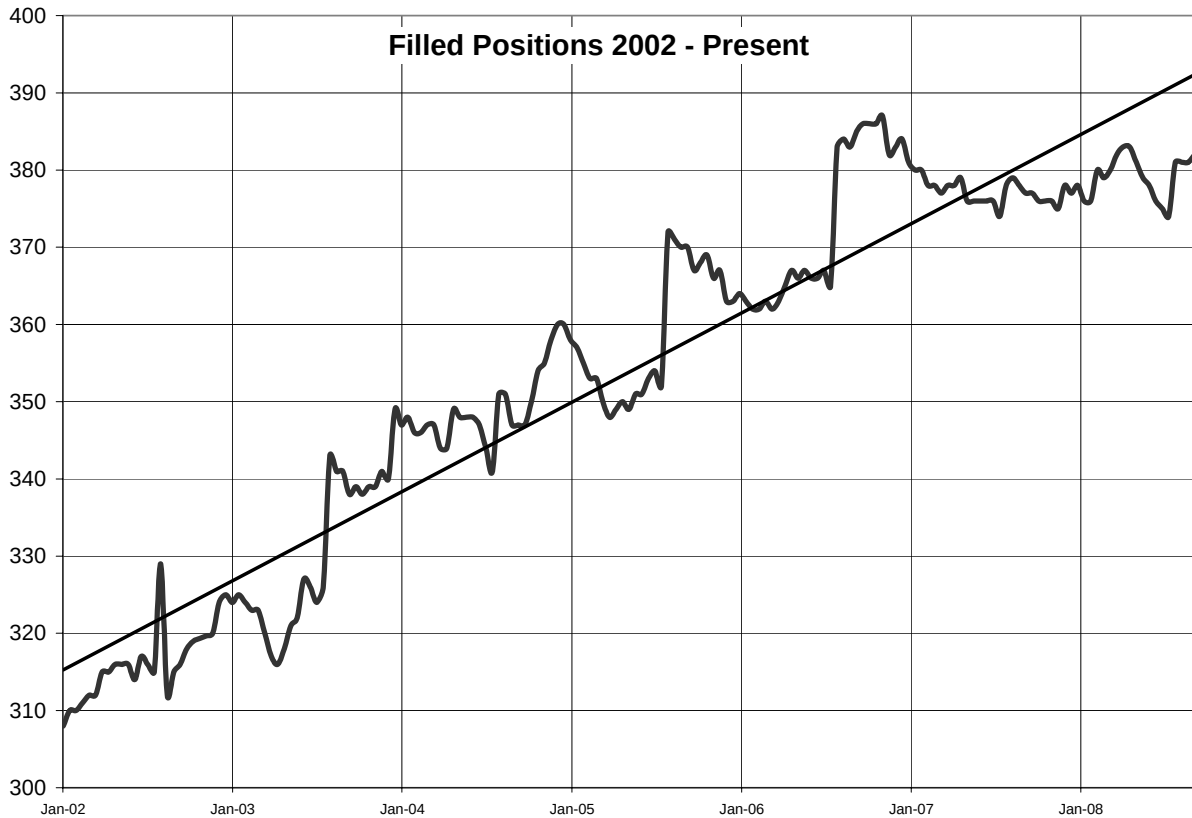
Staffing/Workload

The Department's workload continues to grow as felony intakes have increased from 7,230 cases in 2002 to 10,869 cases in 2007, and misdemeanor intakes have increased from 38,065 to 47,578. The increasing workload is due to the demand on existing units and new initiatives such as the adoption of a no-plea bargaining policy with respect to DWI offenders who refuse to submit to chemical testing, targeting reckless drivers and the Mortgage Fraud Task Force which will investigate and prosecute those that are defrauding lending institutions and homeowners during the current economic downturn.

The DA requested ten new positions, and four were included in the recommended 2009 budget.

New Positions			
Job Title	Grade	No. Req.	No. Rec.
Senior Programmer Analyst	27	1	1
Paralegal Assistant	14	3	1
Clerk Typist	9	4	2
Office Systems Analyst I	19	1	0
Computer Programmer	21	1	0
TOTAL		10	4

- The DA requested \$352,819 for the 10 new full-time staff positions and \$145,507 was included in the recommended budget. The amount recommended reflects a full-year salary for the four new recommended positions. The recommended budget also abolishes six of the eight positions that became vacant through the ERIP.
- The Budget Review Office supports the DA's initiative to hire more Paralegal Assistants to aide Assistant District Attorneys (ADA's) who are performing paralegal work. Similar to civilianizing the Police Department, the Paralegal Assistants would allow the DA to deploy ADA positions more efficiently at a fraction of the cost. An ADA base salary is \$55,593 as compared to a Paralegal Assistant at \$32,886.
- The new paralegal positions would assist ADA's in the Economic Crime Bureau, Case Advisory Bureau and the Asset Forfeiture Unit performing legal research and pre-trial preparation for pleadings and subpoenas.
- In 2002 when the incumbent District Attorney first took office, the Department had 346 filled authorized positions. As of September 21, 2008, the Department has 382 filled positions or an increase of 36 positions.



Vehicles

- By the end of 2009, it is estimated that the DA will have 29 vehicles over 110,000 miles. Last year, the department requested 12 vehicles and received two. This year the department requested 12 replacement vehicles. The Budget Review Office recommends that at least 10 of these vehicles be replaced.
- When the DA seizes vehicles that can be used for undercover purposes, the Department of Public Works maintains that they must decommission a current vehicle as to not increase the size of their fleet. This policy should be analyzed by the County Executive as it is counter productive for the DA.

Record Storage

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

Over the past couple of years there has been discussion as to converting space in the basement of the Medical Examiners Building to storage space for the District Attorney. This space is congruent with the lower level of the District Attorneys archives in Building 77. Because of cost issues, this project has not commenced.

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

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

Another solution would be to systematically scan records into a digital format as a component of the Case Management System. The department should explore this option with the assistance of DoIT. Several other County departments facing the same record storage issues have developed digitized systems, such as the Police, Social Services and Health.

Budget Review Office Recommendations

We recommend hiring the recommended four new positions for $\frac{3}{4}$ of the year which would provide funding for one additional Paralegal Assistant for $\frac{3}{4}$ of the year. The cost for these five positions would be \$11,353 less than the recommended four positions for a full year.

JO DistrictAttorney09

ECONOMIC DEVELOPMENT AND WORKFORCE HOUSING

Major Issues

1. Contracted Agencies
2. Aviation Enterprise Fund (625) and the Aviation Division
3. Comprehensive Shellfish Restoration Program (Fund 477)
4. Regional Economic Development Initiative Fund (626)

Budget Review Office Evaluation

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

- Promotion of business retention, expansion, and attraction through coordinating efforts with the Suffolk County Empire Zones, Suffolk County Foreign Trade Zones, Suffolk County Industrial Development Agency, and Local Development Corporations
- Development and expansion of workforce/affordable housing (Funds 001 and 351)

- Oversight and planning for the County airport's development (Fund 625)
- Administration of downtown revitalization programs
- Promotion of tourism in Suffolk County (Fund 192)
- Attraction and coordination of motion picture, T.V. and cultural events
- Administration of the comprehensive shellfish restoration contract (HGW1) (2005-2007)

The recommended budget includes \$4,504,229 for the Department of Economic Development and Workforce Housing in 2009, a decrease of \$1,417,930 or 24% less than the 2008 adopted budget. This reduction is primarily associated with a decrease of \$653,679 for contractual expenses, a decrease of \$93,578 for Special Services (Fund 192), a decrease of \$557,085 for a comprehensive shellfish restoration program (Fund 477), and a decrease of \$75,700 for the Regional Economic Development Initiative (Fund 626).

Staffing

The recommended budget includes \$843,132 for permanent salaries in 2009 for the 13 budgeted positions in the General Fund (001). Based upon the October 7, 2008 biweekly position control register, all thirteen positions are filled with a projected 2009 permanent salary cost of \$851,831, which is \$8,699 greater than the recommended budget.

The recommended budget transfers one filled Senior Account Clerk Typist position (grade 14) within the Division of Community Development from the Community Development Unit (100) to the Home Investment Unit (300) as requested by the Department. This transfer is intended to provide necessary clerical support in the Home Investment Unit.

Contracted Agencies in the General Fund

The recommended budget includes \$76,500 for the following five contracted agencies.

Code	Contract Agencies	2008 Modified	2009 Rec.	Difference
GZW1	BAY STREET THEATER	\$20,400	\$20,400	\$0
HAN1	GUILD HALL OF EAST HAMPTON	\$15,300	\$15,300	\$0
HIP1	HAMPTON FILM FESTIVAL	\$15,300	\$15,300	\$0
HBP1	STALLER FILM FESTIVAL	\$25,200	\$10,200	(\$15,000)
HUR1	THE PERLMAN MUSIC PROGRAM	\$15,300	\$15,300	\$0
		\$91,500	\$76,500	(\$15,000)

The recommended budget excludes \$653,679 for the following contracted agencies compared to the adopted 2008. The decrease is attributable to the discontinuation of economic development Legislative initiatives

Code	Contract Agencies	2008 Modified	2009 Rec.	Difference
JBX1	BABYLON CITIZENS COUNCIL ON THE ARTS	\$20,000	\$0	(\$20,000)
JBY1	BABYLON VILLAGE ARTS COUNCIL	\$5,000	\$0	(\$5,000)
GZJ1	BAY SHORE CHAMBER OF COMMERCE	\$10,000	\$0	(\$10,000)
GVU1	BAYPORT-BLUE PT CHAMB.OF COMM.	\$30,000	\$0	(\$30,000)
GVY1	CENTEREACH CIVIC ASSN	\$10,000	\$0	(\$10,000)
HLJ1	CENTRAL ISLIP HIS. PRES SOC.	\$5,000	\$0	(\$5,000)
HAH1	E. NORTHPORT CHAMBER OF COMMERCE	\$5,000	\$0	(\$5,000)
HWH1	EAST END ARTS COUNCIL - WINTERFEST	\$10,000	\$0	(\$10,000)
HWQ1	EAST END LIGHTHOUSES	\$5,000	\$0	(\$5,000)
JBU1	FAMILY SERVICE LEAGUE HOMESHARE OF LONG ISLAND	\$7,000	\$0	(\$7,000)
HAK1	FRIENDS OF E.NORTHPORT LIBRARY	\$5,000	\$0	(\$5,000)
HHF1	FRIENDS OF SMITHTOWN LIBRARY	\$30,000	\$0	(\$30,000)
JCB1	FRIENDS OF THE NORTH SHORE PUBLIC LIBRARY	\$15,000	\$0	(\$15,000)
JBW1	GREATER BELLPORT COALITION (VISIONING)	\$10,000	\$0	(\$10,000)
GSZ1	GREATER PORT JEFF ART COUNCIL	\$10,000	\$0	(\$10,000)
JDA1	GREATER SAYVILLE CHAMBER OF COMMERCE	\$5,000	\$0	(\$5,000)
HAO1	HAMPTON BAYS BEAUTIFICATION ASSN	\$5,000	\$0	(\$5,000)
GWH1	HAUPPAUGE INDUSTRIAL ASSN	\$12,500	\$0	(\$12,500)
GTY1	HOLBROOK CHAMBER OF COMMERCE	\$10,000	\$0	(\$10,000)
BBU1	ISLIP ARTS COUNCIL	\$30,000	\$0	(\$30,000)
HZF1	KEEP ISLIP CLEAN	\$5,000	\$0	(\$5,000)
GWO1	KINGS PARK CHAMBER OF COMMERCE	\$10,000	\$0	(\$10,000)
JCA1	LAKE GROVE CHAMBER OF COMMERCE	\$5,000	\$0	(\$5,000)
HAS1	LI SHAKESPEARE	\$5,000	\$0	(\$5,000)
HWF1	MEDFORD CHAMBER OF COMMERCE	\$20,000	\$0	(\$20,000)
HAX1	MONTAUK CHAMBER OF COMMERCE	\$5,000	\$0	(\$5,000)
GWX1	N. AMITYVILLE TAXPAYERS ASSN	\$5,000	\$0	(\$5,000)
AMJ1	NACEC	\$49,386	\$0	(\$49,386)
HHJ1	NESCONSET CHAMBER OFCOMMERENCE	\$5,000	\$0	(\$5,000)
GXC1	RONKONKOMA CHAMBER OF COMMMERCE	\$5,000	\$0	(\$5,000)
GSQ1	ROTARY CLUB OF SAYVILLE	\$10,000	\$0	(\$10,000)
JBZ1	RT. 110 REDEVELOPMENT CORPORATION	\$15,000	\$0	(\$15,000)
JBV1	SAYVILLE VILLAGE IMPROVEMENT SOCIETY, INC.	\$5,000	\$0	(\$5,000)
HBF1	SELDEN CIVIC ASSOCIATION	\$10,000	\$0	(\$10,000)
GXE1	SHAKESPEARE FESTIVAL	\$5,000	\$0	(\$5,000)
GXG1	SMITHTOWN CHMBR OF COMMERCCE	\$15,000	\$0	(\$15,000)
HPU1	SMITHTOWN LIBRARY FOUNDATION	\$7,500	\$0	(\$7,500)
GUP1	ST JAMES CHAMBER OF COMMERCE	\$10,000	\$0	(\$10,000)
HBP1	STALLER FILM FESTIVAL	\$25,200	\$10,200	(\$15,000)
HBT1	TRAVELING HISPANIC THEATER, INC.	\$10,000	\$0	(\$10,000)
GZF1	VAIL-LEAVITT MUSIC HALL	\$5,000	\$0	(\$5,000)

Code	Contract Agencies	2008 Modified	2009 Rec.	Difference
HBU1	VENNTTES CULTURAL WORKSHOP	\$5,000	\$0	(\$5,000)
HRC1	WEST ISLIP CHAMBER OF COMMERCE	\$5,000	\$0	(\$5,000)
HRD1	WEST ISLIP COMMUNITY ORCHESTRA	\$5,000	\$0	(\$5,000)
GTG1	WESTHAMPTON BEACH PERFORMING ARTS	\$20,000	\$0	(\$20,000)
0000	NON-CONTRACT AGENCY	\$157,293	\$0	(\$157,293)
		\$663,879	\$10,200	(\$653,679)

Aviation Enterprise Fund (625) and the Aviation Division

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

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

For the first time since establishing the Airport Enterprise Fund (625), the recommended budget does not include an interfund transfer from the General Fund. In the past, airport operations required, on average, a \$1.2 million transfer from the General Fund. The 2008 estimated budget projects an ending fund balance of \$1.6 million, the majority of which is attributed to the one-time user fee payment of \$1.2 million from the Air National Guard for its past use of the airport's sewage treatment facility. Other contributing factors to eliminating the 2009 General Fund transfer are; a 2007 ending fund balance of \$186,814; an estimated landing fee revenue of \$109,773 over the 2008 adopted budget from increasing fees (Resolution No. 513-2008), and a savings of \$82,479 in lower than budgeted personal services.

In addition to an estimated beginning fund balance of \$1.6 million, the recommended budget includes \$2.3 million in revenue from the following sources: development and management of the Hampton Business and Technology Park by the Rechler Equity Partners of Melville; lease revenue from T-hanger sites, the collection of sewer rents, and adjusted airport / landing fees revenue.

The 2009 recommended budget includes airport operations expenditures of \$2,075,311 and for the first time, an interfund transfer to the General Fund of \$1,893,883.

The current airport staff continues to provide professional guidance by planning for the future development of this asset. An example of this guidance is the Federal Aviation Administration's offer to accept Suffolk County into the FAA Air Traffic Control Tower Program (Resolution No. 775-2008). The Air National Guard (ANG) has been providing air traffic control services at the airport as part of the Joint Use Agreement with the County (Resolution No. 250-2005). One of the major issues that surfaced during the last round of Base Relocation and Closures (BRAC) was the annual operating cost of \$680,000 for this air traffic control service. Having the County participate in the FAA Air Traffic Control Tower Program (at no cost to the County) eliminates the ANG's cost for this service. Under the FAA Air Traffic Control Tower Program, the FAA selects the

contract company that is to provide air traffic control tower services at Gabreski Airport and directly funds the contractor. As a FAA Air Traffic Control Tower Program member, the County's standing for receiving additional federal aid is elevated.

The 2008 and 2009 revenue and expenditures forecasts are reasonable, provided that the development of the County's airport progresses forward as outlined by the department.

Comprehensive Shellfish Restoration Program (Fund 477)

The Comprehensive Shellfish Restoration program is a \$1 million Legislative initiative that was included in the 2005 Operating Budget (Resolution No. 1027-2004). This program was funded through the Suffolk County Water Protection Fund (477) as a component of the Water Quality Protection and Restoration Program (SCWQPRP). The Nature Conservancy, Inc. (TNC) was granted a waiver from the RFP process in 2005 to provide this program. Conditions of this waiver obligated the Nature Conservancy to match \$1 million provided by the County for a comprehensive shellfish restoration program. In 2006, the County and The Nature Conservancy, Inc. signed a contract for the period January 1, 2005 to December 31, 2007. The terms of the contract reimburse TNC one dollar for every two dollars spent on the program, Great South Bay Clam Restoration Project, up to \$1 million. The Nature Conservancy, Inc. was unable to accomplish the terms of the Comprehensive Shellfish Restoration Program contract by its termination date of December 31, 2007. The Nature Conservancy has requested an extension to their contract to December 31, 2008. According to the department on October 6, 2008, The Nature Conservancy, Inc. contract extension is under review by the Department of Law. The 2008 adopted and estimated budget includes \$557,085 for the Comprehensive Shellfish Restoration Program (HGW1), the balance of the original \$1 million appropriation. As of October 1, 2008, no funds have been encumbered or expended.

In November of 2007, the public voted on a referendum to adopt Charter Law 24-2007, which amended the County Charter and extended the Suffolk County $\frac{1}{4}$ Percent Drinking Water Protection Program for Environmental Protection. Section §12-3 was amended and assigns the management, administration, and day-to-day care and supervision of Fund 477 programs to the Department of Environment and Energy (EVE), and requires the Budget Office to maintain the official records of moneys expended.

Although the referendum was adopted, management, administration, and day-to-day care and supervision of the Comprehensive Shellfish Restoration program were not transferred in 2008 from the Department of Economic Development and Workforce Housing to the Department of Environment and Energy as per Charter Law.

Under the Suffolk County Drinking Water Protection Program the Department of Environment and Energy has the responsibility to prepare for the County Executive and Legislature the 2008 progress report for the Comprehensive Shellfish Restoration program if their contract is extended in 2008. This report would assist the County Executive, the Legislature and the Water Quality Protection and Restoration Program

and Land Stewardship Initiatives Committee in determining the success or failure of this program and if further funding is required.

Based on discussions with EVE, The Nature Conservancy, Inc. has not submitted the above program to the Water Quality Protection and Restoration Program and Land Stewardship Initiatives Committee for their 2008 funding recommendation. Fund 477 programs require the Water Quality Review Committee's recommendation along with a legislative resolution adopting the Committee's recommendation to fund the program. The Legislature should have the Water Quality Review Committee's recommendation in hand prior to approval of 477 funded projects.

The Department of Environment and Energy did not request funding for the Comprehensive Shellfish Restoration program in 2009, nor does the recommended budget include funds.

Regional Economic Development Initiative (Fund 626)

The Town of Riverhead is the Empire Zone administrator for all of Suffolk County except for the Towns of Brookhaven and Islip, which have their own Empire Zones. The County is the grantee of the Suffolk County / Riverhead Empire Zone. As one of four members (Babylon, Southampton, Riverhead and Suffolk County), Suffolk County pays a portion of the administration costs annually to the Town of Riverhead. The County considered assuming the administration of the Suffolk County / Riverhead Empire Zones in 2008 but concluded to leave the administration with the Town of Riverhead.

The creation of The Empire Development Zone Fund (Fund 626) in 2007 was a County Executive initiative to account for 2008 revenues and expenditures associated with the Suffolk County / Riverhead Empire Zones, in the event the County assumed the administration function.

The 2008 adopted budget includes revenue of \$104,700 from the following sources: Babylon Town, \$25,000; Southampton Town, \$1,000; Riverhead Town, \$24,000; New York State \$25,700; and an interfund transfer from the County General Fund, \$29,000. The estimated budget only reflects the County's interfund transfer of \$29,000 from the General Fund to Fund 626.

Based on our discussion with the department, no Fund 626 revenues or expenditures will be realized in 2008 or 2009 aside from the County's interfund transfer of \$29,000 in 2008 and in 2009 from the General Fund. The County contribution represents its share of the administration expenditures for the Suffolk County / Riverhead Empire Zones to the Town of Riverhead. The Budget Review Office agrees with the budget presentation. If Empire Zone revenue is realized in the future, Fund 626 provides a vehicle for its recognition.

Budget Review Office Recommendations

None

ENVIRONMENT & ENERGY

Major Issues

1. Staffing
2. Revenue
3. Expenditures

Budget Review Office Evaluation

Staffing and Transfer of Personnel

- The Department of Environment and Energy consists of six divisions of which five are in the General Fund (Administration, Division of Real Property Acquisition and Management, Office of Energy, Office of Recycling and Waste Management, and Office of Cancer Awareness) and the sixth division, Water Quality Improvement, is funded by the Suffolk County Water Quality Protection Fund (Fund 477).
- The Department of Environment and Energy requested four new positions:
 - Office of Recycling & Waste Management (001-8230) one Recycling Coordinator (grade 25)
 - Division of Water Quality Improvement (477-8210) two Senior Environmental Analysts (grade 26) and one Research Technician (grade 17).
 - The 2009 Recommended Budget provides none of the requested positions. The Budget Review Office concurs with not creating the three positions in Fund 477. It continues to be the position of the Budget Review Office that Water Quality Protection Funding should not be used to fund operating costs.
 - In the Office of Recycling & Waste Management, the Chief Environmental Analyst (grade 33) retired under the ERIP. The 2009 Recommended Budget does not abolish the position but increases turnover savings to 80% of the Chief Environmental Analyst's salary leaving \$23,824 available in permanent salary. Recycling is crucial to the environment and the Office of Recycling & Waste Management should be staffed by a Recycling Coordinator not a Chief Environmental Analyst. The budget request indicates that the position of recycling coordinator as well as any equipment, supplies, educational materials, etc. are all eligible for 50% reimbursement after submission to the NYS Department of Environmental Conservation.
- As of the end of September, the department has five vacant positions including the Chief Environmental Analyst who just retired. Four of the positions are in the General Fund: Deputy Commissioner of Environment & Energy (grade 31), Chief Environmental Analyst (grade 33), Clerk Typist (grade 9) and Farmland

Administrator (grade 28). The one vacant position in the Water Quality Protection Fund is an Assistant Public Health Engineer (grade 23).

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

Revenue

The Real Estate Division's budget request includes a schedule of parcels that were sold at auction, but which have yet to close. The last auction that the County held was in October 2007. There are 203 parcels with an auction value of \$8,976,250 from the 2007 auction that either have or could close before year-end. There is also one parcel from the May 2002 auction with an auction price of \$775,000 that is in litigation. The litigation involves a closing with a new owner and the County allowing the former owner to redeem the parcel. The County is holding the closing money and the tax redemption money in escrow. This parcel was auctioned more than six years ago. Since a closing has not occurred, Local Law 23 of 1999 requires that auctioned parcels should close within two years after signing the contract of sale. And if not, the Director of the Division of Real Estate shall appear before the Ways and Means Committee and the Parks, Land Acquisitions, and Cultural Affairs Committee of the County Legislature, or any successor committees thereto in order to continue the transfer process.

- For 2008, it is estimated that \$4,200,000 will be received from Gain Sale Tax Acquired Property (001-1051). Based on the year-to-date revenue the estimate is reasonable. For 2009, the Recommended Budget projects that the County will receive \$3,000,000 as requested. The amount seems reasonable based on the upset prices of \$3,243,150 for the auction scheduled for October 2008 and the dollar value of the 2007 parcels not closed.
- On October 23, 2008, the County will hold a surplus County-owned real estate auction. It is estimated that the upset price for the 164 parcels being offered for auction is \$3,243,150. The actual number of parcels that are auctioned could vary from the estimated 164 parcels. The County has the right to withdraw parcels up to the time the auction starts.
- The adopted 2007 budget included \$3.5 million from the sale of "Brownsfield" tax liens (001-1082). The actual revenue received in 2007 was zero. Although "Brownsfield" Program tax lien sales have generated less than \$350,000 in income, the program has motivated several delinquent taxpayers to pay their back taxes so that their property would not be offered for auction. This has benefited the County. The Division of Real Estate estimates that over one million dollars in delinquent taxes has been collected because of the threat of the "Brownsfield" property going to auction. For 2008 the 2009 Recommended Budget estimates \$300,000 and recommends \$300,000 for 2009. This may be optimistic because

the County has not held a “Brownsfield” Auction in 2008 because of pending New York State legislation changes.

- “Brownsfield” property tax liens present a difficult choice for the County. If the County chooses to foreclose the tax lien and takes title it assumes liability for the property. The cost of clean up may be substantial and the liability for damage to surrounding parcels may be material. If the County does nothing, the County investment in the property grows with little or no opportunity to recover not only County taxes owed but also the taxes paid to other jurisdictions. In order to make an informed decision as to whether or not a “Brownsfield” Tax Lien should be sold, the Legislature should be furnished with information such as appraised value and estimated cost of remediation prior to taking action on approving tax lien sales.

Expenditures

For 2009, the Department requested \$5,029,524, of which \$1,436,906 is for the Water Protection Fund (477). The Executive recommended \$4,558,344, of which \$1,176,604 is for Fund 477 expenditures. In total, this is \$471,180 less than requested (\$260,302 Fund 477 and \$210,878 General Fund) and can be attributed to the following.

- By not creating the four positions requested, funding is reduced by \$203,110, of which \$149,605 is in Fund 477 and \$53,505 is in the General Fund.
- The 2009 turnover savings is increased \$244,085 with \$100,697 in Fund 477 and \$43,388 in the General Fund and requested salary adjustments of \$12,685 are not included
- There are reductions in equipment and supplies totaling \$11,300.

Budget Review Office Recommendations

- The receipt of any revenue from the Sale of Tax Liens (001-1082) in 2008 or 2009 is optimistic.
- The Office of Recycling & Waste Management should be staffed by a Recycling Coordinator not a Chief Environmental Analyst. The budget request indicates that the position of recycling coordinator as well as any equipment, supplies, educational materials, etc. are all eligible for 50% reimbursement after submission to the NYS Department of Environmental Conservation.
- The Director of Real Estate should appear before the Legislature to explain the status of the one parcel from the May 2002 auction with an auction price of \$775,000 that is in litigation.

EXECUTIVE

Executive Office

Major Issues

No Budget Request was submitted for legislative review.

Budget Review Office Evaluation

The County Executive's Office is comprised of the following operation units:

- Office of the County Executive
- Office of Budget and Management
- Labor Relations
- Office of Minority Affairs

The following divisions within the Executive Department are not operationally related to the functions of the County Executive as the chief budget officer and are included in the following sections of this report:

- Consumer Affairs
- Human Services
- Office for the Aging
- Veterans Service Agency
- Office for Woman
- Handicapped Services
- Youth Bureau

The 2009 recommended budget for the Executive Office is \$5,588,281, which \$33,243 is less than the 2008 adopted amount, but \$347,536 more than the 2008 estimated amount.

The recommended budget includes 76 positions, one less position than in 2008 as one secretary position is transferred to Office for the Aging.

The recommended budget reflects the Executive's plan to amend the Suffolk County Classification and Salary Plan to increase the grade of the filled exempt position, Director of Labor Relations, from grade 34 to grade 36. The 2009 estimated annualized

salary increase is \$11,500, assuming the employee remains in top step (36/11). This grade change requires legislation to amend the Classification and Salary Plan.

The 2008 estimated permanent salaries of \$4,401,892 are reasonable. The 2009 recommended permanent salaries of \$4,895,495 is \$46,702 less than the 2008 estimated budget and is \$493,603 greater than the 2008 adopted permanent salary budget. The recommended budget includes sufficient permanent salary appropriations to fill 10 of the 16 vacant positions in the Executive's Office.

Budget Review Office Recommendations

Correct the unit name in the appropriation section of the budget to change the unit name from *Administration* to *Office of Minority Affairs* in 001-EXE-6511 to be consistent with the unit name in the staffing section of the budget.

BP Executive09

FINANCE AND TAXATION

Major Issues

1. Economy
2. Staffing
3. Cash Management

Economy

The Department of Finance and Taxation is heavily impacted by economic conditions. A slow economy results in less revenue. Property tax delinquencies rise, the amount of sales tax collected is reduced, and taxpayer refunds and certioraris increase. The Treasurer receives less money to invest and banks offer lower interest rates.

Staffing

The Department typically functions understaffed. This situation is complicated by the poor economy, which is increasing workload demands due to the increase in tax delinquencies and foreclosures. The Department of Finance and Taxation currently has a vacancy rate of 17.9%. There are ten vacancies, four of which are abolished in the recommended budget. The Department's ability to address growing workload demands may be impaired and the need for overtime may increase if positions are not filled. The Department has relied on temporary workers and summer interns to assist with the work that is traditionally done by full-time staff.

Cash Management

The Department is responsible for the receipt, custody, and investment of County funds from whatever source (public, banks, municipalities, etc.). The Department's ability to respond to economic conditions, to forecast cash flow, and to negotiate with banks for the best available yields is essential to maximizing the use of the County's cash assets. With the economic downturn, there is less cash to invest and lower returns on investment. Additionally, large amounts of tax adjustments are being awarded to taxpayers in association with the drop in real estate values. These cash flow problems are anticipated to carry over into 2009.

Budget Review Office Overview

- The recommended budget for 2009 is \$4,096,255, which is \$386,327 or nine percent less than requested, and is \$109,872 or three percent less than the 2008 adopted budget.
- The Department requested 56 full-time positions, which is the same as the 2008 adopted budget. The recommended budget abolished four of the five positions vacated through the 2008 Early Retirement Incentive Program (ERIP).

Budget Review Office Evaluation

During 2007, the Department of Finance and Taxation reportedly managed approximately \$3.8 billion in County funds. Actual interest earnings for the General Fund totaled \$7.5 million in 2007, down from \$10.0 million in 2006. For all fund entities, actual interest earnings totaled \$27.4 million in 2007, \$2.7 million less than in 2006. The decrease in interest earnings is due to economic factors, which are outside of the Treasurer's control. The Treasurer continues to give active and prudent attention to opportunities to enhance County revenues.

While ensuring that all investments are properly secured by authorized collateral, the Department continuously assesses the County's cash flow requirements for opportunities to invest available cash. In making these assessments, the Department gives careful consideration to such factors as:

- the state of the economy and its likely impact on real property tax delinquencies;
- the potential for delays or reductions in federal and state aid;
- the implementation of new fee charges and other sources of revenue;
- the number of certioraris and resulting payment of refunds to taxpayers.

The Department has responsibility for maintaining the Tax History System for the 582,908 parcels of property in Suffolk County. An accurate tax history must be maintained on every parcel of property assessed in Suffolk County in order to accommodate the myriad of functions related to this responsibility. In this regard, the Department is continuously attempting to take advantage of improving technology to become more efficient in managing the workload.

Full-Time Staffing

The Department is particularly stressed in the Tax Collection Division. This unit responds to inquiries about delinquent property taxes by taxpayers who contact the unit by phone or in person. This unit works closely with the Cashier's Unit by crediting tax payments to parcels prior to depositing the revenue into banks. Due to this unit's crucial role in insuring the collection of County revenue, it is necessary for the unit to complete its work in a timely fashion, with the use of overtime. The Department originally requested \$20,000 for overtime salaries, which is the same as in the 2008 adopted budget and the 2009 recommended budget. The Department anticipates that this unit will require an additional \$10,000 for overtime in 2009.

The recommended budget abolishes the following four positions, vacated through the 2008 ERIP, one of which is in the Tax Collection Division.

Unit Name	Position Title	Grade
Accounting	Senior Account Clerk	14
Tax Collection	Senior Clerk Typist	12
Tax History and Sale	Tax History Supervisor	21
Tax History and Sale	Principal Clerk	14

The Tax History Supervisor is a unique position that oversees the integrity of the information on the Tax History System (MUNIS) and contacts town tax receivers and town assessors. The Tax History Division is immensely important because it verifies and maintains the data and property tax records.

Salary Funding

- The recommended budget includes \$3,029,246 for permanent salaries, which is \$183,954 less than the 2008 adopted budget. Despite the decrease, the recommended budget provides funding for all currently filled positions and all vacant positions for the entire year, assuming vacancies are filled at entry-level step.
- There is also sufficient funding in the recommended budget to retain and fill the Tax History Supervisor position, therefore we recommend restoring this position.

Computerized Systems

- Last year the Department completed work with the Department of Information Technology Services to convert the Tax History System from a UNIX to a WINDOWS operating system.

- The Department is sensitized to the need for improving and maintaining data back-up recovery systems. Accordingly, the Department has designed and installed software and hardware at two off-site locations to help ensure that its multiple operating systems will continue to be available in the event of an emergency.
- The Department is working with the Department of Information Technology Services to establish a web-based payment portal for delinquent property taxes, which is intended to enhance collection.

Budget Review Office Recommendations

- To provide an adequate staffing level to maintain the integrity of the Tax History system, the Budget Review Office recommends that the Tax History Supervisor position be restored. There are sufficient permanent salary appropriations already included to allow for the filling of the restored position.
- The Budget Review Office recommends adding \$10,000 to Overtime Salaries (001-FIN-1325-1120). This is the most cost effective way to meet workload challenges in the Tax Collection Division for 2009.

BP Finance&Taxation09

FIRE, RESCUE & EMERGENCY SERVICES (FRES)

Major Issues

1. Staffing
2. Vehicles
3. Contract Agencies
4. Operating Budget
5. Vocational Education and Extension Board (VEEB)

Budget Review Office Evaluation

Staffing

In adherence to the All Department Heads Memorandum number 16-08, FRES did not request any new positions. The department reports that it is meeting its base mission tasks in part due to additional grant funded positions and the resourcefulness of its personnel. Although FRES has had some success in funding positions through grant programs, staffing remains a major issue in this department.

The recommended budget includes 90 authorized positions, which is nine less than the 2008 modified budget, as detailed in the following table.

Abolished Positions in the Recommended Budget by Division	
Job Title	# of Positions
3405-Domestic Preparedness	
Training Officer - Emergency Preparedness	2 (PT)
3408-Pre-Disaster Mitigation Grant	
Planning Aide	1
3412-State Homeland Security Program (SHSP) 2006	
Training Officer - Emergency Preparedness	4 (PT)
3413-Urban Area Security Initiative (UASI) 2006	
Resource Management Officer -Emergency Preparedness	2
Grand Total	9

The Budget Review Office agrees with the abolishment of these positions as they are redundant grant funded positions. All of these positions are continued in new units that were created when subsequent grant funding was accepted and allocated.

Two grant-funded Planning Aide positions that were authorized and created pursuant to Resolution No. 48-2008, as amended by Resolution No. 366-2008, were inadvertently omitted from the recommended budget. To correctly reflect these two positions in the budget, we recommend including them in the adopted budget as reflected in the payroll system, position numbers 3417-0300-0008 and 3417-0300-0009. The Executive Budget Office assures us that this can be corrected when the 2009 payroll information is updated.

The department has seventeen net vacant positions including the two Planning Aide positions, as detailed in the table that follows.

Vacant Positions By Division (Once the Nine Redundant Positions are Abolished and Two Planning Aides are Added)	
Job Title	# of Positions
3400-Division of FRES	
EMERG SVCS DISPATCHER I	3
PUBLIC SAFETY TECHNICAL COORDINATOR	1
FIRE MARSHAL I	2
NEIGHBORHOOD AIDE	2
SENIOR CLERK TYPIST	1
CHIEF OF FIRE RESCUE SERVICES	1
3409-NYS Disaster Planning & Preparedness Prog to Aid Counties	
CLERK TYPIST	1
3417- Urban Area Security Initiative (UASI) 2007	
PLANNING AIDE	2
RESOURCE MGT OFCR-EMG PPD	4
Grand Total	17

- FRES had one position vacated as a result of the Early Retirement Incentive Program, an ESD I.
- FRES is in the process of filling the following five positions: two Emergency Services Dispatcher I, one clerk typist and two Planning Aide positions.
- The department plans to fill the Public Safety Technical Coordinator (grade 24 step 9) to be the CAD system administrator. DoIT, FRES and Civil Service explored other existing titles that would be appropriate and agreed on Public Safety Technical Coordinator. As this title did not fit into the role of DoIT, the vacant ESD I position was earmarked for this vital position. Filling this position should eliminate the need for the contractual employee provided by Intergraph to perform this function.
- At the request of the department, Civil Service earmarked the two vacant part time Neighborhood Aide positions to Clerk Typist positions. These positions were transferred in the 2008 Adopted Budget from the Suffolk Health Plan to FRES to assist with the preparation of reports on grant program progress.
- The four part-time Resource Management Officer positions in 3417-(UASI 2007) will be filled by current staff that will be transferred as grant funding transitions in the beginning of 2009.

The estimated budget includes \$4,401,289 in salary appropriations for FRES, which is reasonable.

The recommended budget includes \$4,525,805 for permanent salaries, which is sufficient to adequately fund all currently filled positions, two Emergency Services Dispatcher I positions, one clerk typist, two Planning Aides, and one Public Safety Technical Coordinator and two of the remaining vacancies for the year.

We recommend correcting inconsistent unit names between the staffing pages and the appropriation pages for two items as follows:

- 001-FRE-3405 is reflected as unit name Domestic Preparedness Equipment in the staffing pages should be changed to Domestic Preparedness Support;
- 001-FRE-3409 is reflected as unit name Domestic Preparedness Support in the staffing pages should be changed to NYS Disaster Planning & Preparedness Program

Vehicles

FRES requested three replacement vehicles, one sedan, and two 4WD SUV's at a total cost of \$51,000. The recommended budget includes the three requested vehicles plus one hybrid sedan.

DPW did not include the department's request to replace the 1988 Chevrolet dump truck with an odometer reading as of May 1, 2008, of 85,745 miles. Although this vehicle does not meet the mileage replacement criteria of exceeding 110,000 miles, it is a twenty year old vehicle with rust deterioration of the truck body, dump body and chassis rails necessitating its replacement. This vehicle is utilized daily to remove

debris to the nearby dump. The department tried to obtain a decommissioned vehicle from DPW as a suitable replacement vehicle for this purpose but has been unsuccessful.

We agree with foregoing the replacement of the dump truck as Introductory Resolution No. 1841-2008 amends the 2008 Capital Budget and Program and appropriates \$65,000 to purchase a replacement dump truck for the Suffolk County Fire Training Center from CP 3421, Heavy Duty and Specialty Equipment for the Department of Fire, Rescue and Emergency Services.

Contract Agencies

The adopted and estimated budgets include \$92,000 in appropriation 001-FRE-3400-Fire, Rescue and Emergency Services for contracted agencies that are listed in the table that follows.

**Status of 2008 Estimated Funding
for Appropriation 001-FRE-3400-4980-Contracted Agencies**

Contract Agency Name	2008 Adopted	Year to Date Expenditures as of 9/21/08
MASTIC FIRE DEPT	\$5,000	\$0
KINGS PARK FIRE DEPT	\$8,000	\$0
SMITHTOWN FIRE DEPARTMENT	\$13,000	\$13,000
BELLPORT FIRE DEPARTMENT	\$5,000	\$0
COMMACK FIRE DEPARTMENT	\$13,000	\$0
NISSEQUOGUE FIRE DEPT.	\$8,000	\$0
HAUPPAUGE FIRE DEPARTMENT	\$5,000	\$5,000
NESCONSET FIRE DEPARTMENT	\$5,000	\$0
RONKONKOMA FIRE DEPARTMENT	\$5,000	\$0
YAPHANK FIRE DEPARTMENT	\$5,000	\$0
PORT JEFFERSON VOLUNTEER AMBULANCE CORP	\$5,000	\$5,000
GORDON HEIGHTS FIRE DEPARTMENT	\$5,000	\$5,000
PATCHOGUE AMBULANCE COMPANY	\$10,000	\$0
Grand Total	\$92,000	\$28,000

As of September 21, 2008, the County's integrated financial management system (IFMS) indicates that only \$28,000 of the funding has been expended. The remaining \$64,000 in unexpended funding may be due to delays in the submission of requisite paperwork from the contract agencies or delays in the County contract process. The recommended budget does not include funding for these contract agencies in 2009.

Operating Budget

The 2008 estimated budget is reasonable. It includes \$12,347,487, which is \$3,351,902 more than the adopted budget. The difference between these two budgets is mainly attributable to additional grant funding.

The 2009 recommended budget includes \$8,750,702, which is \$44,480 less than the department requested. FRES's budget request complied with ADHM 16-08 in that it was no increase over the 2008 Adopted Budget as modified by Resolution 283-2008.

We agree with the recommended budget presentation and the recommended budget statement, "To help cut costs, FRES should continue to purchase equipment and supplies through various grant programs."

Vocational Education and Extension Board (VEEB)

State Aid Calculation changes

VEEB has been calculating its annual state aid based on Section 1104 of the NYS Education Law; 50% of actual salary paid up to a maximum amount of \$21,000, which results in maximum state aid reimbursement for any one individual of \$10,500. In December 2007, VEEB received a state aid award letter for the period of 7/1/06 - 6/30/07 that was \$131,000 less than VEEB's calculations for state aid. Through discussions with the State, VEEB discovered that the NYS Education Department used a different formula to calculate its reimbursement. According to VEEB, the State is annualizing the per-diem salaries under Section 3101 of the Education Law and using a factor which results in a decrease in state aid to VEEB. VEEB has determined that the new calculation results in VEEB losing approximately 1/3 of its state aid or \$131,000 in 2009. The change in calculation and loss of aid prompted VEEB to begin a legal proceeding against the State.

The Suffolk County Attorney's office filed affidavits from VEEB's office with the courts in Albany. According to VEEB, the court allowed the State to give the final response, which noted that on April 23, 2008, Governor Paterson signed Chapter 53 of the Education Law. The adoption of Chapter 53, further changed VEEB's state aid calculation effective April 1, 2008, to restrict state aid to 98% of the prior year's amount. This means that VEEB's state aid for the 2007-08 year and future years will be reduced by two percent each year. VEEB is considering filing an appeal of the courts decision.

2008 Estimated Budget

The estimated budget includes \$2,151,820 as adopted however; VEEB's request indicates that it will expend \$28,550 more than the adopted budget, \$38,050 more for Fuel for Operations, \$2,900 less on longevity, and \$6,600 less on Health Buy-Back. VEEB plans to make state aid budgetary adjustments to offset its potential 2008 operating budget deficit.

2009 Recommended Budget

The recommended budget includes \$2,194,856, as requested by VEEB, which is a two percent increase or \$43,036 more than the 2008 adopted budget. The majority of this increase will provide VEEB with additional funds for fuel for operations and contractual salary increases; however, it does not include the fiscal impact to VEEB as a result of state aid calculation changes. VEEB has calculated that it will have a loss of \$131,000 from state aid, which when offset by the County's two percent increase is a net loss of

approximately \$66,000. VEEB has contingency plans to address this loss and still meet its mission by:

- Not reducing the number of trainings but offering comparable training that will meet the volunteer fire fighters certification requirements with live burn evolutions that require less fuel to be burned.
- Consolidating training into townships instead of individual fire houses. This will enable VEEB to offer the training to a larger audience thereby reducing the number of times the training has to be done.

Potential Negative Fiscal Impact to VEEB's 2010 Operating Budget

Taking into account both the change in the state aid calculation and the Chapter 53 reduction of two percent from the prior year, VEEB has calculated a potential negative fiscal impact to its 2010 operating budget in the amount of \$195,000. This is a significant loss to VEEB's funding that has the potential to impact the number of trainings that Suffolk County volunteer fire fighters will receive in 2010.

We recommend that the Legislature request that VEEB keep the Public Safety Committee informed of the status of its litigation with the New York State Education Department regarding its state aid calculations and its contingency plans. It is a legislative policy decision to determine if the County should offset VEEB's loss in state aid in 2009 as well as the two percent reduction in state aid each year as a result of the adoption of Chapter 53.

Budget Review Office Recommendations

- Correctly reflect two Planning Aide positions in the budget by including them in the adopted budget as reflected in the payroll system, appropriation 001-FRE-3417-UASI 07 FRE with position numbers 3417-0300-0008 and 3417-0300-0009.
- Correct the inconsistent unit names between the staffing pages and the appropriation pages for two items as follows.
 - 001-FRE-3405 is reflected as unit name Domestic Preparedness Equipment in the staffing pages should be changed to Domestic Preparedness Support.
 - 001-FRE-3409 is reflected as unit name Domestic Preparedness Support in the staffing pages should be changed to NYS Disaster Planning & Preparedness Program.
- Request that VEEB keep the Public Safety Committee informed of the status of its litigation with the New York State Education Department regarding its state aid calculations and its contingency plans.

DEPARTMENT OF HEALTH SERVICES

Overview

Program Description

Suffolk County Department of Health Services' (SCDHS) stated mission is to “educate and work with the public in a cooperative manner to promote health and wellness in order to prevent disease, to protect the public’s health, safety and environment, both proactively and reactively by utilizing best practices, and to actively provide high quality, equitable, and affordable health services that are culturally and linguistically appropriate.” The department’s authority derives from state and county laws and regulations; Suffolk County’s Health Commissioner is also a state official, the Public Health Officer and chief administrative officer for the health district (Suffolk County is a health district), with direct responsibility to the New York State Department of Health, as well as to the government of Suffolk County.

Each year about one in seven residents of the county receives some sort of direct service provided by, or contracted through the Department of Health Services; the entire population of the County receives the benefit of the work done to ensure the safety and wholesomeness of Suffolk’s food, water and environment.

There are nine divisions within the Department of Health Services:

- Public Health
- Services for Children with Special Needs
- Medical-Legal Investigation and Forensic Sciences
- Environmental Quality
- Preventive Medicine
- Patient Care Services
- Community Mental Hygiene
- Emergency Medical Services
- John J. Foley Skilled Nursing Facility

Management of the Cornell Cooperative Extension Association contracts has been transferred to Health Services in the 2009 Recommended Budget, to be managed by Health Services Administration. The program is described and evaluated in the Cornell Cooperative Extension section of this report.

Suffolk Health Plan

A tenth division, the Suffolk Health Plan (Enterprise Fund 613), the County’s Medicaid Prepaid Health Services Plan, is no longer operating, but has been funded for \$1,875,000 to ensure funding of incurred but not reported (IBNR) claims against the plan. The plan was sold to Neighborhood Health Providers for \$6.5 million in 2008. All personnel were transferred to other divisions or departments.

Legal, Regulatory and Policy Environment for Health Services

Several sections of the United States Code, the New York State Public Health Law, Title 10 of the New York Code of Rules and Regulations, the Suffolk County Charter and the NYS and Suffolk County Sanitary Code, govern the operations of the Department of Health Services. Certain services provided by Health Services are mandated by Federal, State and local law, most notably the provision of services to children with special health care needs and the provision of medical care to jail inmates. The department contracts with New York State to provide other health services according to a Municipal Health Services Plan (MHSP); which promises to provide these services in return for state aid. A Community Health Assessment is prepared periodically to assist in the preparation of the Municipal Health Services Plan. State public health aid to Suffolk County is claimed based on the MHSP. As of October 2008, this claim, and the aid received, is generally based on the cost of the work accomplished, not necessarily on the accomplishment of contracted MHSP specifications or goals.

As a local public health agency, and member of state and national associations of local public health agencies, the department accomplishes its mission through provision of essential public health services. These services are defined in the Future of the Public's Health in the 21st Century (Institute of Medicine, 2003), and provide a working definition of public health and a guiding framework for the responsibilities of local public health systems:

1. Monitor health status to identify community health problems
2. Diagnose and investigate health problems and health hazards in the community
3. Inform, educate, and empower people about health issues
4. Mobilize community partnerships to identify and solve health problems
5. Develop policies and plans that support individual and community health efforts
6. Enforce laws and regulations that protect health and ensure safety
7. Link people to needed personal health services and assure the provision of health care when otherwise unavailable
8. Assure a competent public health and personal health care workforce
9. Evaluate effectiveness, accessibility, and quality of personal and population-based health services
10. Research for new insights and innovative solutions to health problems

The NYS Public Health Law and Title 10 NYCRR codify much of the essential public health services.

Healthy People 2010 is a comprehensive assessment of national health problems and opportunities for improvement. Federal and State Grants applications and plans prepared by the Department of Health Services typically require consideration of Healthy People 2010 goals and objectives which are based on improving the nation's health with respect to the following indicators:

- Physical Activity
- Overweight and Obesity
- Tobacco Use
- Substance Abuse
- Responsible Sexual Behavior
- Mental Health
- Injury and Violence
- Environmental Quality
- Immunization
- Access to Health Care

Departmental activities tend to be focused on activities, which can positively affect these indicators.

Budget Review Office Evaluation

Recommended expenditures for the Department of Health Services (DHS) for 2009 are \$379,480,159, an 11% decrease from the estimated 2008 expenditures, and 5.9% less than the requested budget of \$403,172,992.

This decrease is accomplished primarily by—

- Defunding and closing the John J. Foley Skilled Nursing Facility (JJFSNF), and abolishing the 379 positions associated with the facility, ending operations at the facility by March 31, 2008, and thereby decreasing expenses by \$23 million in the operating budget. Closure would substantially decrease the department's ability to provide access assurance for long-term care.
- The Recommended Budget decreases expenditures by \$6,158,458 compared to the departmental request excluding the nursing home. This is accomplished by:
 - Abolishing an additional 32 positions in the department, mostly as the result of the ERIP, and increasing turnover savings, to decrease the recommended permanent salaries and Longevity Pay by more than \$3.8 million.
 - Reducing funding in 3650—Building Repairs by \$448,400 or 38.7% less than requested. Most of the department's facilities are either in high use buildings or in aging facilities. Reductions to 3650—Building Repairs lines as proposed could compromise the safety of the facilities and preclude additional renovations planned because of grant awards or other aid.
 - Reductions in state aid for mandatory Children with Special Needs programs, totaling more than \$1.9 million.

Some divisional changes in funding are attributed to reorganization of the Division of Preventive Medicine and the movement of units into that division, and the sale and final disposition of the Suffolk Health Plan. SCDHS has indicated to BRO a desire that separate appropriations in the Division of Preventive Medicine be maintained, versus the recommended absorption of all Preventive Medicine units into a single appropriation (Appropriation 001-HSV-4500), to facilitate the state public health aid claim.

Health Services has decided to emphasize cost savings, cost avoidance, revenue maximization, and collaborative efforts as it attempts to minimize the cost of a health services department serving 1.4 million Suffolk County residents. Inherent in this approach is an emphasis on the measurement of outputs, efficiency, and productivity as opposed to the measurement of outcomes and determining program effectiveness. Typical reporting data available from the department are visits, inspections or tests completed; emergency response calls answered; and samples taken. Units of service and units of cost are by implication equivalent in this paradigm.

Current organization of the Health Services Department and the Recommended Budget presentation are inconsistent with the Administrative Code of Suffolk County and the Suffolk County Charter. Certain divisions of the department are specifically enumerated according to the Administrative Code, and in turn have powers and duties enumerated to them. Although Article IX of the Charter grants the Commissioner the power to “organize the Department into divisions, bureaus or offices and make assignments of powers and duties among them and from time to time change such organization and assignments”, this power is limited by “the extent to which the organization of the Department is not prescribed by law” Section A9-2 of the Suffolk County Administrative Code lists the divisions of the department, “which shall have the powers and duties enumerated herein”. The following divisions are inconsistently organized and presented as compared to Suffolk County law:

<u>Division</u>	<u>Legal Requirement</u>	<u>Inconsistency</u>
Public Health	Division required to have Public Health Nursing and Chest Disease Control components	Public Health Nursing not in division (in Preventive Medicine) Chest Disease Control not in division (in Patient Care)
Patient Care Services	Required to have responsibility for public owned nursing homes in county	Public owned nursing home constituted as separate division not responsible to Patient Care
Employee Health Services	Required to be constituted as separate division	No longer a division; organized as a separate unit in Patient Care Division

The Administrative Code also requires that the Directors of Patient Care Services and Public Health be appointed by the Health Commissioner. Currently the Director of Patient Care Services has been an “acting” director for five years, and the Chief Deputy Commissioner is “dual hatted” as both Chief Deputy and Director of Public Health.

Human Resources

Management and leadership at the departmental level have stabilized over the last eighteen months. The positions of Commissioner, Chief Deputy, Deputy Commissioner and Director of Health Administrative Services have not changed personnel since the beginning of the current Commissioner’s tenure in April 2007. However, management

and leadership at the division, bureau, and unit level, doing the day to day work of the department, are more problematic. Many divisions lost institutional knowledge, leadership both formal and informal, and experience as senior personnel took advantage of the 2008 ERIP.

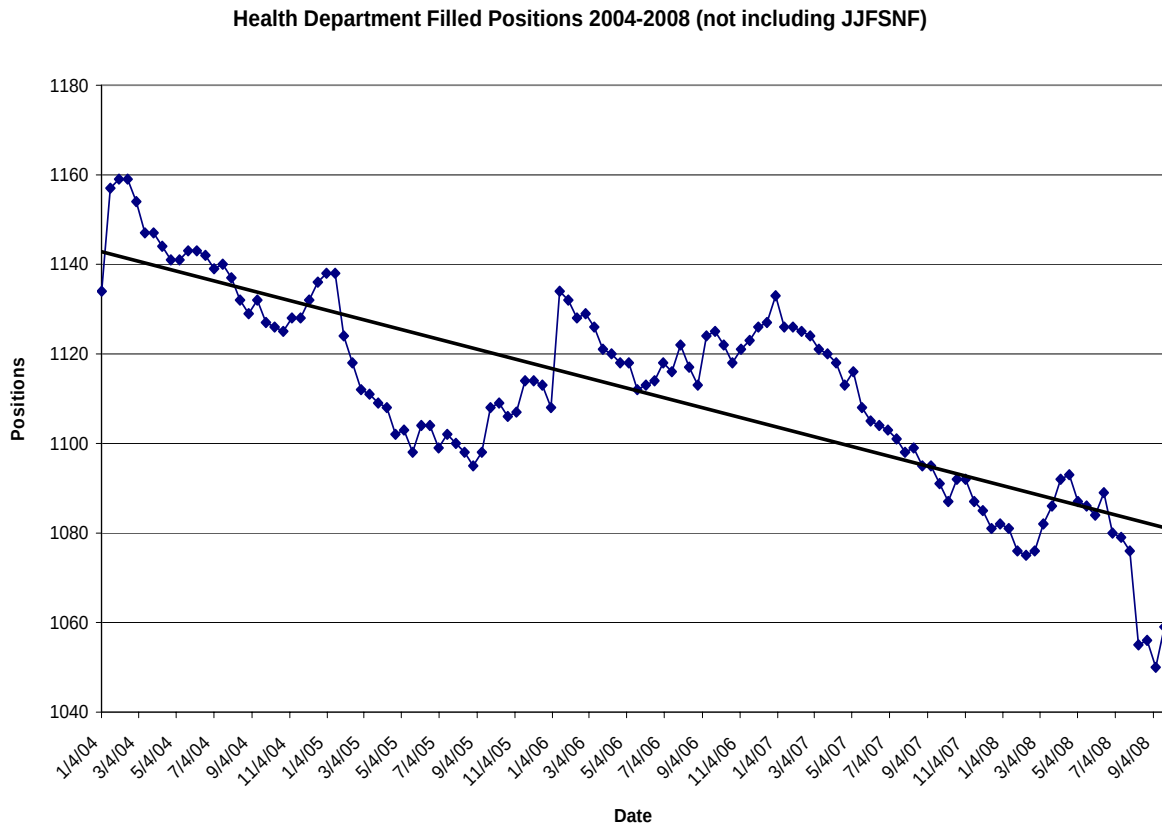
Leadership and senior management losses included:

- Chief Public Sanitarian the Food Protection Unit
- Chief Public Health Engineer in the Environmental Quality Unit
- Assistant Director of Management and Research
- Director of Clinical Affairs in the Patient Care Division, a Public Health Nurse IV
- Clinic Administrator directing maternal and child health programs in the Patient Care Division

All the above Civil Service positions are abolished in the Recommended Budget, and the department has been resourced with an exceptionally lean staffing model for 2009; “dual hatting” of leadership and management is seen in more than one division in the department.

Some programs may temporarily lose some effectiveness and efficiency as the new leadership at the division program and bureau level “learn the ropes” of managing their programs, and navigating the often-dense regulations and policies that govern public and community health services. However, there is both risk and opportunity in the wake of the ERIP; many programs run on “autopilot” for many years by experienced leadership and management, are now under the leadership and management of less experienced personnel.

Overall staffing in the department has decreased by 100 filled positions since January 2004.



Despite a mission statement that promises the utilization of best practices and the delivery of high quality services, the department is not adequately resourced to internally measure, analyze, and improve its organizational performance.

- The Health Program Analyst positions are typically used in the department for financial, budget, grant, and contract management, assigned to individual programs and departments.
- There is one Senior Program Examiner in the department, responsible for preparing the department's annual Article 28 Diagnostic and Treatment Center Medicaid Cost Report, a full time job.
- There are two other Program Examiner positions in the department. Neither is assigned to performance measurement or analysis activities.
- The once robust Performance Improvement program in the Patient Care Division has experienced significant turnover in the last two years, as the Medical Program Administrator directing the program left County service, and the Public Health Nurse IV assigned as the Director of Clinical Affairs retired.

Quality management and performance improvement in government, especially in health services, are not luxuries. The consequences of inadequately resourcing organic

program evaluation have led to a reliance on consultants, who despite their unquestioned professional qualifications have (for better or worse) less familiarity with municipal government than with business, and for whom sustainable change based on their recommendations is not a priority.

Contracts

A significant and ongoing problem with the budget of the certain contracts, particularly in the Patient Care Division, and to an extent in Community Mental Hygiene, is the calculation of the request base during the budget process. Budget guidance from the County Executive and the department to its divisions and other subunits has mandated that the unit budget be based on the previous years recommended budget, with an authorized increase from that base (typically 2% during the last few budgets) built into the request; that mandate is then passed to contracted agencies, who prepare budgets for their respective contracts. That request is often trimmed in the requested budget as submitted by the division as the division prioritizes its spending as a whole, trimmed again in the departmental request to the County Executive, and then cut once more in the Recommended Budget. The end result of this process is often a contract budget in the Executive's Recommended Budget that has little or no relationship to the resources required for the provision of services. In the Patient Care division, for example, this process resulted in a decrease in one contract of almost \$800,000, 25% of the contract's 2008 adopted expenditures; however, the difference between the departmental request and the Executive's recommended budget is only \$1,430. This annual rebase process tends to affect County run programs less dramatically; as a general rule, the difference between the previous years Recommended Budget and the Adopted Budget tends to be small.

Grants

The Department of Health Services currently has scheduled revenues of \$17,659,732 of Federal and State grant funding, 4.7% of the 2009 Recommended Budget expenditures for the department, and 6.5% of the total revenues related to the department. Most of these grants require at least annual reporting and periodic reapplication for further funding. Successful applications for this type of funding require accurate budgeting, realistic work plans, and reporting based on measurable outputs and outcomes.

Grants management at the department level currently consists of two staff; for the previous two years, it had consisted of three staff; one of these took advantage of ERIP. This small unit primarily concerned itself with finding new sources of grant funding, and not with managing current funding. Individual divisions are typically left to manage their own grants, with the diligent, but part time, help of the Federal and State Aid unit for reporting and budgeting. The current situation has left the department with the ability to find new funding, but has made it difficult to successfully manage both new funding and continuing funding to support departmental missions.

Reporting

The department has not published an Annual Report since 2003. It will not likely publish one in 2008. In 2008, Health Services Department revenues totaled \$236,257,165, about two thirds of the total cost of the department's General Fund

Expenditures. The remaining \$122,876,957 is supported by 11.2% of the broad based sales and property tax related revenues collected in 2008.

Budget Review Office Recommendations

Most recommendations regarding the department are contained within the sections describing and evaluating the department's individual divisions and units. However, more cross cutting recommendations, or recommendations applicable to multiple divisions, are contained here.

- Restore funding for 3650—Building Repairs to the requested amounts, as in the table below. This will assure adequate funding for the physical plant of the department.

<u>Appropriation</u>	<u>Organization</u>	<u>2009 Request</u>
4005	Hs: General Admin	20,000
4010	Hs: Public Health	20,000
4015	Hs: Environmental Protection	2,500
4100	Patient Care Admin	3,000
4101	Patient Care Programs	430,000
4102	Hs: Riverhead HC	50,000
4103	Hs: Tri-Community HC	20,000
4109	Medical Program	15,000
4160	Chest Diseases	2,500
4310	Community Mental Hygiene	2,500
4320	Hs: Mental Health Programs	5,000
4321	Methadone Clinics	500,000
4400	Hs: Environmental Health	20,000
4425	Public & Environ Health Lab	15,000
4500	Preventive Medicine	13,700
4618	Emergency Medical Care	1,200
4720	Forensic Sciences	15,000
4722	Toxicology Lab Accreditation G	3,000
4813	Services To Disabled Children	1,500
4530	County Nursing Home	25,000
	Totals	1,164,900

- Based the requested budget, at least with respect to 4980—Contract Agencies, on the last available actual expenditures, versus the previous year's actual expenses. This would allow agencies to more realistically present their expenses, and would still allow the executive discretion in deciding the recommended budget.

- Regardless of the abolishment of the Civil Service titles once held by retiring leadership, personnel should be given appropriate authority and duty titles as management and leaders; the effects of long-term vacancies in leadership and management positions on a workforce are not salutary.
- Consider the creation of a unit with sufficient public health and governmental knowledge to measure, analyze and implement performance improvement activities on a departmental scale.

CF HSV Overview 09

Health Services Administration

Program Description

Health Services Administration provides departmental leadership, human resource management, operations management, logistical and budget management, and planning and information management through the following units.

• Executive, including the Commissioner, Chief Deputy, and the Office of the Commissioner	• Compliance, Credentialing and Risk Management Bureau
• Budget and Management	• General Operations
• Revenues and Receivables	• Office of Minority Health
• Expenditures	• Contracts Management
• Federal and State Aid	• Management Information Systems
• Cost Reporting	• Personnel and Payroll

Budget Review Office Evaluation

The 2009 Recommended Budget for Health Services Administration is \$9,297,556, a 3.4% decrease from the requested \$9,629,121. This is an appropriate budget for the Health Services Administration units; additional cost savings measures are included in the Budget Review Office Recommendations section for this appropriation.

In Unit 1000—Executive, the Deputy Commissioner for Health Services (Administration) is changed from a Suffolk County Civil Service Grade 36 to Grade 38; there is a clause within the resolution accompanying the proposed County Executive's 2009 Operating Budget amending the classification and salary plan. This presentation is improper; if the Legislature wishes to change the grade, the position should be abolished at the current Grade 36 level, and created at the Grade 38 level.

The Office of Minority Health was created as an ad hoc unit during Fiscal Year 2005 and was constituted as a unit in the 2006 Recommended Budget. Its stated mission is to “eliminate health disparities among racial and ethnic minorities in Suffolk County”. Given its current status as a four person office with one vacancy and no organic operational or research capability, Office of Minority Health seems significantly under-resourced for that mission.

Budget Review Office Recommendations

- Abolish the Assistant Deputy Commissioner of Health Services (Public Affairs) (grade 33) at a savings of \$82,085. This position has been vacant since its creation in the 2006 budget. Departmental procedure during public health emergencies or other health related crises has been for the Commissioner, Chief Deputy Commissioner, or Director of Public Health to speak directly to the media and the public, with support from the public relations personnel from the Health Services Department or the County Executive’s office. There is currently a Grade 21 Public Relations Assistant position within the department and an active civil service list for the position.
- Consider moving the Office of Minority Health to the Patient Care Division to more directly impact the significant portion of the County’s minority community already served by the department. This would also give that division more immediate access to cultural competence training available through OMH coordination. Minority health coordinators could be established at each of that division’s health centers, by either using the Neighborhood Aide Program, or by assigning the position as an additional duty.

CF HSV Administration09

Division of Services for Children with Special Needs

Program Description

The Division of Children with Special Needs (DSCSN) coordinates services and related transportation for children diagnosed with developmental disabilities and special health care needs as mandated by New York State and Federal law. Services are delivered via the following program units:

- Early Intervention Program, provides services to children from birth to age three years with developmental disabilities or delays.
- Preschool Special Education Program, provides similar services for children three to five years of age.
- Children with Special Health Care Needs, provides services for children from birth to 21 years of age with physical handicaps, or who require orthodontics or surgery for cleft palate.

This division represents about 40% of the entire Department of Health Service's recommended budget. Most of this funding is in Appropriation 2960—Education for Handicapped Children, and is allocated to contract providers. Funding is dependent on New York State Aid. Suffolk County provides administrative oversight, services coordination and case management, authorization of the various services provided by contract agencies and providers, and direct service delivery to some preschool children.

Appropriations 4812 (Children with Special Health Care Needs Grant), 4813 (Bureau of Services for Children with Disabilities) and 4814 (Early Intervention Grant) include the employees who coordinate services, transportation and education for the children served by the division. Federal grants fund both Appropriation 4812 and Appropriation 4814. Appropriation 4815 is a Preschool Flow-through Grant, originating at the federal level and remitted to Suffolk County through New York State. Most of the funding in 4815 is for services provided by contractors.

DSCSN provides the following essential public health services:

1. Inform, educate, and empower people about health issues,
2. Mobilize community partnerships to identify and solve health problems,
3. Develop policies and plans that support individual and community health efforts, and
4. Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

Budget Review Office Evaluation

The Recommended Budget of \$176,669,142 is a decrease of 1.3% from the requested budget of \$178,881,304, due primarily to the loss of more than \$1.9 million in state aid in Appropriation 2960—Education for Handicapped Children. The following table shows significant changes in the division's budget by appropriation.

Appropriation Number	Bureau or Program Area	2008 Estimated	2009 Request	2009 Recommend	Significant Changes vs. Previous Amounts
2960	Education for Handicapped Children	\$168,664,549	\$173,668,101	\$171,690,723	\$1,977,378 decrease in state aid.
4813	Services To Disabled Children	\$3,918,347	\$4,314,839	\$4,037,578	\$159,000 decrease in permanent salaries. One position is abolished.
4814	Early Intervention Administration Grant	\$738,541	\$660,179	\$701,218	\$80,614 transfer to 4813

A 2007 and 2008 pilot program to increase usage of the Parental Mileage Reimbursement Program is being expanded to control costs in transportation. The pilot program has shown some potential in reducing costs to the County without compromising services.

Budget Review Office Recommendations

The Recommended Budget is reasonable. As noted in the Program Description, almost all of the division funding is from Federal and State Aid and grants. Backfilling any vacancies in grant funded positions should be prioritized, even in a fiscally constrained operating environment.

CF HSV DSCSN09

Division of Preventive Medicine

Program Description

The mission of the Division of Preventive Medicine is to inform Suffolk County residents how to lead healthier lifestyles. Division operations support the essential public health functions of:

1. Inform, educate, and empower people about health issues
2. Mobilize community partnerships to identify and solve health problems
3. Develop policies and plans that support individual and community health efforts

4. Enforce laws and regulations that protect health and ensure safety
5. Link people to needed personal health services and assure the provision of health care when otherwise unavailable

Division components consist of the following five units:

Bureau of Public Health Nursing	Tobacco Education and Control
Tobacco Enforcement Program	Child Find Program
Lyme Disease Grant	

The Recommended Budget collapses the five separate appropriations into Appropriation 4500.

Budget Review Office Evaluation

The 2009 Recommended Budget for the division is \$6,788,937, which is 7.2% less than the requested budget of \$7,275,761. The difference from the request is in Permanent Salaries of \$346,349 in the Public Health Nursing Bureau, and decreases in the Interdepartmental Charge to Fund 16, and decreases in instructional supplies and travel. Based upon the current workload in Public Health Nursing, the recommended budget is reasonable.

There is an inconsistency between the department's organization as presented in the recommended budget and the organizational structure for Public Health Nursing as defined in the Suffolk County Administrative Code.

Location of the Public Health Nursing unit within the Division of Preventive Medicine appears to be inconsistent with Article IX of the Suffolk County Charter, and with Section A9-2 of the Suffolk County Administrative Code. According to the Administrative Code, Public Health Nursing must be organized under the Public Health Division, and the Charter prohibits changing the organization of the Department if the change would be inconsistent with prescribed law. However, neither the Suffolk County Charter nor the Administrative Code defines Public Health Nursing, and public health nurses exist in the Patient Care, Children with Special Needs and Public Health Divisions. If the recommended budget is adopted with no change, the administrative code should be updated.

The Public Health Nursing unit remains under review. According to the Health Services' budget request narrative, Public Health Nurses in all three subunits (the Certified Home Health Agency, the Long Term Home Health Care Program, and the AIDS Home Care Program) conducted a total of 13,187 visits in 2007, with 14 nurses, excluding supervisors. The estimated 4.3 visits per day per nurse is significantly below the national industry practice of six visits per day. A consultant examining the unit's operation in 2006 criticized the unit's lack of a clear mission. The study further recommended realignment and refocus on core public health and access assurance functions (maternal child health and AIDS care). If the RFP authorized by Resolution No. 176-2006 moves ahead, a second consultant will make further recommendations in 2009.

Budget Review Office Recommendations

- Health Services requested that the former appropriation numbers be retained in the individual units of the Division of Preventive Medicine, to facilitate state and federal grants and aid calculations.
- Transfer the current Medical Program Administrator, who is acting as Preventive Medicine Director to EMS as the director of EMS; and “Dual hat” the Director of Prevention, Education, and Training as the Division Director. Given the stated mission of the department, leadership by a health education professional is appropriate.
- Transfer the Program Examiner to Federal and State Aid, to assist the grant writing team in that section.
- Reorganize Public Health Nursing as a unit within the Division of Public Health, per the County Charter and Administrative Code.
- Maintain the Child Find Grant (Appropriation 4509) within the Public Health Nursing Unit, or alternately move the grant team to the Division of Children with Special Healthcare Needs (DCSHN), to facilitate coordination between the units.

CF HSV PreventiveMedicine09

Public Health

Program Description

The Division’s mission is to protect the public’s health through enforcement of the NYS Public Health Law, Title 10 of the New York State Code of Rules and Regulations (NYCRR), the New York State Sanitary Code, and the Suffolk County Sanitary Code. This is accomplished through disease surveillance, education, medical care and consultation services, and inspections of dwellings and business and food establishments. Division operations support the following essential public health functions:

1. Monitor health status to identify and solve community health problems.
2. Diagnose and investigate health problems and health hazards in the community.
3. Inform, educate, and empower people about health issues.
4. Develop policies and plans that support individual and community health efforts.
5. Enforce laws and regulations that protect health and ensure safety.
6. Assure competent public and personal health care workforce.

There are six major program areas within the Division:

- Bureau of Epidemiology and Disease Control, which concentrates on surveillance, detection and prevention of communicable disease, including sexually transmitted disease.
- Bureau of Preventive Services, concentrating on Rabies prevention, surveillance and control.
- Bureau of Public Health Preparedness, which concentrates on preparation for bioterrorist attack and pandemic and epidemic outbreak.
- Bureau of Public Health Protection, with surveillance, inspection, and compliance responsibilities for food service establishments, temporary housing, public health nuisances, radiation, child care facilities, and tanning facilities.
- Arthropod-Borne Disease Laboratory, preventing the spread of arthropod (insects and spider) borne diseases such as Lyme Disease, viral encephalitis, and tularemia. The lab is a joint unit of Public Works and Health Services personnel.
- Pharmacy, with cross divisional responsibilities to Patient Care, and the Jail Medical Unit, and more directly for vaccines and communicable disease medications.

Budget Review Office Evaluation

The 2009 Recommended Budget for the division is \$7,154,151, a decrease of 2.1% from the estimated 2008 expenditures of \$7,306,863, and a 10.4% decrease from the requested funding of \$7,985,048. The decrease in funding is primarily due to:

- Significant decreases in personnel lines, as several senior division staff took advantage of the ERIP in 2008; their positions were subsequently abolished in the 2009 Recommended Budget.
- The movement of the Tobacco Education and Control Programs to the Division of Preventive Medicine.

The table below shows the Public Health Division budget by appropriation, noting significant changes in funding from previous years or from the Requested Budget.

Approp Number	Bureau or Program Area	2008 Estimated	2009 Requested	2009 Recommend	Significant Changes of Recommended Budget vs. Previous Amounts
4010	Public Health Admin	\$1,328,024	\$2,038,118	\$1,838,032	An increase of \$350,000 is budgeted for the Rabies Vaccine Bait Program in 4560—Contracted Services A reduction of \$181,088 in 2009 in 1100—Permanent Salaries
4015	Public Health Protection	\$4,156,131	\$4,172,520	\$3,501,258	A decrease of \$526,361 in 1100— Permanent Salaries
4019	Tobacco Enforcement	\$0	\$0	\$0	Tobacco Education and Control moved to Preventive Medicine
4024	BT-Public Health Preparedness	\$1,194,979	\$1,103,662	\$1,152,753	\$29,758 added to different 3000— equipment lines \$20,000 added to 4560—Contracted Services
4026	Cities Readiness Grant	\$144,248	\$95,988	\$97,821	\$46,427 decrease in grant funding; equipment and overtime lines defunded
Totals		\$7,306,863	\$7,985,048	\$7,154,151	

This Division is currently led by the Chief Deputy Commissioner of Health, who is “dual-hatted” as the Public Health Director. The physician in charge of the Bioterrorism and Public Health Preparedness Bureau assists with management and leadership of the division. This has been an effective management structure since its inception in the 2008 budget.

The Bureau of Public Health Protection’s ability to comply with the Municipal Health Services Plan, given the resources provided by the recommended budget, is questionable. Of particular concern, for several years now, is the lack of sufficient field staff in the Bureau of Public Health Protection’s Food Control Unit. According to state

and federal guidelines for staffing, the unit should have at least 24 field sanitarians capable of inspecting food service establishments (FSE); they currently have only 16 such personnel, an historic high. Food Control Unit inspected 72% of High Risk FSE one time in 2007—the Municipal Health Services Plan standard is twice for all High Risk establishments, and all establishments must be inspected at least once; the unit was able to inspect only 62% of all establishments in 2007, despite conducting 13,118 field visits, an appropriate productivity level given the number of staff available. The department's embrace of Hazard Access Critical Control Point inspection protocols and mandatory food manager training has reduced the risk of foodborne illness in Suffolk County. However, potential risk could be further mitigated with the addition of staff to enable the unit to meet required inspection mandates. Salmonella incidence in Suffolk County from 2004-2006 was significantly higher than the NYS rate excluding NYC. While this statistic is not a reflection on the Bureau or on the food service establishments in Suffolk County, it is a sobering reminder that the threat of foodborne illness in a global food production system is quite real, and must be closely monitored.

Budget Review Office Recommendations

- Do not abolish any Public Health Sanitarian positions; increase the permanent salaries in 4015-2615 by \$34,178.
- Fill the two currently vacant Public Health Sanitarian positions.
- Create and fill four Public Health Sanitarians or Sr. Public Health Sanitarians by earmarking the three vacant Associate Public Health Sanitarians and the vacant Principal Public Health Sanitarian to the lower titles.
- Reduce turnover savings by \$205,068, to allow funding for nine months of six Public Health Sanitarian Positions, to be dedicated to the Food Protection unit.
- Increase turnover savings to \$303,480 in Public Health Administration, institutionalizing the current chain of command through 2009.
- Consider instituting through appropriate legislation a program similar to New York City's "Golden Apple" award, which leverages the food service manager course requirement into a market incentive for restaurants with food safety performance improvement programs.

CF HSV PublicHealth09

Patient Care

Program Description

The stated mission of the Division of Patient Care Services is to provide "health care services for all individuals and families seeking care. This care is characterized as

comprehensive and continuous in nature, accessible to all those seeking such care, and continually improving in quality”.

Division operations support the essential public health functions of:

1. Linking people to needed personal health services and assuring the provision of health care when otherwise unavailable.
2. Developing policies and plans that support individual and community health efforts.
3. Mobilizing community partnerships and action to identify and solve health problems.
4. Informing, educating, and empowering people about health issues.

The Division of Patient Care Services consists of the following units and programs:

- Patient Care Administration: responsible for the leadership and management of the entire division. Specific functions include performance improvement, grants management, program evaluation, and supervision of all programs, units, and contracts within the division.
- Health Centers: operate under the Diagnostic and Treatment Center license granted to the County through Article 28 of the NYS Public Health Law. There are ten health centers operated by Suffolk County:

Health Clinics	Staffing
Brentwood	Southside Hospital, 16 Suffolk County Employees
Central Islip	Southside Hospital
Patchogue	Brookhaven Memorial Hospital
Shirley (Marilyn Shellabarger Health	Brookhaven Memorial Hospital
Coram (Elsie Owens Health Center)	Stony Brook University Hospital
Wyandanch (Martin Luther King Health Center)	Good Samaritan Hospital
Amityville (Maxine S. Postal TriCommunity)	Suffolk County Employees
Riverhead	Suffolk County Employees
Southampton	Suffolk County Employees
East Hampton	Suffolk County Employees

Suffolk County also partially funds the health center operated by Huntington Hospital under a separate Diagnostic and Treatment Center License. County funding for this health center amounts to almost 45% of its budget.

The Mobile Mammography Unit is operated under the Brookhaven Memorial Hospital Contract.

The health centers provide primary care access assurance in underserved areas and access to public health services and community health services for the

people of Suffolk County. Health centers contain representatives from the array of programs further described below.

- Childhood Lead Poisoning Prevention Program tests children for lead poisoning, and coordinates test reporting with private physicians.
- Dental Services provides dental care to HIV and AIDS patients, as practically the single source for care to such patients in the County. A pilot prenatal oral health program is ongoing at the Riverhead and Brentwood sites, offering examinations and cleanings. The program is located at selected health centers.
- The Diabetes Program works with health center staff to provide assessment, education, and treatment for patients with diabetes. This is a cooperative program staffed and funded by Suffolk County and through Cornell Cooperative Extension. The program is administered through the health centers.
- Chest Diseases focuses on Tuberculosis treatment and detection. Location of this unit within Patient Care services is inconsistent with the Suffolk County Administrative Code. The program is administered through health worker outreach and at the health centers.
- Family Planning seeks to improve maternal and child health by reducing unplanned pregnancies and delaying early pregnancies. The program is administered through the health centers and other locations.
- The Prenatal Program, administered through the health centers, assures appropriate care for pregnant women in medically underserved circumstances; women without health insurance, or who are underinsured, are eligible for NYS programs that assure access to appropriate prenatal care.
- The Immunization Action Program seeks to ensure that children in Suffolk County have received all required immunizations by their second birthday. Program delivery is through mobile clinics at libraries or other public locations, with some care delivered at the health centers.
- The Medical Social Work Program provides social work services, including HIV case management, prenatal case management and psychological screening, to patients at health centers, at the County correctional facilities, and through community outreach.
- The Neighborhood Aide Program seeks to enroll patients in health care services and to make prospective patients aware of the services provided by the Department of Health Services. Services are provided through community outreach and at the health centers.
- The Infectious Disease / HIV Program includes state and federal funding for HIV testing and for treatment of patients afflicted with HIV and AIDS. Funding streams include Federal Ryan White Grants, NYS Department of Health grants, and revenue generated by health center visits by HIV and AIDS patients. Program standards are strictly regulated by New York State and Federal funding providers.

The Jail Medical Program provides medical care to prisoners in the custody of Suffolk County as mandated by NYS law. This program also provides, by law, required pharmaceuticals and dental services.

Patient Care Division activities and programs directly serve about one of every ten people in Suffolk County.

Budget Review Office Evaluation

The Recommended Budget for the division is \$81,466,480, a 4.1% decrease from the request of \$84,780,047. Significant changes from the requested budget include:

- A decrease of \$1,215,160 in permanent salaries, about half in ERIP abolished positions.
 - This includes a seven-fold increase in turnover savings for appropriation 4100—Patient Care Administration.
 - Abolishes the position held by the Director of Clinical Affairs and the position held by the maternal and child health program director.
- \$473,233 in reductions in Patient Care Contracts. However, the reduction from the 2008 estimated expenditures to the Recommended Budget is even higher, \$1,703,823 less. The loss of this amount of funding, especially at the two health centers in Islip and the health center in Huntington, will affect the division's ability to provide primary care access assurance and access to other programs in these communities.
- A decrease of \$150,000 in the amount budgeted for Tuberculosis hospitalizations.
- A \$257,000 decrease in funding for building repairs. This reduction is addressed in the departmental overview section of this report.
- Decreases in funding at both Riverhead and TriCommunity Health Centers, primarily due to ERIP effects.

The recommended budget for the division will lessen the ability of the division to execute its mission in Huntington and Islip, and to manage the various grants and programs contained within the division.

Patient Care Division has experienced significant turnover in leadership and in management staff over the last two years. Major losses include:

- The retirements of the program administrator for maternal and child health, and the director of clinical affairs.
- Three assistant directors of patient care services in the last two years.
- The resignation of the Medical Program Administrator assigned as director of the division's performance improvement program.
- Loss of a senior social worker charged with coordination of HIV programs

The vacancy rate in Appropriation 4100—Patient Care Programs is 30%; in 4101—Patient Care Programs, more than 20%. This has led to many senior staff assuming roles as directors of multiple programs; two examples are illustrated below.

- The Compliance and Credentialing Unit and Emergency Medical Services share one Medical Program Administrator as director of both units; this doctor also leads performance improvement activities in the Patient Care Division.
- The Acting Director of the Patient Care Division is also the department's infectious disease specialist and the acting HIV program director.

The division's ability to effectively manage and operate both decentralized health centers and centralized programs given its current management staffing is questionable. Although the division's primary information system will now integrate Family Planning into its billing and scheduling system in 2009, the division still has no electronic health record system, further complicating the management of a community health system heavily dependent on federal and state grants and aid for revenue, and required by multiple regulators at the state and national level to report patient information systemically and by geography, ethnicity, race, and affliction.

The POD Project

In early 2007, the division began a performance improvement project at the Marilyn Shellabarger South Brookhaven East Health Center as the result of training received through a federal Healthy Communities Access Program Grant. The health center, located in Shirley, attempted to study and improve many of its patient services processes. This project, known as the POD (Point of Delivery) program, created care teams consisting of one physician, one registered nurse, two medical assistants, and one medical records clerk, utilizing two exam rooms for each team. Success at the Shirley Health Center was quick; visits went up, and cycle time was reduced. The health center was awarded a Brookhaven Memorial Hospital best practices award, and the potential of the program led the department to allocate funding to renovate the building to maximize usage of the POD project.

Other health centers were given the opportunity to develop similar programs, with mixed results. Cycle time and visit counts per provider have remained statistically flat in 2008 versus 2007, despite divisional and departmental imposition of productivity standards. While promising, further success for follow on POD projects seem at least as dependent on project leadership as on the actual proposed improvements.

Budget Review Office Recommendations

- Increase funding in 4100—4980 Patient Care Contracts to reflect actual cost requirements of the health centers. Specifically:
 - Increase the funding for AIU1—Huntington Hospital, to no less than \$3,086,972, to reflect a cost to continue budget.

- Increase the funding for AJK1—Islip Health Center, to \$12,141,884, to reflect a cost to continue budget, less decreases previously negotiated between Southside Hospital and the Department of Health Services.
- Increase the funding for APR1—SE & SW Brookhaven Clinics, to \$15,342,797, to reflect a cost to continue budget.
- The 2008 budget inadvertently created four duplicate medical assistant positions in 4109—Jail Medical Unit, to serve as chaperones for providers conducting examinations of prisoners. There are sufficient chaperones available without these four positions, and the department has requested that they be abolished.
- Provide an additional \$60,000 in 4160-4940—Health Programs by \$60,000 to bring the budget to \$150,000. In two of the last four years available, this budget line, which covers hospitalizations for Tuberculosis patients, exceeded \$100,000; the estimate for 2008 is \$100,000.
- Consider the creation, earmarking, or transfer of two positions appropriate to assist with program evaluation and analysis and preparation of grant applications and reports for a division with 2008 estimated expenditures of over \$80 million. The cost of positions as described above would be approximately \$90,000 for eleven months.
- Consider reconfiguration of the Prenatal Float team contained in 4101—Patient Care Programs, to add one Nurse Practitioner and to replace one of the Medical Assistant positions with one Public Health Nurse I. When the Patient Care Division originally proposed this team in 2004, the intention was for the team to have the capability of maintaining its own panel at multiple sites. As currently configured, without a provider, this is not possible. Addition of the Public Health Nurse would increase the capability of the team by adding a nursing professional with a more global perspective on prenatal care. A decrease in turnover savings of \$98,290 would be required to fill these two positions for 12 months.
- Create a Medical Assistant (Spanish Speaking) position at the Maxine S. Postal TriCommunity Health Clinic (Appropriation 4102), and abolish the vacant Medical Assistant position. Creation of this position will allow the department to consider needed language skills as part of the duty requirements of this position.

CF HSV Patient Care 09

Community Mental Hygiene Services

Program Description

The division's stated mission is to "ensure that the most vulnerable and oftentimes forgotten constituents of Suffolk County have an array of comprehensive services available to them to maximize their full potential and improve upon the quality of their lives".

Community Mental Hygiene Services Division is authorized under the New York State Mental Hygiene Law and functions in concert with the State Office of Mental Health, the State Office of Alcoholism and Substance Abuse Services, and the State Office of Mental Retardation and Developmental Disabilities. Community Mental Hygiene Services oversees programs and contracted services for individuals with mental illness, mental retardation, developmental disabilities, and chemical dependency.

Division operations support provision of these essential health services:

1. Diagnose and investigate health problems and health hazards in the community
2. Inform, educate, and empower people about health issues
3. Mobilize community partnerships to identify and solve health problems
4. Develop policies and plans that support individual and community health efforts
5. Link people to needed personal health services and assure the provision of health care when otherwise unavailable

The Division of Community Mental Hygiene Services is organized with the following units:

- 4310—Mental Health Administration is responsible for general administration of the division, and fiscal and programmatic oversight of direct services, and contracted services, to residents with mental illness, mental retardation/developmental disabilities, and chemical dependency.
- 4314—Mental Hygiene Courts is a two part program, consisting of a Drug Treatment Court, which diverts non-violent offenders from jail and into treatment, and a Mental Health Court, which finds alternatives to incarceration for persons with serious mental illness.
- 4316—Vocational and Educational Services provides job development, placement, vocational rehabilitation, and alcohol education.
- 4317—Alternatives for Youth (Community Mental Hygiene portion) evaluates the mental health of at risk youth upon referral from the Education Assistance Corporation.
- 4320—Mental Health Programs delivers treatment directly through Suffolk County's Mental Health Outpatient Clinics in Brentwood, Farmingville, and Riverhead. This unit also administers:
 - The Dual Recovery Program, designed to treat individuals with co-occurring diagnoses of mental illness and chemical dependency;
 - The Assisted Outpatient Treatment Program, which provides court mandated mental health treatment pursuant to Suffolk County and NYS law; and
 - Mobile Crisis Services, which provide psychiatric assessment and crisis intervention through outreach.
- 4321—Methadone Clinics provide treatment for heroin and other opioids.
- 4322—Drug Free Services provides intensive outpatient substance abuse treatment, mental health services, and vocational and educational services

through its Day Reporting Center, to probationers sentenced to incarceration alternatives.

- 4325—Mental Health Inpatient Care provides evaluation of County residents being considered for remand to NYS psychiatric facilities or to mandated outpatient treatment. Most of the funding budgeted is for costs related to remand to inpatient care. Suffolk County is billed by New York State for this expense.
- 4327—Young Adult Methadone provides services similar to those in the adult program, but with a more intensive and supportive outpatient program.
- 4330—Community Support Services monitors, contracts, and supervises state funded programs for case management, crisis intervention, intensive case management, PROS, and the Task Force on Integrated Projects, among others.
- 4331—Children's Multi-Systemic Therapy provides in home treatment for seriously emotionally disturbed children and youth.
- 4340—Jail Unit Mental Hygiene provides mental health services to persons incarcerated at the Suffolk County correctional facilities. Services include evaluation, treatment, and medication maintenance as necessary.

Budget Review Office Evaluation

The Recommended Budget for the division is \$55,672,194, which is 4.3% less than the departmental request of \$58,085,241. The reduction from the request is accomplished primarily by:

- A reduction of \$702,313 in permanent salaries division-wide, of which \$386,637 is savings from abolished positions.
 - o The NYS Office of Alcohol and Substance Abuse Services (OASAS) has cautioned Suffolk County that unless programs are staffed as budgeted in the program budget submitted to the state, funding could be significantly reduced. Methadone Clinic permanent salaries were decreased by \$272,920, including the abolishment of two Drug Counselor positions.
- A net reduction in the division of \$774,206 for 4980—Contracted Agencies. Some of these reductions are due to further expansion of the PROS program, which allows agencies to bill Medicaid directly for services, and to reductions in aid provided by New York State. However, some reductions will hamper the ability of the division to provide services funded through state aid.
- A reduction of \$401,469 in the amount budgeted for Inpatient Care.
- A reduction of \$126,500 in the amount budgeted for building repairs. The requested budget was based on approved building service requests.
- A reduction of \$391,570 in the unspecified funding in 4310-4980 was requested in anticipation of the movement of funding directly to South Oaks Hospital. Introductory Resolution No. 1883-2008 was adopted accepting \$175,000 in State funds and identifying \$175,000 in matching County funds for the Long Island Home/South Oaks in 2008.

Budget Review Office Recommendations

- Increase 2009 funding for 4330-1120 Overtime salaries by \$5000 to \$15,000, to better reflect recent expenditure trends.
- Increase 2009 funding for 4321-3650 by \$124,000 to the requested \$500,000 to reflect repairs planned and approved for the Huntington Methadone Clinic, per the lease for the facility. See also the table summarizing this subobject in the departmental overview recommendations.
- Increase funding for 4321-1100—Permanent Salaries by \$272,920 to the requested \$4,810,638. This will assure sufficient personnel are available to meet New York State maintenance of effort requirements, and assure state aid for the program. Maintain the two Drug Counselors that were to be abolished.
- Restore funding in 4310-4980-0000 to the requested level \$591,570 to assure the appropriate 2009 funding for HKC1, South Oaks Hospital.

CF HSV CMH 09

Environmental Quality

Program Description

The mission of the Division of Environmental Quality (DEQ) is to conduct comprehensive programs that protect and preserve the natural resources of Suffolk County and protect County residents against adverse environmental factors. Legal Authority for the division derives from Suffolk County, NYS, and Federal law and regulations.

There are five Offices within the division:

- Office of Water Resources, which assures that drinking water meets Federal and New York State standards;
- Office of Pollution Control, which regulates the storage of toxic and hazardous materials, regulates public swimming pools, and inspects commercial and industrial sites;
- Office of Wastewater Management, which assures adequate water supplies and sewage disposal facilities;
- Office of Ecology, which monitors the environment and the ecological resources of the County; and the
- Public and Environmental Health Laboratory, which provides analytical testing capability to test for chemical and microbiological contaminants in the air and water.

Environmental Quality provides the following essential public health services:

1. Monitor health status to identify community health problems
2. Diagnose and investigate health problems and health hazards in the community
3. Inform, educate, and empower people about health issues
4. Develop policies and plans that support individual and community health efforts
5. Enforce laws and regulations that protect health and ensure safety

Budget Review Office Evaluation

The Recommended Budget for the division is \$13,516,418, a 3.6% decrease from the requested budget of \$14,003,394. The reduction in expenditures is primarily due to:

- The elimination of all vehicles in 4400-2040, a \$144,000 reduction;
- An increase in turnover savings of \$195,836 versus the budget request; and
- \$204,546 from two abolished positions vacated through ERIP, Chief Public Health Engineer (grade 36) and Drafter III (grade 20).

These reductions come at a time of an increased workload due to the new Bulk Petroleum Storage Delegation Order and new Safe Drinking Water Act requirements. There is currently an eight week back log in inspections conducted by the division.

Budget Review Office Recommendations

- Increase 4400-2040—Trucks, Trailers and Jeeps to the requested \$144,000, from the recommended zero, purchase eight new vehicles to equip the Public Health Sanitarians and Public Health Engineers who are currently unequipped. The vehicles will allow the division to maximize personnel available for inspections and to reduce the backlogged caseload. Inspections generate both fines and revenues, and activities conducted by DEQ are claimable in the Department's Article 6 Claim.
- Increase the 1100—Permanent Salaries line in Appropriation 4400 by \$154,951, to maintain turnover savings at the requested level, allowing the division to fill its 19 vacant positions for ten of 12 months in 2009.

CF HSV DEQ09

Emergency Medical Services

Brief Program Description

EMS provides direction, leadership, support, education, and cooperation necessary to enable the emergency medical services response agencies serving the County to provide the best emergency medical care possible, and to provide that direction,

leadership, support, education and cooperation in a lasting and professional partnership.

Budget Review Office Evaluation

The 2009 Recommended Budget for Emergency Medical Services, including the various grants managed by the division is \$2,541,466 a decrease of 6.9% compared to the requested budget of \$2,729,056. Much of the decrease is due to the closeout of several grants, and to an increase in turnover savings in Appropriation 4618, Emergency Medical Services. The Recommended Budget funds the department at a cost to continue level, and does not greatly affect the division's ability to execute its mission.

The Medical Director Position has been vacant since October 2006; duties of the position have been assigned to the Compliance Bureau Medical Program Administrator. Division capabilities have not been degraded by the loss of a full time medical director; however, the loss of the EMS Medical Director has been more keenly felt, especially as the division's responsibility with respect to incident management and measurement and quality improvement for the County's emergency medical units have increased.

Significant changes in each appropriation are summarized in the table below.

Bureau or Program Area	2008 Estimated	2009 Requested	2009 Recommended	Significant Changes Recommended Budget vs. Previous Amounts
4618 - Emergency Medical Services	\$2,237,866	\$2,500,631	\$2,310,321	\$74,204 increase in turnover savings \$37,750 decrease in 4560—Contract Services for EMS training
4624 - State Homeland Security Program (2006)	\$101,000	\$0	\$2,700	Expending remaining grant funding
4626 - Urban Area Security Initiative (2007)	\$0	\$228,425	\$228,425	No Changes
4627 - State Homeland Security Program (FY2007)	\$100,000	\$0	\$0	Grant Funding complete

Budget Review Office Recommendations

- Permanently reduce the EMS Medical Director to a 50% position. This would decrease permanent salary costs in 4618 by \$55,778.
- Create a position within the division to act as management staff with the Coordinator of Emergency Medical Services. The position should be of sufficient grade to provide the Coordinator with additional help in the planning, coordinating, management, research and budgeting functions within the division.
- Reduce turnover savings by \$55,778 to allow the newly created position to be hired in the 2nd quarter of 2009.

CF HSV EMS09

Medical, Legal & Forensic Sciences

Program Description

This division has three sections:

1. Pathology Section, which investigates all deaths, reported to the Medical Examiner (ME) utilizing Medical Forensic Investigators. On average, there are approximately 11,000 deaths per year in Suffolk County, of which approximately 4,400 are reported to the ME including requests for cremation, dissection or burial at sea. Autopsies are routinely performed by Forensic Pathologists on all sudden unexpected natural deaths and all unnatural deaths.
2. Toxicology Laboratory, which performs tests and analysis on biological tissues and fluids as part of the medico-legal investigation process. This includes blood and urine samples from the Probation Department and the Office of Alcohol and Substance Abuse Services.
3. Crime Laboratory, responsible for independent, objective and accurate examinations of forensic evidence submitted by all law enforcement agencies in Suffolk County, and to assist the Suffolk County Attorney by testifying on behalf of the County in civil litigation.

Budget Review Office Evaluation

The 2009 Recommended Operating Budget for the division is \$10,627,679, a 1.8% decrease from the division's request of \$10,818,560. Most of the decrease is due to reductions in personnel, equipment and contract lines in Appropriation 4720, Forensic Sciences. Other reductions are the result of grant projects completed and no longer funded. The table below summarizes significant changes within the division. As with many divisions in Health Services, there have been some increases in supply and equipment lines in grant appropriations along with a commensurate reduction of those lines elsewhere within the division.

Bureau or Program Area	2008 Estimated	2009 Request	2009 Recommended	Significant Changes Recommended Budget vs. Previous Amounts
4720 - Forensic Sciences	\$9,270,496	\$9,772,168	\$9,581,157	\$95,791 reduction in permanent salaries \$45,000 in supplies and equipment
4723 - Crime Lab Accreditation Grant	\$163,286	\$0	\$0	Grant Completed
4728 - DNA Backlog Reduction	\$85,486	\$0	\$0	Grant Completed

Budget Review Office Recommendations

The Recommended Budget for Medical, Legal and Forensic Services is reasonable.

CF HSV MedLegForenSci09

John J. Foley Skilled Nursing Facility

Program Description

John J. Foley Skilled Nursing Facility (JJSNF) is a 264 bed residential skilled nursing facility that also provides an adult day health care program (ADHCP). There are over 50 registrants in the ADHCP. Twelve of the beds are dedicated to the AIDS unit, which has a separate Medicaid rate than the rest of the facility. The skilled nursing facility's stated mission is "providing the finest possible care to those who come to us, whether as long-term residents; for short-term, sub-acute rehabilitation; or as part of our Adult Day Health Care program".

Operation of JJFSNF supports the essential public health service of linking people to personal health services and assuring the provision of health care when otherwise unavailable.¹

The John J. Foley Skilled Nursing Facility (JJFSNF) provides access assurance to residential long-term care in Suffolk County, even as the definition of a "safety net" patient has changed over the last decade. Payor mix for both new and established patients, length of stay, discharge disposition, and age of patients all indicate a profile

¹ Institute of Medicine. The Future of the Public's Health in the 21st Century.2003. p.99.

unique among the skilled nursing facilities in the County, and typical of county nursing homes throughout New York State and the rest of the nation:

- The percentage of Medicaid patients, both in new admissions and in established patients, is disproportionately high compared to the rest of the nursing homes in Suffolk County.
- Patients tend to stay at Foley longer than any other nursing home in Suffolk County.
- Patients are more likely to be discharged to a hospital than at any other nursing home in the County.
- JJFSNF has the highest percentage of patients less than 65 years of age for any facility in Suffolk County.

These factors combine to give JJFSNF a high percentage of patients needing considerable care, but for whom the facility receives inadequate reimbursement; they also make patients with the profile described above much less attractive to the proprietary and non-profit facilities in Suffolk County. In the event of the recommended closure of JJFSNF, 20-30% of the current patients would be considered difficult to place.

JJFSNF, which enjoyed occupancy rates above 95% in 2004, 2005, and 2006, has more recently suffered adverse affects on its ability to attract and retain patients because of the debate over the future of the facility. The publicity surrounding the County Executive's determination to close the facility has led to a reluctance on the part of the public to place their family members in a facility that seems to be at risk of sale or closure.

Budget Review Office Evaluation

The 2009 Recommended Operating Budget proposes closing the JJFSNF and eliminating 379 positions. Closure of the facility would be effective January 1, 2009, and would be, according the Recommended Budget Narrative, a three month process. The total budget for the facility is reduced from the requested \$40,465,124 to \$16,507,312.

Closure of the facility would eliminate Suffolk County's ability to provide skilled nursing care in a residential health care environment. While there are a sufficient number of vacant nursing home beds in Suffolk County to absorb the current patient population at JJFSNF, there are many factors that could contribute to the dispersion of the current patient population outside of Suffolk County.

The BRO Interim Report on the John J. Foley Skilled Nursing Facility of October 9, 2008, discusses policy options and provides more detail with respect to fiscal and programmatic analysis.

Budget Review Office Recommendations

To continue operation of the John J. Foley Skilled Nursing Facility through Fiscal Year 2009, the Budget Review Office recommends appropriations of \$35,630,999 for the facility. A comparison of the Requested Budget, the Recommended Budget, and the budget recommended by the Budget Review Office to operate JJFSNF for FY 2009 are noted in the following table.

Obj	Object Name	2008 Estimated	2009 Request	2009 Recommend	BRO 2009
	Debt Service	\$2,721,656	\$2,495,635		\$2,495,635
1020	Terminal Vacation Pay	\$104,142	\$25,000	\$800,000	\$25,000
1050	Terminal Sick Leave Payments	\$40,484	\$6,000	\$400,000	\$6,000
1060	Longevity Pay	\$244,500	\$263,850	\$244,350	\$263,850
1070	Special Payment Per Employee Contract	\$14,000	\$14,000	\$0	\$14,000
1080	Retro & Vacation Pay	\$25,679	\$26,000	\$26,000	\$26,000
1100	Permanent Salaries	\$14,100,000	\$16,383,180	\$3,140,000	\$13,383,558
1120	Overtime Salaries	\$1,600,000	\$1,642,290	\$530,739	\$1,600,000
1130	Temporary Salaries - No Fringe	\$55,000	\$75,000	\$15,000	\$55,000
1230	WC Disability	\$42,475	\$50,000	\$50,000	\$50,000
1270	Disability Income	\$34,352	\$40,000	\$40,000	\$40,000
1280	Retirement Incentive	\$287,792	\$0	\$0	\$0
1400	Cleaning Allowance	\$16,000	\$16,000	\$3,200	\$16,000
1410	Clothing Allowance	\$98,500	\$98,500	\$98,500	\$98,500
1620	OT - Straight Time	\$36,400	\$37,000	\$7,500	\$37,000
2010	Furniture & Furnishings	\$1,264	\$10,240	\$0	\$10,240
2020	Office Machines	\$19,126	\$30,111	\$0	\$20,000
2080	Medical, Dental & Laboratory	\$20,450	\$27,820	\$3,350	\$22,000
2500	Other Equipment Not Otherwise	\$8,000	\$12,272	\$0	\$9,000
3010	Office Supplies	\$39,000	\$40,000	\$8,000	\$40,000
3015	Computer & Data Storage Supply	\$500	\$500	\$0	\$500
3020	Postage	\$4,000	\$4,500	\$1,900	\$4,500
3070	Memberships & Subscriptions	\$30,000	\$30,000	\$0	\$30,000
3080	Research & Law Books	\$2,000	\$2,000	\$0	\$1,000
3160	Computer Software	\$4,000	\$11,000	\$0	\$5,000
3250	Building Materials	\$20,000	\$20,000	\$4,000	\$12,000
3310	Clothing & Accessories	\$25,000	\$25,000	\$5,000	\$25,000
3320	Household & Laundry Supplies	\$250,000	\$250,000	\$65,000	\$250,000
3330	Food	\$825,000	\$825,000	\$191,000	\$825,000
3370	Medical, Dental & Laboratory S	\$575,000	\$575,000	\$141,000	\$575,000
3380	Recreational &	\$20,000	\$20,000	\$4,000	\$20,000

Obj	Object Name	2008 Estimated	2009 Request	2009 Recommend	BRO 2009
	Morale				
3500	Other: Unclassified	\$50,000	\$50,000	\$20,000	\$50,000
3510	Rent: Business Machines & Sys	\$24,000	\$24,000	\$24,000	\$24,000
3610	Repairs: Office Equipment	\$32,000	\$40,000	\$8,000	\$32,000
3650	Repairs: Buildings	\$25,000	\$25,000	\$5,000	\$25,000
3660	Service Contracts - Misc	\$10,000	\$10,000	\$0	\$10,000
3680	Repairs: Special Equipment	\$42,000	\$42,000	\$8,500	\$42,000
3770	Advertising	\$15,000	\$15,000	\$48,000	\$48,000
3920	Laundry & Sanitation	\$400,000	\$400,000	\$121,000	\$400,000
3930	Cartage	\$3,500	\$3,500	\$700	\$3,500
3950	Notary Fees	\$60	\$60	\$0	\$60
4015	Cellular Communications	\$4,000	\$5,000	\$1,000	\$2,500
4140	Transportation: Indigents	\$593,475	\$623,000	\$150,000	\$600,000
4210	Computer Services	\$5,000	\$16,000	\$0	\$16,000
4330	Travel: Employee Contracts	\$5,277	\$5,075	\$1,000	\$5,075
4340	Travel: Other	\$6,000	\$6,930	\$1,000	\$6,000
4560	Fees For Services: Non-Employ	\$2,228,675	\$2,141,350	\$1,483,200	\$2,141,350
8280	State Retirement	\$1,712,081	\$1,750,000	\$1,750,000	\$1,750,000
8330	Social Security	\$1,298,299	\$1,420,806	\$393,446	\$1,003,767
8350	Unemployment Insurance	\$15,000	\$40,000	\$1,144,024	\$40,000
8380	Benefit Fund Contribution	\$421,823	\$465,000	\$94,000	\$400,680
9810	Transfer To Self Ins Fund-Ins Ch	\$869,349	\$869,349	\$217,337	\$869,349
9820	Transfer to Fund 016 Inter-Dept Charge	\$326,126	\$326,126	\$73,338	\$326,126
	Transfer to Fund 39-- EMHP	\$5,213,840	\$6,278,002	\$1,579,565	\$5,578,809
	Transfer to 001 General Fund	\$2,250,000	\$2,776,461	\$1,051,461	\$2,300,000
	Totals	\$36,814,825	\$40,388,557	\$11,322,084	\$35,633,999

The budget developed by BRO to operate JJFSNF through 2009 assumes, as does the recommended budget, that there will be no position transfers out from the facility to other divisions within Health Services or to other departments.

The 2009 budget cycle represents an opportunity not to defund JJFSNF and end operation of the nursing home, but to maximize those practical efficiencies recommended by the County Executive's consultant, some of which have already been implemented by the Department of Health Services. By leveraging the IGT revenue increases the cost savings accrued through more efficient operation of the facility, and the revenue enhancements earned through rate rebasing and Medicare implementation

of the County Executive's consultant recommendations, it could be possible to operate JJFSNF in 2009 with a General Fund subsidy no larger than the \$8 million requested by the department.

The Budget Review Office recommendations for JJFSNF are based on an amalgam of the requested budget, the recommended budget, and the 2008 estimated expenditures.

The following assumptions with regard to major line items apply:

- Staffing at levels no higher than current (October 2008) levels, with current unfilled food service, custodial, and administrative positions frozen or abolished.
- Caregiver staff at the current levels, with Registered Nurses, Licensed Practical Nurses, and Nurses Aides not currently filled abolished or frozen
- Reductions in appropriations for benefits commensurate with staffing levels
- Use of the Recommended Budget's advertising and media lines (\$48,000) to assist in the recovery from the uncertainty and negativity surrounding the possible closure.

CF HSV JJFSNF09

HUMAN SERVICES

The main subdivisions of the Executive's Human Services Division are:

- Office for the Aging
- Youth Bureau
- Veterans Service Agency
- Handicapped Services
- Women's Services

Office for the Aging

The 2009 Recommended Budget for the Office for the Aging is \$17,022,168, which is \$321,107 less than the 2008 adopted budget and \$504,810 less than requested for 2009. Significant differences between the 2009 Recommended Budget and the 2008 Adopted Budget include a \$468,613 (22%) increase for the Expanded In Home Services Program, a \$450,000 (12%) decrease for the EPIC program, and a \$343,564 (62%) decrease for the Legal Aid Society.

The recommended budget includes 68 positions, the same as in 2008, as requested by the Office for the Aging. The recommended budget abolishes one vacant Office Systems Analyst II position and transfers one Secretary position from the Executive Office to the Office for the Aging. The recommended budget provides sufficient funding for all currently filled positions and for the seven vacant positions for 11 months of the year.

Major Issues

1. Programs for the Aging
2. Contract Agencies
3. State and Federal Aid

Budget Review Office Evaluation

The Office for the Aging administers federal, state and county aging programs in Suffolk County as the Area Agency on Aging in accordance with the federal Older Americans Act.

Programs for the Aging

EPIC

Suffolk County participates in New York State's Elderly Pharmaceutical Insurance Coverage Program (EPIC). The County reimburses low-income elderly residents for the full cost of their premiums and 25% of their co-payments for prescription drugs. The 2000 Census revealed the population of persons 60 years or older in Suffolk County increased by 13.1% from the 1990 Census. As this population increases, it is likely that the enrollment in the EPIC program will increase. Baby boomers reaching the age of 60 will cause further enrollment spikes.

The 2009 Recommended Budget provides \$3,100,000 for the EPIC Reimbursement Program, which is \$400,000 (11.4%) less than the requested amount of \$3,500,000. The 2008 estimated budget for EPIC reimbursements (001-EXE-6802-4631) is \$3,000,000. As of September 21, 2008, expenditures totaled \$1,429,417. Assuming expenditures increase 20% over the average for the first eight and a half months during the next three and a half months; the Budget Review Office estimates the 2008 EPIC expenditures to total \$2.1 million, \$864,283 less than the estimated budget. Despite this large savings in 2008, the Budget Review Office agrees with the 2009 Recommended Budget of \$3,100,000. It is anticipated that state aid will be further reduced in 2009. If EPIC expenditures are not realized, the additional 2009 funds could be used to offset cuts for meal programs or other programs for the elderly. Suffolk County's participation in the EPIC program is a discretionary local initiative and is funded entirely from local revenues.

Congregate Meals

The Older Americans Act Title IIIC-1 program provides individuals with a balanced midday meal in a congregate setting. In addition, there is a congregate evening meal served at a low income senior housing complex. The Office for the Aging projects that 260,791 congregate meals will be provided in 2008. Although funding has increased two percent for contracted agencies in the 2009 Recommended Budget, the cost per meal has also increased which maintains the same number of meals projected to be served in 2009 as in 2008.

The recommended budget includes \$1,778,678 in 2009, which is \$3,129 less than the 2008 adopted budget and \$35,636 less than requested. This decrease is due to a reduction in personal services. The Office for the Aging estimates \$1,621,399 federal aid for Title IIIC-1 and a County share of \$157,279, approximately nine percent of the total program costs.

Home Delivered Meals

The Older Americans Act Title IIIC-2 program provides homebound seniors with a delivered meal. In addition, this program provides evening and weekend meals for those individuals that are at risk of being malnourished. It's anticipated that 285,228 home delivered meals will be provided in 2008.

The Title IIIC-2 program is recommended at \$2,148,367 in 2009, as requested, which is an increase of \$33,345 (1.6%) over the 2008 adopted budget of \$2,115,022. The Office for the Aging projects \$645,000 in aid for this program in 2009 and a County share of \$1,503,367, approximately 70% of the total recommended amount for the upcoming year.

In addition to the Title IIIC-2 program, the County implements the Supplemental Nutrition Assistance Program. The program is slated to provide 83,303 meals to seniors in congregate settings and through home delivery. The recommended budget includes \$857,109 for this program, which is \$15,776 more than the 2008 adopted budget, but \$159,332 less than the estimated expenditures. The Office for the Aging projects \$824,182 in state aid for 2009 making the County share \$32,927, approximately 3.9% of the total recommended amount.

EISEP

The Expanded In-Home Services for the Elderly Program (EISEP) provides non-medical services to Suffolk County seniors who need care. The program provides two levels of in-home care. The first level includes light housework, shopping, and chores. The second level provides personal services such as bathing and grooming.

EISEP represents a significant portion of the Office for the Aging budget. The 2009 Recommended Budget includes \$3,916,878 for this program, which is \$462,423 (13%) more than the 2008 adopted budget of \$3,454,455. The increase is due primarily to contract agency funding. The Office for the Aging estimates that EISEP will receive \$3,487,795 in state aid for 2009.

Point of Entry

The Legislature passed Resolution No. 32-2008 on February 5, 2008. The resolution accepted and appropriated 100% reimbursable state grant funds to establish a Point of Entry (POE) program to be known as NY Connects. The program is designed to provide information about long term care options to individuals with long term care needs. The program is to provide unbiased assistance in choosing an appropriate care option.

The 2009 Recommended Budget of \$136,933 is far above the 2008 estimated budget of \$76,876 because the program was only in the beginning stages in 2008. The 2009 increase reflects the full year's cost of the program.

Contract Agencies

The 2008 Adopted Budget included 25 contracted agencies with defining pseudo codes, for a total of \$1,442,079. The 2009 Recommended Budget includes 18 contracted agencies with defining pseudo codes, with a total appropriation of \$1,033,440. It would cost \$408,639 to restore contracted agency funding to the 2008 adopted level.

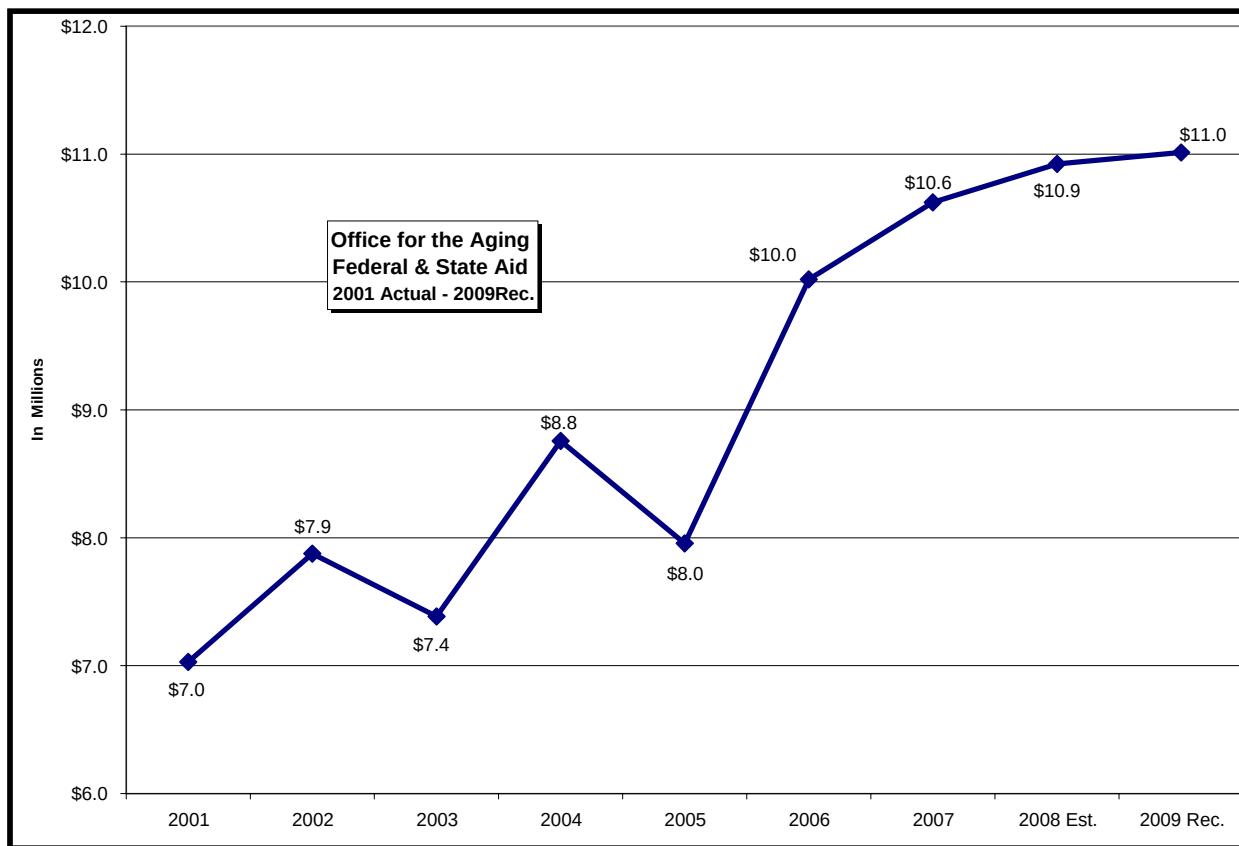
The Legal Aid Society (001-EXE-GER1-6772-4980) requested \$573,161 for its Senior Citizen Division. The 2009 Recommended Budget shows the Legal Aid Society's request as \$222,494 and provides \$218,567. The recommended budget is \$354,594 or 61.9% less than the actual request. The Legislature increased funding for this contracted agency in each of the last three years to \$562,131. Additional funding of

\$343,564 would be necessary to restore this contract agency to the 2008 adopted level of \$562,131. See the separate Legal Aid Society section for additional information.

State and Federal Aid

Several of the Office for the Aging programs receive federal and/or state aid. This aid can range from 75% to 100% of the cost of the program (with aid caps). Program funding above these aid caps becomes a 100% County cost. As the funding increases above the aid caps, the County's net cost increases.

The following graph illustrates the growth in aid since 2001.



The deficits expected by New York State led to cuts of over \$400 million from the SFY 2008-2009 Enacted State Budget. Approximately \$335,000 in state aid to the Suffolk County Office for the Aging was cut by the State in August 2008, although there is a net increase in state aid funding over 2007 due to COLAs. Governor Patterson has not ruled out cutting the SFY2008-2009 budget further. Even if there are no additional cuts in the current State budget, it is likely that state aid will once again be reduced for SFY 2009-2010. Therefore, it is difficult to estimate state aid for 2009.

Budget Review Office Recommendations

The Budget Review Office recommends decreasing the 2008 estimated budget by \$860,000 to reflect a more realistic cost of the EPIC Reimbursements (001-EXE-6802-4631). The Budget Review Office supports the 2009 Recommended Budget of \$3,100,000 as unspent appropriations could be used as offsets for programs that will most likely lose aid from state budget cuts in 2009.

Youth Bureau

The 2009 Recommended Budget includes \$8,203,954, which is \$1,009,517 or 11% less than the 2008 adopted budget and \$25,063 less than requested. The significant decreases are due to a 37% reduction in permanent salaries and a 10% reduction in contracted agencies with defining pseudo codes.

The Youth Bureau requested nine full-time staff positions, the same as the 2008 Adopted Budget. The recommended budget includes seven positions, and abolishes two positions, a 22% reduction in staff.

The recommended budget provides sufficient funding for all currently filled and vacant positions.

Major Issues

1. Staffing
2. State Aid
3. Contract Agencies

Budget Review Office Evaluation

The County's Youth Bureau was established in 1974. In 1979, the Youth Bureau's responsibility expanded through an agreement with the State of New York's Office of Children and Family Services (Comprehensive Plan Agreement). The County is required to submit a comprehensive plan and funding request annually to be considered for state aid. The County receives state aid for its participation in state authorized programs. Additionally, the County's Youth Bureau participates with towns and villages to obtain state aid for youth programs.

The Youth Bureau funded 164 youth programs in 2008, which served approximately 92,402 young people. Another 36,222 youth were reached by 32 agencies working through the towns.

The County's youth programs are funded through four appropriations.

- Youth Development/Delinquency Prevention 001-EXE-7320 YDDP (Includes: recreational, cultural, drop-in lounges, music, sports, career & employment counseling, job development & placement, tutoring, instructional workshops and community services programs).

- Comprehensive Planning, Runaway and Homeless Youth Plan 001-EXE-7323 RHYA (Includes: crisis intervention, individual-family & group counseling, advocacy, transportation, temporary shelter and response hotline).
- Special Delinquency Prevention Program 001-EXE-7325 SDPP (Includes: counseling services and rap sessions).
- Persons in Need of Supervision PINS – ADJ Service Plan 001-EXE-7329 (Includes: 24 hour hot-line and diverting youth from the juvenile justice system).

Staffing

The Youth Bureau plans, develops, monitors, and evaluates 164 youth programs in Suffolk County. The staff in the Youth Bureau manages and coordinates the contract agencies that deliver services to over 90,000 Suffolk County youth. In order for the department to process contracts and make sure that services are being delivered, the department needs to be adequately staffed.

The recommended budget abolishes one Principal Planner position (grade 28) and one Administrator I position (grade 21) that were vacated through the Early Retirement Incentive Program. The loss of these two positions represents a 25% reduction in staff and leaves the Youth Bureau without a fiscal expert. This reduction in staff will make it difficult for the department to keep up with its large workload.

Youth Bureau Positions		
Position Title	Status	Gr
PRIN PLANNER (YOUTH SVCS)	<i>Abolished</i>	28
COUNTY EXEC ASSISTANT I	Filled	21
SECRETARIAL ASSISTANT	Filled	17
YOUTH SERVICES COORD	Filled	27
YOUTH SERVICES SUPERVISOR	Filled	25
ADMINISTRATOR I	<i>Abolished</i>	21
YOUTH SERVICES SPECIALIST	<i>Vacant</i>	20
NEIGHBORHOOD AIDE	Filled	13
ACCOUNT CLERK/TYPIST	Filled	11

At this time last year, the Youth Bureau had no vacancies. Currently, the Youth Bureau has six out of nine positions filled or 67%. The recommended budget includes \$338,591 for permanent salaries, which is sufficient to fund the six currently filled positions and the one vacant Youth Services Specialist position (grade 20).

State Aid

The 2009 Recommended Budget includes \$1,538,676 in state aid for youth programs (Revenue Code 001-EXE-3820). YDDP is expected to receive \$100,000, RHYA is expected to receive \$26,498, and SDDP is expected to receive \$68,117. The remaining

\$1,344,061 provides funding for contracted youth services. The estimated net County cost for all youth programs in 2009 is \$6,665,278 or 81%.

There was a six percent reduction in unspent local assistance funding for SFY2008-2009. According to the New York State Association of Counties, YDDP was reduced by \$1.432 million, SDPP was reduced by \$339,000, and RHYA was reduced by \$360,000 statewide. The Youth Bureau has been unable to quantify the impact of the cuts for Suffolk County in 2008. Given the current fiscal conditions in Albany, further cuts in 2009 should be anticipated.

Single Disbursement Agreement

Based upon recommendations from the New York State Division for Youth, the County entered into formal agreements with the five west-end towns. Resolution No. 59-1990 authorized the single disbursement concept. Under this Agreement, the west end towns provide funding for staff administration and program monitoring with the approval of the County's Youth Bureau. In return for this service, the state aid match to the County dollars goes directly to the town budgets.

Contract Agencies

001-EXE-7320-YDDP

The 2009 Recommended Budget provides \$25,000 for contracted agencies (001-EXE-7320-4980) for safety net contingency initiatives.

The 2008 Adopted Budget includes 144 contracted agencies with distinguishing pseudo codes, for a total of \$6,160,260. The 2009 Recommended Budget includes 82 contracted agencies for a total of \$5,339,410, a 13.3% reduction in funding and a 56.9% decrease in contracted agencies as compared to 2008. The cost to restore this funding to the 2008 adopted level is \$820,850.

001-EXE-7323-Comprehensive Planning - Runaway

The 2009 Recommended Budget includes \$1,122,916 for the same ten contract agencies that were funded in the 2008 Adopted Budget, which is \$11,503 more than the 2008 adopted budget of \$1,111,413, an increase of approximately one percent.

001-EXE-7325-Special Delinquency Prevention

The 2009 Recommended Budget includes \$1,093,808 for the same eight contract agencies that were funded in the 2008 Adopted Budget, which is \$19,441 less than the 2008 adopted amount of \$1,113,249, a decrease of 1.75%.

Budget Review Office Recommendations

The reduced staffing level will be a challenge for the Division to address workload demands. Vacancies should be filled expeditiously as appropriations permit to assure the timely processing of contracts and review of expenditures.

Veterans Service Agency

The 2009 Recommended Budget includes \$587,421, which is \$77,095 or 11.6% less than the 2008 adopted budget of \$664,516 and \$17,324 less than requested. Sixty-five percent of the Agency's decrease is due to a reduction in permanent salaries.

The Veterans Service Agency requested 11 positions, while the recommended budget includes ten positions, abolishing one Veteran's Service Officer position, leaving the agency with two less positions than the start of 2008 as one Clerk Typist was transferred in June.

Major Issues

1. Outreach
2. Staffing
3. Training

Budget Review Office Evaluation

The Veterans Service Agency assists Suffolk County veterans and their dependents or survivors in obtaining necessary documentation and applying for federal, state, local, and private veteran's benefits. The Veteran's Service Officers advocate on the behalf of Suffolk County veterans for the services and benefits that they have earned through their military service. The County's Veterans Service Agency, in cooperation with the NYS Department of Veteran Affairs, conducts vocational rehabilitation testing in Hauppauge. The Veterans Service Agency assists the Department of Social Services with Medicare benefits versus Veterans benefits to control County costs and assists town tax assessor offices for assessment adjustments on veteran's real property taxes.

According to the agency, Suffolk County veterans received approximately \$109,797,000 in VA expenditures for FY2007. The Agency has increased its outreach efforts and is providing service to an increasing number of veterans. This year's Suffolk County Homeless Veterans Stand Down benefited 167 veterans, a 100% increase from last year. The Veterans' Service Agency has also reached out to veterans who are incarcerated, in nursing homes, or assisted living facilities.

The services provided by the Suffolk County Veterans Service Agency assist Suffolk veterans to get the benefits and entitlements that they deserve, which enable the veterans and their families to be productive contributors to Suffolk County's economy. Benefits that are awarded to Suffolk County veterans help these individuals and their families remain financially independent and not reliant on County services.

Outreach

One of the most significant challenges to the Veteran's Service agency is making veterans and their families aware of the services that are available to them. According to the Suffolk County Veterans Service Agency, veterans are seven to nine times more likely to receive benefits and more likely to receive substantially larger benefits when they consult a Veteran's Service Officer as opposed to going to the VA on their own.

Staffing

According to the latest U.S. Census, there are 119,918 veterans in Suffolk County, which is 11.4% of the total Suffolk County population over 18 years old. This percentage is higher than the New York State average of 9.5%. The Suffolk Veteran's Service Agency estimates that they will have 21,200 contacts in 2008, and if trends continue, this number will be even higher in 2009.

The Agency typically functions shorthanded, particularly in the Riverhead location where there is only one County VSO and one New York State VSO who has been spending less time in the office as the State has been sending him to various locations throughout Long Island. The Veteran's Service Agency expects the demand on the Riverhead facility to increase when the East End Veterans Clinic opens in 2010.

The office in Hauppauge has also been challenged because one Clerk Typist transferred from the Agency to the College. In addition to this loss, the one VSO position vacated by the Early Retirement Incentive Program was abolished. The opening of the East End Clinic in 2010 is expected to create a greater demand for services, requiring an increased need for Veteran's Service Officers. Abolishing this position may save money for 2009, but could diminish the quality of services that the County is able to provide during 2010.

The 2009 Recommended Budget includes \$503,248 for permanent salaries, which is sufficient to fund the nine positions that are currently filled and one vacant Volunteer Programs Coordinator position for 75% of the year.

Training

The Director of the Veterans Service Agency and all Veteran's Service Officer's are mandated to attend trainings in order to keep their accreditation from the American Legion Department of New York. Without this accreditation, VSOs would lose their ability to negotiate with the VA as American Legion power of attorneys. Trainings also keep the Director and VSOs up to date on changes in laws and VA benefits allowing them to provide better services to Suffolk's veteran population.

Budget Review Office Recommendations

The Budget Review Office recommends retaining the Veterans Service Officer position (grade 16) because of an anticipated need for an additional VSO in Riverhead when the East End Clinic is finished in 2010. In accordance with the Executive's commitment to

achieve an 80% savings from ERIP retirements, this position does not have to be funded for 2009.

The Budget Review Office recommends filling the vacant Volunteer Programs Coordinator position (grade 21) for 75% of the year, as funding permits.

Handicapped Services

The 2009 Recommended Budget includes \$640,986, which is \$73,420 or 10.3% less than the adopted budget and \$28,865 less than requested. The difference between the 2009 Recommended Budget and the 2009 Adopted Budget is due mostly to a reduction in contracted agencies.

The budget includes ten positions, which is equal to the amount of positions in 2008 and the Office's request.

Major Issues

1. Workload
2. Staffing
3. Postage

Budget Review Office Evaluation

The Handicapped Services Office (HSO) assures the County's compliance with federal mandates under the Americans with Disabilities Act (ADA) and the Rehabilitation Act. In addition, the HSO advocates for changes to solve problems facing individuals with disabilities in Suffolk County.

Workload

The increase in workload for the Office of Handicapped services is due primarily to the increase in demand for Suffolk County Accessible Transportation (SCAT). In 2007, Handicapped Services issued 4,140 SCAT ID cards, a 24% increase from the 2006 amount of 3,319. The Office projects that the amount of IDs issued will increase another eight percent in 2008. As the quality of services rises, the demand for paratransit increases causing a greater workload for the Office of Handicapped Services.

Staffing

The division usually functions short staffed, especially when their part time summer staff reduce their hours upon returning to school in the fall. The 2009 Recommended Budget includes \$478,605 for permanent salaries, which is sufficient to fund all currently filled positions and one vacancy for 75% of the year.

Postage

Resolution No. 1407-2007 requires that all certified persons eligible for SCAT service be notified in writing of any significant policy or service changes within 30 days of such change.

The Director of Handicapped Services has petitioned the United States Postal Service to have these mailings classified as "Free Matter for the Blind and Other Physically Handicapped Persons," but the post office has denied his request on the grounds that we can not certify that all SCAT riders are certified by the Library of Congress to receive mail free of charge due to their inability to read conventionally printed material.

Therefore, Suffolk County must pay for these mailings.

In order to comply with Resolution No. 1407-2007, the Office of Handicapped Services plans to conduct a mailing this October and the Director anticipates that there will be at least one mailing for 2009 at a cost of \$6,000 for each mailing.

Public Handicapped Parking Educational Program

Chapter 497 Laws of 1999 amended the State Vehicle & Traffic Law by adding Section 1203-g. This amendment adds \$30 to handicapped parking fines and requires the County to establish a separate fund, Handicap Parking Education Fund (112), to receive the revenue produced from this surcharge. The amendment also requires that the funds received will be allocated to a Public Handicapped Parking Educational Program (112-EXE-8054-3500). The Director of the Office of Handicapped Services is the coordinator of this program.

The 2008 estimated budget includes \$50,000 from fines, surcharges, and interest earnings. As of September 21, 2008, the fund earned \$38,351, which makes the estimated budget reasonable.

The estimated budget projects that \$40,000 will be spent from this fund in 2008, but nothing has been spent thus far. If this money goes unexpended in 2008, the approximate fund balance for 112-EXE-8054 will be \$453,000.

Budget Review Office Recommendations

- The Budget Review Office recommends adding \$6,000 in 2008 and 2009 for postage to mail notices to all SCAT eligible persons as per Resolution No. 1407-2007.
- The Budget Review Office Recommends filling the vacant Neighborhood Aide position for three quarters of the year as funding permits.

Office for Women

The 2009 Recommended Budget for the Office for Women is \$584,816, which is \$116,843 or 17% less than the \$701,659 adopted for 2008. The 2008 estimated budget projects that the Office will spend \$670,711; \$30,948 less than the 2008 adopted amount. The difference between the 2008 estimated budget and the 2008 Adopted Budget is due to turnover savings in permanent salaries.

Major Issues

1. Staffing

Staffing

The Office requested seven positions. The 2009 Recommended Budget abolishes one Women's Services Resources Advisor I position. The 2009 Recommended Budget includes \$333,870 for permanent salaries (001-EXE-8051-1100), which is sufficient to fund all currently filled positions.

Budget Review Office Evaluation

The mission of the Office for Women is to identify needs, advocate for services, coordinate and develop resources, stimulate awareness and community interest in women's concerns and accomplishments and, provide information and referral sources.

The Legislature added \$5,000 for the Town of Babylon UJIMA Program (001-EXE-8051-HCR1-4980) in 2008. To date no money has been expended for this contract agency and the Executive has not recommended it for 2009.

The 2009 Recommended Budget includes funding in contracted agencies (001-EXE-8051-4980) for domestic violence law services. The 2008 Adopted Budget included \$242,225 for this program; \$167,975 has been encumbered to date. The Executive is recommending \$187,225 for 2009.

Budget Review Office Recommendations

The 2008 estimated budget for the Office for Women contracted agencies (001-EXE-8051-4980) should be reduced by \$74,250 from \$242,225 to \$167,975.

BP HumanServices09

INFORMATION TECHNOLOGY

Major Issues

1. Staffing
2. Consolidation of Software Licensing
3. Consolidation of Technology Purchasing
4. Consolidation of Computer Services
5. Long Island Broadband Wireless Bi-County Initiative

Budget Review Office Evaluation

The estimated budget of \$15,168,246 is \$2,228,850 less than adopted for the Department of Information Technology (DoIT). The major differences between these two budgets can be attributed to the items in the table that follows.

**Significant Differences Between the Adopted and Estimated Budgets
for the Department of Information Technology**

Obj.	Object Name	2008 Adopted	2008 Estimated	Estimated less Adopted
	001-ITS-1679-Support Services			
4560	Fees For Services: Non-Employ	\$530,000	\$296,254	(\$233,746)
	016-ITS-1651-Telecommunications			
4010	Telephone & Telegraph	\$2,650,000	\$2,200,000	(\$450,000)
	016-ITS-1652-WiFi			
4560	Fees For Services: Non-Employ	\$200,000	\$79,300	(\$120,700)
	016-ITS-1680-Information Technology Service			
1100	Permanent Salaries	\$4,919,526	\$4,457,129	(\$462,397)
2020	Office Machines	\$1,657,401	\$1,300,000	(\$357,401)
3160	Computer Software	\$1,817,786	\$1,703,653	(\$114,133)
3610	Repairs: Office Equipment	\$1,575,161	\$1,180,678	(\$394,483)
	016-ITS-1681-Interest on Bonds			
6900	Serial Bonds	\$545,461	\$440,829	(\$104,632)
	Total	\$13,895,335	\$11,657,843	(\$2,237,492)

The Budget Review Office agrees with the estimated budget presentation. The estimated budget is reasonable based on the department's year to date expenditures reflected in the County's Integrated Financial Management System (IFMS) on September 21, 2008, reduced expenditures from site expansions that were planned for but did not occur, savings from attaining better rates and stringent review of purchases by the Information Processing Planning Committee.

The recommended budget of \$16,701,575 is \$688,637 less than the department's request of \$17,390,212. The table that follows includes the significant differences between these two budgets.

**Significant Differences Between
the Requested and Recommended Budgets
for Appropriation 016-ITS-1680-Information Technology Service**

Obj.	Object Name	2009 Requested	2009 Recommended	Rec. less Requested
1100	Permanent Salaries	\$4,955,576	\$4,670,884	(\$284,692)
3160	Computer Software	\$2,145,787	\$2,450,787	\$305,000
3610	Repairs: Office Equipment	\$1,992,330	\$1,332,330	(\$660,000)
	Total	\$9,093,693	\$8,454,001	(\$639,692)

The Budget Review Office agrees with the recommended budget for the department of Information Technology.

- The Permanent Salaries appropriation is reasonable, as indicated in the staffing section that follows.
- The Computer Software appropriation is increased to support the County's effort to consolidate multi-departmental software licensing into cost effective multi-department "enterprise" agreements, as indicated in the Consolidation of Technology Purchasing and Software Licensing section that follows.
- The Repairs: Office Equipment appropriation is for annual computer hardware maintenance costs. Based on historical expenditures, we agree with the recommended budget to decrease this appropriation. The recommended funding is in line with 2008 estimates of \$1.2 million and 2007 actuals of \$1.2 million.

Staffing

The estimated budget for permanent salaries in the Department of Information Technology includes \$4,922,384 for permanent salaries, which based on our estimates, is reasonable.

The recommended budget did not include and the department did not request any new positions. Information Technology Services (ITS) is reportedly managing its staffing level through some overtime of existing staff and by tighter management of its resources. ITS reports that new initiatives have suffered in favor of maintaining existing applications. Additionally, there have been some time delays in servicing requests, but overall the department is maintaining its critical systems and performing the functions of the department. As presented, in the recommended budget's staffing pages for ITS, we agree with the department's request to have payroll units titled to reflect the actual functions of the department as well as with staff transfers into the appropriate units to make it easier to identify titles to the functions that they perform.

The status of Telecommunications and ITS positions, as per the October 5, 2008 position control register, are detailed in the table that follows.

**Status of DoIT Positions
as per the October 5, 2008 Position Control Register**

Division	# of Authorized Positions	Vacancies	#/% of Staff Eligible to Retire Ending 2008
Telecommunications	8	0	6 or 75%
Information Technology Services	77	8	20 or 26%

- The number of authorized positions in Information Services increased from 76 to 77, as a result of the 2008 adopted budget transferring one Office Systems Analyst (OSA) IV (grade 28) from the Department of Environment and Energy's Division of Real Property Acquisition and Management to Information Services.
- With many of the staff eligible to retire, there is a continuing concern regarding the potential loss of institutional knowledge. To mitigate the impact of this, ITS has been doing succession planning.

The eight vacant positions in Information Technology Services are detailed in the chart that follows.

**Information and Technology Vacancies
as of the October 5, 2008 Position Control Register**

Vacancy	Gr.	# of Positions
Website Specialist	17	2
Senior Account Clerk Typist	14	1
Sr. Programmer Analyst	27	2
Computer Programmer Trainee	17	1
Information Services Project Mgr.	31	1
Programmer Analyst	24	1
Total		8

ITS reports that it has received approval to fill the following two vacancies:

- One Computer Programmer Trainee position in the Database Maintenance and Support unit.
- One Programmer Analyst position in the Applications Development unit, which will be assigned to support Fire Rescue and Emergency Services with its unique technological network and systems operations.

The recommended budget abolishes one vacant Senior Programmer Analyst position vacated through the County's Early Retirement Incentive Program.

The following are the remaining five vacancies:

- One vacant Information Services Project Manager (grade 31), upon approval, will be filled as an Information Technology Project Coordinator (grade 27) in the Financial Applications and Support unit.
- One Senior Account Clerk Typist in Administration.
- Two Website Specialist positions in the Internet Applications Development unit.

Resolution No. 746-2008 appointed Gary Quinn to Commissioner on 9/16/08 to replace Sharen Cates-Williams who resigned last April.

The recommended budget includes \$5,158,428 for permanent salaries. Based on Budget Review Office projections, the recommended budget includes sufficient salary appropriations to adequately fund all currently filled positions for a full year, but none of the eight vacancies.

Consolidation of Software Licensing

The recommended budget includes \$2,450,787 for Computer Software, which is \$305,000 more than the department requested. We agree with the recommended budget to continue the goal of consolidating software licensing throughout the county by having all Microsoft Licenses consolidated into cost effective multi-department “enterprise” agreements, which can be tracked and issued by the Department of Information Technology. The enterprise agreements are volume discount licensing agreements, which allow for a cost-effective way for the County to standardize its IT infrastructure and to simplify its license management.

Consolidation of Technology Purchasing

Consolidation of a purchasing function into one department has positive and negative consequences.

Positive consequence:

- It enhances DoIT’s control, oversight and tracking of the County’s technological purchases. However, the County already has the Information Processing Planning Committee that reviews departmental proposals for data processing and computer equipment and the County already takes advantage of economies of scale in pricing by limiting purchases to items on the state contract.

Negative consequence:

- Centralizing expenditures in DoIT’s operating budget is less conducive to a transparent budget presentation, since the expenditures are not delineated in the respective department’s operating budgets.

Except for the departments of elected officials, the recommended budget continues the policy instituted in the 2008 adopted budget to consolidate technology equipment

purchases in ITS, desktop and laptop computers, printers, servers, and scanners. This consolidation does not include other office machine purchases in individualized departmental budgets, such as calculators, typewriters, fax machines, label writers, bar code readers and other assorted office machine items. The County's Information Processing Planning Committee reviews all proposals to purchase data processing and computer equipment. Therefore, including funding in the budget should not be construed as a guarantee that the items budgeted will be approved for purchase.

The recommended budget narrative states:

- A "partial freeze" has been placed on PC purchases. It does not "freeze" replacement PC purchases for "critical departments such as those of elected officials, Department of Health Services, Department of Social Services and the Police Department".
- A change in the PC replacement policy to replace PCs only when it is not cost effective to repair them, as opposed to replacing PCs based upon a specific age of the PC.
- Since the number of employees within the county has stabilized, no additional PCs over current departmental allotments will be purchased in 2009.

The recommended budget includes \$1,516,344 for Office Machines. The table that follows details the recommended budget for data processing and computer equipment by department.

Consolidated Requests for Office Machines
(016-ITS-1680-Information Technology Service-2020-Office Machines)

Department	Total
Civil Service	\$28,421
Department of Public Works	\$43,004
Economic Development	\$1,429
Environment and Energy	\$5,934
Executive	\$42,695
FRES	\$62,679
Historical Society	\$2,029
Information Technology Services	\$375,000
Law	\$0
Legal Aide	\$5,000
Parks	\$8,574
Planning	\$10,284
Police	\$606,612
Probation	\$79,107
Real Property	\$10,910
DSS	\$234,668
Grand Total	\$1,516,344

The recommended budget includes \$375,000 for ITS, which is \$195,576 less than the department requested. The partial freeze on PC purchases, new computer replacement policy and reviews that are done by the Information Processing Planning Committee all have the potential of reducing the amount of data processing and computer equipment being purchased, which increases the funding available to ITS since it is consolidated in this department.

Consolidation of Computer Services

The recommended budget for appropriation 016-ITS-1680-Information Technology Service-4210-Computer Services includes \$779,925. The total requests, as provided by the Budget Office, are reflected in the table that follows:

Consolidated Requests for Computer Services (016-ITS-1680-Information Technology Service-4210-Computer Services)	
Department	Total
Department of Public Works	\$210,000
ITS and Telecommunications	\$379,925
Police	\$715,826
Social Services	\$190,000
Grand Total	\$1,495,751

The difference between the requested and recommended budgets is \$715,826 for the Police Department. The recommended budget includes the Police Department's request for computer services within the Police Department's budget.

Long Island Broadband Wireless Bi-County Initiative

The plan for the Long Island Broadband Wireless Bi-County Initiative is to make wireless broadband available across Nassau and Suffolk Counties, covering 750 square miles and nearly three million residents. The geography and population density characteristics of Suffolk County present a challenge for the placement and number of network nodes needed to sufficiently meet the demands of the proposed network. A significant portion of Suffolk County is not situated in a dense metropolitan area; rather its estimated 1.5 million citizens are dispersed with many in rural areas. Two locations to pilot the project were identified, the Hub area around the Nassau Coliseum and along Suffolk's Route 110 corridor. Commencement of the WiFi pilot is pending. ePath is negotiating with LIPA for an agreement for pole attachments and is negotiating an agreement with the Town of Babylon and the Village of Amityville, the pilot area. When all of these agreements are signed, the Wi-Fi pilot project is expected to move forward.

It was anticipated that the network would be built and paid for by private sector partners with no taxpayer funds. The County selected e-Path Communications of Tampa, Florida to build, own and operate the system in part because it was the only company that submitted a proposal that did not involve taxpayer funds. Last year, the County supported the Phase I implementation of the estimated \$150 million Long Island Broadband Wireless Bi-County Initiative by creating a new appropriation, (016-ITS-

1652-Wi-Fi), and adopting \$200,000 for project management and implementation services to be provided by Civitium. As of September 30, 2008, the department has expended \$79,300 on consulting services, contract negotiations and project oversight leaving an uncommitted balance of \$120,700. The recommended budget includes \$25,000 in 2009 for network testing.

The County has an opportunity cost as a result of the ITS staff involved expending their time and effort on this initiative in lieu of their regularly scheduled duties. Additionally, although this is a bi-county initiative, Nassau is negotiating its own agreement with e-Path at its own expense.

It is a Legislative policy decision to determine if the County should invest additional public funds for this project.

Budget Review Office Recommendations

It is a Legislative decision to determine if public funds in the amount of \$25,000 in appropriation 016-ITS-1652-Wi-Fi-4560-Fees for Services Non-Employee should be included in 2009 for Wi-Fi network testing.

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LABOR

Major Issues

1. Staffing
2. Revenue
 - a. SWEP Funding
 - b. WIA Funding
3. Displaced Workers

Budget Review Office Evaluation

The 2008 estimated budget for the Department of Labor is \$15,035,539, which is \$97,617 less than the 2008 adopted budget. The estimated budget for the Labor Department is reasonable, provided the department's federal and state revenues are realized.

The 2009 recommended budget includes \$13,828,336, which is \$1,304,820 less than the 2008 adopted budget and \$121,892 less than the department requested. The recommended budget for the Labor Department is reasonable, provided the department's federal and state revenues are realized.

Staffing

As of the September 21, 2008 position control register, the department has 190 authorized positions of which 164 are filled and perform the department's responsibilities in two main locations in Hauppauge and several co-locations within DSS Centers. Of the 164 filled positions, approximately 50% of the department will be 55 or older at the end of this year. With approximately half of the department approaching retirement age, there is the concern for a loss of institutional knowledge. In this regard, it is fortunate that the Labor Department was not eligible to participate in the Early Retirement Incentive Program (ERIP) due to its level of federal and state funding. The Budget Review Office recommends that the Labor Department have a succession plan in place to identify and prepare for the replacement of the department's aging workforce so that there is a minimal disruption in service provision.

The 2008 estimated and 2009 recommended permanent salary appropriations are reasonable. The recommended budget includes sufficient salary appropriations to adequately fund all of the currently filled positions and approximately eight vacant positions for a full year. Seven of these vacancies are 100% state-funded positions that are necessary to staff the satellite office located at the new DSS South West Center. When filled, these positions will provide services including employability assessments, supervised job search, job development, computer workshops for skill development, vocational training referrals, worksite assignments, child care and targeted job fairs for entry level workers. State funds will be used to fill the following seven vacancies:

- One Labor Specialist IV
- Five Labor Technicians
- One Clerical

Of the department's 190 authorized positions, there are 26 vacancies, as detailed in the table that follows.

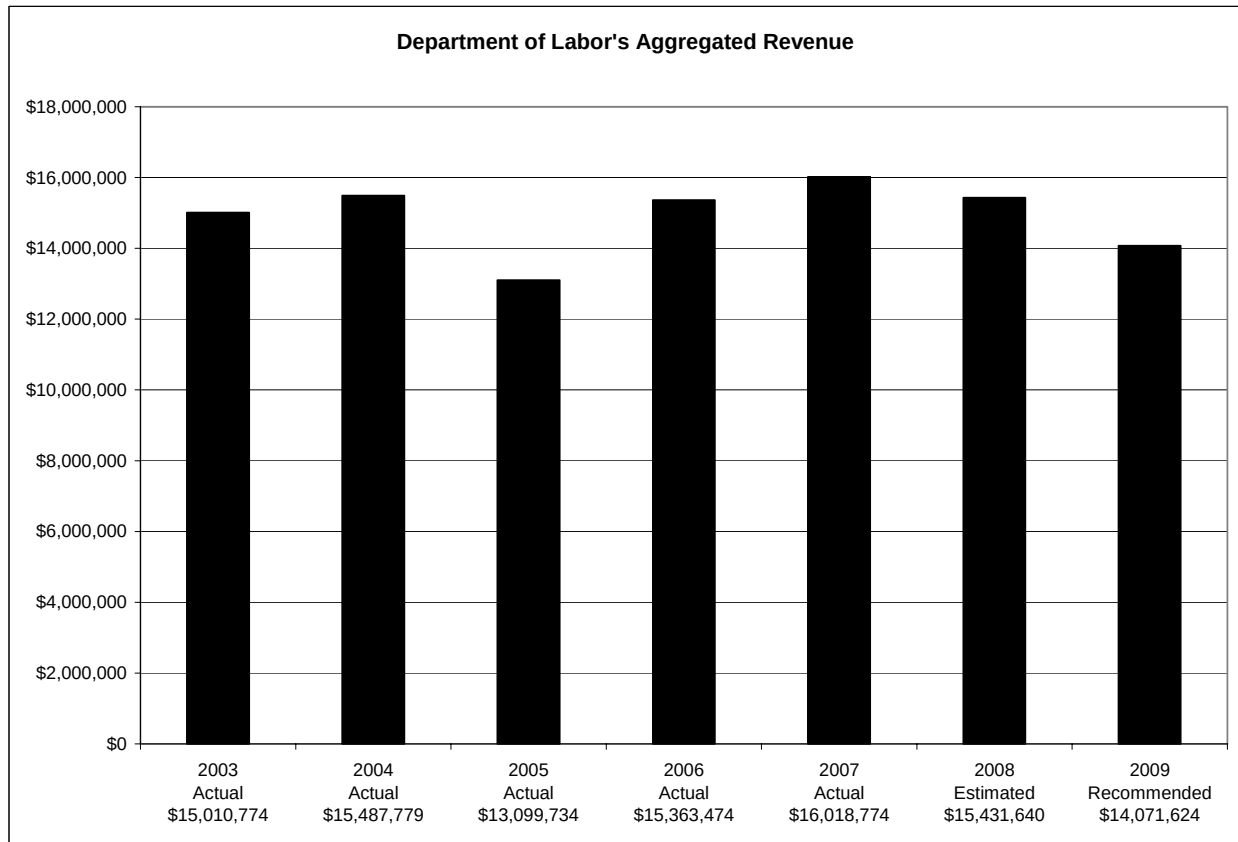
**Labor Department Vacant Positions
as of the September 21, 2008 Position Control Register**

Job Title	# of Vacant Positions	Gr.	Earmarks
ACCOUNT CLERK	1	11	
ASST DEPUTY COMM OF LABOR	2	32	DEP COMMISSIONER OF LABOR
COMPUTER PROGRAMMER	1	21	
DIR OF PROGRAM EVALUATION	1	28	PROGRAM EXAMINER
LABOR CREW LEADER (35 HOUR)	1	14	NEIGHBORHOOD AIDE
LABOR SPECIALIST I	2	19	(1) LABOR TECHNICIAN
LABOR SPECIALIST II	2	21	LABOR TECHNICIAN
LABOR SPECIALIST III	1	23	
LABOR SPECIALIST IV	2	25	
LABOR SPECIALIST V	3	27	(2) LABOR TECHNICIAN
LABOR TECHNICIAN	4	17	
PERSONNEL ASSISTANT	1	13	
PRINCIPAL ACCOUNTANT	1	28	
SECRETARIAL ASSISTANT	1	17	
SENIOR ACCOUNTANT	1	24	ACCOUNTANT TRAINEE
SENIOR NEIGHBORHOOD AIDE	1	17	
WORD PROCESSING SUPVR	1	15	PRINCIPAL STENOGRAPHER
Grand Total	26		

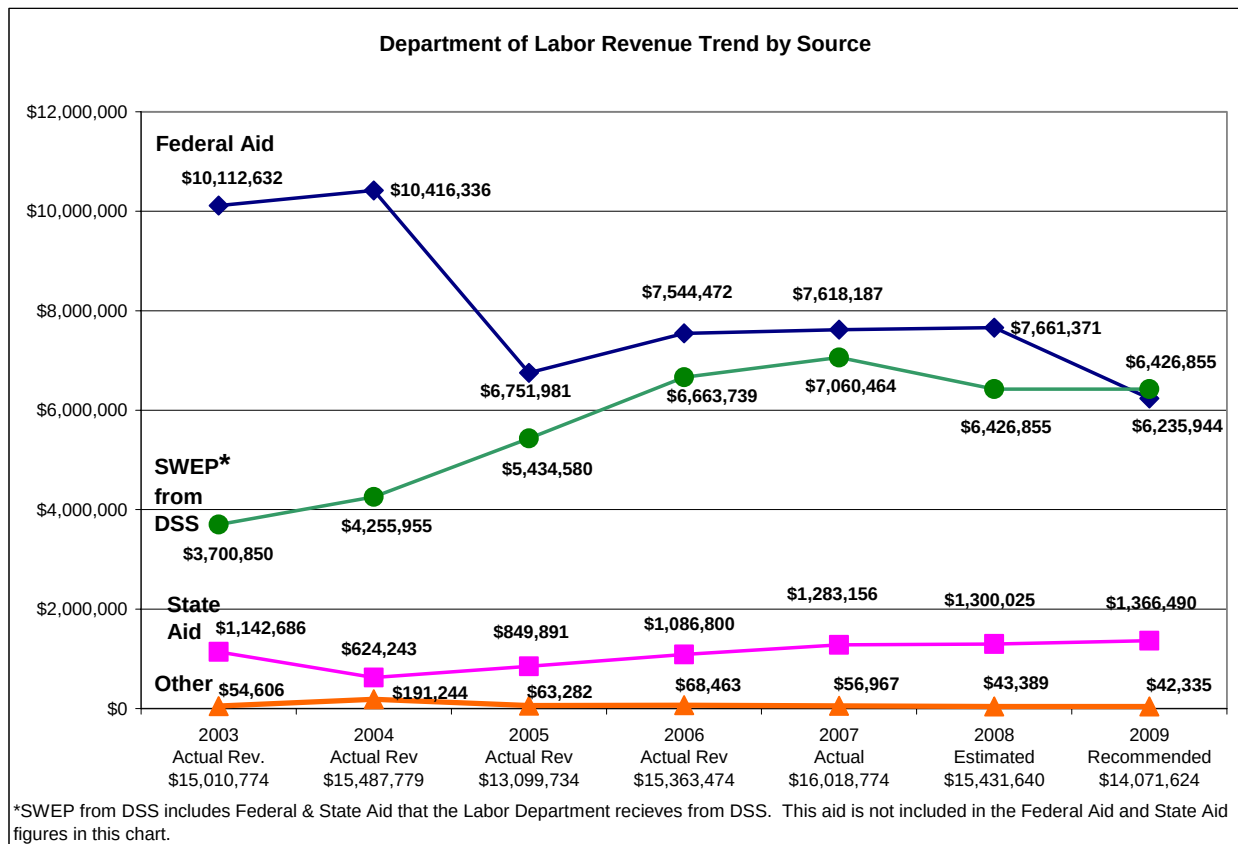
Revenue

The Labor Department receives the majority of its revenues from the state and federal governments, which each have different fiscal years than the County. The state fiscal year is April to March, the federal government is October to September, and the County is January to December. This presents a challenge when estimating and projecting the department's revenues. Due to the differences in fiscal years, at any given time the department will have grant award letters for a portion of the County's fiscal year, which it then uses to forecast what it expects to receive for the remainder of the year.

Accounting for SWEP revenues from DSS, the 2008 estimated budget includes \$15,431,640 and the 2009 recommended budget includes \$14,071,624 in revenues for the Department of Labor. The following chart reflects the department's aggregated revenue from SWEP, federal, state, and other revenues for 2003 to 2009.



The department's aggregated revenue has fluctuated over the past several years and is trending downward in 2009. The following chart details the department's income by source of revenue.



Analyzing the Labor Department's revenue trend by source of revenue reveals the following:

- The majority of the department's revenue comes from federal aid and SWEP from DSS funding.
- Federal Aid significantly dropped in 2005, remained flat during 2006 through 2008, and is expected to trend downward in 2009. Federal Aid is for various programs; however, the vast majority is for Workforce Investment Act (WIA) programs.
- SWEP from DSS funding has become an increasing portion of the Department of Labor's overall revenues. This source of revenue is from the Department of Social Services, which receives federal and state aid for SWEP.
- Revenue from State Aid for various programs has remained relatively flat.
- Other revenue represents funding from the Town of Brookhaven for two summer youth conservation crews, which work on environmental conservation and community improvement projects in Brookhaven, while providing job experience for Brookhaven youths.

WIA Funding

Workforce Investment Act (WIA) funding supports employment and training programming with the intent of reducing dependency on public assistance by increasing the employment opportunities, job retention, and earning potential of the DOL customers. WIA funding:

- Enabled the Labor department to fund the start-up costs of the One-Stop Employment Center, a high tech employment center fully equipped with computers, printers, fax machines, copiers, and other resources required for job search, training, and placement.
- Supports programs that serve dislocated workers who were laid off as a result of permanent shutdown or downsizing and economically disadvantaged adults and youth.
- Has Maintenance of Effort (MOE) requirements established by the Workforce Investment Act that mandate that WIA funds be used for activities that are in addition to those already available in the local area. Therefore, the County cost of the Labor Department cannot be reduced with the expectation that federal funds would compensate for the reduction.

In response to federal funding reductions to WIA in 2005, Resolution No. 350-2005 authorized the transfer of 19 filled positions from the Labor Department to the Departments of Public Works (7) and Parks (12). In 2006, 2007 and 2008 this source of revenue was relatively flat however; in 2009 it is projected to trend downward. The recommended budget does not include any changes to the ninety authorized positions in the Workforce Investment Act Labor division. The recommended budget for WIA, appropriation 320-LAB-6300-Workforce Investment Act (WIA) is reasonable, provided the department's federal funding for this program is realized. It includes \$5,012,481, as requested by the department with the exception of an \$8,000 reduction to the department's request for office supplies from \$104,389 to \$96,389.

SWEP Funding

The Suffolk Works Employment Program (SWEP) is the local welfare program operated according to Temporary Assistance to Needy Families (TANF) regulations. The TANF regulations delineate countable work activities, mandate hours necessary to achieve participation rates, impose weekly/monthly data input and supervision of client work experience and training. SWEP:

- Includes Temporary Assistance (TA), Safety Net (SN), Safety Net Family Assistance and Non-Temporary Assistance Food Stamp Employment and Training recipients.
- Primarily offers services through work experience, short term educational and vocational training courses and job placement assistance.
- Is provided through a cooperative effort between the Department of Labor and the Department of Social Services (DSS). DSS Employability Unit personnel conduct comprehensive assessments of all TANF applicants and determine their

employability. The Unit then refers individuals who are capable of employment to SWEP for work activity assignment. The federal and state aid for this program is appropriated in the Department of Social Services' budget while the expenditures are appropriated in the Labor Department's budget.

The recommended budget for SWEP is reasonable, provided the department's federal and state revenues from DSS are realized. It includes \$6,297,133 in appropriation 001-Lab-6380-SWEP, which is \$113,492 less than the department requested for personal services but \$398,514 more than the 2008 estimated.

Displaced Workers

The recommended budget narrative states that the Executive has, "authorized the Suffolk County Department of Labor to establish links to the private sector" for the John J. Foley Skilled Nursing Facility (SNF) employees. The Labor Department is to help these employees develop additional skills that may be necessary to find new jobs including but not limited to job fairs, resume writing, and other employment assistance services. Authorization from the Executive for these services was unnecessary as these employees can already avail themselves of the services that the department currently provides to displaced workers. Should the John J. Foley Skilled Nursing Facility close, there will be 278 active county employees, according to the September 7, 2008 position control register, that will potentially be in need of alternative employment.

Budget Review Office Recommendations

Have a succession plan in place to identify and prepare for the replacement of the department's aging workforce so that there is a minimal disruption in service provision.

MossLabor09

LAW

Major Issues

1. Staffing
2. Expenses
3. Fees for Services, Non-employees
4. Bar Association – Indigent Defendants Program

Budget Review Office Evaluation

Staffing

- Changes in administration typically create turnover resulting in a loss of institutional knowledge. The Budget Review Office recommends that lower level

attorney positions be non-competitive or competitive Civil Service titles to reduce turnover and loss of institutional knowledge.

- Four individuals left under the Early Retirement Incentive Program (ERIP): Executive Assistant for Finance and Administration (grade 34), Human Rights Investigator (grade 19), Principal Stenographer (grade 15) and the Tort Claims Assistant (grade 11).
- The recommended budget abolishes two ERIP retirement positions: the Executive Assistant for Finance and Administration (grade 34) in the Bureau of Administration and the Torts Claims Assistant (grade 11) in the Bureau of Tort Litigation. The Department currently has 14 vacancies including the two positions that are being abolished. The other vacant positions are one Deputy Bureau Chief, five Assistant County Attorneys, one clerk typist, two Research Technicians, one Principal Stenographer, and two Human Rights Investigators.

Expenses

The 2008 estimated expenses exceed the adopted budget by \$1,333,245. This is due to the accounting for \$1,499,794 of Section 12-5(6)(E) Water Quality Protection Program Non Pine Barrens Town land purchases as part of the Department of Law's budget. These land purchases are authorized by the Legislature during the year and are shown under the Department of Law's budget because the Department of Law was assigned the responsibility for the management of the 1988 Water Quality Program by Local Law 21 of 1996.

Without the Non Pine Barrens Town land purchases, the 2008 Department of Law's expenses would have been \$14,001,018 or \$166,549 less than adopted. The 2008 Department of Law estimated expenses are reasonable.

The 2009 recommended budget is \$385,369 lower than requested. This net decrease is attributable to the following.

- A permanent salary decrease of \$501,531 due to the abolishment of the two positions described above for a reduction of \$170,459 and a net increase in turnover savings of \$331,072.
- Department wide reductions of \$7,034 in Equipment (2000), \$28,403 in Supplies, Material & Other Expenses (3000) and \$450 in Contractual Expenses (4000).
- A \$156,000 increase in Special Services, Bar Association Indigent Defendants (001-1171), which is discussed below in Bar Association Indigent Defendants.

Fees For Services, Non-Employees

Estimated 2008 Fees for Services (001-1420-4560) are \$780,703, which is \$60,662 less than the adopted amount of \$841,365. For 2009, the recommended budget is \$841,365 as requested. The budget will provide funding for conflict of interest cases, appellate printers, family court guardianships, forensic evaluations, court reporters, and Labor Relations. The recommended amount is reasonable.

Fees for Services, non-employees in the Insurance Tort Unit (038-1712-4560) is recommended as requested at \$640,000 for 2009. Approximately \$400,000 is for

outside counsel for police brutality, personal injury, civil rights, and medical malpractice cases. The remaining \$240,000 is used to hire four investigators.

Bar Association – Indigent Defendants Program

Appropriation 001-1171-4770 Special Services, included in the mandated portion of the budget, provides outside counsel. These private attorneys are necessary for homicide cases and in certain dual defendant cases, when the Legal Aid Society cannot represent more than one defendant. The County is required to pay these expenses in accordance with the original Indigent Defendant Plan established by the County and the Bar Association in 1966. The hourly compensation rate is \$60 per hour for misdemeanor cases and \$75 per hour for matters other than misdemeanors. The expenditure caps are \$2,400 for misdemeanors and \$4,400 for all other cases.

The budget estimates the 2008 expense as \$3,900,000 and recommends \$4,056,000 for 2009, which is \$156,000 higher than requested. The 18-B costs for outside counsel have continued to increase. To address these cost increases, State Legislation established an Indigent Legal Services Fund (ILSF), which has a revenue sharing component. Estimated revenue sharing payment information will be based on a percentage formula of funds expended for indigent defendants statewide. For 2008 the County is expected to receive \$2,975,147 (3215 – State Aid Indigent Legal Services) and \$3,272,661 is recommended in 2009. This state aid is based on the total County 18-B cost, which consists of the contract with the Legal Aid Society, which handles most of the indigent defense and the outside counsel, which is assigned by the court when the Legal Aid Society has a conflict of interest.

Budget Review Office Recommendations

The Budget Review Office recommends that lower level attorney positions be competitive or non-competitive Civil Service titles to reduce turnover and loss of institutional knowledge as administrations change.

KD Law09

LEGAL AID SOCIETY

Major Issues

1. Operating Expenses
2. Senior Citizen Budget
3. Office Space
4. American Civil Liberties Union Lawsuit
5. Indigent Legal Service Fund

Budget Review Office Evaluation

The Executive has recommended a 2009 budget of \$11,606,577 for the Legal Aid Society (LAS) of which \$897,108 is reimbursed through various grant programs. This recommended funding level, including grants, is \$194,950 above the 2008 adopted amount of \$11,411,627 and \$360,333 less than requested. The LAS requested a total of \$11,966,910, a \$555,283 or 4.9% increase from the 2008 adopted amount. The additional funding requested is needed for six new positions (two attorneys, two secretarial and two investigators) at a cost of \$336,421 or 2.8% of the increase and anticipated salary and operating expense increases totaling approximately \$218,862 or 1.8%.

The recommended budget includes \$102,620 for the Defender Based Advocacy Program, which is \$5,878 less than requested. The Legal Aid-Target Criminal Initiative is funded at \$794,488, which is \$16,207 less than requested.

The Legal Aid Society also requested a reallocation of funding to accurately reflect the cost of the Senior Program, which is funded through the Office for the Aging. In their budget request for this program, the LAS requested \$573,161. The recommended budget incorrectly shows their request as \$222,494 and provides \$218,567 in funding. The 2008 adopted amount for this program is \$562,131, all of which is estimated to be expended.

- The American Civil Liberties Union (ACLU) filed a class action lawsuit in November 2007 on behalf of twenty defendants, who are clients of various public defense systems including Suffolk alleging there has been a systemic failure of New York's public defense system that violates their right to counsel under the Constitution and Laws of New York and the United States Constitution. A court decision finding that the current system violates an indigent's right to counsel could have material fiscal impact on Suffolk County.
- In 2005, the Office for the Aging requested the LAS to provide statistical data as to the resources dedicated to providing senior services. As has been discussed, the study showed that resources far exceed the contract funding. For the last 2 years, the Legislature increased funding provided to the LAS (GER1) in its contract with the Office for the Aging. The Executive has once again rolled back the contract amount to the 2007 recommended level of approximately \$218,000. The LAS has indicated that it would not be able to continue to provide senior services at current levels if this occurs.
- Resolution No. 655-2001 amended the salary schedule for various attorney titles in the District Attorney's Office. Based upon the salary levels approved in this resolution, the 2004 recommended budget included funding for salary adjustments for Legal Aid Attorneys. Resolution No. 1173-2005 provided for salary increases for exempt employees, including the District Attorney titles, based on the AME contract. In addition to the salary increases, the resolution extended the benefits of the AME Contract to exempt employees including the provision which would allow for the continuation of step increases under the "Triborough Doctrine". The AME contract expires on December 31, 2008, and the County and the AME will begin negotiating a new contract. The tenth resolved

clause of Resolution No. 283 of 2008, "A Responsible Plan For Cost Savings To Mitigate An Anticipated 2009 Shortfall" suspends the July 1, 2009 step advancement for exempt employees and therefore exempt District Attorney positions will not be entitled to a July 1, 2009 step advancement.

- The 2008 Adopted Budget provided a \$10,533,333 lump sum appropriation for the County portion of the LAS budget. The 2009 Recommend Budget estimates total 2008 expenses of \$9,616,926 or \$916,407 less than adopted. The pension payment that LAS makes is not made until year end and the estimated expenses do not include it. The payment is expected to be approximately \$800,000.
- The LAS 2009 requested increase of \$555,283 is composed of \$336,421 for the six new positions and \$218,862 for salary and other expense increases. The LAS request was prepared prior to the financial upheaval that has occurred and it is likely that the LAS pension costs and other expenses in 2009 will be higher than what was requested.
- The Legislature has three decisions to make concerning the LAS budget: 1) if the senior citizens program is to continue at the current level, an additional \$354,594 is needed. 2) if there is concern that there may be merit to the ACLU lawsuit and additional staff is required, the Legislature could provide the six positions requested at a cost of \$336,421. 3) if the Legislature wishes to provide the \$197,077 increase for merit salary increases and increased costs as shown in the recommended budget rather than the \$218,862 requested by LAS.
- The 2009 Recommended Budget narrative indicates that the Legal Aid Society has moved to an existing County facility saving the county over \$100,000 in associated rental costs. The current plan calls for relocating the LAS to the fourth floor of the Cohalan Court Complex. Many of the clients that the Senior Citizen Division of the LAS helps are frail elderly with disabilities and infirmities requiring them to use walkers, canes or wheel chairs. The conditions at the Cohalan Courthouse with its crowds, parking and security may discourage the frail elderly from seeking the help they need.
- Article 18-B of the County Law delegates to the counties the responsibility to provide representation to indigent defendants. Suffolk County fulfills its 18-B obligation by contracting primary responsibility to the LAS and using the Assigned Counsel Plan when LAS is unable to represent. To date, LAS has never declined a case due to an inability to handle their caseload. Assigned counsel is used in instances where there is a conflict of interest or a murder trial.
- Article 18-B was amended by the State effective January 1, 2004. The amendment provided for: 1) elimination of the billable hour rate distinction between in-court (\$40 per hour) and out-of-court time (\$25 per hour), 2) increased the rate to \$75 per hour for matters other than misdemeanors and \$60 per hour for misdemeanors, and 3) increased the caps from \$800 to \$2,400 for misdemeanors and from \$1,200 to \$4,400 for felonies and other matters. Since LAS provides contracted services to the County at a fixed cost, the State Legislation will increase the County's total 18-B cost but not its LAS component.

- The State Legislation also established an Indigent Legal Services Fund (ILSF), which has a revenue sharing component. Estimated revenue sharing payment information is based on a percentage formula of funds expended for indigent defendants statewide. The recommended budget estimates that the County will receive \$2,975,147 for 2008 and recommends \$3,272,661 for 2009. We concur with these amounts.
- The large increase in assigned counsel rates makes the LAS a cost effective alternative for providing legal counsel to indigent defendants. The escalating cost of the assigned counsel program has been a concern. The decision of how much to spend on assigned counsel is made by those outside the County, and the County's only option is to pay the bill.
- The Legal Aid Society is a private agency and is not governed by Civil Service rules or County salary contracts. In the past LAS has given merit raises, not across the board salary increases.

Budget Review Office Recommendations

- The recommended budget provides funding to cover increases in operating costs such as health insurance and disability insurance and salary increases for existing staff. The Legislature has three decisions to make concerning the LAS budget: 1) if the senior citizens program is to continue at the current level, an additional \$354,594 is needed; 2) if there is concern that there may be merit to the ACLU lawsuit and additional staff is required, the Legislature could provide the six positions requested at a cost of \$336,421; 3) and whether the Legislature wishes to provide the \$197,077 increase for merit salary increases and increased costs as shown in the recommended budget rather than the \$218,862 requested by LAS.
- The 2009 Recommend Budget estimates total 2008 expenses of \$9,616,926 or \$916,407 less than adopted. The pension payment that LAS makes is not made until year end and the estimated expenses do not include it. The payment is expected to be approximately \$800,000.

KD LegalAid09

LEGISLATURE

Major Issues

1. Elimination of Community Support Initiatives (CSI) funding
2. Reduction of LIPA oversight funds
3. Abolishment of the vacant Chief Auditor position in the Budget Review Office
4. Reduction of funds for technology equipment

Budget Review Office Evaluation

The Legislature requested a zero increase, cost to continue budget for 2009. The 2009 recommended budget includes \$10,660,032 for the Legislature, which is \$1,073,376 less than the 2008 adopted budget and \$743,020 less than the estimated budget. The recommended budget is \$1,073,376 less than the Legislature requested. The County Executive cut the following appropriations from the 2009 department's request.

APPROPRIATIONS				
Description	2008 Adopted Budget	2009 Requested Budget	2009 Recommended Budget	Reduction
OFFICE MACHINES	\$120,000	\$258,493	\$177,100	-\$81,393
CSI's	\$630,000	\$630,000	\$0	-\$630,000
PERMANENT SALARIES	\$1,714,545	\$1,722,015	\$1,609,032	-\$112,983
FEES FOR SERVICES: NON-EMPLOYEES	\$730,000	\$647,000	\$400,000	-\$247,000
OVERTIME SALARIES	\$0	\$2,000	\$0	-\$2,000
TOTAL REDUCTIONS				-\$1,073,376
STAFF				
TITLE	Gd.			Reduction
CHIEF AUDITOR	31	ABOLISHED		-1

- The Executive's reduction of Fees for Services by \$247,000 for consulting services impedes the Legislature's efforts to pursue outside expertise in matters of LIPA oversight, alternative sources of energy, energy conservation, and other significant energy related matters important to the residents of Suffolk County.
- The recommended reduction of \$112,983 in permanent salaries represents the abolished Chief Auditor (grade 31) position in the Budget Review Office. This position was vacated through the County's 2008 early retirement incentive program and was not requested to be abolished by the department. The Budget Review Office is required to conduct financial and system audits and has had an auditing position on staff for most of its 32-year history.
- The recommended elimination of funding for the Community Support Initiatives (CSI) takes away resources from not-for-profit organizations that provide programs for youths and seniors and fulfill community based needs. This funding is used to support services including, but not limited to, supplementation of County services for: veterans programs, senior citizen and youth programs, food pantry services and outreach, other comparable health and safety programs and for local economic development and community revitalization. Loss of these funds will limit the County's ability to provide needed valuable services to the residents of Suffolk County.

- The recommended budget reduces office machines by \$81,393, which was requested to provide necessary technology improvements in conjunction with the renovations to the Legislature's meeting room in the Riverhead County Center.
- According to Local Law 42-1999, the salary increase for elected officials shall be equal to the lesser of four percent or the Consumer Price Index for the New York Region. The salaries of elected County Legislators are increased, as calculated by the Budget Review Office for 2009 based on the inflation rate for the most recent four quarters. The rate of growth in the average CPI for the July 2007 through June 2008 period, relative to the same period of the previous year, was 3.38%. The 2009 annual salaries for legislators will increase to: Presiding Officer, \$108,913; Deputy Presiding Officer, \$99,011; Legislators, \$89,109.
- The 2009 recommended staffing of 145 is a reduction of one position from the 2008 adopted budget due to the abolishment of the vacant Chief Auditor position in the Budget Review Office.
- Efficient management of Legislative staff has resulted in the 2008 estimated budget overstating permanent salaries in the Legislature (001-1010) by \$175,000.
- The recommended budget includes sufficient appropriations in 2009 for all currently filled positions in the County Legislature (001-1010) and provides for filling six of the Legislature's 12 full time equivalent vacant positions.
- There are sufficient appropriations in 2009 for all the currently filled positions in the Budget Review Office and to fill two of the Office's three remaining vacant positions.

LR Legislature09

PARKS, RECREATION AND CONSERVATION

Major Issues

1. Staffing
2. Park Police Officer Calculation
3. Revenue
4. Contracted Agencies
5. Fund 192: Parks Historic Services Hotel/Motel Tax

Budget Review Office Evaluation

The 2008 estimated budget includes \$18,891,141 for the Parks Department, which is \$733,549 less than the adopted budget. In the aggregate, the estimated budget is reasonable, with the exception of permanent salaries and contract agencies, which are discussed in the Staffing and Contracted Agencies sections that follow.

The 2009 recommended budget includes \$18,886,111 for the Parks Department, which is \$1,835,241 less than the department requested. The table that follows details the differences between the requested and recommended budgets by appropriation.

Differences Between the Requested and Recommended Budgets by Appropriation

Appropriation	Description	Requested	Recommended	Difference
001-PKS-7110	Parks, Recreation & Conservation	\$15,811,989	\$14,267,086	(\$1,544,903)
001-PKS-7112	Parks: STOP DWI	\$20,000	\$0	(\$20,000)
001-PKS-7125	Environmental Enforcement	\$197,945	\$174,069	(\$23,876)
001-PKS-7510	Parks: Historic Services	\$1,449,369	\$1,305,511	(\$143,858)
192-PKS-7510	Parks: Historic Services	\$326,756	\$675,930	\$349,174
477-PKS-7114	Organic Maintenance Program	\$2,915,293	\$2,463,515	(\$451,778)
	Grand Total	\$20,721,352	\$18,886,111	(\$1,835,241)

Parks, Recreation & Conservation (001-PKS-7110)

The recommended budget includes \$1,544,903 less than the department requested for this appropriation: \$1,226,072 personal services; \$50,231 equipment; \$169,500 supplies; and \$99,100 contractual expenses. Personal Services and Contractual Expenses are addressed in the Staffing and Contracted Agencies sections that follow. In the aggregate, the recommended budget for equipment and supplies in this appropriation is reasonable when compared to the department's 2007 actual and 2008 estimated expenditures.

Parks: STOP DWI (001-PKS-7112)

The recommended budget prioritized the County's available DWI funding and did not include the Parks Department's \$20,000 request for Park Police Officer's to use overtime to reduce the incidence of DWI through enforcement and preventative methods such as the use of "check" stations. The Park Police Officers are expected to provide this service during their regular scheduled duties. This is reasonable considering that all 47 of the department's authorized Park Police Officer positions are currently filled.

Environmental Enforcement (001-PKS-7125)

The majority of the difference or \$13,568 is a reduction in permanent salaries. Based on our projections, the recommended budget includes sufficient funding for the two positions in this appropriation for the full year. In the aggregate, the remaining difference of \$10,308 is reasonable when compared to the 2007 actual and 2008 estimated budgets.

Parks: Historic Services (001/192-PKS-7510)

The recommended budget for Historic Services is reasonable. Between the General Fund and Fund 192, the recommended budget includes a net of \$205,316 more than the department requested for Historic Services. The Fund

192: Parks Historic Services Hotel/Motel Tax section that follows details the additional funding.

Organic Maintenance (477-PKS-7114)

Although the recommended budget for the Organic Maintenance Program is \$451,778 less than the department requested, it is reasonable when compared to the department's historical spending in this appropriation. The recommended budget includes \$2,463,515, the 2008 estimated budget includes \$2,360,551 and the department's actual expenditures for this appropriation in 2007 were \$2,306,252.

Staffing

The 2008 estimated budget includes \$10,359,082 for permanent salaries in the Parks Department. Based on our estimates, the recommended budget includes insufficient funding in the 2008 estimated budget for the currently filled positions. We recommended increasing permanent salaries by \$67,000 as follows:

- Increase 2008 estimated appropriation 001-PKS-7110-Parks, Recreation and Conservation-1100-Permanent Salaries by \$59,000 based on currently filled positions.
- Increase 2008 estimated appropriation 001-PKS-7510-Parks: Historic Services-1100-Permanent Salaries by \$8,000 based on currently filled positions.

In adherence to the 16-08 All-Department-Heads-Memorandum, the Parks Department did not request additional staff. As of October 5, 2008, the Parks Department had 229 authorized positions (194 in the General Fund and 35 in Fund 477). In compliance with the Early Retirement Incentive Program and the provisions of Resolution 283-2008, the recommended budget abolished the following seven positions in the department's main appropriation, 001-PKS-7110-Parks.

**Abolished Positions in the Recommended Budget
in appropriation 001-PKS-7110-Parks**

Job Title	# of Positions
Administrator I	1
Auto Equipment Operator	1
Park Supervisor II	1
Recreation Supervisor	1
Secretarial Assistant	1
Sr. Contracts Examiner	1
Sr. County Parks Superintendent	1
Total	7

On September 21, 2008 the department had 23 vacancies of which seven positions will be abolished as indicated in the table above. The department has the approval to fill

one Clerk Typist and one Labor Crew Leader position. The table that follows lists the department's remaining 14 vacant positions by division.

**Parks Department Net Vacancies by Division
as of the September 21, 2008**

Job Title	Grade	# of Positions
01-7110-Parks		
Intergovernmental Relations Coordinator	31	1
Asst. to Comm. (Parks, Rec. & Cons.)	23	1
Secretarial Assistant	17	1
Clerk Typist	9	1
Maintenance Mechanic III	15	1
Park Supervisor I	15	3
Park Supervisor II	19	1
Park Supervisor III	22	1
Labor Crew Leader	14	1
47-7114-Organic Maintenance Program		
Laborer	08	2
Environmental Assistant	14	1
Grand Total		14

The Budget Review Office recommends abolishing all three vacant positions in Fund 477 listed in the preceding table.

The 2009 recommended budget includes \$10,702,576 for permanent salaries. Based on our projections, there are sufficient appropriations to adequately fund all currently filled positions for a full year and fifty percent of the department's net vacancies for half the year.

Park Police Officer Calculation

As per Resolution No. 242-1999 as revised by Resolution No. 1361-2006, effective March 16, 1999,

For every additional five hundred (500) acres of land acquired by the County of Suffolk (by negotiation, condemnation, or gift) for parkland purposes, nature preserve purposes, open space purposes, pine-barrens protection purposes, wetlands protection purposes, recreational activity purposes, or other environmentally sensitive land protection purposes, the County of Suffolk shall hire one (1) additional Park Police Officer no later than ninety (90) days after the County acquires fee title to such land.

To be in compliance with existing legislation, based upon land purchases for the year ending 2007, seven new Park Police Officer positions will need to be created and filled. Based on the grade and step (grade 19, step 5) of the Park Police Officer class that was hired this past year, the salary and fringe benefits for seven new Park Police Officer positions is \$49,120 in salary and \$21,727 in fringe benefits each or \$495,929 for all

seven for the full year, along with additional funding for the supplies and equipment. The chart that follows details the calculation used to determine the required total of 54 authorized Park Police Officer positions to be in compliance with existing legislation.

**Detail for the Number of Park Police Needed
to be in Compliance with
Resolution No. 242-1999 as Revised by Resolution No. 1361-2006**

(1) 1999 # of Auth. Positions (as per 3/21/99 position control register)	(2) 2008 # of Auth. Positions (as per 9/21/08 position control register)	(3) Add'l Auth. Positions since 1999 (2-1)	(4) 1999* (In acres)	(5) 2007** (In acres)	(6) Add'l Acreage Since 1999 as of 12/07 (5-4)	(7) 1 New PPO per 500 Add'l Acres Since 1999 (6/500)	(8) # of New Park Police Officer Positions Required (7-3)	(9) Total # of Auth. Positions Needed (1+3+8)
39	47	8	38,544.82	46,236.96	7,692.14	15.38	7.38	54.38

Note:

*Land acquisition includes January through March 15th, which is not included in Res. No. 242-1999.

**Land acquisition is as of 12/07.

The chart that follows details the acreage used to determine the number of Park Police Officer positions needed for compliance. It does not include land acquired by Suffolk County in 2008; however it details the estimated 7,692 additional acreage that the County acquired from 1999 through December of 2007:

Comparison of Suffolk County Land Acquisition in 1999 to Land Acquisition in 2007

Description	1999* (In acres)	2007** (In acres)	Difference since 1999
Parkland	28,726.22	29,397.07	670.85
Water Quality and Drinking Water	9,818.60	13,862.00	4,043.40
Greenways: Open Space	0.00	360.71	360.71
Greenways: Active Parkland	0.00	99.79	99.79
Pay-As-You-Go: Open Space	0.00	928.08	928.08
Suffolk County Multifaceted Land Acquisition Program	0.00	852.56	852.56
Save Open Space (SOS)	0.00	736.75	736.75
Total	38,544.82	46,236.96	7,692.14
Note: *Land acquisition includes January through March 15 th , which is not included in Res. No. 242-1999. **Land acquisition is as of 12/07.			

Resolution No. 1361-2006 authorized removing farmland preservation acreage from the calculation. We again recommend that the Legislature direct the Department of Environment and Energy's Real Estate Division to review and determine if any of the

Suffolk County Multifaceted Land Acquisition Program acreage is farmland. If the review results in farmland acreage within the Multifaceted Program, then total acreage would be reduced and the corresponding number of required Park Police Officer positions to comply with current legislation would be recalculated accordingly.

The Budget Review Office finds that basing the number of Park Police Officer positions needed solely on land acquisition does not take into account the different patrolling needs of the various types of parkland. It is a policy decision to determine if the current legislation should be amended to base the number of Park Police Officers on an objective criterion that would account for the demands placed on the department to ensure public safety for its patrons as well as protection of its parkland.

Revenue

The estimated budget includes \$9.45 million in Parks Department revenues, which is 4.6% or \$418,460 more than the adopted budget. Golf, camping, and beach fees are the department's major revenue collection areas. These three areas represent 69% or \$6.49 million of the 2008 estimated revenue in the department: golf (\$3.35 million), camping (\$1.36 million), and beach (\$1.78 million). As of September 21, 2008, the County's Integrated Financial Management System (IFMS) only had \$2.34 million posted for Parks Department revenues. Therefore, the Budget Review Office was unable to validate the revenues included in the estimated budget using IFMS. However, in comparison to the department's historical revenues, the estimated budget is reasonable.

The recommended budget includes \$9.84 million for Parks Department revenues, which is 2.16% or \$216,737 less than the department requested but 4.04% or \$382,154 more than the estimated budget. The lack of data to estimate the parks' revenues in 2008 impedes accurate forecasting for 2009. In comparison to the department's actual revenues in 2007, the recommended budget is 2.14% or \$206,223 more, which is reasonable.

The Budget Review Office is not recommending changing the estimated or recommended revenues, which given the limited information available, both appear to be reasonable. However, to safeguard the department's revenues we recommend the following:

- Improve the department's internal cash control procedures to ensure that the collection and depositing of fees is accomplished promptly and properly.
- Study the Point of Sale (POS) system to determine what is causing the delay in posting the department's revenues to IFMS. Last year, the department indicated that the POS system created a large amount of daily paperwork that has to be reviewed prior to the monthly reconciliations. The study should include a determination if the process can be streamlined.

Contracted Agencies

The estimated budget for 001-PKS-7110-Parks Recreation and Conservation-4980 contracted agencies includes \$99,500 of the \$319,500 that was provided by the omnibus resolution adopting the 2008 budget. According to the County's Integrated Financial Management System (IFMS) on September 21, 2008, only \$34,500 of the

funds have been expended, as listed in the table that follows. The recommended budget does not provide funding for these contract agencies in 2009.

**Status of Contract Agencies in Appropriation
001-PKS-7110-Parks, Rec. & Conservation**

Contract Agency Name	2008 Adopted	2008 Estimated	Expended as of 9/21/08
Contracted Agencies	\$210,000	\$0	\$0
Babylon Arts Council	\$10,000	\$0	\$0
Second Chance Wildlife Rescue	\$10,000	\$10,000	\$0
Wildlife Rehab. Ctr. of the Hamp.	\$5,000	\$5,000	\$0
IGHL Foundation	\$25,000	\$25,000	\$0
L.I. 2 Day Walk Breast Cancer	\$9,500	\$9,500	\$9,500
Montauk Observatory	\$5,000	\$5,000	\$0
Friends of St. Patrick	\$5,000	\$5,000	\$0
Town of Babylon (Sanchez Park)	\$25,000	\$25,000	\$25,000
Village of Lindenhurst (Parks)	\$15,000	\$15,000	\$0
Grand Total	\$319,500	\$99,500	\$34,500

The adopted and estimated budgets for 001-PKS-7510-Parks: Historic Services-4980 contracted agencies includes \$30,000, as per Omni 2008. According to IFMS, on September 21, 2008, \$20,000 has been expended, as listed in the table that follows. The recommended budget does not provide funding for these contract agencies in 2009.

**Status of Contract Agencies in Appropriation
001-PKS-7510-Parks: Historic Services**

Contract Agency Name	2008 Adopted	2008 Estimated	Expended as of 9/21/08
Smithtown Historical Society	\$5,000	\$5,000	\$0
L I Maritime Museum	\$5,000	\$5,000	\$5,000
Miller Place-Mt. Sinai Historical Society	\$5,000	\$5,000	\$5,000
Commerdinger Preservation Society	\$5,000	\$5,000	\$0
Ward Melville Heritage Organization Archive Project	\$5,000	\$5,000	\$5,000
Babylon Town Historical Society	\$5,000	\$5,000	\$5,000
Grand Total	\$30,000	\$30,000	\$20,000

It is a legislative decision to determine what contract agencies should have continued support in the upcoming year and whether new contract agencies should receive funding. (See a complete contract agency listing at the end of this report.)

Fund 192: Parks Historic Services Hotel/Motel Tax

The funds provided in appropriation 192-7510 by the Hotel/Motel tax assist the County in promoting tourism and in supporting cultural programs and activities relevant to the continuation and enhancement of the tourism industry. The revenue is collected by the Department of Economic Development and Workforce Housing. A portion (16.66%) of the Hotel/Motel tax is committed to the care, maintenance and interpretation for the general public of the historic structures and sites and unique natural areas that are managed by the Suffolk County Department of Parks and Recreation for sites and activities that are open to tourists on a regular and predictable basis. Oversight of this fund is provided by the Division of Historic Services. The Parks Department revenue from the Hotel/Motel tax is used for the care and maintenance of historic structures and areas, to provide interpretive and educational programming and to print informative brochures for historic sites for the continuation and enhancement of the tourism industry. Expenditures from this fund must match available cash in the fund received from hotel tax revenue collected.

The estimated and recommended budgets for this appropriation are based on an allocation formula and projected annual hotel/motel tax revenue to be received. The estimated budget includes \$409,018. As of September 21, 2008, the department has expended \$258,929, leaving an unexpended balance of \$150,089. This balance can be expended by the end of 2008 or returned to Fund 192 to remain allocated for the parks department's future use.

The recommended budget includes \$675,930, which is \$349,174 more than requested. The budget narrative states,

“Fund 192, Hotel Motel Tax, is budgeted at \$2,229,528 for 2009. This includes \$365,840 of reallocated fund balance to Parks Historic Services. This funding was previously allocated to Parks Historic Services and remained unspent. The remaining Fund 192 budget is recommended in compliance with the percentage for distribution established by the Hotel Motel law.”

The Budget Review Office is in agreement with both the estimated and recommended budgets for this appropriation. See the Status of Funds section in this report for more information on Fund 192.

Budget Review Office Recommendations

- Increase 2008 estimated appropriation 001-PKS-7110-Parks, Recreation and Conservation-1100-Permanent Salaries by \$59,000 based on currently filled positions.
- Increase 2008 estimated appropriation 001-PKS-7510-Parks: Historic Services-1100-Permanent Salaries by \$8,000 based on currently filled positions.
- Abolish the two vacant Laborer positions and the one vacant Environmental Assistant position in Fund 477.
- To be in compliance with existing legislation, based upon land purchases for the year ending 2007, seven new Park Police Officer (PPO) positions will need to be created and filled at a cost of \$49,120 in salary and \$21,727 in fringe benefits

each or \$495,929 for all seven for the full year, along with additional funding for the supplies and equipment.

- The Legislature could direct the Department of Environment and Energy's Real Estate Division to review and determine if any of the Suffolk County Multifaceted Land Acquisition Program acreage is farmland. If the review results in farmland acreage within the Multifaceted Program, then total acreage included in the calculation for determining the number of PPO's would be reduced and the corresponding number of required PPO positions to comply with current legislation would be recalculated accordingly.
- It is a policy decision to determine if the current legislation should be amended to base the number of Park Police Officers on an objective criterion that would account for the demands placed on the department to ensure public safety for its patrons as well as protection of its parkland.
- Improve the department's internal cash control procedures to ensure that the collection and depositing of fees is accomplished promptly and properly.
- Study the Point of Sale (POS) system to determine what is causing the delay in posting the department's revenues to IFMS. Last year, the department indicated that the POS system created a large amount of daily paperwork that has to be reviewed prior to the monthly reconciliations. The study should include a determination if the process can be streamlined.
- It is a legislative decision to determine what contract agencies should have continued support in the upcoming year and whether new contract agencies should receive funding.

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PLANNING

Major Issues

1. Personnel
2. Long Island Regional Planning Board (LIRPB)
3. Cornell Cooperative Extension Oversight
4. Revenue

Budget Review Office Evaluation

Personnel

- The 2009 Recommended Budget for the Water Quality Protection and Restoration and Stewardship Program (WQPRSP) includes two filled positions, one Environmental Planner (grade 21) and one Clerk Typist (grade 9). The Clerk

Typist provides support for the Suffolk County Aquaculture Lease Program and the Water Quality Review Committee. The Environmental Planner was filled in August of 2008 and is working on the aquaculture lease program. Even though these two positions are dedicated to Water Quality Protection, it continues to be the opinion of the Budget Review Office that WQPRSP funds should be used for capital and not operating expenses.

- One Principal Planner (grade 28) and one Principal Research Analyst (grade 28) retired under the 2008 ERIP program. The 2009 recommended budget reduces permanent salaries by \$360,500 compared to the Department's request. This reduction results from abolishing the retired Principal Planner position (\$95,813), increasing turnover savings by \$164,187, and further reducing permanent salaries by a \$100,500 adjustment.
- The Planning Department has five vacant positions of which one of the two ERIP positions, Principal Planner (grade 28), is abolished by the 2009 Recommended Budget. The 2009 Recommended Budget does not include sufficient permanent salary appropriations to fill vacant positions during 2009.

Long Island Regional Planning Board (LIRPB)

- Two positions in the Planning Department, Chief Planner (grade 33) and Executive Director (grade 38), are assigned to the Long Island Regional Planning Board (LIRPB). In addition, the 2009 Recommended Budget establishes a new appropriation in Planning (001-PLN-8025-LI Regional Planning Board) and funds the LIRPB at \$300,000. The 2008 Adopted Budget included \$350,000 in 001-MS-8025 for the LIRPB.
- Nassau and Suffolk Counties have engaged in discussions to create a Long Island Regional Planning Council (LIRPC). Implementation of the plan requires both Counties to adopt resolutions approving a common plan. Resolution No. 636-2005, as amended by Resolution No. 1097-2007, was Suffolk's implementation of the plan and does not become effective until Nassau County implements a similar resolution.
- The ninth resolved clause of Resolution No. 636-2005, as amended by Resolution No. 1097-2007, states that "Until a business plan is submitted and accepted by the Suffolk County Executive and the Legislature, the Council shall be limited to funding of no more than \$100,000 per annum from Suffolk County". Suffolk County's contribution proposed in the 2009 Recommended Budget is \$300,000, plus the additional costs associated with the Chief Planner and Executive Director positions. This contribution is far in excess of the no more than \$100,000 limitation imposed by Resolution No. 636-2005 as amended by Resolution No. 1097-2007.
- The 2009 Recommended Budget narrative indicates that past inequities in the funding levels provided by Nassau County are being equalized so that both counties support the LIRPB at the same level but no detail is provided as to how this will occur.

- The County Executive has submitted Introductory Resolution No. 1875-2008, which will adopt a “Memorandum of Understanding” between Nassau and Suffolk County relating to the LIRPC. The Memorandum of Understanding provides that 1) there will be a sharing of expenses for the LIRPC contingent upon the timely receipt of the LIRPC business plan. 2) There shall be no liability incurred by either County under the Memorandum of Understanding beyond the funds duly appropriated by the respective County Legislatures. 3) The Parties agree to support the LIRPC activities with in kind services including but not limited to staff support and office space. 4) Each party shall maintain for a period of 6 years following the later of termination of or final payment under this Agreement, complete and accurate records, documents, accounts and other evidence of all expenses. There is no provision that deals with the reimbursement or equalization of past expenses.

Cornell Cooperative Extension Oversight

- During 2007, the County Executive centralized the oversight of Cornell Cooperative Extension in the Planning Department in order to enhance the coordination and management of the programs. The 2009 Recommended Budget transfers the management of the programmatic oversight and budget accountability of Cornell Cooperative Extension to the Department of Health Services. Through August the Planning Department has not reviewed any Cornell claim vouchers because the 2008 contracts with Cornell have not been executed. The budget does not transfer the vacant Assistant Economist (grade 21) that was provided to assist in Cornell oversight. In addition to monitoring Cornell, the position is to support the work of the Planning Department with respect to economic, demographic, and developmental trends.

Revenue

- Planning Fees (001-1271) are estimated at \$17,500 for 2008 and recommended at \$18,000 for 2009; both are reasonable.

Budget Review Office Recommendations

- WQPRSP Funds are more suitable for capital expenditures rather than funding positions in the operating budget.
- Pursuant to Resolution No. 636-2005, as amended by Resolution No. 1097-2007, “Until a business plan is submitted and accepted by the Suffolk County Executive and the Legislature, the LIRPB should be limited to funding of no more than \$100,000 per annum from Suffolk County”.

POLICE

Major Issues

1. Expenditure Overview
2. Sworn Officer Staffing
3. Civilianization
4. Overtime
5. Town Revenue Sharing
6. Public Safety Communications System E-911 Fund 102

Budget Review Office Evaluation

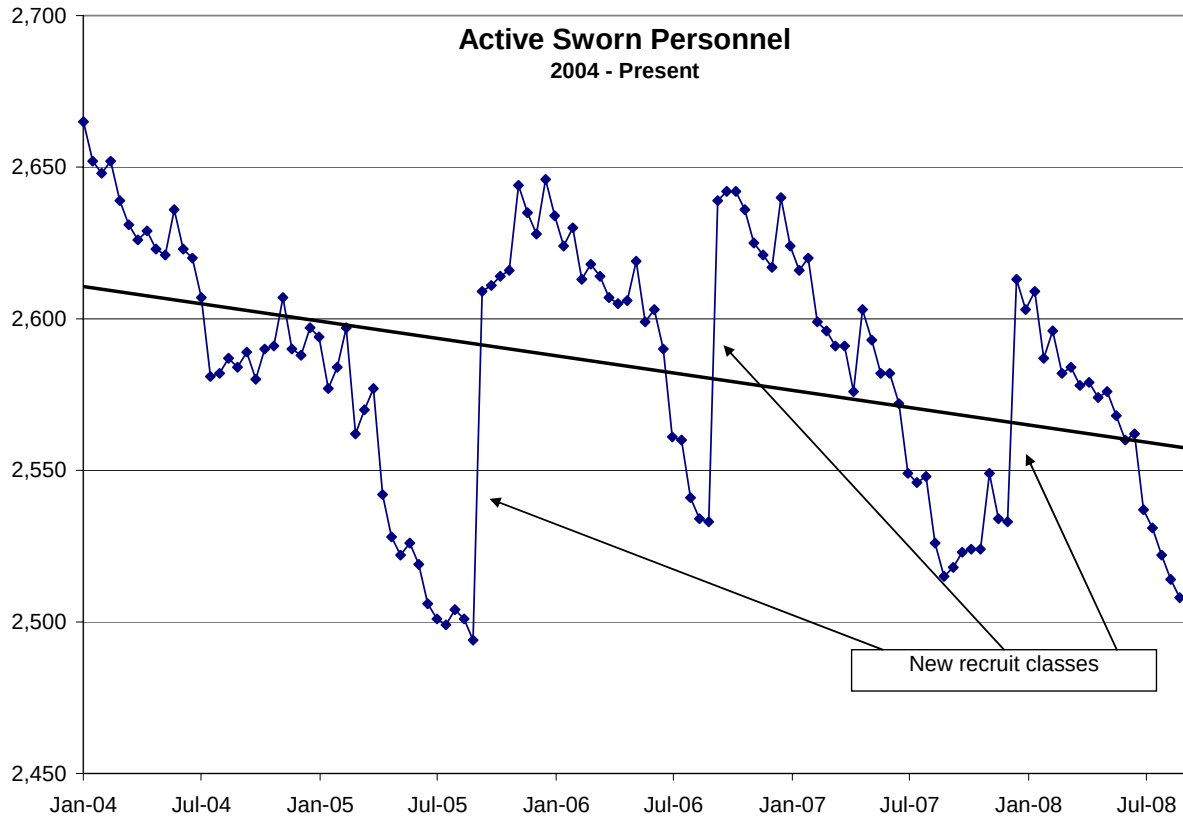
Expenditure Overview

The recommended 2009 budget for the Police Department is \$427,296,589 which represents a decrease of \$8.1 million (-1.9%) from the adopted 2008 budget. The decrease in funding is primarily due to a \$6.2 million reduction in personnel costs. This reflects the continued attrition of sworn personnel coupled with no new Police recruit class scheduled to be hired in 2009.

Personnel services constitutes over 95% of the recommended budget. The Police District Fund 115 accounts for 79% of the 2009 recommended Police Department expenditures (\$337.3 million) with 18% associated to the General Fund (\$76.7 million) and 3% to Fund 102 – Public Safety Communications Systems E-911 (\$13.2 million).

Sworn Officer Staffing

The following graph shows the number of active sworn personnel on the payroll from 2004 through September 2008. Active positions differ from filled positions because at any point in time there are approximately 100 sworn officers off the payroll due to disability, workman's compensation, and various types of leave of absences.



Since January 1996, when 2,763 sworn officers were in the police ranks, there has been a net decrease of 255 active sworn positions to the current 2,508. Compared to this time last year, the net number of filled sworn officer positions has decreased by ten, which has been mitigated by a class of 66 recruits hired in December 2007.

During the previous five year period from 2003 to 2007, the Police Department averaged approximately 100 sworn officer retirements/separations each year. As of August 2008, there have been 70 retirements/separations from service. Based on the average number of officers who retire during the last four months of each year, we project the number of officers retiring in 2008 will be 84. The recommended budget anticipates the retirement of 80 sworn officers in 2009.

The department did not request and the recommended budget does not include specific funding for any recruit classes during 2009. The decline in the number of sworn officers from 1996 is due to the following reasons.

- The consistent number of annual retirements
- The elimination of a recruit class in 2004
- The delay of the March and September classes and reduction of 25 recruits in the 2007 class schedule to 66 recruits
- No recruit class in 2008
- No recruit class scheduled for 2009

On or about the release date of the recommended budget, the County Executive redeployed 35 Police Officers from highway patrol to the precincts. The Sheriff has assumed highway patrol responsibility for the Long Island Expressway and Sunrise Highway. Despite this redeployment, there is a decreasing trend in active sworn officers. Consideration should be given to include a recruit class in 2009. Each additional recruit hired in September 2009 would cost approximately \$30,000, including base salary, holiday pay, cost to outfit, cleaning allowance and fringe benefits. While the department is redeploying personnel from highway patrol, DARE, PAL, civilianization, etc., there is still a need for more officers as attrition is outpacing redeployment.

The number of retirements will affect the amount of appropriations needed for retirement payouts for unused sick and vacation time, otherwise known as SCAT pay. Collective bargaining agreements permit a police officer to accumulate and be paid upon retirement for up to 120 days of unused vacation time (paid day for day) and 600 days of unused sick time (paid 1 day for each 2 days accumulated). For a Police Officer that can amount to \$177,341. The recommended budget includes \$16.7 million (all funds) for SCAT pay in 2009, an increase of \$1.4 million from the estimated 2008 budget. The following chart details the sworn personnel as of September 21, 2008. On that date, there were 403 vacant sworn positions including 328 Police Officer positions, 303 of which were in the Police District.

SCPD SWORN PERSONNEL AS OF SEPTEMBER 21, 2008							
	Fund 001			Fund 115			
JOB TITLE	Filled	Vacant	Total	Filled	Vacant	Total	Grand Total
ASST CHIEF (POLICE)	0	0	0	1	0	1	1
CAPTAIN (POLICE)	5	0	5	14	0	14	19
CHF OF DIVISION(POLICE)04	2	0	2	1	0	1	3
CHIEF INSPECTOR(POLICE)03	1	0	1		0		1
DEP CHIEF (POLICE)	2	0	2	2	0	2	4
DEP INSPECTOR (POLICE)	5	0	5	11	1	12	17
DETECTIVE (POLICE)	180	24	207	198	22	222	429
DETECTIVE LT (POLICE)	9	1	10	9	0	9	19
DETECTIVE SGT (POLICE)	36	3	39	31	0	31	70
INSPECTOR (POLICE)	1	0	1	9	0	9	10
LIEUTENANT (POLICE)	14	2	15	66	0	69	84
POLICE OFFICER	67	25	98	1,697	303	2,005	2,103
SERGEANT (POLICE)	29	0	31	227	22	245	276
Grand Total	351	55	416	2,265	348	2,619	3,035

NOTE: Vacant positions are listed as earmarked in the 2009 Recommended Budget

Total permanent salary costs for 2009 are recommended at \$291,176,080 for the Police Department across all funds and for all titles. This amount includes contractual salary increases for all civilian unions and sufficient funds for existing sworn personnel less attrition. The PBA, SOA and Detectives contracts expired at the end of 2007.

In 2007, 267 of the top 300 non-terminated wage earners in the County were sworn police personnel with an average total remuneration of \$169,389, an increase of \$6,843 or 4.2% per employee over the 2006 average remuneration. These wages do not include the value of health insurance, retirement costs, social security, and other non-taxable benefits paid by the County.

Civilianization

Of the 3,786 authorized positions in the Police Department, 750 or 19.8% are civilian positions. As of the September 21, 2008 position control report, there are 170 vacancies, seven less than at the same time last year. Compared to January of 2004 when there were 586 active civilians in the Police Department, there are currently eight less or 578 active civilians. The current level is the lowest since November of 2005. A factor in this level is that 22 civilians participated in the 2008 ERIP, of which 17 are abolished.

To date we can only analyze total civilian positions. Recently requested data in cooperation from the department will allow BRO to track the amount of civilians in different commands and bureaus department wide to determine if the civilianization efforts are being accomplished. The following 21 sworn vacant positions are currently earmarked to civilian titles:

CURRENT TITLE	NO.	EARMARKED TITLE
POLICE OFFICER	4	APPLICANT INVESTIGATOR
POLICE OFFICER	2	EMERGENCY MED SVCS OFFICR
POLICE OFFICER	1	PUBL RELATIONS SPECIALIST
POLICE OFFICER	1	RESEARCH TECHNICIAN
POLICE OFFICER	1	PROGRAMMER ANALYST
POLICE OFFICER	9	POLICE OPERATION AIDE
SERGEANT (POLICE)	1	LAW ASSISTANT I
SERGEANT (POLICE)	1	FACILITIES SPACE MANAGER
DETECTIVE (POLICE)	1	FORENSIC GRAPHICS TECHNICIAN

Overtime

Department-wide overtime costs are recommended at \$24,616,854 for 2009, which is \$426,197 or 1.8% more than the 2008 estimated overtime expenditures. Mitigating this increase is the reduction in grant funding for overtime (HOV enforcement, gang task force, Stop DWI, etc.) as this cost is added to the estimated budget during the year. In the major overtime appropriation in the Police District, overtime is recommended at \$1.28 million more than the estimated 2008 amount which represents a 7% increase.

Without a 2009 contract for the Police unions this would indicate an increase in overtime hours (less a minor differential for officers not at top step). Actual overtime costs will be directly influenced by the success of the civilianization initiative, management initiatives, officer redeployments, new contractual agreements, incoming grants, and the hiring of additional sworn staff.

Town Revenue Sharing

Section 4-6J of the Suffolk County Charter provides the legal authority for sales tax revenue sharing with certain towns and villages outside of the Police District. The current formula is based on the original 1997 allocation, adjusted upward or downward each fiscal year subsequent to 1997, taking into account changes in sales tax revenues. The 2009 recommended budget includes a total distribution of \$6,088,343, which is an increase of \$500,000 from the 2008 adopted budget.

Jurisdiction	2006 Adopted	2007 Adopted	2008 Adopted	2009 Recommend
Town of East Hampton	\$481,507	\$533,767	\$586,217	\$638,667
Town of Riverhead	\$821,080	\$910,305	\$999,755	\$1,089,205
Town of Shelter Island	\$78,547	\$87,011	\$95,561	\$104,111
Town of Southampton	\$1,352,874	\$1,501,061	\$1,648,561	\$1,796,061
Town of Southold	\$616,670	\$683,873	\$751,073	\$818,273
Village of Amityville	\$322,322	\$357,202	\$392,302	\$427,402
Village of Asharoken	\$28,010	\$31,039	\$34,089	\$37,139
Village of East Hampton	\$48,664	\$53,936	\$59,236	\$64,536
Village of Head of the Harbor	\$46,999	\$51,901	\$57,001	\$64,536
Village of Huntington Bay	\$52,794	\$58,516	\$64,266	\$70,016
Village of Lloyd Harbor	\$116,036	\$128,735	\$141,385	\$154,035
Village of Nissequogue	\$56,234	\$62,587	\$68,737	\$74,887
Village of Northport	\$262,826	\$291,562	\$320,212	\$348,862
Village of Ocean Beach	\$4,543	\$5,088	\$5,588	\$6,088
Village of Quogue	\$31,170	\$34,601	\$38,001	\$41,401
Village of Sag Harbor	\$74,075	\$81,922	\$89,972	\$98,022
Village of Saltaire	\$1,319	\$1,527	\$1,677	\$1,827
Village of Southampton	\$138,143	\$153,159	\$168,209	\$183,259
Village of Westhampton Beach	\$54,530	\$60,551	\$66,501	\$72,451
TOTALS	\$4,588,343	\$5,088,343	\$5,588,343	\$6,088,343

Resolution No. 688-2000 requires municipalities that receive public safety revenue sharing funds from the County to account for these funds to ensure they are utilized for public safety purposes only, by providing a report to the Clerk of the Legislature by March 31st of the following fiscal year. A review of all of the reports received by the Clerk of the Legislature reveals that all but one of the eligible municipalities has complied with this requirement.

Public Safety Communications System E-911 (Fund 102)

The enhanced 911 (E911) Emergency Telephone System went online in late 1997. It provides selective routing of emergency telephone calls with automatic telephone and location identification. The Emergency Complaint Operator answering a 911 call receives critical information including the address and phone number of the caller. The system also identifies the appropriate police, fire, and ambulance unit which should respond.

Recommended expenses in Fund 102 total \$15,549,875 for 2009. The system is supported by a dedicated telephone surcharge of 35 cents per landline phone and interfund transfers from both the General and Police District funds. During 2008 this surcharge is estimated to generate \$2,954,400, a decrease of \$1,003,515 or 28% from the 2007 actual. Surcharge revenue in 2009 is expected to decrease by another \$228,746. The decrease is attributable to a decrease in the number of landline phones and an increase in the number of cell phones being used.

There is a growing trend to use cell phones as the primary service rather than landline service in both residential and business locations. Since the surcharge revenue and the interfund transfers are the sole source of funding for E-911, the decreasing surcharge revenue requires an increase in funding from both the General and Police District funds to cover increases in operating costs. An agreement with a wireless carrier is anticipated to generate \$1.25 million in revenue for 2009 to mitigate these increases. Budget transfers from both the General and Police District funds for 2009 total \$10.5 million, an increase of \$23,490 over the 2008 Estimated Budget.

Resolution No. 1099-1999 established the E911 Commission, which replaced the Suffolk County Enhanced 911 Steering Committee. The Commission is comprised of a representative from each of the 12 public safety answering points (PSAP's), one member of the County Executive's Office and one member from the County Legislature. The chairman of the committee is the representative from the County Executive's Office. Each of the PSAP's receives funding based upon a formula that provides a base amount with the remaining amount computed based on call volume.

Members of the Legislative Public Safety Committee and the Budget Review Office visited the 911 Dispatch Emergency Center recently to analyze the process, including the 852-COPS (non-emergency phone number) issue as well as the level of staffing. The Budget Review Office finds that technical problems with the non-emergency number have been resolved but there is a problem with staffing.

There are 149 authorized positions, of which 15 are currently vacant. In January of 2005 and July of 2006 there were only eight vacancies. As far back as September of 2005, there were only six vacancies in the center. Mandated overtime usually requires a staff member who has just worked an eight hour shift to remain and work an additional eight hours. When time off is needed for personal illness, to relieve stress or to attend

to family illness, sick time may be used. When someone calls in sick, additional overtime is required from another staff member. Based on the turnover savings included in the recommended budget, the number of vacancies would have to remain at 15 for all of 2009. The number of staff needs to be increased in order to mitigate the reliance on mandated overtime to cover for illness or other time off. To bring the staffing to 2006 levels and the number of vacancies down to eight, six additional positions should be filled, which requires increasing the permanent salary account by \$216,560. This represents four Emergency Complaint Operators and two Public Safety Dispatchers for $\frac{3}{4}$ of the year.

Budget Review Office Recommendations

- Hire a class of 80 Police Officers in September of 2009 at a total cost of approximately \$2.4 million.
- Six vacant positions should be filled in Fund 102 for the 911 Dispatch Emergency Center, which requires increasing the permanent salary account by \$216,560. This represents four Emergency Complaint Operators and two Public Safety Dispatchers for $\frac{3}{4}$ of the year.

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PROBATION

Major Issues

1. Overview of Expenditures and Revenue
2. Staff Funding and Resources
3. Status of Operations:
 - General Administration
 - Day Reporting Center
 - Electronic Monitoring
 - Sex Offender Services
4. NYS Budget Cuts
5. Probation Name Discrepancies

Budget Review Office Evaluation

Overview of Expenditures and Revenue

The Probation Department's 2008 revenues are estimated at \$11,645,470, which constitutes a decrease of less than one percent, or \$67,616, from the adopted level.

The proportion of the Probation Department's total expenditures in 2008 expected to be reimbursed by all sources of revenue, including state and federal aid, departmental income, and uses of money and property is estimated at 25.9%.

- For 2008, Probation's largest source of revenue is State Aid, primarily to cover administration (001-3310), juvenile delinquent care (001-3623), intensive supervision (001-3312), and expediting program (001-3325) costs. The 2008 total State Aid estimate is \$8,093,129, representing a 6.9% decrease or \$595,681 less than the adopted level. The majority of the difference in adopted versus estimated 2008 State Aid for administration is attributable to vacancies and unspent permanent salaries throughout Probation. The local impact of the 3% budget cuts enacted by New York State that will affect Probation's State Aid for administration for the last three months of 2008 are estimated at \$46,256. This decrease is not reflected in the 2008 estimate for Revenue Code 001-3310, however, this adjustment is small enough to be absorbed by the 2008 estimate.
- The second largest revenue source is departmental income including all of Probation's administrative fees, criminal court fees for DWI and non-DWI, presentence investigations and drug testing fees. The 2008 estimate for Revenue Code 1560 of \$1,737,835 factored in an increased fee schedule for Probation starting in the third quarter of 2008. Because Probation's higher fee schedule is still pending the approval of Introductory Resolution No.1810-2008, the Budget Review Office recommends decreasing the 2008 estimate for Revenue Code 001-1560 by \$163,011 to match Probation's August revised estimate of \$1,574,824.
- Federal aid is the third largest revenue source for Probation in 2008 estimated at \$938,807. This encompasses federal grant monies for Probation's participation in the County Reentry Task Force, Justice Assistance Grant funding for CJCC training and research, Edward Byrne Memorial Justice Assistance Grant funds for gang prevention, the US Marshal's Fugitive Task Force and the Wyandanch Weed and Seed Programs.
- Probation's share of STOP DWI fines and restitution surcharges are the fourth largest revenue source estimated at \$871,699 in 2008.

The 2008 expenditures are estimated at \$44,984,589, which represents a 1.7% decrease or \$801,208 less than the adopted budget. The main difference is attributable to \$2.7 million in permanent salaries not spent in 2008. Counteracting this decrease in expenditures across all of Probation are \$447,861 in ERIP payments, \$363,420 in overtime costs in excess of the budgeted amount, \$361,041 over the adopted fees for services budget and \$393,199 for contracted agencies, primarily 100% federal grant funding for community services for parolees and gang prevention.

The 2009 recommended revenues of \$12,479,104 are \$833,634 or 7.2% more than the 2008 estimated revenues of \$11,645,470 and \$969,868 more than total revenue requested by Probation. Total revenue recommended for Probation in 2009 would reimburse 28.3% of program and administrative expenses across all of Probation's appropriations:

- State Aid for administration costs continues to be Probation's largest source of revenue in 2009 and is included in the recommended budget at \$6,274,800 in accordance with Probation's August Update. The recommended total includes the impact of the 3% local assistance cut passed by New York State for Probation administration reimbursement. The most significant unknown for next year's administrative revenue is the outcome of the upcoming State Legislature session called by the Governor that may impose additional State Aid budget cuts upon Probation. The recommended total for all of Probation's State revenue items is \$8,259,355, 2.1% higher or \$166,226 more than the 2008 estimate.
- Department Income is recommended at \$2,239,379 for collection of Probation's administrative fees in 2009. This is \$150,000 more than the amount requested by the department and 28.9% over the 2008 estimate. The increase in departmental income incorporates a full year's anticipated impact of the higher fee schedule and securing the services of a collection agency to enhance and expedite collections. In view of the worsening economic pressures, the amount of revenue recommended in 2009 for collection of Probation's administrative fees may be overly optimistic despite the higher fee schedule and the use of a collection agency.
- Revenue from uses of money and property for Probation are \$1,749,489 in the recommended budget, which is a 100% increase over the 2008 estimate of \$871,699. The bulk of the difference is due to a \$910,000 increase in Probation's part of the Vehicle Seizure Program (Revenue Code 001-2623). The Sheriff and the Law Department pieces of this recommended revenue item are \$130,000 and \$260,000, respectively. Purportedly connected to Resolution No. 545-2008, Local Law No. 26-2008, which expands vehicle forfeitures to the misdemeanor of reckless driving, the placement of this amount of revenue in the 2009 budget without explanation is highly speculative.
- Federal aid for Probation drops 75.8% from the 2008 estimate of \$938,807 to \$226,881 in 2009, primarily due to federal grant monies awaiting award or other grants received involving multi-year funding and included in the roll-over process.
- The Budget Review Office finds that \$417,000 recently awarded for the 7/01/08 – 6/30/09 period for the Reentry Enhancement grant is not reflected anywhere in the 2008 estimated or 2009 recommended revenue for Probation. The \$356,000 showing in the 2008 estimate for Revenue Code 001-4320 relates to the 1/01/07 – 6/30/08 Reentry Task Force funding. Revenue for the current grant award is not expected to be received until late 2008 or early 2009 at best. In addition, State Aid 001-3321, rather than Federal Aid 001-4320 is the correct and current revenue code to reflect this award.
- The Budget Review Office recommends amending the 2009 Recommended Budget to include \$417,000 in State Aid Revenue Code 001-3321 to reflect the 7/01/08 – 6/30/09 Reentry Enhancement grant recently awarded. The Criminal Justice Coordinating Council will administer these 100% reimbursable monies to provide a range of treatment services to offenders reentering the community.

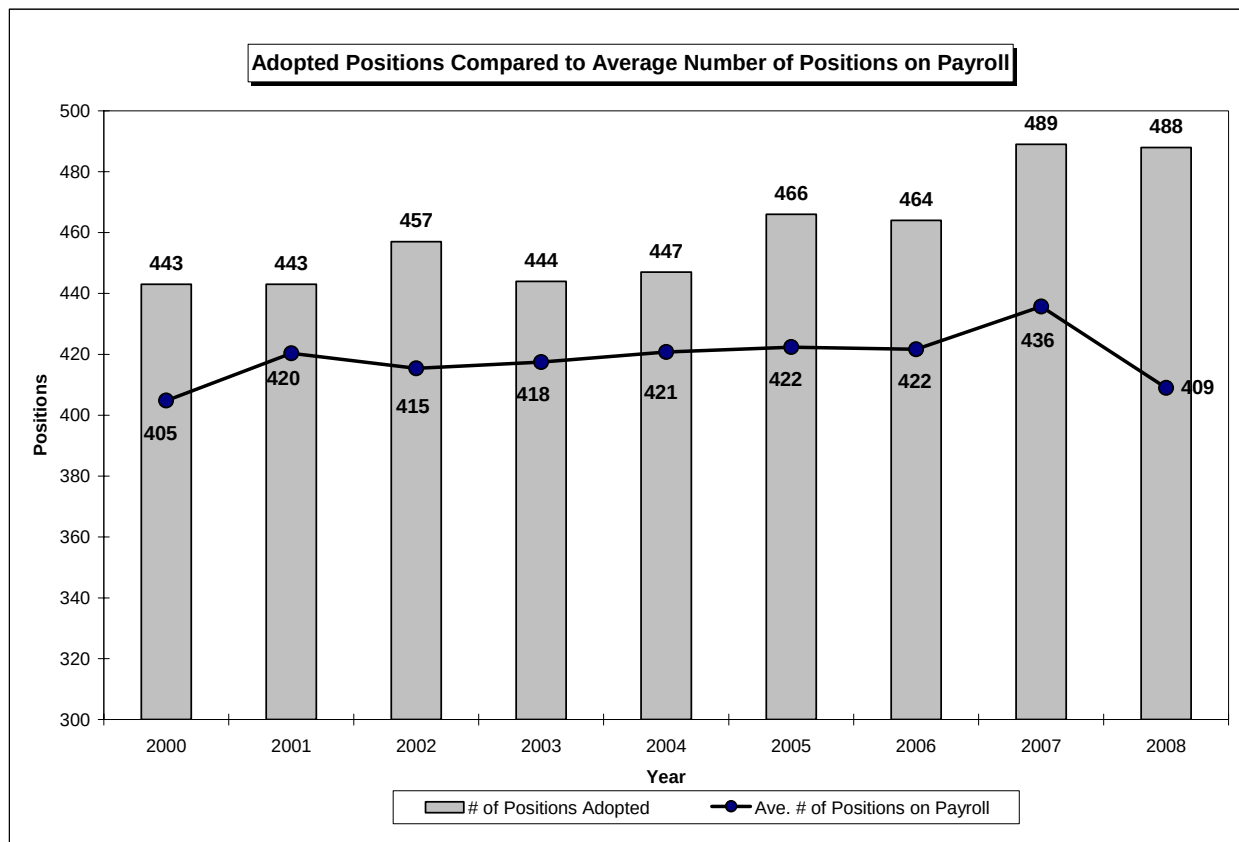
The 2009 recommended expenditures of \$44,147,326 are \$1,638,471 less than the 2008 adopted budget and \$1,557,996 or 3.4% less than the requested budget. The majority of the difference between the recommended and requested expenditures is attributable to reductions in personnel costs.

Staff Funding and Resources

The 2009 recommended budget includes \$27,777,486 for permanent salaries, which is \$1,253,747 less than the department requested. The majority of the decrease in recommended versus requested salaries for 2009 is attributable to a reduction of \$934,353 in permanent salaries for 14 abolished positions, 12 of which were connected to the ERIP incentive and increased turnover savings of \$364,965 over the level requested by Probation. No new positions were requested or recommended for the Probation Department in 2009.

2000-2008 Authorized vs. Filled Staff

The following nine-year chart clearly indicates the growing disparity between the average number of authorized positions and the number of people on board and actively working in the Probation Department. During 2008, the gap between filled and authorized staff widened further by the impact of ERIP upon Probation, which lost sixteen staff members to retirement, five staff were lost due to regular retirement, and sadly, three employees passed away while in service:



Nine-Year Vacancy Rate for Probation

According to the October 5, 2008 authorized position control register, Probation's 409 filled positions versus total authorized staff of 488 equates to 79 vacancies and a department-wide vacancy rate of 16.2%. The Budget Review Office finds that this is the highest vacancy rate in the Probation Department since 2000, which has ranged from a low of 5.2% in 2001 to the present rate, which is 200% higher. The average number of on-board, working staff in Probation has not been lower since the year 2000 when there were 405 filled positions out of an authorized total of 443 as indicated by the following chart:

2000 – 2008 Probation Budgeted vs. Filled vs. Vacant Positions

Budget Year	Adopted # of Positions	# Filled	% Filled	% Vacant
2000	405	443	91.4%	8.6%
2001	420	443	94.8%	5.2%
2002	415	457	90.8%	9.2%
2003	418	444	94.1%	5.9%
2004	421	447	94.2%	5.8 %
2005	422	466	90.6%	9.4%
2006	422	464	90.9%	9.1%
2007	436	500	87.2%	12.8%
2008	409	488	83.8%	16.2%

Probation was recently given the authorization to proceed with filling eight of its current vacancies with sufficient funding included in 2009 to cover the salaries for all of these positions. However, the Budget Review Office finds that with the increased levels of turnover savings recommended for Probation in 2009, there will be sufficient permanent salary funding to fill few of the remaining 57 vacancies for the majority of next year.

The limited hiring capabilities tied directly to the restrictive permanent salary funding recommended for 2009 combined with the loss of the 14 abolished positions will most severely impact the operations of the following areas in Probation:

- General Administration - eleven positions abolished.
- Day Reporting Program – turnover savings increased by 50%.

- Juvenile Intensive Supervision Program – turnover savings increased by 192%.
- Mental Health Juvenile Justice Diversion Project – loses one of four staff to abolishment and has turnover savings increased by 128%.
- Probation's part of the Alternatives For Youth Program – turnover savings increased to \$45,570 that will prevent the hiring of one out of only two Probation Officers.

Status of Operations

General Administration – 001-PRO-3140

Virtually all of the functions and duties carried out by the Probation Department are mandated by New York State Law and nearly all of the services provided by Probation are mandated by the Courts, including Family Court, District Court, County Court, Supreme Court, and the Village or Justice Courts. Probation has little discretion in deciding what work it will perform or in selecting the clients it must service.

It is the responsibility of General Administration to manage the Department's 488 professional, technical and clerical personnel (2008 total authorized staff), to direct over 7,700 court ordered investigations, supervise more than 19,500 probation cases and process over 17,000 Family Court intake cases. General Administration oversees all of the evidence-based initiatives, alternative to placement (ATP) programs, crime and recidivism reduction programs, and alternatives to incarceration (ATI) programs operated by the department. Program and policy development and implementation, technology and systems improvements, and the pursuit of strategies to reduce costs, increase fees for service and maximize state and federal sources of funding are all within the purview of General Administration.

For 2009, Probation requested total General Administration staffing of 279 positions.

Recommended staffing for General Administration in 2008 is 269, a net loss of 15 positions from the current level of 284 authorized personnel and 10 less than requested.

The Budget Review Office estimates that there is insufficient funding for permanent salaries included in the 2009 recommended budget for Probation General Administration to fill any of its 26 remaining vacancies next year.

Day Reporting Center – 001-PRO-3138

This Alternative To Incarceration (ATI) program combines intensive supervision of the offender with comprehensive diagnostic and treatment services at a central location. Mandatory treatment and almost daily contact are reinforced with monitoring of the offender's movements and behavior as needed with electronic surveillance (curfew), phone contact and drug testing.

The Budget Review Office disagrees with the recommended budget to reduce permanent salaries by increasing turnover savings by 50% for the Day Reporting Center. This action will prevent the filling of any of the critically important vacancies in this unit. This unit is a significant partner in the countywide efforts to reduce jail overcrowding and to help reduce the need to construct additional jail space in the future.

Electronic Monitoring – 001-PRO-3189

The Electronic Monitoring Program is also an Alternatives To Incarceration (ATI) project. This program is experiencing burgeoning demands from the Criminal and Family Court systems that require defendants to submit to the use of an electronic monitoring device for the following reasons:

1. As a condition of probation to advance the public safety.
2. To increase probationer control and surveillance.
3. To prevent the incarceration of the defendant.

There are three types of electronic monitoring devices in use by Suffolk County Probation, all of which are ordered by the courts as a condition of probation:

1. EM – this device is an ankle bracelet programmed individually for different parameters, such as curfews. This court-ordered condition of probation is also known as “house arrest”. A transmitter goes off and an alert is sounded if the probationer leaves the house after hours. The Probation Officer must then go out in the field to see where the probationer went. This device does not track the probationer’s whereabouts.
2. SCRAM (Secure Continuous Remote Alcohol Monitor) are replacing Sobriety Units which are older technology devices hooked up to a probationer’s telephone which acts as a breathalyzer at designated times to monitor blood alcohol levels. SCRAM devices are anklet devices that continuously monitor blood alcohol levels.
3. GPS (Global Positioning System) – this device tracks the movements and locations of a probationer with a Real Time Monitor Transmitter that is coded to alert the movement of the probationer when entering into violation or “red” zones. This system is the most expensive of all the electronic devices and is most typically ordered as a condition of probation for more serious offenders.

Probation’s budget request for 2009 included 26 positions for Electronic Monitoring, which is equivalent to the 2008 modified level. The recommended budget abolishes no positions in the Electronic Monitoring Unit, however, 14 of the 26 authorized staff are currently vacant and no approval has been given to fill any of those vacancies. The Budget Review Office estimates that there will be insufficient permanent salaries to fill any of the vacancies in the Electronic Monitoring Unit in 2009.

- The Budget Review Office finds that limiting the size of the Electronic Monitoring Unit to 12 working positions in 2009 will prevent Probation from moving forward with expanding the unit in accordance with the expected growth in demand from the Criminal and Family Court systems to impose the use of electronic monitoring as a condition of probation.
- This action contravenes the policy of the Legislature to provide additional staff to the Electronic Monitoring Program to assist the County in reducing the jail population, to better track and monitor the movements of level two and three sex offenders and other high-risk offenders and to increase the use of SCRAM

devices to determine whether high-risk DWI offenders are abstaining from the use of alcohol.

- The Budget Review Office recommends restoring sufficient funding in the 2009 Operating Budget by reducing turnover savings in the amount of \$384,000 to fund 11 positions dedicated to expansion of the Electronic Monitoring Unit, in accordance with Legislative policy established in Resolution No. 644-2007, for three quarters of the year.

Sex Offender Services – 001-PRO-3169

Probation's juvenile, adolescent and adult sexual offender programs are designed to provide comprehensive diagnostic, treatment and intensive supervision services for Suffolk County residents who have committed specific sexual crimes. The current treatment model is an early intervention program which employs a combination of intense supervision by therapists knowledgeable in treating sexual offenders and counseling treatment groups lead by Suffolk County Probation Officers. Individual counseling is provided on an as-needed basis.

Probation's sexual offender program has a documented recidivism rate between five and seven percent after a three-year follow-up period. Despite the excellent recidivism results, considering the high-risk classification of these probationers, ongoing enhancements to the model are needed because of the increasing numbers of sex offenders and the complexity of the problem.

Probation requested and the recommended budget includes 18 staff for the Sex Offender Services Unit in 2009. However, the Budget Review Office finds that this seemingly stable level of staff in the Sex Offender Services Unit is deceptive. There are eight vacancies currently in this vitally important unit, and the recommended permanent salaries are not sufficient to fill any of those vacancies in 2009. The restricted level of permanent salaries will impede the progress of the Sex Offender Services Unit to enhance and expand their programs to cope with an ever-increasing population of sex offenders. The Budget Review Office finds that not properly resourcing permanent salaries for the Sex Offender Services Unit contravenes the policy of the Legislature to enable Probation to more appropriately and adequately address this very serious criminal and social issue with all of its repercussions.

- The Budget Review Office recommends restoring \$137,000 in permanent salaries funding in the 2009 Operating Budget to fund four vacant Probation Officer positions for three quarters of the year, and more properly resource the Sex Offender Services Unit in accordance with Legislative policy.

Overall, the Budget Review Office objects to the recommended budget's perpetual policy of providing positions on paper, printing ephemeral numbers of staff not financially resourced to become active members of Probation's workforce. This practice does nothing to help the Department of Probation meet its growing level of mandates from the Criminal and Family Court systems, keep drunk drivers off the streets, monitor and modify the behavior of sex offenders, reduce or prevent the institutionalization of youth in trouble, expand alternatives to incarceration to help reduce jail overcrowding,

attend to the special needs of mentally ill and substance abusing offenders, reduce recidivism of all kinds and protect the safety of the public.

New York State Budget Cuts

The Governor's original proposal to impose 6% across-the-board reductions in local assistance carried the threat of reducing State Aid for Probation's administrative costs by an annualized total of approximately \$370,000 in Suffolk County. Ultimately, this cut was brought down to a 3% reduction for State Aid to Probation. However, the State Legislature is being called back into session on November 18th and the possibility of additional state aid cuts to Probation remain very real as the economic conditions worsen and as policymakers scramble to plug new and bigger holes in the State Budget by passing along additional costs to the counties.

Probation Name Discrepancies

The 2009 Recommended Budget presentation requires several corrections in order to replace outdated program names with the most current versions and to match the names shown on the appropriation pages to the corresponding staffing pages:

- 001-PRO-3167 – correctly shown with its current name as “Probation Research & Planning” on the appropriation pages, but the former name of “Juvenile Justice Planning” still appears on the staffing pages. The staffing pages need to be updated to carry the name, which more properly describes the function of the unit to perform research and planning for the entire Probation Department's population.
- 001-PRO-3188 – incorrectly shown on the appropriation pages as “Probation” and “Domestic Violence Court” on the staffing pages, all should be amended to read “Domestic Violence Program”.

DD Probation09

PUBLIC ADMINISTRATOR

Major Issues

None

Budget Review Office Evaluation

- The 2008 estimated budget is \$489,525, which is \$8,517 (1.7%) less than the 2008 adopted budget of \$498,042 and is reasonable.
- The 2009 recommended operating budget of \$500,082 is \$325 less than requested by the Public Administrator.

- The 2009 recommended budget is \$10,557 or 2.2% more than the 2008 estimated budget. This increase is predominantly in permanent salaries (001-PAD-1175-1100).
- Revenues are based primarily on the value of assets administered. Commissions vary based upon the value of the estate being decreed. Estimated 2008 revenues are projected to be \$431,450 or \$1,450 greater than adopted. For 2009, revenues are recommended at \$472,276, which is the same as requested, and \$40,826 more than the 2008 estimated revenue. Budget Review agrees with these amounts.
- The proposed budget provides a cost to continue level of funding for the Office of the Public Administrator. All six existing positions are retained, filled, and funded.

Budget Review Office Recommendations

We agree with the 2009 Recommended Operating Budget for the Office of the Public Administrator.

ES PublicAdmin09

PUBLIC WORKS

Overview

Major Issues

1. Expenditures
2. Authorized Staff

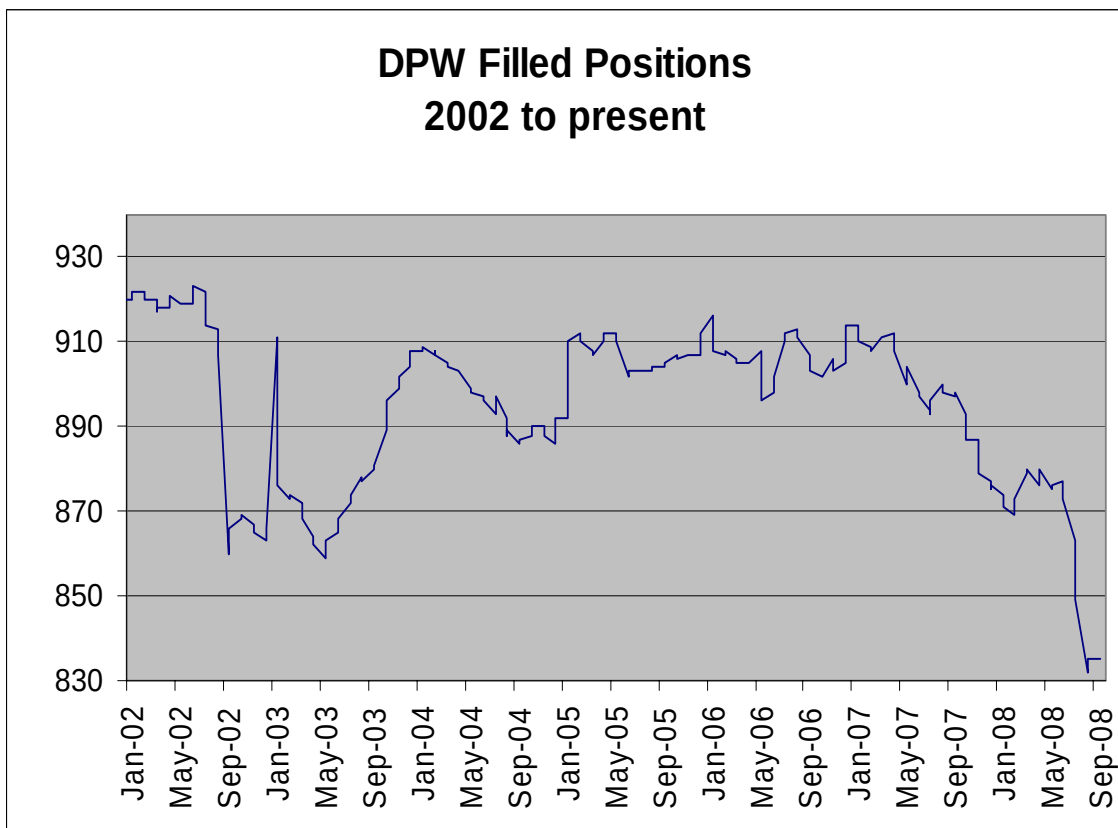
Budget Review Office Evaluation

Expenditures

The 2009 Recommended Budget for the Department of Public Works (DPW), taking into account all divisions, across all funds, is \$272.5 million which is \$7.4 million or 2.6% less than the 2008 Adopted Budget and approximately \$125,000 less than the 2008 Estimated Budget. Similarly, the 2008 budget was barely 1% greater than the 2007 budget, while the 2007 budget was 3.7% greater than the 2006 budget. The increasingly tight fiscal policies implemented by the Executive in conjunction with anemic staffing levels have many divisions questioning their ability to meet the demands necessary to fulfill their core missions. Based upon the narratives of several divisions in the department's 2009 Operating Budget Request, it appears that the department has come to the point of "doing less with less". Inadequate staffing leads to delays and backlogs and places more pressure to rely upon consultant services to meet workload demands.

Authorized Staff

- As of September 21, 2008, the department had 1026 authorized positions of which 191 or 18.6% are vacant. This is a decrease of 31 in authorized staff compared to the 2004 adopted level.
- The department has authorization, which are SCIN 167 forms signed by the Executive, to fill 20 vacant positions at a salary expense of approximately \$777,000 in 2009.
- Forty-four staff members within the department opted to participate in the 2008 Early Retirement Incentive Program (ERIP) at a cost to the County of approximately \$1.3 million for the incentive payments.
- The recommended budget abolishes 35 or 80% of the 2008 ERIP vacated positions.
- The recommended budget includes turnover savings (TOS) of approximately \$3.1 million, which constricts the department's ability to fill vacancies.
- The following chart shows the number of filled positions in Public Works from January 2002 to the present.



- Based on the demographics of the workforce approximately 30% of the staff is age 55 or older. The department will face increasing retirements of its senior personnel within the next several years.

Budget Review Office Recommendations

Vacant positions should be filled as soon as funding permits to better position the department for the retirement of senior staff members and allow for quality service provision.

RD DPWOverview09

Court Facilities (001-1164)

Major Issues

1. Authorized Staff
2. Overtime Salaries
3. Fuel for Heating

Budget Review Office Evaluation

Authorized Staff

There are currently 64 authorized positions to address the custodial and maintenance needs of the court facilities, with the exception of the Cohalan Court Complex, which is cleaned and maintained by outside contractors. As of September 21, 2008, ten authorized positions are vacant, of which six are attributable to the 2008 ERIP. The Executive recommends the abolishment of five positions which would bring the division's total authorized positions to 59. The division requested no new positions for 2009.

- The following table illustrates the Executive's recommended abolished positions

<i>Title</i>	<i>Requested</i>	<i>Recommended</i>	<i>Abolished</i>
Building Maintenance Manager	1	0	1
Maintenance Mechanic III	12	11	1
Custodial Worker III	4	3	1
Custodial Worker II	5	4	1
Custodial Worker I	27	26	1
<i>Total</i>	49	44	5

- As of September 21, 2008, there are ten vacant positions compared to five at this time last year. Based on the recommended funding for permanent salaries, if five positions are abolished, as recommended, there is adequate funding to fill all remaining positions for the entire year.

Overtime Salaries

- The recommended budget includes \$150,000 in 2009 for overtime salaries. Based on the 2007 actual of \$211,711, 2008 estimate of \$200,000, and year-to-date expenditures of \$128,824, the 2008 estimated funding is insufficient and should be increased by \$50,000 to \$250,000.
- The 2009 recommended overtime salaries should be increased by \$50,000 to \$200,000 and assumes the funded vacant positions will be filled in a timely manner.

Fuel for Heating

The 2007 actual of \$44,758 reflects a substantial reduction from the 2007 estimate of \$100,000. Additionally, the Executive's 2008 estimate of \$75,000 reflects a significant reduction from the 2008 Adopted of \$125,000. Based upon 2007 actual expenditures of \$44,758 and year-to-date expenditures of \$29,483 as of September 21, 2008, BRO recommends decreasing the 2008 estimate by \$25,000 and the 2009 recommended by \$50,000.

Budget Review Office Recommendations

- The 2008 Estimated Overtime Salaries (001-DPW-1164-1120) should be increased by \$50,000, to \$250,000 to more accurately reflect anticipated overtime expenses resultant from the 2008 ERIP and reduced work force.
- The 2009 Recommended Overtime Salaries (001-DPW-1164-1120) should be increased by \$50,000 to \$200,000, a reduction as compared to the 2008 estimate, reflecting all non abolished vacant positions being filled for all of 2009.
- Reduce (001-DPW-1164-3050) Fuel for Heating 2008 estimate by \$25,000 and 2009 recommended by \$50,000 to reflect anticipated cost savings.

Purchasing (001-1345)

Major Issues

1. Staffing
2. Overtime Salaries

Budget Review Office Evaluation

Authorized Staff

There are 17 authorized positions with five vacancies as of September 21, 2008. The 2009 recommended budget includes the 17 authorized positions as requested by the department. Three of the five vacancies have been earmarked down to Purchasing Technician positions while one other vacancy has been earmarked down to a Clerk Typist position. Operating the division at a staff level of 70% of authorized positions has significantly impacted their reliance on the use of overtime to fulfill the division's goals.

- Based on the recommended level of funding for permanent salaries and assuming all currently filled positions remain so for all of 2009, all vacant positions can be filled for slightly more than one half of the year at entry level salary.

Overtime Salaries

- The 2007 actual overtime expenditures within the division equal \$53,152. The 2008 estimate of \$15,000 has been overspent by 17.8% as of September 21, 2008.
- Based upon the division's actual expenditures in 2007, diminished workforce, and year-to-date expenditures, the Budget Review Office recommends increasing the 2008 estimate by \$10,000 to \$25,000 and the 2009 Recommended by \$23,000 from \$2,122 to \$25,122.

Budget Review Office Recommendations

Increase the 2008 estimate for overtime (001-DPW-1345-1120) by \$10,000 and the 2009 Recommended by \$23,000 to more accurately portray anticipated expenditures in a division with an increasing workload and dwindling workforce.

RD DPWPurchasing09

Rent: Offices & Buildings (001-1363)

Major Issues

1. South Shore Social Services Center
2. Retention of Real Estate Specialist

Budget Review Office Evaluation

The 2009 recommended operating budget includes \$15,640,681 for rental expenses in 001-1363, which is \$246,300 less than originally requested by the Department of Public Works (DPW). This funding level represents an increase of \$149,684 from the 2008 adopted budget and \$420,681 or 2.8% more than the 2008 estimate. An updated 2009 request from the department for \$15,070,000 was submitted in August.

Rental costs for certain departments are reimbursable with federal and state aid; in some cases as much as 80%. All rental costs of offices and buildings are requested in the operating budget of the Department of Public Works, while the individual user departments, such as the Department of Social Services and the Department of Health Services, accrue the reimbursement revenues within their individual operating budgets. Reimbursement formulas generally advocate for leasing over County ownership. However, when considering all funding sources, the most cost effective option is typically ownership.

South Shore Social Services Center

The Space Management Steering Committee selected a site for the new South Shore Social Services Center to replace two existing service centers, Wyandanch and Edgewood. A new building has been constructed according to the County's specifications.

- Resolution No. 827-2007 authorized the lease of premises located at South Second Street in Bay Shore. The County commenced leasing this property on August 6, 2008 for approximately 34,068 square feet for a term of twenty years.
- It is anticipated that the two existing service centers that have been replaced will be vacated no later than October 31, 2008. The 2008 Adopted Budget included sufficient funds for five months rental for the new facility and ten months for the facilities from which staff will be consolidated. It appears that the 2008 Estimated accounts for the fact that DSS will be in the new facility for only four months in 2008.

Retention of Real Estate Specialist

The 2008 Adopted Budget included \$300,000 more than the department's request in order to fund and retain a Real Estate Specialist pursuant to the issuance of a Request for Proposal (RFP).

- The Integrated Financial Management System (IFMS) indicates \$275,000 has been encumbered as of September 21, 2008 for an agreement signed on May 13, 2008 with Newmark of Long Island LLC for real estate specialist services.
- Based upon the payment provisions stipulated in the contract and correspondence with DPW, we estimate \$70,000 will be spent in 2008 and approximately \$230,000 in 2009 for real estate specialist services.

Budget Review Office Recommendations

- Reduce the 2008 Estimated for Rent-Office and Buildings: Fees for Services Non-Employee (001-DPW-1363-4560) \$80,000 from \$150,000 to \$70,000 to more accurately portray anticipated expenditures.
- Reduce the 2009 Recommended for Rent-Office and Buildings: Fees for Services Non-Employee \$70,000 from \$300,000 to \$230,000 to more accurately portray anticipated expenditures.

RD DPWRent09

Highways, Structures & Waterways (001-1490)

Major Issues

1. Authorized Staff
2. Fees for Services: Non-Employee
3. Contract Agencies

Budget Review Office Evaluation

Authorized Staff

The 2009 Recommended Operating Budget provides 86 positions for this division and includes the abolishment of five vacant positions, which is attributable to participation in the 2008 ERIP. One additional position vacated due to the ERIP is retained. This division currently has 19 vacant positions which represent 21% of the current authorized staff. Post abolishments the division will have 86 positions of which 14 or 16% are vacant as of September 21, 2008. For comparison purposes, the 2008 adopted operating budget included 91 positions and the 2004 adopted operating budget included 98 positions. The division did not request any new positions, or the abolishment of any current positions.

The following table illustrates the recommended abolishments as compared to the division's request.

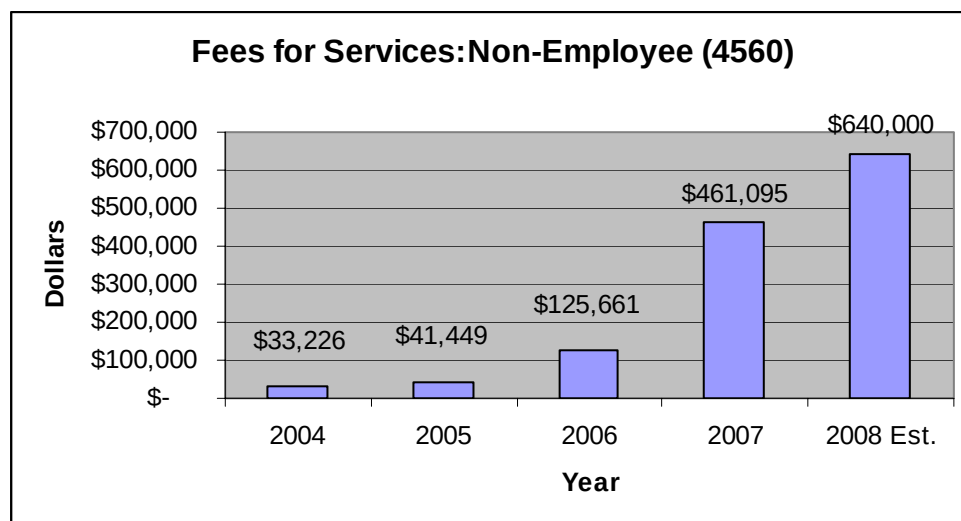
Title	Requested	Recommended	Abolished
Administrator I	1	0	1
Director of Information Management	1	0	1
Jr. Civil Engineer	3	2	1
Principal Civil Engineer	2	1	1
Assistant Director-Traffic Safety	1	0	1
Total	8	3	5

- According to the program narrative provided with the division's 2009 budget request, negative ramifications of diminished staffing levels affect almost all functions within the division. The division cites the need to augment some function's efforts with consultant engineering firms at considerable expense to the County; while the scope and service provision of other functions has been pared down based upon staffing and funding.
- The recommended budget includes sufficient salary appropriations to fill approximately four of the remaining vacant positions for the year.
- If vacant positions are not filled, the County will continue to increase its dependency on outside consultants, especially for field inspections and survey efforts.

Fees for Services: Non-Employee

The recommended budget includes \$720,000 for Fees for Services: Non-Employee (4560), as requested, which is \$80,000 more than the 2008 estimate and \$120,000 more than adopted. The majority of this funding is for site plan reviews by consultants and the preparation of environmental reports for dredging permits.

- Actual expenditures for fees for services have grown by almost 1300% between 2004 and 2007 and exemplify the ramifications of a diminished workforce.



Contract Agencies

Funding is discontinued for Route 110 Redevelopment Corporation in 2009. The 2008 adopted operating budget provided \$10,000 for this agency. The 2008 estimated expenditures anticipate full payment of allocated funding however, as of September 30, 2008; no monies have been encumbered or expended. If the contract with this agency is not progressed, the 2008 estimate should be adjusted accordingly.

Budget Review Office Recommendations

- Vacant authorized positions for which funding is budgeted should be filled on a priority basis to moderate the ballooning expense associated with the use of outside consultants.
- Progression of the 2008 contract with Route 110 Redevelopment Corporation should be monitored and the 2008 Estimated (001-DPW-1490-4980-GQR1) adjusted accordingly.

RD DPWHighwaysStructures&Waterways09

Facilities Engineering (001-1492)

Major Issues

1. Authorized Staff
2. Permanent Salaries

Budget Review Office Evaluation

The 2009 Recommended Operating Budget for this division is \$2,255 less than requested with no changes to authorized staff.

Authorized Staff

- There are nine authorized positions with two vacancies (22%) as of September 21, 2008.
- One vacancy is the result of the appointment of the former Chief Engineer to the position of Chief Deputy Commissioner of Public Works. Requested and recommended turnover savings within this division indicate the Chief Engineer position will be filled for all of 2009 while the currently filled Principal Mechanical Engineer, presently serving as the division head, is indicated as vacant for all of 2009.
- The other vacant position is Senior Clerk Typist, which was vacated as a result of the 2008 ERIP.

Permanent Salaries

- The 2008 estimate for permanent salaries (001-DPW-1492-1100) of \$604,870 is \$729 less than adopted. Based upon year-to-date expenditures of \$349,567 as of September 21, 2008 and one employee's participation in the 2008 ERIP, BRO projects 2008 permanent salaries within the division of \$534,424.

Budget Review Office Recommendations

Decrease the 2008 estimate for permanent salaries (001-DPW-1492-1100) by \$70,000 to more accurately reflect anticipated expenditures.

RD DPWFacilitiesEngineering09

Building Design & Construction (001-1493)

Major Issue

1. Authorized Staff
2. Overtime Salaries

Budget Review Office Evaluation

The 2009 recommended budget for this division is \$2,368,122, which is \$25,255 more than requested, and includes 28 authorized positions as requested by the division. The increase can be attributed to an increase of \$41,805 in personal services, which is partially offset by decreases in supplies and contractual expenses.

Authorized Staff

- There are currently 28 authorized positions with two vacancies. There was one vacant position at this time last year.
- Resolution No. 414-2006 created a new position, Public Works Capital Projects Manager (grade 35), for the development, oversight and coordination of all major capital projects and direct control over all aspects of capital programs for construction of the new jail and all other significant projects. Although the department requested this position be filled in March 2008, it never was. The department requested the position remain vacant for all of 2009.
- The recommended budget decreases turnover savings compared to the level requested by the division. The 2009 Recommended Permanent Salaries (001-DPW-1493-1100) includes adequate funding to fill both vacancies in the division for approximately 11 months of the year assuming they are filled at entry level.

However, we recommend abolishing the vacant Public Works Capital Project Manager position and reducing permanent salaries by \$74,330.

Overtime Salaries

- The 2009 Recommended Budget includes \$170,000 for Overtime Salaries (001-DPW-1493-1120) which is \$32,525 (16%) less than requested and the same as the 2008 Adopted Budget.
- The 2008 estimate of \$190,000 is \$20,000 (11.8%) greater than the 2008 Adopted Budget of \$170,000. Based upon year-to-date expenditures of \$125,918 as of September 21, 2008 and trend analysis of past expenditures, BRO believes the 2008 estimate is understated by \$60,000.

Budget Review Office Recommendations

- Abolish the vacant Public Works Capital Project Manager position and reduce permanent salaries (001-DPW-1493-1100) by \$74,330 in 2009.
- Increase 2008 Estimated Overtime Salaries (001-DPW-1493-1120) by \$60,000 to more accurately represent projected expenditures.

RD DPWBuildingDesign&Construction09

Buildings Operations & Maintenance (001-1494)

Major Issues

1. Authorized Staff
2. Overtime
3. The Cost of Energy

Budget Review Office Evaluation

Buildings Operations and Maintenance is responsible for the maintenance, repair and alterations of all County buildings, with the exception of those buildings under the care of the Parks Department, the Community College, the Vanderbilt Museum and the Sewer Districts. The division's responsibilities include building structures, mechanical and electrical equipment, and utilities.

Authorized Staff

The division's program narrative indicates they have staffing problems which are threefold in nature:

- Vacancies created through attrition have not been filled in recent history; in fact many of these positions have been abolished.
- An adequate number of new positions have not been created in conjunction with the responsibility for additional square footage.
- Budget restrictions imposed upon the division have prevented them from addressing either of the above mentioned problems for a number of years.

The 2009 Recommended Operating Budget includes 76 authorized positions, which is one less than included in the 2008 Adopted Operating Budget and three less than requested by the division. The division's request included the transfer in of three positions from other divisions within the department and the transfer out of one position to another division also within the department. The Executive recommends the transfer out of one position as requested and the abolishment of three positions as illustrated in the following table. All three were vacated by participation in the 2008 Early Retirement Incentive Program (ERIP).

<i>Position</i>	<i>Requested</i>	<i>Recommended</i>	<i>Abolished</i>
Building Maintenance Manager	1	0	1
Maintenance Mechanic IV	17	16	1
Maintenance Mechanic III	24	23	1
<i>Total</i>	42	39	3

- There are nine vacant positions as of September 21, 2008, three more than this time last year. Assuming three vacant positions are abolished as recommended; adequate funds are provided to fill the remaining six vacancies at entry level for two thirds of the year.
- Diminished staffing coupled with growing responsibilities equates to a division with an increasing dependency on the use of overtime.

Overtime

Actual overtime expenditures steadily increased from 2004 through 2007, as shown in the following table.

<i>2004 Actual</i>	<i>2005 Actual</i>	<i>2006 Actual</i>	<i>2007 Actual</i>
\$275,305	\$393,184	\$408,178	\$456,551

- As of September 21, 2008, overtime expenditures total \$309,357, compared to \$228,344 at this time last year.
- If the number of vacant positions remains static, the 2009 recommended funding for overtime, \$324,000, may be insufficient.

- Based on historical expenditures and trend analysis, the 2008 estimate of \$400,000 for overtime (001-DPW-1494-1120) is understated. We recommend increasing the estimate by \$150,000 to \$550,000.
- Based on historical expenditures, trend analysis, and recommended staff for 2009 the recommended overtime funding (001-DPW-1494-1120) is understated by \$250,000.

The Cost of Energy

Actual expenditures for Fuel for Heating (3050) and Light, Power & Water (4020) increased dramatically between 2004 and 2006 where they appeared to have reached the apex prior to moderating slightly in 2007. The 2009 recommended expenditures for energy in this section of Public Works (001-DPW-1494) are for utilities supplied to all County buildings and represent 68.8% of this division's entire budget. The department requested \$16.9 million, which is \$700,000 more than included in the recommended budget.

<i>Object</i>	<i>2004 Act</i>	<i>2005 Act</i>	<i>2006 Act</i>	<i>2007 Act</i>	<i>2008 Est.</i>
Fuel for Heating	\$665,432	\$930,386	\$734,481	\$665,071	\$750,000
Light, Power & Water	\$11,625,238	\$12,932,260	\$15,309,243	\$15,115,502	\$14,500,000

For more detailed information concerning energy trends, see the front end section concerning energy trends for light, power and water.

Budget Review Office Recommendations

- The 2009 Recommended Overtime Salaries (001-DPW-1494-1120) should be augmented by \$250,000 as detailed above.
- The 2008 estimate for overtime (001-DPW-1494-1120) should be increased by \$150,000, to \$550,000.
- Funded vacant positions should be filled on a priority basis to mitigate the growth trend of overtime expenditures.

Vector Control (001-1495)

Major Issues

1. Vector Control Plan of Work
2. Authorized Staff
3. Overtime
4. Revenue

Budget Review Office Evaluation

Vector Control Plan of Work

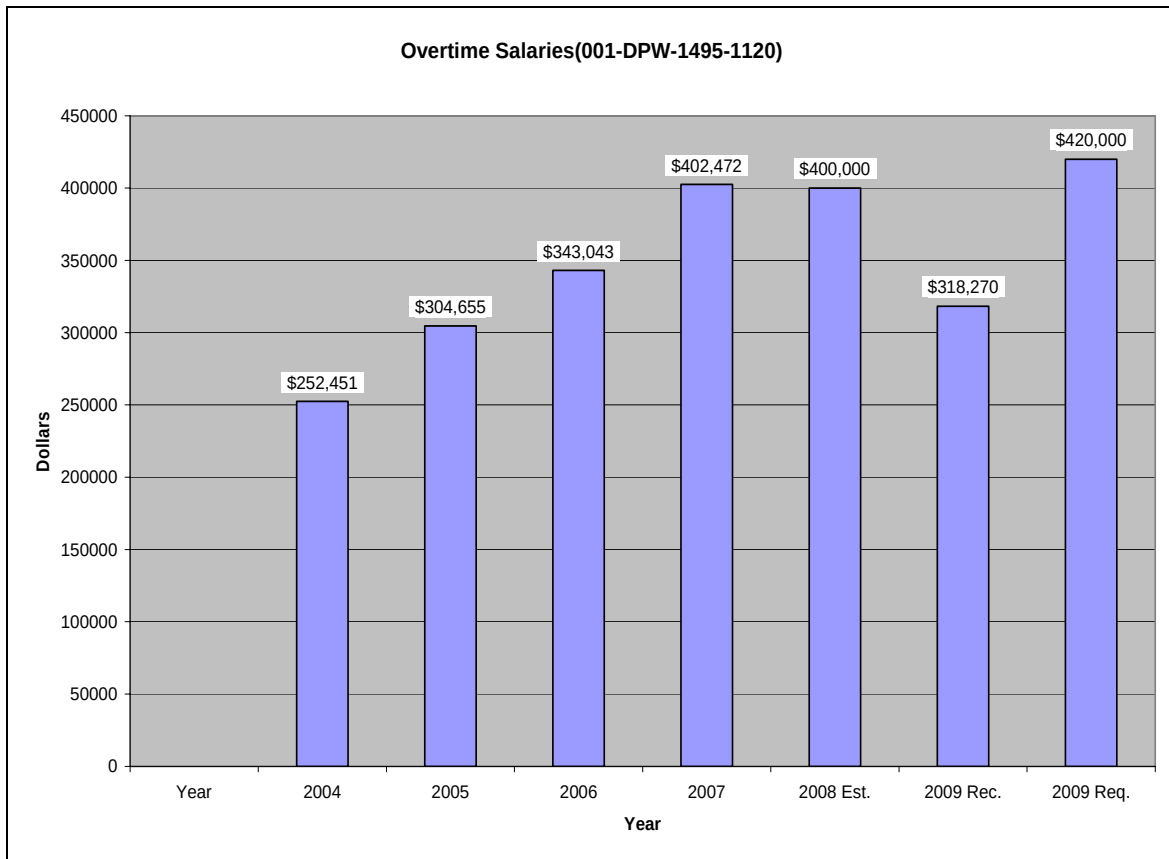
The Division of Vector Control prepares an annual Vector Control Plan of Work for approval by the Legislature. This plan outlines the work to be done, methods to be employed and a general description of the locations. Resolution No. 1260-2007 approved the 2008 Vector Control Plan of Work.

Authorized Staff

- There are 44 authorized positions in Vector Control, of which 11 (25%) are vacant according to the September 21, 2008 position control register.
- No new positions were requested by the division. The division requested the transfer out of two employees to other divisions within the department. The division's workforce is currently 25% below authorized levels which jeopardizes their ability to perform basic functions and meet required mandates.
- The Executive's staffing recommendations include the transfer of two employees to other divisions as requested by the department and the abolishment of one vacant Auto Equipment Operator (grade 10) position which was vacated in conjunction with the 2008 ERIP. The 2009 staff recommendations reduce total authorized staff within this division to 41. The 2009 Recommended funding for permanent salaries is adequate to fill the ten remaining vacant positions at entry level for approximately eight months.

Overtime

- This division's use of overtime has continued to grow in correlation with its diminished workforce and expanded responsibilities such as the implementation of the Long Term Plan Best Management Practices. Overtime salaries have grown by more than 62% between 2004 and 2007. The following graph illustrates the growth in Overtime Salaries (001-DPW-1495-1120).



Revenue

- The New York State Public Health Law changed with respect to mosquito control in that mosquito surveillance and control is now eligible for 36% state reimbursement with no cap as a General Public Health activity. It is the contention of the division that all of their work is eligible for state reimbursement as compared to the past when only emergency work was eligible. The division intends to submit claims for all their work through the Department of Health Services for 36% reimbursement. In the aggregate, revenue from Public Health State Aid (001-HSV-3401) is estimated for 2008 at approximately \$26 million, of which approximately \$1.63 million can be attributed to mosquito control and surveillance reimbursement.

Budget Review Office Recommendations

Vacant positions should be filled promptly as funding permits. The division is operating at 75% of its authorized staff which is an inadequate level to accomplish their core mission in an efficient and cost effective manner and has led to their increased dependency on the use of overtime.

RD DPWVectorControl09

Custodial Services (001-1611)

Major Issues

1. Authorized Staff
2. Overtime

Budget Review Office Evaluation

Authorized Staff

- The department did not request and the recommended budget does not include any new positions. The authorized staff within this division is 100.
- There are 21 vacant positions as of September 21, 2008, compared to ten at this time last year.
- As of September 21, 2008, 18 of the vacancies are custodial positions, which is twice as many as last year. The Executive has recommended the abolishment of all five custodial positions which were vacated as a result of the 2008 ERIP. In addition, the Executive recommends the transfer out of one clerk typist position to another division within the department, as requested, which reduces the number of recommended authorized positions to 94.
- If vacant positions are filled at entry level (step 1), there is sufficient permanent salary funding to fill all vacancies for nine months of the year in 2009.

Overtime

- As the square footage to be cleaned has increased, so have the staffing shortages, resulting in the division's inability to clean, on a frequent enough basis, Police Headquarters, precincts, or other buildings in operation around the clock without the utilization of overtime.
- The standard within the division is the regular expenditure of overtime to provide basic cleaning services in numerous locations and for floor stripping, waxing and carpet cleaning.
- The recommended budget includes \$115,000 for overtime, as requested, which is equal to the 2008 Adopted and is 40% higher than the 2004 actual overtime expenditures. Based upon current staffing levels, historical expenditures, and an upward trend, BRO believes the 2008 estimate is understated by \$35,000 and the 2009 Recommended is understated by \$45,000.

Budget Review Office Recommendations

Vacant custodial positions should be filled as available funding permits to aid in the provision of adequately cleaned County facilities and decrease the division's growing dependence on the use of overtime to perform the most basic of functions in their core mission.

Support Services (001-1660)

Major Issues

1. Authorized Staff
2. Supplies, Materials, & Other Exp

Budget Review Office Evaluation

The 2009 recommended budget for Support Services is \$2,489,418, which is \$25,000 less than requested. This difference can be attributed to a \$5,000 reduction in funding for retro and vacation pay, a \$1,000 reduction in office supplies and a \$19,000 reduction in funding for rent of business machines.

Authorized Staff

- There are 25 authorized positions with four vacancies as of September 21, 2008, compared to nine at this time last year. The Executive's staffing recommendations are identical to the request of the division and include all 25 positions.
- The division's 2009 requested turnover savings indicate that the four vacant positions will remain vacant for all of 2009.
- The 2009 Recommended Permanent Salaries provides no funding to fill vacancies.

Supplies, Materials, & Other Exp

- The 2007 actual expense for Postage (001-DPW-1660-3020) was \$693,536; \$131,464 less than the 2008 Adopted and Estimated.
- Year-to-date expenditures for Postage as of October 3, 2008 is \$704,544, which is \$120,456 less than estimated. Based upon historical postage expenditure trends and year-to-date expenditures, BRO believes the 2008 estimate is overstated by \$50,000.

Budget Review Office Recommendations

Decrease the 2008 estimate for Postage (001-DPW-1660-3020) by \$50,000 to more accurately reflect anticipated expenditures.

RD DPWSupportServices09

Transportation (001-5631, 5640, 5641 & 5643)

Major Issues

1. Staffing
2. Demand for Services
3. Costs
4. Revenue
5. Comprehensive Bus System Transit and Implementation Study

Budget Review Office Evaluation

Staffing

- The Transportation division of the Department of Public Works consists of 17 authorized positions of which 15 are filled as of September 21, 2008.
- One vacancy can be attributed to participation in the 2008 ERIP.
- The division is in receipt of one signed SCIN 167 form, which enables them to fill one of the two current vacancies.
- The Transportation division estimates that over 50% of their total staff costs for 2009 will be provided through federal and state grants.
- The Transportation division did not request additional positions in spite of the fact that their program narrative states the oversight of bus operations continues to be poor because of a lack of personnel, staff levels disallow an appropriate level of monitoring to assure disabled riders receive the service they deserve, and backlogs exist in responding to requests for services.
- Procurement of the Automated Vehicle Locator (AVL) system for the County's busses is now anticipated to begin in the second half of 2008 with installation occurring in 2009. The division's program narrative indicates they will require two additional technical staff for the operation and maintenance of the system. No new positions were requested by the department to satisfy this requirement.

Demand for Services

- The 2009 recommended operating budget includes \$54,769,200 as requested for paratransit and fixed route operations (001-DPW-5631) which is \$3,154,695 or
- 6.1% more than the 2008 estimated budget of \$51,614,505 and accounts for anticipated increases in contracted transit services and agencies.
- Suffolk County Transit (SCT) fixed route bus service and paratransit service continue to experience record setting growth in ridership. In 2007 approximately

6,200,000 passengers utilized Suffolk County Transit services representing an increase of 200,000 passengers from the prior year and the seventh consecutive year of record setting increases in ridership. Suffolk County Transit (SCT) ridership in January through April of 2008 has exceeded ridership levels experienced in the same time frame in 2007 by approximately 10%.

- Suffolk County Accessible Transportation (SCAT) paratransit service ridership grew by approximately 25% between 2006 and 2007 and has grown by approximately 19% in 2008 based upon ridership in the first four months of this year.
- Federal and state mandates dictate that SCAT service be available at any time that SCT service is available. Additionally, ADA regulations dictate that SCAT is demand driven which requires an increase in vehicles and their associated costs in order to remain ADA compliant as SCAT usage and registration grows. The division anticipates the delivery of 31 new SCAT vehicles in November 2008. The vehicles are purchased through the capital program with 90% federal and state assistance.

Costs

- The division reports that they are able to mitigate costs through the implementation of state and federal capital grants. In 2008, the department will receive in excess of \$15 million in grants for SCT services.
- The division's annual planning grant provides approximately 31% of their transportation planning staff costs. State and federal grants will fund approximately 50% of staff costs in their entirety.
- SCT/SCAT average cost for a gallon of fuel was \$.81 in 2002 as compared with an average cost of \$2.31 in 2007, which represents a 185% increase. The division's 2009 request for Gasoline and Motor Oil (001-DPW-5631-3150) of \$2,704,000 increased by \$424,000 (18.6%) as compared to the 2008 estimate of \$2,280,000.
- The current agreement with Suffolk Bus Corp. to operate SCAT paratransit bus services expires December 31, 2008 while the cost of contracting with private bus companies continues to escalate due to labor agreements and the requirements of the Living Wage Law. Additionally, the division has added "to the door" service as opposed to "curb to curb" for riders whom require additional assistance in an attempt to better conform SCAT operations to ADA requirements. The utilization, mechanics, and associated cost of the provision of this service have yet to be fully enumerated. The division anticipates the necessity of extending the current agreement in order to accommodate the proposal, selection and award processes. State aid for mass transit operations is requested and recommended in 2009 with a slight decrease of \$19,500.
- The estimated number of riders (based on the division's projected ticket revenue) in 2008 for fixed route and paratransit services is 6,285,095. Using that estimate

and the 2009 recommended level of expenditures; the cost per ride is \$8.71, an increase of \$0.84 per ride as compared to last year.

Revenue

- The division estimates that bus fare revenue will increase by approximately \$247,500 or 3.2% to \$7,935,220 and advertising revenue will increase approximately \$40,000 or 19% to \$250,000 in 2009.
- The division anticipates state aid for mass transit operations to decrease by \$19,500 to \$22,727,500. Pass through aid for fixed route service in the Town of Huntington and Village of Patchogue increased \$143,750 or 17.9% to \$944,750. Federal aid in the aggregate is recommended at a decrease of \$140,000 or 6.4% to \$2,045,000.

<i>Suffolk County Transit Bus Fares</i>					
Full	Student	Reduced	DSS Tokens	Transfers	ADA
\$1.50	\$1.00	\$0.50	\$1.50	\$0.25	\$3.00

- The bus fares have not increased since August of 1991. Based on 2008 estimated ridership, a \$0.50 increase in the full fare and \$0.25 increase to student and reduced fares would result in approximately \$1.6 million in increased fare receipts. This estimate does not take into consideration the potential loss of riders due to the fare increase, which is estimated by the division to be 250,000 riders annually.

Bus System Transit and Implementation Study

- The County hired a consultant to perform a full planning assessment of the Suffolk County Transit bus system.
- The study commenced late in 2006 and continued into 2008.
- The consultant has completed an in-depth analysis of SCT bus routes.
- Division staff have met with the consultant and discussed their findings and recommendations concerning route changes and system development.
- Public information meetings will be set up to inform the public and allow their input.
- Refinement of the service enhancement concepts will eventually lead to service recommendations developed for further public vetting.

Budget Review Office Recommendations

The increased growth in demand for services experienced within the Transportation division over the last several years exerts pressure on current staff and hinders their ability to fulfill their core mission to provide quality service to consumers of transportation services. Although the division has excelled, given its limited resources, it may need to reprioritize its work, request additional staff, or augment existing staff by contracting out certain functions in order to maintain current service levels and implement service enhancements as required.

RD DPWTransportation09

Road Machinery (016-5130)

Major Issues

1. Vehicles to be Purchased
2. Authorized Staff / Overtime

Budget Review Office Evaluation

Vehicles to be Purchased

The Department of Public Works (DPW) requested funding of \$8,047,000 to replace 353 vehicles in 2009. The recommended budget increases the number of vehicles by one to 354 vehicles, and increases funds by \$148,000, to \$8,195,000. Of the 354 vehicles recommended to be purchased in 2009, 238 (67%) are for public safety related functions.

<i>2009 Requested/Recommended Vehicle Purchases - DPW</i>				
DEPARTMENT	REQ	REC	DIFF	COST
Audit & Control	1	1	0	\$24,000
Board of Elections	1	1	0	\$24,000
Clerk	1	1	0	\$18,000
Consumer Affairs	2	2	0	\$46,000
District Attorney	29	29	0	\$663,000
Economic Development	1	1	0	\$23,000
Environment & Energy	0	1	1	\$30,000
FRES	3	3	0	\$78,000
Health	21	21	0	\$497,000

2009 Requested/Recommended Vehicle Purchases - DPW				
DEPARTMENT	REQ	REC	DIFF	COST
Information Technology	2	2	0	\$40,000
Law	2	2	0	\$48,000
Parks	16	16	0	\$394,000
Planning	1	1	0	\$23,000
Police	139	139	0	\$3,123,000
Probation	8	8	0	\$176,000
Public Works	59	59	0	\$1,376,000
Executive	1	1	0	\$24,000
Finance	2	2	0	\$48,000
Legislature	1	1	0	\$24,000
Sheriff	56	56	0	\$1,372,000
Social Services	7	7	0	\$144,000
Grand Total	353	354	1	\$8,195,000

- It is the County's policy to replace all gasoline powered vehicles with estimated mileage at 110,000 or above at the end of the year. All law enforcement vehicles continue to be scheduled for replacement at 100,000 miles.
- The Executive's recommendations include replacement of 15 conventional mid sized sedans with hybrid sedans and seven conventional SUVs with hybrid SUVs. The Executive's cost calculations assume that a hybrid sedan can be purchased for \$24,000 however; the division requested a cost of \$32,000 for hybrid sedans. The Executive has applied the lower cost to all 16 hybrid sedans scheduled for purchase in 2009 which means Automobiles (016-DPW-5130-2030) could be understated by \$136,000.
- The Executive's recommendations include revenue of \$577,242 for 2008 Estimated and \$1,600,000 for 2009 Recommended for this division within Federal Aid: Other (016-DPW-4089). The revenue is federal aid (CMAQ) for the purchase of hybrid electric vehicles. The federal funding requires a 20% local match that equates to \$122,538 in 2008 and \$400,000 in 2009. The purchases will need to be first instance funded and reimbursement will be made by the federal government after receipt of the vehicles. The County has not purchased any hybrid vehicles in 2008 as of October 8, 2008. The total cost for all recommended hybrids in 2009 is \$570,000 and includes the conversion of all mid sized sedan purchases from conventional to hybrid and approximately 25% of 4WD SUV purchases. Utilizing the Executive's cost estimate of \$24,000 per hybrid sedan and \$30,000 per hybrid SUV, the County would need to first instance fund the

purchase of 112 hybrid sedans or 90 hybrid SUV's over the course of 2008 and 2009. Based upon the Executive's recommendations for vehicle replacements, it does not appear that the County would be eligible for the level of CMAQ federal aid recommended.

- The expenditure for gasoline and motor oil is estimated at \$11 million in 2008 and recommended to increase by 5.5% to \$11.6 million in 2009, an increase of \$600,000. The department requested \$11.2 million. Actual expenditures in 2006 were \$7.45 million and \$7.65 million in 2007. For a more in-depth analysis of the County's energy issues, please see the section of this report dedicated solely to that topic.

The 2008 Estimated expenditure for Automobiles (016-DPW-5130-2030) of \$4.13 million appears reasonable based upon year-to-date expenditures of \$3.97 million and the fact that no resolutions currently exist in 2008 authorizing purchases to be made utilizing these funds. Chapter 186 of the County Charter dictates that all vehicle acquisitions, with the exception of public safety vehicles, must be approved via duly enacted resolution of the County of Suffolk.

Authorized Staff / Overtime

- The 2009 recommended operating budget provides 65 authorized positions, which is three less than the 2008 adopted staffing levels.
- This division had four staff participate in the 2008 ERIP. The Executive has recommended three of the four vacant positions resultant from the ERIP be abolished. Two of the three recommended abolishments are auto mechanic positions.
- There are 12 vacant positions as of September 21, 2008, compared to ten at this time last year. The division has authorization (signed SCIN 167's) to hire two mechanics.
- Assuming that both positions with signed SCIN 167's are filled; based on the 2009 recommended permanent salary funding, one additional vacant position can be filled for the year.
- The recommended budget includes \$160,000 for overtime. This is \$40,000 less than requested and \$200,223 less than 2007 actual expenditures. This funding may be insufficient considering the increase in vacant positions and past expenditures of \$313,880 in 2005, \$182,329 in 2006, and \$360,233 in 2007. The 2008 Estimated of \$160,000 is the same as Adopted and is also likely to prove insufficient based upon historical expenditures and current staffing levels.

Budget Review Office Recommendations

- Vacant positions should be filled to reduce the need for overtime and to provide sufficient staff to maintain and repair the County fleet.

- The 2008 Estimated Overtime (016-DPW-5130-1120) should be increased a minimum of \$40,000 to \$200,000 to adequately represent anticipated expenditures.
- Overtime funding should be increased by \$40,000 in 2009, to the requested amount of \$200,000 in 016-DPW-5130-1120.

RD DPWRoadMachinery09

Highway & Bridge Maintenance (105-5110)

Major Issues

1. Workload
2. Authorized Staff
3. Overtime

Budget Review Office Evaluation

Workload

This division's responsibilities are wide ranging, not only in scope but also in the geographic area served. On average, there are only 43 non-supervisory employees available each day to address the workload of this division which includes, but is not limited to:

- Pavement markings, signs, and traffic control devices on County roads;
- Maintenance of grounds, access roads, and parking lots at all County owned or leased facilities;
- Operation and maintenance of all County bridges;
- Various park and ride lots throughout the County;
- Inspection and repair of 245 recharge basins;
- Relocation of County offices;
- Maintenance of 35 miles of State owned Long Island Expressway service roads and seven miles of Sunrise Highway service roads; and
- Litter removal, which consumes over 16% of total staff hours

Authorized Staff

- The division's 2009 requested operating budget includes 110 positions, which includes the transfer of one auto equipment operator from Vector Control. The number of authorized positions is significantly less than the 129 positions in 2001.
- There are 22 vacant positions as of September 21, 2008, which is ten more vacant positions than existed at this time last year. Vacant positions account for 20% of the authorized staffing level as compared with 11% last year. The division has received authorization to fill three vacant positions.
- Four employees in the division took advantage of the 2008 ERIP. The recommended budget abolished all four vacant positions, reducing the number of authorized positions to 106.
- Assuming the division fills the vacant positions for which they have approval, the 2009 recommended permanent salary funding is sufficient to fill approximately one third of vacant positions at entry level (step 1) in 2009.

Overtime

- The 2008 estimated expenditure for overtime salaries (105-DPW-5110-1120) is \$400,000, which is \$25,000 or 6.25% more than adopted.
- Based on overtime expenditures of \$332,559 as of September 19, 2007 resulting in 2007 actual expenditures of \$576,896 and current staffing levels within the division, the 2008 estimate is understated and will likely exceed \$600,000.
- The 2009 recommended overtime salaries of \$375,000 is understated by \$225,000, assuming the level of filled authorized positions remains within the confines of recommended salary appropriations and authorizations (signed SCIN 167's).

Budget Review Office Recommendations

Increase the 2008 estimated overtime salaries (105-DPW-5110-1120) \$200,000 and increase 2009 recommended overtime salaries by \$225,000 to more accurately reflect anticipated expenditures.

RD DPWHighway&BridgeMaint09

Snow Removal (105-5142)

Major Issues

1. Expenditures
2. Snow and Ice Removal Supplies

Budget Review Office Evaluation

Expenditures

The 2008 estimated expenditures for snow removal are \$2.45 million, which is \$1.37 million or approximately 36% less than adopted. The 2009 recommended funding of \$3.49 million for snow removal is in line with the average actual expenditures experienced in recent history and \$330,060 less than the 2008 Adopted Budget.

Budgeting for snow removal is difficult, as it requires predicting the weather several months in advance and being able to predict the affects of future price variables. The Executive's 2009 recommendation is reasonable and is in line with recent historical and actual expenditures. The 2008 estimate for Rent: Highway Equipment (105-DPW-5142-3530) of \$650,000 is overstated based upon year-to-date expenditures of \$239,149 as of September 21, 2008 and 2007 actual expenditures of \$358,470 and should be adjusted accordingly.

Snow and Ice Removal Supplies

Snow and Ice Removal Supplies (105-DPW-5142-3270) is estimated at \$1,000,000 for 2008. In August, the division updated their estimate of expenditures for these supplies from \$900,000 to the 2008 adopted figure of \$1,180,000. The division amended their estimate based upon the new salt contract bid by the State awarded in August, which equates to a 24% increase in cost in addition to a fuel surcharge. Based upon year-to-date expenditures, actual expenditures in 2007, and the new salt contract bid we believe the estimate is understated by \$100,000

Budget Review Office Recommendations

- Decrease the 2008 estimated budget for Rent: Highway Equipment (105-DPW-5142-3530) by \$250,000 to \$400,000.
- Increase the 2008 estimated budget for Snow and Ice Removal Supplies (105-DPW-5142-3270) \$100,000 to \$1,100,000.

Sanitation

Major Issues

1. Rent-IDA Lease Payment
2. Authorized Staff
3. Sludge Removal

Budget Review Office Evaluation

The 2009 recommended operating budget includes funding of \$66.8 million for the Sanitation Division, a decrease of \$19 million or 22.2% in expenditures compared to the 2008 adopted operating budget and \$20.3 million or 23.3% less than requested by the division.

Rent-IDA Lease Payment

The division's 2009 request includes \$31,448,825 for Rent: Offices & Buildings (203-DPW-8114-4410) which is the same as the 2008 Adopted. The funding requested is indicated as a mandatory expense for debt service on two debt issues; 1994 and 1999 for \$28 million and \$3.4 million respectively. The 2009 Recommended Budget includes \$11,142,875, which is \$20.3 million less than requested by the department and accounts for the 23.3% reduction from the requested. Our sources indicate that there is no debt service remaining for the 1994 issue beyond 2008 however, the 1999 issue will require debt service of \$3,408,125 in 2009 and a 2003 debt issue will require debt service of \$7,651,625 in 2009. BRO estimates total debt service of \$11,059,750, therefore, the recommended funding is reasonable.

Authorized Staff

The division has requested \$19 million for permanent salaries and the recommended budget includes \$18.6 million, which is approximately \$400,000 or 2.1% less than requested. The 2008 Estimated of \$17.8 million is reasonable and takes the 2008 ERIP into consideration.

The focus of this division remains to meet all pertinent criteria for operating and maintaining the growing number of wastewater facilities within its purview in as efficiently and economically a manner as possible. In response to budget and staffing constraints, the division continually revises its priorities to address the increasing workload and increasing regulatory requirements.

- As of September 21, 2008 there are 377 authorized positions in the division. Seventy-two are vacant which is 26 more than last year and represents a seven percent increase in vacant authorized positions from 12% in 2007 to 19% in 2008.

In 2005 and 2006 there were 376 authorized positions with 50 vacancies. In September 2004 there were 379 authorized positions with 43 vacancies.

- Some negative ramifications resultant from staff shortages within the division include, but are not limited to, delaying capital projects, additional overtime, increased outsourcing, fines, backlogs, and inadequate preventative maintenance.
- The Sanitation division had eleven staff members participate in the 2008 ERIP. The Executive's recommended staffing includes the abolishment of nine of the eleven positions. The division has authorization (signed SCIN 167's) to fill five vacancies.
- The recommended budget permanent salary appropriations allow for the funding of all currently filled positions, the five vacant positions for which the division has authorizations to fill, and 30 of the remaining 67 vacancies for the year.

Sludge Removal

The disposal of sludge continues to be identified as one of the most critical and difficult challenges in the processing, treatment and disposal of sewage and the County continues to incur the expense of trucking sludge off Long Island for disposal.

- The current sludge removal contract's two 1 year extension provisions have been exercised and negotiated. Currently, the rate is \$83.64 per wet ton and the negotiated rate for the extensions is \$96.00 per wet ton, which equates to an increase of approximately 15%.

Sludge Removal (3490)						
	<i>2004 Act.</i>	<i>2005 Act.</i>	<i>2006 Act.</i>	<i>2007 Act.</i>	<i>2008 Est.</i>	<i>2009 Rec.</i>
Sewer Dist #3	\$5,442,720	\$5,222,370	\$4,758,592	\$7,242,222	\$6,300,000	\$7,262,517
Sewer Maint & Oper	\$1,037,467	\$1,030,625	\$937,403	\$1,396,351	\$1,750,000	\$1,750,000
Total	\$6,480,187	\$6,252,995	\$5,695,995	\$8,050,000	\$8,050,000	\$9,012,517

The 2007 Adopted Operating Budget included an additional \$500,000 in the Southwest Sewer District in fees for services (203-DPW-8113-4560) for a sludge management analysis. This funding was not requested by the division. The 2008 Adopted Operating Budget allocated \$250,000 for this purpose, as does the 2009 Recommended.

- The study was to evaluate sludge disposal costs and consider options, including public/private partnerships, to determine potential cost savings and efficiencies.
- 2007 Actual expenditures were \$53,025 however, IFMS indicates that year to date expenditures and encumbrances as of October 8, 2008 total \$245,315.

- The division reports that previously evaluated alternatives for long term sludge treatment and disposal are in the process of being updated for consideration in provision of a management plan.
- Consultant services have been retained for review of the sludge treatment and disposal alternatives and preparation of a Request for Proposal.
- Stage I involved a presentation to the stakeholders, which has been held, and a workshop which is still forthcoming.
- Forty-seven alternatives were generated initially however, this number was reduced to nineteen prior to being presented to the stakeholders for evaluation.
- Resolution No. 1178-2007 adopted November 20, 2007 transferred operating funds of \$510,000 from Southwest Sewer District fees for services (203-DPW-8113-4560) to Capital Project 8180, Sewer District No. 3- Southwest Sludge Treatment & Disposal Project.
- The escalating costs of sludge disposal and our dependency on external resources for its disposal are liabilities which expose the County to external market forces and emphasize the importance of the progression of sludge management analysis.

Budget Review Office Recommendations

- Fill vacant positions in a timely fashion as recommended funding allows. Increased vacancies in conjunction with the increased responsibilities of maintaining and operating additional sewage treatment plants could prove problematic in enabling the division to fulfill its core mission.
- It is imperative that the sludge management analysis progress into 2009 so that a decisive sludge management plan can be developed and implemented to reduce the county's vulnerability to external market forces.

REAL PROPERTY TAX SERVICE AGENCY

Major Issues

1. Staffing and Expenses
2. Revenue from tax map certification fees

Budget Review Office Evaluation

The 2008 estimated budget of \$2,143,380 for Real Property Tax Service Agency (RPTSA) is reasonable. The 2009 recommended budget includes \$2,297,317, which is \$47,563 or a 2.1% increase from the 2008 adopted amount and \$97,543 or 4.1% less than the department's request of \$2,394,860. This is mainly attributable to an increase of \$73,543 in turnover savings. There are currently seven vacant positions in RPTSA. The recommended funding for permanent salaries is sufficient to fill all vacant positions for $\frac{3}{4}$ of 2009.

The 2009 recommended budget estimates Tax Map Certification Fees (001-RPT-1291) of \$6.5 million in 2008, which is reasonable based on the year to date revenue. The 2009 recommended budget projects Tax Map Certification Fees of \$7.5 million for 2009, as requested by the RPTSA. Based on the current economic downturn, this amount is reasonable. The fee was last increased from \$15 to \$30 per certification in 2002. Based upon an annual estimated 200,000 certifications, the County would receive \$1,000,000 for every \$5.00 the certification fee is increased. State legislation would be required to increase the fee.

RPTSA has developed an Advanced Real Estate Information System (AREIS). Members of the public are able to purchase a subscription to ARIES covering all of Suffolk County for \$2,500. RPTSA has found that the real estate industry in Suffolk County is fragmented and that there have been many inquiries from the industry as to whether or not the County has a subscription that covers a more limited area, such as the East End, Brookhaven, or the West End. RPTSA believes that additional revenue could be generated by offering not only a County wide subscription but also subscriptions covering the East End, Brookhaven, or the West End. Such subscriptions would sell for about $\frac{1}{3}$ the cost of the full subscription. A resolution by the Legislature would be needed.

Budget Review Office Recommendations

- Amend the fee schedule for the ARIES subscription to allow for subscriptions covering the East End, Brookhaven, and the West End.
- Consider increasing the tax map certification fee. Each \$5.00 of fee increase will generate approximately \$1,000,000.

SHERIFF

Major Issues

1. Expenditure Overview
2. Sworn Officer Staffing
3. Civilian Staffing
4. Overtime
5. Inmate Population & Substitute Housing
6. Vehicle Allocation
7. Revenue

Budget Review Office Evaluation

Expenditure Overview

The recommended 2009 budget for the Sheriff is \$122,107,575 or \$233,989 less than the adopted 2008 amount. Personnel costs account for 92% of the budget while food is 2.6% and substitute housing 2.2%.

The New York State Commissioner of Corrections approved a variance which provides an additional 152 beds in the Riverhead Correctional Facility. This has two impacts on the Sheriff's budget:

1. Fewer inmates will require substitute housing reducing this cost by \$1.9 million in 2009 compared to the 2008 adopted amount.
2. More inmates will be housed and related food costs are recommended to increase by \$510,000 over the 2008 adopted. This figure also includes a contractual increase of five percent.

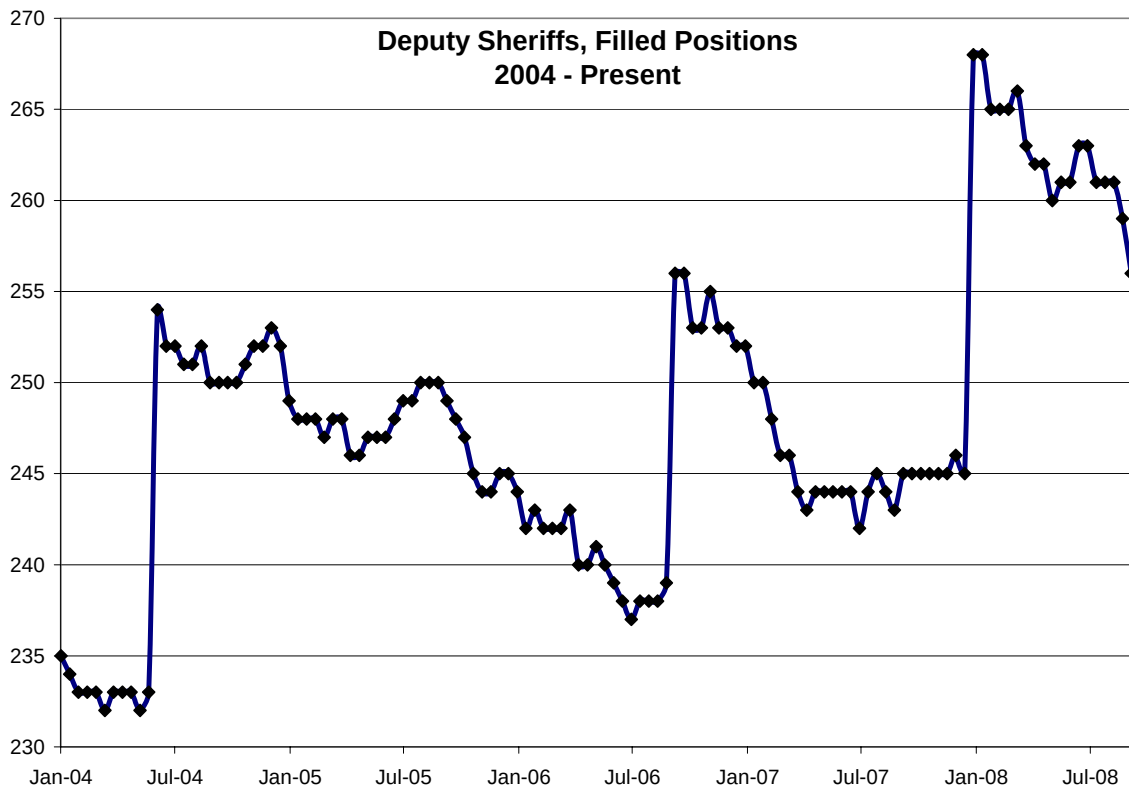
The non-personnel portion of the recommended budget, including the net reduction in substitute housing and the increase in food costs, has been cut by nearly \$2 million compared to the 2008 estimated amount. Over 50 line items including supplies, materials, computers, travel, repairs, etc. have been reduced from the 2008 estimated amount. It is questionable as to whether the department can withstand this drastic and sweeping cut for 2009. It is likely that these items will have to be increased in 2010.

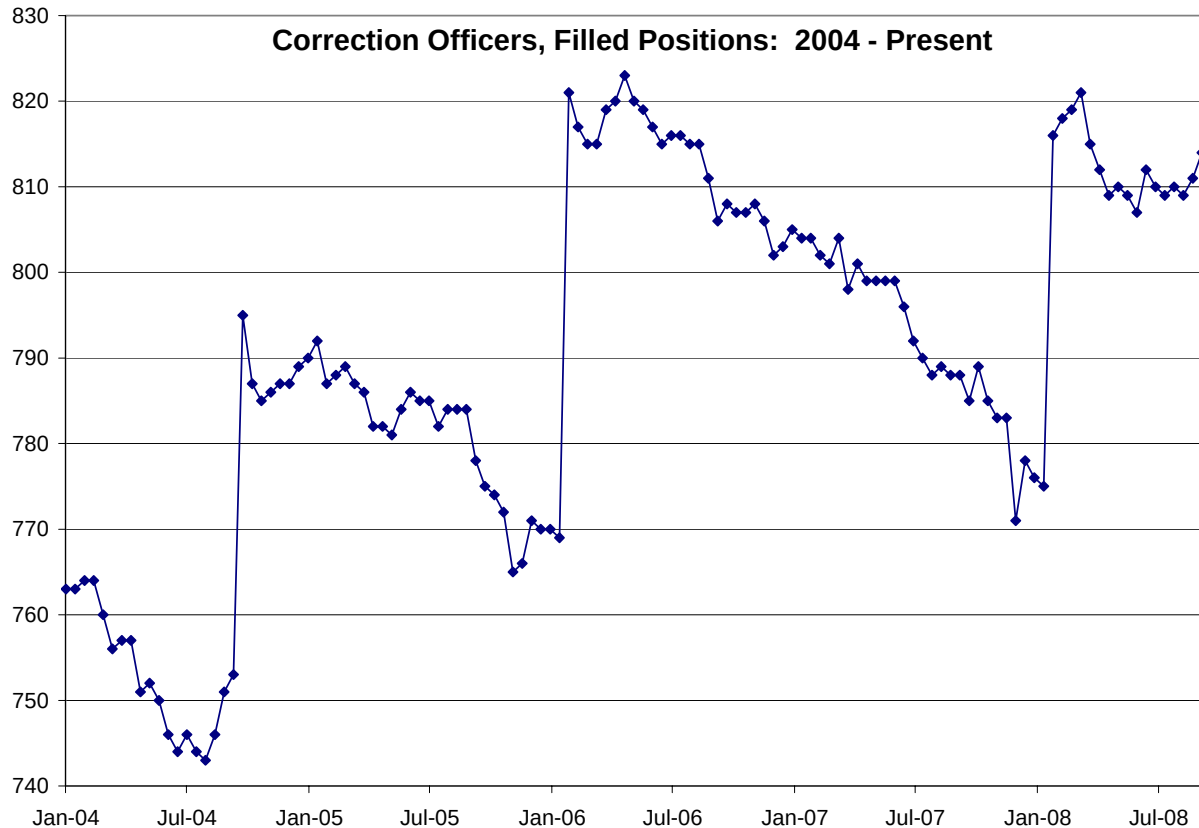
The recommended 2009 budget includes approximately \$1.3 million in funding to fill positions. How many positions at each title will depend on *when* and *how many* new Correction Officer or Deputy Sheriff Recruits are hired.

Sworn Officer Staffing

As of the September 21, 2008 position control register, there were 1,091 filled sworn officer positions, comprised of 830 Correction Officers and 261 Deputy Sheriffs. This is an increase of 31 filled positions compared to this time last year. There are 25 more Correction Officers and 6 more Deputy Sheriffs. As of September 21, 2008, there are 16 vacant Correction Officers and 15 vacant Deputy Sheriffs.

The following two graphs show the number of filled sworn officers.





Correction Officer Staffing

The Sheriff requested two classes totaling 72 Correction Officers in his 2009 budget request designed to:

1. Fill vacant positions,
2. Replace anticipated retirements,
3. Reduce dependence on overtime to staff posts, and
4. Prepare for the new correctional facility by hiring new classes of 42 Correction Officers in each of the next three years.

Just filling vacancies in 2009 will leave the Sheriff in a difficult situation for the following reasons:

- The new correctional facility is scheduled to become operational by the end of 2011. The department will run the risk of the Commission of Correction rescinding variances or not allowing the facility to open, which occurred recently in Ulster County.
- Ninety-one Correction Officers are eligible to retire between now and 2010 and 38 more are eligible to retire in 2011.

- The department estimates that at least 30 of these 91 will retire between the point when the impending new collective bargaining agreement is reached and the end of 2010.
- The new jail is targeted to open in September 2011. The conservative estimated number of additional Correction Officers required for the new facility is 100.
- There are 16 current Correction Officer vacancies.

Therefore, a minimum of 130 Correction Officers would need to be hired over the period 2009 and 2010 (100 for the new facility plus 30 retiree replacements). To alleviate reliance upon overtime by filling the current vacancies brings this total to 145.

The Sheriff requested 72 to be hired in 2009 with 30 vacancies to be filled in March and 42 additional Correction Officers hired in September. Another 55-75 will likely be requested in 2010 depending on what is budgeted in 2009 and how many retirements ensue. If the requested March 2009 class is delayed there will be an adverse impact on overtime.

Staffing concerns for 2011 are that an additional 38 Correction Officers can retire. Consequently, any class or classes in 2011 would be to replace those of the 38 that actually retire, along with any other vacancies that may occur from the original 91 positions (a conservative estimate of 30 that would retire between 2009 and 2010 leaves another 61 that can eventually retire), along with any of the new officers hired in 2009 and 2010 that leave.

There is a minimum staffing level required by the Commission of Correction. Overtime coverage will still be required to meet the full coverage factor (the number of personnel needed to fully cover mandated posts). The full coverage factor is based upon the number of Correction Officers needed to meet the minimum personnel needs of an eight hour-365-day shift. The full coverage factor is 1.91. In order for a post to be covered 24 hours per day, the coverage factor is three times that number or 5.73. The County does not have the discretion of leaving a post vacant if the assigned individual is unavailable because of sickness, vacation, or personal reasons. Overtime is also attributed to performing in-service training for personnel.

Deputy Sheriff Staffing

- The Sheriff did not request a class of Deputy Sheriffs in 2009. With no scheduled Police class, the Police academy cannot efficiently process a small amount of Deputy Sheriffs unless other public safety municipalities require classes as well.
- The new responsibility to patrol the LIE and Sunrise Highway with 27 to 30 Deputy Sheriffs daily (more than 10% of filled DS positions) will certainly put a strain on the Sheriff's ability to continue to perform at the current level. Currently there are 15 vacant Deputy Sheriff positions. Filling some of these additional vacancies will have a direct effect on reducing overtime expenditures.

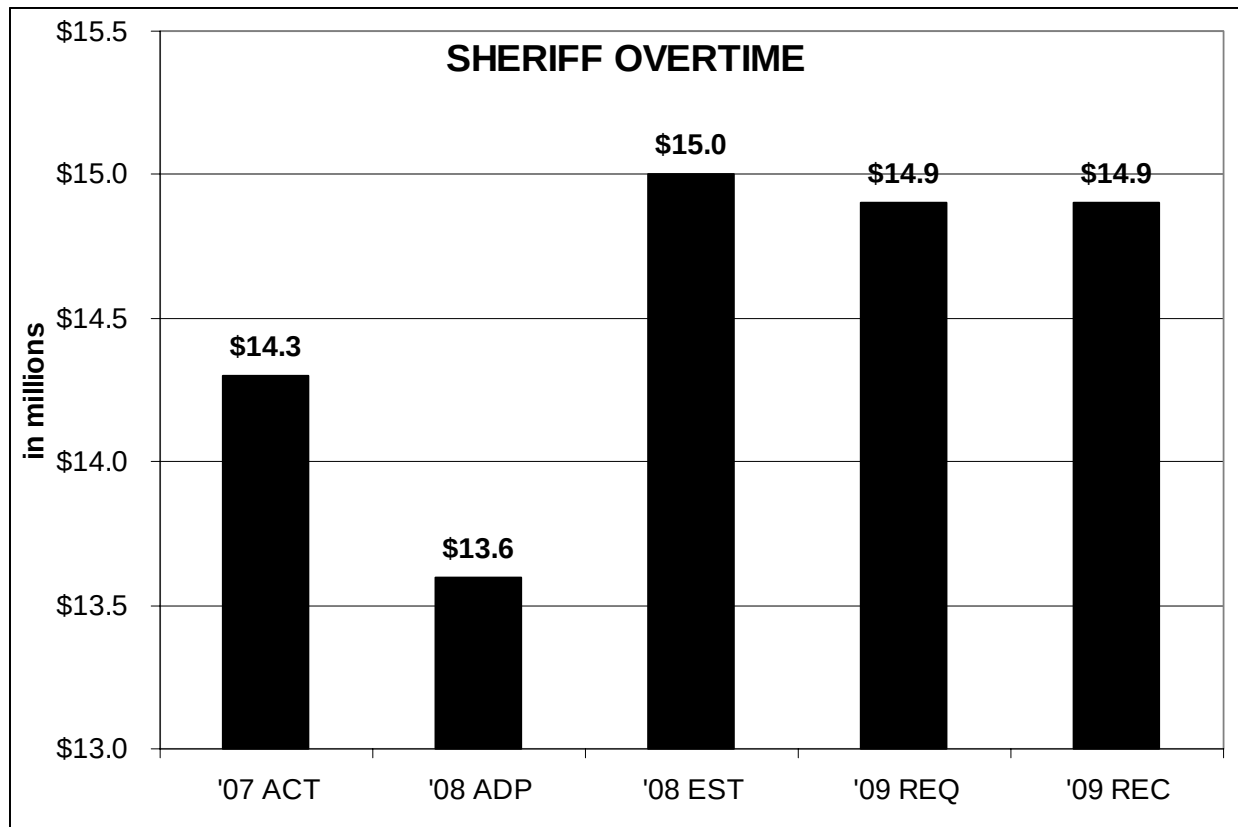
- The Budget Review Office recommends including a class of at least 10 Deputy Sheriff's during 2009, if possible, depending on the Police academy schedule. Not filling vacant positions on a continuous basis creates the need for additional overtime since there will be fewer staff to fill required positions.
- The full year base salary cost of hiring one Deputy Sheriff is \$39,333. Including other factors such as fringe benefits, holiday pay, uniforms, etc., the cost increases to approximately \$50,499.

Civilian Staffing

One hundred and forty-three of the authorized 1,287 positions in the Sheriff's Office are civilian positions that provide support services. There are currently 22 vacant civilian positions, an increase of eight from last year. The Sheriff requested no new civilian positions. Depending on how many sworn personnel are hired during 2009 will determine if any of these vacancies can be filled. Six civilians participated in the 2008 ERIP. The recommended budget abolishes three of the six vacated positions, including the only Rehabilitation Coordinator (grade 24) in the Sheriff's Office.

Overtime

The 2009 recommended budget overtime appropriations are \$14.9 million as requested, which is a slight decrease of \$73,673 from the 2008 estimate. This amount may only be attainable if vacant and new Correction Officer positions are filled during 2009 as requested. The impending contractual salary increase for the Correction Officers will impact this amount as well.



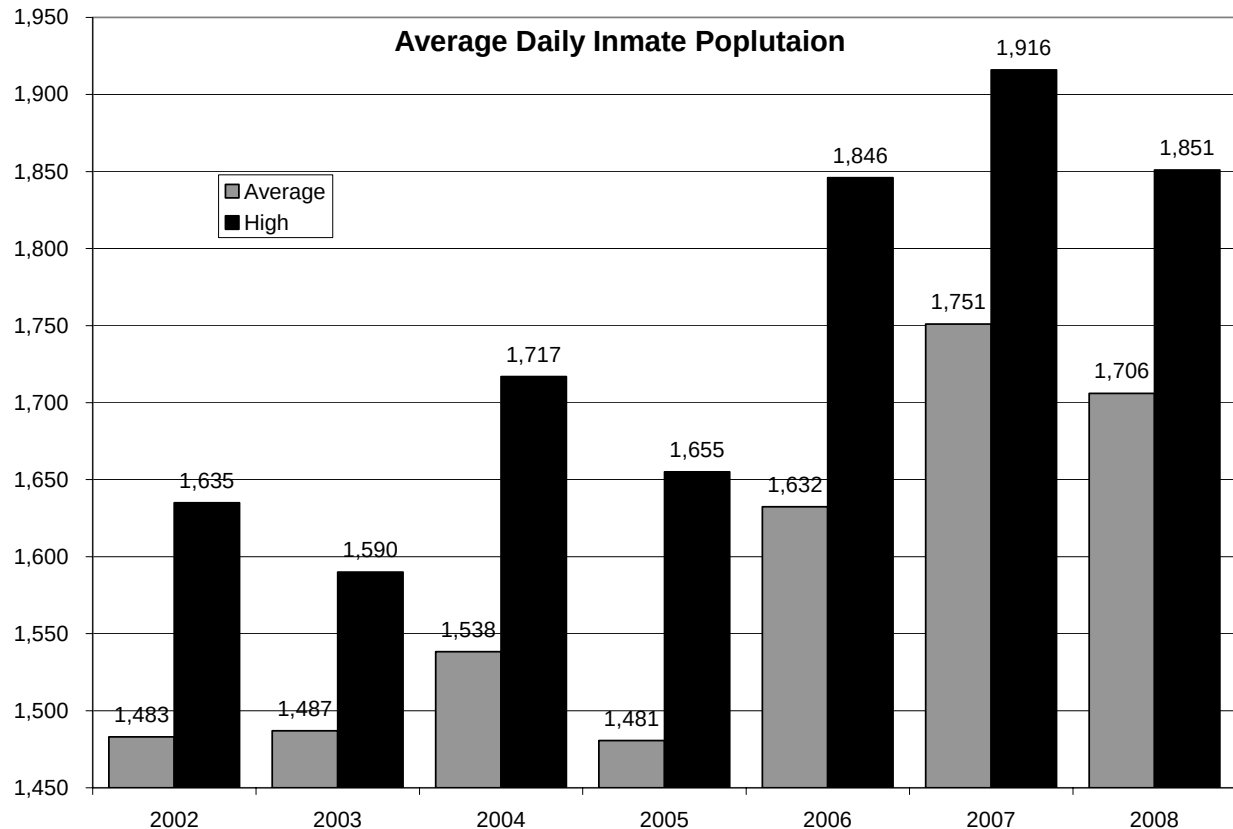
Overtime costs are affected by many different factors.

1. Collective bargaining agreements: Both the Deputy Sheriffs' and Correction Officers' contracts have strict seniority rules for the assignment of overtime and for assignment choice. Therefore, most overtime is paid to those with the highest salary rates. These limitations on management prerogatives impede the ability to control costs and assignments.
2. Filling vacant positions and effectively managing staff can result in the reduction of overtime costs. If the number of vacancies increases, overtime costs will increase accordingly.
3. The number of posts: required posts by the Commission of Correction as well as ad hoc posts which from time to time have to be created due to prisoner configuration, prisoner classification, program needs, or facility design.
1. The number of prisoners that must be transported out of county.

Based upon reported W-2 earnings in 2007, 136 Deputy Sheriffs were among the top 300 overtime earners. Six of the top 10 overtime earners were also Deputy Sheriffs (earning between \$54,493 and \$74,200 in overtime). Correction Officers accounted for 86 of the 300 top overtime earners with three of the top ten (earning between \$58,074 and \$70,466 in overtime). Despite the fact that the correctional facility is a 24/7 operation, the number of Deputy Sheriffs and Correction Officers earning high amounts of overtime remains a budgetary concern.

Inmate Population & Substitute Housing

During the first nine months of 2008, the average prisoner population that the Sheriff's Office was responsible for was 1,706, with a high of 1,851 and low of 1,599. This represents 21 less prisoners than the same period last year. In October of 2007 the population reached its highest level ever at 1,916. During 1999, an average of 300-400 state-ready prisoners were held at the jail. Currently, the number of state ready prisoners is 27 with another 66 awaiting parole.



The legal capacity of the county correctional system is now 1,327 without variances, and includes the 120 beds gained from the opening of the stressed membrane structure erected in 2006. Early 2008, the Commission of Correction approved a variance of 152 beds at the Riverhead facility. With current variances, the capacity is 1,838.

The functional capacity of the system is 1,551. The functional capacity is defined as the point at which a facility is able to operate before the effects of crowding occur.

Functional capacity considers the physical plant and its ability to accommodate classification differences. Most corrections experts agree that functional capacity is 85% of the approved physical capacity. The Sheriff has managed to increase and maintain this percentage to over 90%, effectively reducing the number of inmates required to be housed "out of county" in substitute housing.

As of October 8th, the Sheriff is housing 17 prisoners in "out-of-county" facilities compared to 206 at this time last year. Due to this reduced figure, the 2008 estimated amount can be reduced by \$250,000. The recommended budget includes \$2,554,600

in 2009, an increase of \$54,600 from requested funding for this function, compared to the 2008 adopted amount of \$4.5 million.

Resolution No. 1492-2006 requires the County to enter into an agreement with local ambulance districts to reimburse them for ambulance service at County correctional facilities. The resolution authorizes initial funding to begin on January 1, 2008. Funding for these contracts in the amount of \$54,600 was included in the Jail Medical Unit of the Department of Health Services last year but has been transferred to the Sheriff.

Vehicle Allocation

The recommended budget provides funding to replace all Sheriff vehicles projected to have over 110,000 miles by the end of 2009. However, this is not what the Sheriff requested. The following table details the differences between what was requested and recommended.

Type	No. Req	No. Rec	Requested. Cost	Recommended Cost	No. Diff	Cost Difference
Marked Sedans	18	32	\$432,000	\$768,000	(14)	(\$336,000)
Mid-Sized Sedans	11	0	\$187,000	\$0	11	\$187,000
Motorcycles	2	0	\$36,000	\$0	2	\$36,000
Pickup	0	1	\$0	\$23,000	(1)	(\$23,000)
Prisoner Vans	3	6	\$84,000	\$168,000	(3)	(\$84,000)
SUV 4WD	0	1	\$0	\$27,000	(1)	(\$27,000)
Undercover (Used)	0	1	\$0	\$20,000	(1)	(\$20,000)
Unmarked Sedans	5	15	\$120,000	\$360,000	(10)	(\$240,000)
TOTAL	39	56	\$739,000	\$1,006,000	(17)	(\$267,000)

The Budget Review Office recommends reducing vehicle expenditures in the Department of Public Works by \$267,000 and allowing the Sheriff to allocate the remaining \$739,000 as requested. All of the requested vehicles will replace vehicles with over 110,000 miles by the end of 2009. The requested 11 mid-sized sedans are each \$7,000 less than the recommended 15 unmarked sedans.

Revenue

Under New York State law, the Sheriff is the primary civil enforcement officer of the court, and is responsible for enforcing all decrees, orders and mandates of the civil courts within the County. The Sheriff is permitted to charge specific fees for services, which are established by the State Legislature. Analysis of the revenues produced from these fees indicates that the amount of revenue estimated for 2008 is reasonable.

The County has received reimbursement for expenses related to the incarceration of criminal aliens under the New York State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348. The 2009 recommended budget includes \$1,500,000.

Funding amounts are based on appropriations in the Federal budget and the relationship of the expenditures of competing jurisdictions. There are over 50 other jurisdictions competing for SCAAP funding. The County recently received confirmation that the grant award amount will be \$2,056,685 so an additional \$556,685 can be included in the adopted 2009 budget.

Budget Review Office Recommendations

- Hire a class of 30 Correction Officers in June 2009, filling vacancies. There are sufficient appropriations for this class. Failure to do so will increase overtime costs to beyond what is included in the 2009 recommended budget.
- Hire a class of 25 Correction Officers in September 2009, in anticipation of the new correctional facility opening in 2011. There are sufficient appropriations for this class. Failure to do so will create the need for large classes in 2010 and 2011.
- Hire a class of 10 Deputy Sheriff's during 2009, if possible depending on the Police academy schedule. An additional \$184,344 would have to be included for permanent salaries, holiday pay, uniforms, cleaning allowance, guns/ammunition, etc. for a class of 10 on September 2, 2009.
- As of October 8th, the Sheriff is housing 17 prisoners in "out-of-county" facilities compared to 206 at this time last year. Due to this reduced figure, the 2008 estimated amount (001-3151-4560) can be reduced by \$250,000.
- Reduce vehicle expenditures in the Department of Public Works by \$267,000 and allow the Sheriff to allocate the remaining \$739,000 as requested. All of the requested vehicles will replace vehicles with over 110,000 miles by the end of 2009.
- Based upon the recent grant award, increase New York State Criminal Alien Assistance Program (SCAAP), revenue code 001-4348 by \$556,685 in 2009.

JO Sheriff09

SOCIAL SERVICES

Major Issues

1. Department Overview
2. Divisional Operation Overview:
 - General Administration
 - Client Benefits
 - Family and Children's Services
 - Housing, Adult and Employment Services
 - Child Support Enforcement Bureau
 - Medicaid Services
3. Staff
4. NYS Budget Cuts
5. Child Care

Budget Review Office Evaluation

Overview of Expenditures and Revenues

Total expenditures for the Department of Social Services across all divisions are recommended for 2009 at \$546,136,182 which is a 1.2% increase over the 2008 estimate as shown below. Medicaid costs comprise 46.2% of all costs for the entire department. Total revenue for DSS in 2009 is recommended at \$298,068,234 (54.6 % of all costs) resulting in a net county cost of \$248,067,948. Next year's net County cost represents a 1.2% decrease from the 2008 estimated net cost of \$251,126,016.

Admin & Program Costs			
by Division	2007 Act.	2008 Est.	2009 Rec.
Administration	\$11,591,772	\$12,650,328	\$11,635,255
Client Benefits	\$139,936,220	\$147,178,814	\$144,377,129
CSEB	\$8,296,749	\$8,567,340	\$8,959,316
Family & Children	\$101,017,485	\$111,197,469	\$117,959,184
Housing, Adult & Employ.	\$6,766,557	\$10,764,227	\$10,719,575
Medicaid	\$235,094,020	\$249,222,986	\$252,485,723
Grand Total	\$502,702,803	\$539,581,164	\$546,136,182
Yr. to Yr. % Growth	2.4%	7.3%	1.2%

Social Service's program costs represent 80.2% of the recommended 2009 budget for the department with an overall 0.4% increase from the 2008 estimated program cost as shown below:

Program Costs			
by Division	2007 Act.	2008 Est.	2009 Rec.
Client Benefits (inc. Housing)	\$117,301,324	\$126,847,412	\$123,846,187
Family & Children	\$72,313,814	\$79,256,170	\$85,282,409
Medicaid	\$219,391,286	\$230,134,669	\$229,055,244
Grand Total	\$409,006,424	\$436,238,251	\$438,183,840
Yr. to Yr. % Growth	1.5%	6.7%	0.4%

More than 92% of 2009 recommended program costs for DSS are mandated by the federal and state governments. DSS costs for staff and overhead to administer its mandates and missions are mostly considered discretionary, with the notable exception of Medicaid Administration, which is now considered as mandated with the State and Federal governments funding 100% of the local administrative staff, fringe benefits, overhead and contractual employee costs. All Medicaid staff, with the exception of the MA Hospital Outreach Examiners, is included in the fully funded Appropriation 360-6204 – Medicaid Compliance. All of the non-staff related costs of running the Medicaid Services Division, such as supplies, equipment, fees for service, contracts, and supportive services are recommended to be transferred from the General Fund discretionary appropriation 001-6201 – Medical Assistance Administration to the mandated (Fund 360) appropriation 360-6204 – Medicaid Compliance in 2009. The discretionary administrative appropriation for Medicaid will cease to exist after 2008.

Highlighted in the following section are some of the major issues and cost trends across all operations in the Department of Social Services in 2008 and 2009:

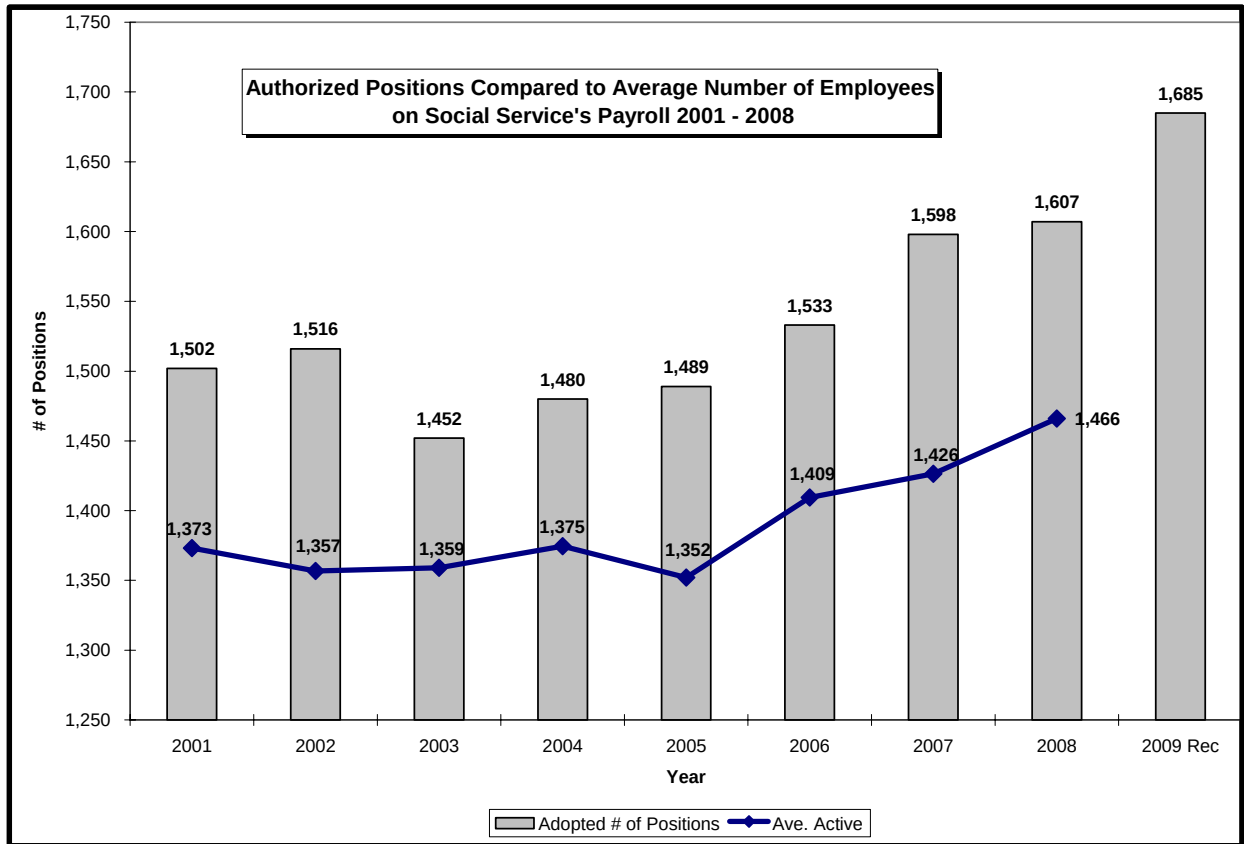
Department Wide Overview

- Medicaid Cap costs increased by \$3,275,080 in 2008 due to the inclusion by the State of a 53rd weekly share that will not recur in 2009. The incorporation of the 53rd weekly share payment is the reason the 2009 recommended mandated Medicaid Cap is \$1,459,325 less than the 2008 estimate.
- A decrease of \$9,833,000 in 2009 recommended HEAP Program cost compared to the 2008 adopted level is due to the State Comptroller assuming nearly all HEAP program payments during 2008 with equivalent reductions in program expenditures and associated revenue. The responsibilities and functions of the local staff required to administer the federally regulated HEAP Program remain unchanged.
- Seventy-eight new positions are recommended for the Department of Social Services in 2009. This includes 75 new 100% federally and state aided Medicaid staff and 3 new Caseworker Trainee positions in Child Protective Services. No positions were recommended to be abolished in the Department of Social Services, which was unable to participate in the 2008 ERIP program due to the high levels of reimbursement for department staff.
- Permanent salaries are recommended to increase across all appropriations in the Department of Social Services in 2009 by \$6,030,764 over the 2008 estimates.

The majority of this increase is attributable to the 75 new 100% federally and state funded staff that were requested and recommended for Medicaid Compliance, the 3 Child Protective Caseworker Trainee positions that were recommended out of 5 requested to respond to a statewide phenomenon of growing caseloads, adequate funding for employees moving up in the step system and the continuation of the automatic fill policy in all areas relating to child protective services.

- Program expenditures continue to rise across many areas of Social Services. The most problematic program cost challenge facing DSS now and into the near future is childcare, where the quickly rising cost of caring for children coupled with recently enacted funding cuts by New York State has forced DSS to freeze and possibly discontinue subsidized childcare for the non-guarantee populations, basically, the working poor. In order to reopen enrollment for childcare subsidies to all potentially eligible families in Suffolk County, the Department of Social Services estimates that \$12 to \$14 million in 100% local cost funding would have to be added to the budget in 2009.
- Legal issues and court challenges continue to have or hold the potential for serious financial impact to the Suffolk County Department of Social Services in 2008 and 2009, such as the NYS Appellate Court decision Doe vs. Doar. As a consequence of the State losing this legal challenge and all local districts being required to go back to July 2004 and recalculate household budgets to deduct Social Security benefits for SSI recipients on public assistance and refund the difference, Suffolk County has incurred additional Family Assistance and Safety Net costs totaling approximately \$3 million with the majority of the impact during 2008. The current legal challenge facing DSS is a class action lawsuit recently filed by the Empire Justice Center on behalf of Suffolk County Medicaid applicants in regards to the timeframe delays they are experiencing in having their eligibility for Medicaid benefits determined. It is too early in the legal processing of this case to estimate its potential fiscal impact.
- Year-to-date decreases are occurring in the two institutional foster care program lines. The first, 001-6118-4690, which represents the DSS portion of institutional foster care, is tracking down significantly. The second appropriation, 001-6121-4690, which represents the cost of caring for children designated by the courts as JD/PINS (Juvenile Delinquents and Persons In Need of Supervision) in institutional settings, under the supervision of Probation, is also decreasing, albeit at a lower rate due to the upward pressures on the system of an expanding JD population. The success of AFY (Alternatives For Youth) and other preventive efforts being made by Social Services are positively impacting costs for children in institutional foster care placement, particularly for the PINS portion of this population.
- As the following chart illustrates, the total number of staff recommended for the Department of Social Services in 2009 stands at an historic high of 1,685. The current number of filled 2008 positions stands at an average of 1,466 out of a total of 1,607 positions authorized (91.2% filled, or a vacancy rate of 8.8%). The 2008

average of Social Services personnel actively employed is the highest number of on-board DSS staff since 2001:



- The bulk of the increased authorized and on-board staffing in the Department of Social Services has occurred in Medicaid. This is now the only administrative operation in DSS considered to be mandated, with 100% funding by the state and federal governments covering all salaries, benefits, furniture, office supplies and overhead for Medicaid personnel. The Budget Review Office consistently advocated before and after the advent of the Medicaid Cap and the availability of the 100% administration funding, for the fortification of staff to facilitate the Medicaid eligibility and recertification processes to help meet established mandates, to help people get access to the medical and life-saving care they need and to save taxpayer money by assuring that only those people who are entitled to Medicaid benefits get Medicaid coverage.
- Since 2001 the number of authorized positions for DSS has fluctuated from a low of 1,452 positions in 2003, to a high with the current 2008 modified level of 1,607. The actual vacancy rates for all of Social Services have ranged from a low of 6.4% in 2003 to a high of 10.8% in 2007. The 2008 percentage of on-board versus authorized staffing currently stands at an average of 8.8% across all administrative appropriations.
- The potential impact of a faltering economy upon singles and families who are already “living on the edge” looms large for the Department of Social Services.

Economic downturn and all of its repercussions represent the single most serious unknown factor in trying to answer the question as to whether DSS is properly resourced with sufficient staff and adequate program funding for 2009. The department is already experiencing increases in the numbers of people applying for help, but, at the same time, the denial rates are also rising, as more and more people are turned away from public assistance because they do not qualify. The emergence of a “gap” population, who are not poor enough to qualify for Temporary Assistance, but who struggle to make ends meet, can only be expected to grow as the problems in the economy play out.

Eligibility criteria for Social Services’ various programs are predetermined and local cost control is primarily limited to the accuracy of local oversight. In turn, the effectiveness of local oversight is directly related to the levels and experience of staff operating the Medicaid, Family Assistance, Safety Net, Foster Care, Adoption Subsidy, Institutional Foster Care, Child Support Enforcement and HEAP programs.

The following provides an overview of the major issues and occurrences in the six administrative areas charged with the responsibility to carry out the missions and mandates of the Department of Social Services.

Divisional Operation Overview

General Administration

Budget Review Office Evaluation

Total expenditures across all DSS General Administration areas, offices and functions including the Office of the Commissioner, Commissioner’s Response Unit, Personnel/Payroll, Special Investigations, Facilities Management, Security, Finance (which covers all of Accounting, Revenue and Support Services), IT (Information Technology), DSS Renovations and Staff Training and Development are estimated at \$12.6 million in 2008 and recommended at \$11.6 million in 2009, representing an 8.0% decrease. Recommended funding for all of the units and operations under the purview of DSS Administration includes a net decrease of \$1,015,073 from what was requested for 2009.

In regard to DSS Administration staffing, no new positions were requested or created for any of the areas of General Administration, IT or Staff Development and no existing positions were abolished. The biggest differences in the recommended versus requested budget for DSS Administration in 2009 are attributable to the removal of the entire 2009 requested budget of \$624,625 for DSS Renovations, a decrease of \$401,346 in permanent salaries linked to 200% higher turnover savings and \$300,000 transferred out of DSS Administration for the administration of Local Law No. 1 of 2006, which provides financial incentives to towns and villages for building code enforcement relative to illegal dwellings.

- As a result of the more than 200% increase in turnover savings for DSS Administration, the Budget Review Office estimates that there will not be sufficient funding in 2009 in Appropriation 001-6005 (General Administration) to fill any of

the 15 vacancies they currently have for which there are no signed 167's. Since many of the vacancies that will not be able to be filled during 2009 are most heavily concentrated in the DSS accounting and financial support areas, it may become difficult for the department to comply with the Prompt Payment Policy established by the Legislature. Backlogs in payment processing may fall behind the current timeframe of 29 days for childcare payments and 45 days for all other types of vendors.

The permanent salaries for 001-6006 (Information Technology) and 001-6016 (Staff Development) are included in the 2009 budget as requested with no reductions due to increased turnover savings. The IT and Staff Development operations of DSS Administration appear to have enough permanent salaries to maintain their current staff, to continue the 3 and 1 respective vacancies just authorized to be filled throughout next year, and to bring the 6 and 1 respective remaining vacancies on-board for three-quarters of 2009. Therefore, the Budget Review Office concurs with the funding recommended for the Information Technology and Staff Development Units of DSS Administration.

Budget Review Office Recommendations

- The Budget Review Office recommends adding sufficient permanent salary appropriations to DSS Administration (001-6005) to fill four Account Clerk positions during 2009 to ensure that childcare providers are paid within the required 30 days and to prevent backsliding in the progress that has been made in expediting payments to all types of vendors. Salary and benefits for one Account Clerk (grade 11) is \$32,804 for three quarters of the year.
- The Budget Review Office disagrees with the removal of \$47,000 for closed circuit security camera (CCTV) repairs and maintenance and \$45,000 removed for upgrading security locks from the 2009 budget request. These items are crucial security systems to keep employees, clients and property safe. We recommend restoring \$92,000 to the 2009 appropriation DSS Renovations (001-6009) to fund the CCTV and security lock upgrades.
- We are in agreement with the recommended transfer of \$300,000 out of Social Services to a new fund (010) for financial incentives associated with Local Law No. 1 of 2006. The Budget Review Office disagreed with the policy decision to budget this expense in DSS in the first place. Now, properly situated in Fund 010, monies will be able to be rolled over as opposed to reappropriating funds every year. The Local Law provides financial incentives for the towns and villages to enhance building code enforcement.
- In line with year-to-date trends, the Budget Review Office recommends increasing the following revenue items in 2008 and 2009 by a total of \$1,022,679.

Budget Review Recommended Revenue Adjustments

Rev. Code	Revenue	2008 Estimated Budget	2008 BRO Estimate	Additional 2008 Revenue	2009 Recommended Budget	2009 BRO Projection	Additional 2009 Revenue
1801	Repayments: Medical Assistance	\$200,000	\$396,679	\$196,679	\$200,000	\$200,000	\$0
1809	Repayments: Family Assistance	\$6,704,103	\$7,054,103	\$350,000	\$6,514,103	\$6,514,103	\$0
1818	Repayments: ADC Foster Care	\$920,000	\$1,100,000	\$180,000	\$920,000	\$1,000,000	\$80,000
1819	Repayments: Child Care	\$872,000	\$980,000	\$108,000	\$872,000	\$980,000	\$108,000
TOTAL		\$8,696,103	\$9,530,782	\$834,679	\$8,506,103	\$8,694,103	\$188,000

- Aside from insufficient and restrictive permanent salaries funding in DSS General Administration, and the elimination of the security system upgrades, all other costs appear to be adequately resourced for the areas and responsibilities under the auspices of Social Services General Administration in 2009.

Client Benefits

Budget Review Office Evaluation

Total administrative and program expenditures across all operations and responsibilities of the Client Benefits Division, including the units and programs of Client Benefits Administration, Commodities Distribution, Medical Exams, NYS Chargebacks, Family Assistance, Emergency Shelter Grants (ESG) Program, Safety Net, HEAP and Day Care are recommended at \$144.4 million in 2009, a 1.9% decrease from the 2008 estimate of \$147.2 million.

Recommended funding for Client Benefits in 2009 includes a net decrease of \$2,801,685 from the 2008 estimate. The major difference in the recommended versus the estimated budgets for Client Benefits relates to an \$8.2 million reduction in Day Care Program funding (001-6170), more currently known as Child Care. This department-initiated decrease was necessitated by New York State lowering the childcare program allocations for Suffolk County for State Fiscal Year 2008/2009. Additional details and explanation of the State's childcare funding cuts and the repercussions to Suffolk County are provided in a separate section on Child Care.

Notable increases in the programs overseen by the Client Benefits Division include a \$2.45 million uptick from the 2008 estimated level to the 2009 recommended level for Family Assistance (FA) (001-6109) attributable to the impact of the New York State Appellate Court "Doe vs. Doar" Decision, and increasing caseloads. In addition, Safety Net (SN) (001-6140) costs are increased from the 2008 estimate to the 2009 recommended by \$2.45 million to incorporate the anticipated impact of a sluggish economy and the continuation of a trend in higher numbers of Safety Net singles cases.

In regard to staffing, no new positions were requested or created for any areas in Client Benefits, and no positions in the Client Benefits Division are recommended to be abolished in 2009. The most significant recommended change for 2009 includes a \$163,524 decrease in permanent salaries for Client Benefits owing to a 42% increase in turnover savings. Recent approval has been given to fill 21 of 24 currently vacant

positions in Client Benefits at a total estimated 2009 permanent salary cost of \$1,167,501. Based upon the cost of current filled positions and the estimated costs for filling the newly authorized vacancies, it appears that the recommended permanent salaries for Client Benefits may be insufficient for all existing staff to be funded for the entire year. However, in consideration of the fact that many of the vacancies will be promoted from within the department thereby creating new lower level vacancies and increasing turnover savings, coupled with the impact of hiring time lags, we believe that the recommended 2009 permanent salaries for Client Benefits will be manageable.

Budget Review Office Recommendations

- Quickly rising childcare costs coupled with recently enacted funding cuts by New York State have forced DSS to freeze and possibly discontinue subsidized childcare for the non-guarantee populations, basically the working poor. In order to reopen enrollment for childcare subsidies to all potentially eligible families in Suffolk County, the Department of Social Services estimates that \$12 to \$14 million in 100% local cost funding would have to be added to the budget in 2009. For additional detail and explanation of the childcare funding issue, please refer to the separate section in this report called "Child Care".
- Amend the name of appropriation 001-6170 – DSS: Day Care to reflect the more up-to-date and correct name "DSS: Child Care".
- In line with year-to-date cost trends, the Budget Review Office recommends reducing the 2008 estimate for Family Assistance program costs (001-6109-4690) by \$1,500,000 and the 2009 recommended total by \$1,050,000. Our 2008 estimate reflects the downward pressure of lower FA caseloads this year and includes \$3 million for the Doe vs. Doar settlement, which equates to an overall increase of 7% over the 2007 actual. Our 2009 projection excludes most of the impact of the Doe vs. Doar settlement project, which is now 97% complete, from the 2008 base, and then trends the adjusted base by 14% to anticipate greater demand for transitional services and food stamps, more timely processing of LIPA payments and the impact of shelter provider rate increases. The impact of a worsening economy is also factored into the overall percentage increase for 2009 of 14%, which is twice what the Budget Review Office estimated for Family Assistance Program costs in 2008.
- Reduce the 2008 estimate for Safety Net program costs (001-6140-4690) by \$1,200,000 to incorporate an 8.8% increase over 2007 to be more in line with year-to-date cost trends. This change provides a lower base upon which to build a 9.9% increase for 2009 to prepare for the impact of a weak economy and rising numbers of Safety Net singles.
- All other costs appear to be sufficiently resourced throughout the administrative and program lines overseen by the Client Benefits Division.

Family and Children's Services

Budget Review Office Evaluation

Total administrative and program expenditures across all operations and responsibilities of the Family and Children's Services Division are estimated at \$111.2 million in 2008 and recommended at \$117.9 million in 2009, representing a 6.1% increase. This includes all the units and programs of Administration, Child Welfare Direct and Support Services, Operations Support, Handicapped Children's Maintenance Program, Domestic Violence Programs, Purchase of Services (Emergency Housing, Homemaker and Summer Camps), AFY (Alternatives for Youth), Institutional Foster Care (split into DSS and Probation J/D PINS components), Family Boarding Foster Care, Adoption Subsidy and New York State chargebacks for the County share for juvenile delinquents held short-term in secure detention facilities outside of Suffolk County (necessitated by the closing of Suffolk's Children's Shelter in 1978).

Recommended funding for Family and Children's Services administration and program appropriations in 2009 includes \$6,761,715 more than the 2008 estimate. Most of this increase is connected to higher Family and Children's Services program costs, including \$2.4 million more for DSS Institutional Foster Care, \$1.5 million more for Institutional Foster Care for the JD/PINS populations, \$1.5 million more for Adoption Subsidies and \$500,000 more for Family Boarding Foster Home Care.

On the staffing side, a \$935,450 increase is recommended for Family and Children's Services Administration in 2009 over the 2008 estimate, primarily in the permanent salaries for three new Caseworker Trainee positions out of five requested by the department in their August Update, plus contractual salary adjustments for a large portion of staff moving up in the step system, and a relatively low level of turnover savings (2%). This funding level reflects the auto fill policy for vacated CPS positions to maintain a constant flow of CPS staff replacements and reinforcements. The 2009 Recommended Budget does not abolish any positions in the Family and Children's Services Division, which recently received approval to fill 6 of its 19 existing vacancies.

- The 2009 recommended permanent salaries for Family and Children's Services Administration is sufficient to honor the auto fill policy in Child Protective Services, which is a critical component in the all-important mission to protect the lives of children-at-risk.

Year-to-date decreases are occurring in the two institutional foster care program lines.

- DSS Institutional Foster Care (001-6118-4690), which represents the DSS portion of caring for children in residential centers, group and agency operated boarding homes, diagnostic facilities and agency supervised therapeutic foster homes has decreased by 14.7% during the first nine months of 2008 compared to the same time period in 2007. DSS indicates that their preventive services programs and improved performance in placing children with relative resources, has reduced the number and cost of children placed in institutions.
- Institutional Foster Care - JD/PINS (001-6121-4690), which represents the cost of caring for children designated by the courts as JD/PINS (Juvenile

Delinquents and Persons In Need of Supervision) in institutional settings, and therefore under the supervision of Probation, is tracking down by 5.3% year-to-date in 2008 versus the same time period in 2007. This decrease is principally due to reductions in the numbers of PINS placements owing to the interdepartmental coordinated efforts of the AFY (Alternatives For Youth) Program. On the other side, the number of JD's placed by the courts continues to rise, with the cost of caring for this population showing no signs of decreasing, and therefore overshadowing much of the cost reduction on the PINS side.

- Overall, we find that the appropriations recommended across all administrative and program lines under the auspices of the Family and Children's Services Division are reasonable and sufficient.

Budget Review Office Recommendations

- The Budget Review Office is consistent in its strong support for bolstering and sustaining staffing resources that protect children at-risk, help heal and keep families together, and facilitate healthy growth of Suffolk's most precious commodity, our children. Just as we supported Social Services 2008 request to provide three new Family and Children's Services positions that was not recommended nor adopted last year, we heartily support the three new Caseworker Trainee staff recommended for 001-6010-Family and Children's Services Administration in 2009. All three positions would improve the staff-to-client ratios in Child Protective Services and provide increased levels of protection for at-risk children and are heavily reimbursed with state and federal aid.
- Year-to-date decreases occurring in the two institutional foster care budget lines in Social Services attest to the success of preventive service efforts being made by Social Services and via the interdepartmental Alternatives for Youth (AFY) Program. In recognition of these positive trends, the Budget Review Office recommends reducing the 2008 estimate for DSS Institutional Foster Care (001-6118) by \$500,000 and decreasing the 2009 level by \$1,000,000. We also recommend decreasing Institutional Foster Care/Probation (001-6121) in 2009 by \$500,000.

Alternatives For Youth (AFY) Program (FCSA)

The Alternatives For Youth Program, better known as AFY, is a collaborative effort of the Suffolk County Departments of Health Services-Office of Mental Hygiene, Probation, Social Services, and the Youth Bureau. The program is a comprehensive and coordinated preventive service system designed to divert youth from the PINS (Persons In Need of Supervision) system. The DSS component of AFY and the primary contractor for the program, EAC (Education and Assistance Corporation), have operated under the jurisdiction of the Family and Children's Services Division since AFY's inception in October 2005.

For 2009, a total of seven staff were requested and recommended for the DSS component of AFY. This staffing level is four less than the 2008 modified level of 11

positions for AFY. Three positions were transferred to other areas of Family and Children's Services and one position was transferred to Employment Services in Housing. No new positions were requested or recommended for AFY in 2009. The AFY Program recently received approval to fill its one vacant Caseworker position.

It appears that there is sufficient funding recommended in the permanent salaries line for the Alternatives For Youth Program to be fully resourced in 2009.

Budget Review Office Recommendation

The Budget Review Office concurs with the levels of funding recommended for all of the components of the AFY Program for which DSS is responsible. This is a cooperative effort by several departments and proof positive that good things can be accomplished when departments band together for a common objective.

Housing, Adult and Employment Services

Budget Review Office Evaluation

Total administrative expenditures for all the units, offices and functions of the Housing, Adult and Employment Services Division, including Housing Administration, Emergency Services, Casework Shelter/Motel, Placements, Homeless Prevention Unit, Center Operations, Adult Services Administration and all of the employment-related units that were transferred from Client Benefits in 2007, are estimated at \$10.8 million in 2008 and recommended at \$10.7 million for 2009, representing a 0.4% decrease.

The major difference in the 2009 recommended versus requested budget for Housing, Adult and Employment Services is related to a 195% increase in turnover savings, which decreases permanent salaries by \$474,236 and reduces the capacity of the division to fill all of its vacancies next year. Recent approval was given to fill four of Housing's 19 vacant positions. Due to the significant reduction of permanent salaries for Housing, the Budget Review Office estimates that there will be insufficient funding to fill any of its remaining 15 vacancies during 2009.

The Budget Review Office believes that the timing of confining the staffing levels of the Housing Division in this manner could not be worse. This restriction will limit the ability of the department to respond to potentially higher numbers of homeless people as the economic crisis creates a dismal statistic, the displacement of families and individuals from their homes.

Budget Review Office Recommendation

Restore sufficient permanent salaries appropriations for the Housing, Adult and Employment Services Division in 2009 to enable the filling of one Senior Caseworker and two Caseworkers. Salaries and benefits for one Senior Caseworker (grade 22) are \$48,567 and two Caseworkers (grade 20) are \$90,296 for a total of \$138,863 for three quarters of the year. This would provide the division with some flexibility and an

increased capability to respond to a potential crisis of homeless families and individuals as the economy worsens.

Child Support Enforcement Bureau (CSEB)

Budget Review Office Evaluation

Total administrative expenditures for all the units, offices and functions of the Child Support Enforcement Bureau (CSEB) including Administration, Establishment/Investigations, Court Operations, Enforcement, Finance and Operations Support are estimated at \$8.6 million in 2008 and recommended at \$9.0 million in 2009, representing a 5.4% increase, nearly all of which is attributable to a \$401,706 difference between the 2008 estimated permanent salaries and the 2009 recommended level.

No new positions were recommended and no existing positions were abolished for CSEB in 2009. Owing to a 116% increase in recommended turnover savings, and a \$240,342 decrease in 2009 recommended salaries, the Budget Review Office estimates that CSEB will not have sufficient funding to fill any of its 14 remaining vacancies next year. There does appear to be sufficient permanent salaries funding budgeted in 2009 to fully cover the 8 CSEB vacancies for which approval to fill was recently given.

- If all eight recently released vacancies are filled and maintained in CSEB, and all existing staff currently on-board continue throughout 2009, CSEB will be working with an 8.8% vacancy rate.

Similar to other DSS administrative areas, CSEB has increasingly relied on overtime and temporary salary costs. Overtime for CSEB is recommended at \$283,040 in 2009, which constitutes a 30% increase over 2008. Temporary salaries are included in the recommended budget for 2009 at a level of \$207,350, which is a 7.8% increase over 2008. With the use of overtime and temporary staff, CSEB has been attaining high performance in Support Establishment (SEP) and Paternity Establishment (PEP).

Properly resourcing CSEB directly impacts upon the ability to meet state and federally mandated performance standards, but it should also be kept in mind that the funds collected by CSEB have a major effect upon the County's ability to reduce its Temporary Assistance (TA) expenditures, and help clients move toward self sufficiency. In 2007, there were 577 TA clients who were no longer in need of assistance because of the child support payments secured by CSEB.

- The Budget Review Office finds that for every local \$1 that is expended on net CSEB administrative costs, nearly \$85 in child support collections are generated. Translating this to actual 2007 dollars, approximately \$1,660,000 spent in net County costs for running CSEB brought back \$140,832,267 in total actual child support collections during 2007. This phenomenal rate of return on the County's investment is worthy of note, but even more important is the ironclad justification it provides in giving CSEB the staff and resources it needs to maximize its operations and collections.

Budget Review Office Recommendations

- The Budget Review Office supports restoring sufficient permanent salaries to CSEB in 2009 in order to maintain their on-board staffing at a level no lower than 95%, or being able to keep an average of 151 out of 159 authorized staff on board and working all year.
- Aside from the restrictive permanent salaries funding, the 2009 recommended funding levels for CSEB seem adequate for operational needs other than staff support.

Medicaid Services

Budget Review Office Evaluation

Total administrative and program expenditures across all operations and responsibilities of what was formerly known as the Medicaid Services Division, including all the units and programs of Administration, Medical Director, Medical Services Bureau, Medicaid Transportation/Managed Care, and all of the Medicaid Eligibility operations that are now part of the Medicaid Compliance Fund (360), plus the costs of the Hospital Outreach Services Unit, which remains separate from Compliance, are estimated at \$249.2 million in 2008 and recommended at \$252.5 million in 2009, representing a 1.3% increase. The Hospital Outreach Unit includes out-stationed Medicaid examiners whose salaries and benefits are 50% funded by the hospitals contracting with the County for their on-site eligibility determination services with the other 50% paid by the federal government.

An increase of \$5,901,971 is recommended in the 2009 budget for Medicaid Compliance administration costs over the 2008 estimate. More than half of this increase, or \$3,321,167 is connected to the cost of hiring and outfitting 75 new 100% federally and state aided Medicaid staff. The majority (64 of 75) of the requested and recommended additional staff is intended to bolster the Medicaid eligibility determination and recertification processes. Currently, the average timeframe to Medicaid eligibility determination is 62 days, but the mandate is 45 days. Since the average timeframe stood at 92 days only a year ago, Medicaid Compliance has made remarkable progress, but the fact remains that the Department faces challenges in meeting the mandate. The class action lawsuit recently filed by the Empire Justice Center on behalf of Medicaid applicants whose cases are not being determined within the mandated timeframe is indicative that this is a serious matter. There are potential serious financial consequences to the County depending on the lawsuit and the ability for the department to demonstrate progress toward meeting the mandated timeframe.

The Budget Review Office has continuously and consistently advocated for augmenting and strengthening the Medicaid eligibility and recertification processes via additional staff to meet the State mandated timeframes and to save significant sums of money for the taxpayers. Careful and proper oversight in making Medicaid eligibility determinations and recertifications are the only way to ensure that only those people who are entitled to Medicaid benefits get Medicaid coverage. Sufficient numbers of well-trained and supervised staff are the key to a well-run program that helps people

with medical needs get connected to the services they require while at the same time protecting the hard-earned dollars of the taxpayer.

In addition to the 64 new staff for Medicaid eligibility and recertification, there are also 11 new positions earmarked to provide additional oversight and control over existing and expanding Medicaid units and activities such as training, home care, application review, procedure development, payroll processing and medical assistance financial record-keeping.

The consolidation of all Medicaid administrative costs formerly budgeted in Medical Assistance Administration (001-6201) into the fully funded and mandated appropriation Medicaid Compliance (001-6204) accounts for \$2,971,685 of the recommended increase in this appropriation. The original Medical Assistance Administration appropriation will cease to exist.

Overtime and temporary salaries for MA are included at a 10.9% increase in 2009 over the 2008 estimate (\$1,229,500 compared to \$1,109,000). Similar to other DSS administrative areas, MA has increasingly relied on overtime and temporary salary costs to address ongoing Medicaid eligibility and undercare backlogs, the annual Mass Rebudget project that updates MA cases, and backlogs relating to MASSI, Overage and Chronic Care cases. The latter are typically disabled adults and children needing immediate medical coverage and seriously ill patients in need of home care. The division-wide shortages of clerical support necessitate the increasing reliance on temporary staff to maintain MA workloads at manageable levels.

Budget Review Office Recommendations

- As in the past, the Budget Review Office wholly endorses the 75 new staff requested and recommended for Medicaid Compliance. The hiring, housing and training of this many staff is a huge challenge, however, it is the only way the County can ever hope to be in compliance with the workload associated with the State mandated eligibility determination and recertification timeframes.
- We recommend removing the \$500,000 budgeted in the old Medicaid Program appropriation 001-6102 for 2009. This represents what would be the local share of a yet-to-be determined 2009 IGT (Intergovernmental Transfer) for the John J. Foley Skilled Nursing Facility. The IGT is no longer accounted for in the same manner as in the past, and this allotment is insufficient and inappropriately placed in this portion of the budget.
- The Budget Review Office concurs with the level of funding recommended for all of the administrative and program appropriations for Medicaid Compliance and the Medicaid Program in 2009.

Staff

Budget Review Office Evaluation

What the Budget Review Office has stated in the past regarding the budgeted versus actual staffing levels in the Department of Social Services bears repeating here:

- Providing staff on paper does nothing to help the Department of Social Services meet its mandates and fulfill its missions. The Budget Review Office finds that perpetuating a policy of having any chronic vacancies in any area of Social Services costs the taxpayers more money in the long run and puts the most fragile of populations at increased risk.

Over the past eight years, DSS has carried overall vacancy rates that have ranged from a low of 6.3% in 2003, to a high of 10.5% in 2002. The widely varying disparity between the authorized versus actual numbers of DSS staff is graphically portrayed in the vacancy rates chart for DSS from 2001 through to the present time as follows:

2001 – 2008 DSS Budgeted vs. Filled vs. Vacant Positions

Budget Year	Adopted # of Positions	# Filled	% Filled	% Vacant
2001	1,502	1,373	91.4%	8.6%
2002	1,516	1,357	89.5%	10.5%
2003	1,452	1,359	93.6%	6.4%
2004	1,480	1,375	92.9%	7.1%
2005	1,489	1,352	90.8%	9.2%
2006	1,533	1,409	91.9%	8.1%
2007	1,547	1,424	92.0%	8.0%
2008	1,607	1,466	91.2%	8.8%

A total of 1,685 positions are recommended in 2009 for the Department of Social Services. However, the high level of recommended staff for DSS in 2009 does not necessarily mean that the department will actually have sufficient appropriations to fill that many positions. Recommended reductions in 2009 permanent salaries owing to increased turnover savings are projected to be more problematic to some divisions than others in Social Services. Overall, the Budget Review Office estimates that there will be sufficient permanent salaries in 2009 for DSS to fill some of the current vacancies, including all of those which have recently been given approval to fill, out of the total universe of existing vacancies per the following chart by division:

DSS Division/ Appropriation #'s	Sufficient Permanent Salaries Resourced To Fill # of Total Vacant BRO PROJECTION 2009
DSS Administration – 6005, 6006, 6016	Nine (9) of Thirty (30)
Housing, Adult & Employment –6008	Four (4) of Nineteen (19)
Family & Children's Services – 6010, 6115	Twenty (20) of Twenty (20)
Client Benefits – 6015	Twenty-one (21) of Twenty-four (24)
Child Support Enforcement Bureau - 6073	Eight (8) of Twenty-two (22)
Medicaid – 6204, 6205	Fifteen (15) of Fifteen (15)
DSS TOTALS*	Seventy-seven (77) of One hundred- thirty(130)

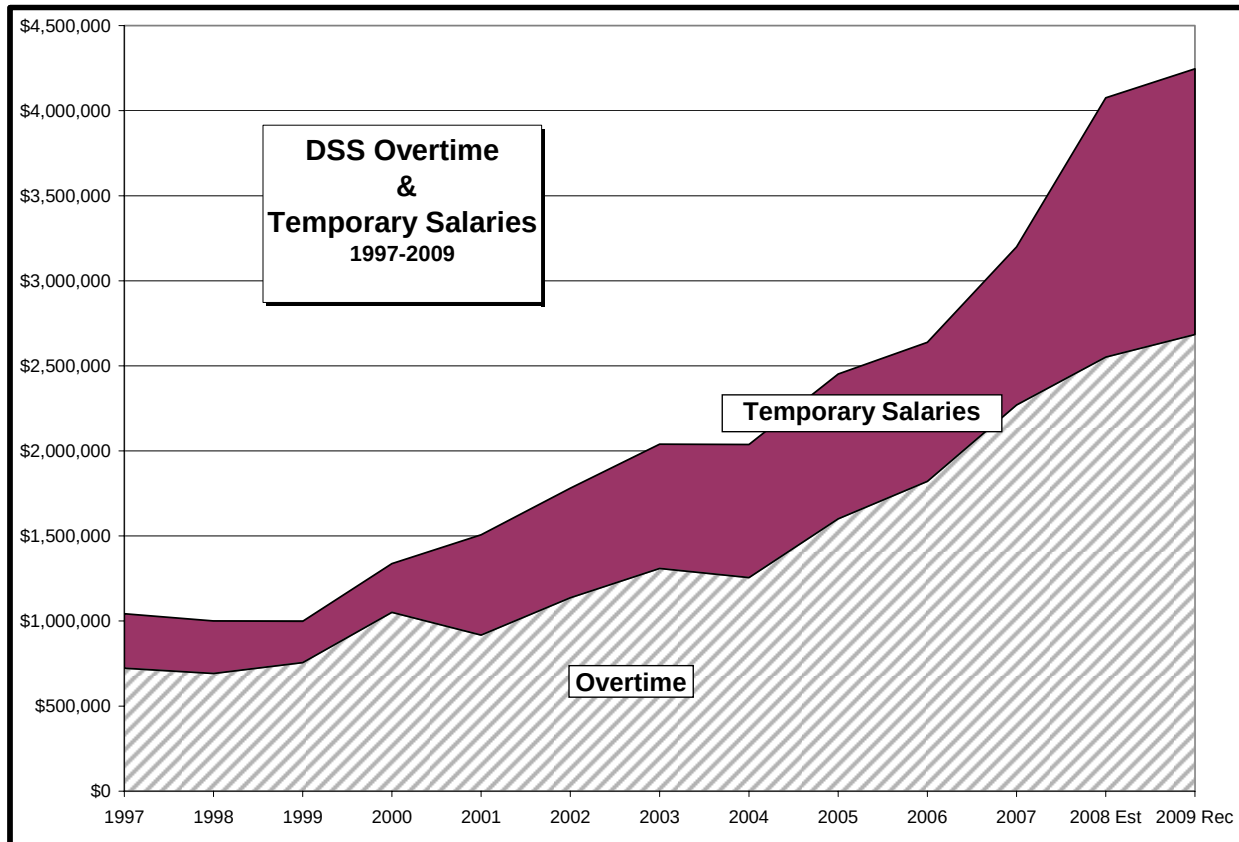
Note* - 2009 Recommended 78 new staff are not included.

Budget Review Office Evaluation

- The Budget Review Office recommends that there be no unnecessary delays in filling vacancies in any area of Social Services. In the long run, short changing the staffing levels in Social Services costs the taxpayers significantly more money and puts the most fragile of populations at increased risk. It presents the County with the specter and financial sting of potential legal challenges and makes it more challenging to meet the mandates in State and Federal Law.
- In addition to the auto fill policy which is currently being honored and sufficiently resourced to continue in 2009 in Child Protective Services, the Budget Review Office recommends that all 100% funded Social Services positions be covered via an auto fill policy. The hiring plans requested by Social Services for all areas other than CPS and 100% funded positions should be engineered to maintaining all divisions at an average vacancy rate of no more than five percent at all times. Social Services hiring plans should be submitted to both branches of County government and the Legislature should be notified on a regular basis as to the status of Social Services' vacancy rates by division and the impact on workload and backlogs.

Overtime

Near tripling and quadrupling growth trends in overtime and temporary salaries are occurring in Social Services. The increasing reliance of DSS on overtime and temporary salaries to keep the department running since 1997 is clearly illustrated in the following graph:



The statistics behind this graph depicting eleven years of growth in overtime and temporary salaries in DSS paint a clear picture of a department that has been understaffed. Between the 1997 actual and the 2008 estimate, overtime has grown over 250% from \$723,000 to over \$2,551,000 across all divisions and operations. Temporary clerical costs (exclusive of HEAP which has always utilized temporary positions in its 100% federally funded staffing configurations) rose from \$319,000 eleven years ago to estimated costs over \$1,523,000 in 2008, for an overall increase over 375%. Together, DSS overtime and temporary salaries have grown from \$1.0 million in 1997 to nearly \$4.1 million in estimated expenditures in 2008, an eleven-year growth rate in excess of 290%.

For 2009, the recommended budget continues to increase the levels of overtime and temporary salaries for all the divisions and operations of DSS. Overtime and temporary salaries (excluding HEAP) for DSS in 2009 total \$4,246,379, which is a 10.0% increase over the 2008 adopted level and 4.2% higher than the 2008 estimate. Ongoing increases in the supplemental services provided by overtime and temporary salaries reflect the expectation that shortages of staff throughout the Department of Social Services will continue into the next budget year. Clearly, Social Services has come to rely more and more on the use of overtime and temporary salaries to make up for the lack of adequate and consistent levels of full-time, fully trained and experienced staff.

Budget Review Office Recommendation

In order to reduce the levels of overtime and temporary salaries that continue to increase in DSS, it will be necessary to provide higher percentages of on-board and working employees on a consistent basis. Overtime and temporary staff to address seasonal fluctuations in workload and special projects is acceptable practice. However, the chronic reliance on overtime and temporary salaries, which has increasingly characterized the Department of Social Services over the past eleven years, and inclusive of the 2009 Recommended Budget, is an indication of systemic problems, specifically, the lack of sufficient and consistent levels of trained and on-board staff.

New York State Budget Cuts

Budget Review Office Evaluation

One of the greatest threats to the funding sources and stability of the Department of Social Services appears to be coming from an unlikely place, the State of New York. The estimated impact of Governor Paterson's first round of 2% and 6% budget cuts that were enacted for 2008/2009 negatively impacts DSS State Aid for Adoption Subsidies, CSEB Administration and Maintenance of Handicapped Children by approximately \$520,000 in 2008 and \$740,000 in 2009. With the State Legislature slated to go back into session November 18th at the behest of the Governor to consider further cuts, and with economic developments and news worsening by the day, the prospect of additional State Aid losses to Social Services gives serious cause for concern.

Although it is nothing new for the State to find innovative ways of passing along the cost of social services programs to the local districts, often to draw down federal aid not necessarily passed along to the counties in fair share, the driving force behind these actual and potential cuts is different. As was the coined phrase of a past political campaign "it's the economy, stupid" and it is the negative portent of a faltering economy that is driving the current round of State funding shifts.

One of the State budget's most potentially serious cost shifting proposals just barely defeated at the last minute, was the proposal for the State to renege on the 100% administrative reimbursement coverage for Medicaid staff and all associated costs. If the worst scenario occurs, and the State pulls the 100% funding pledge for all Medicaid administrative costs, the County will be faced with the difficult prospect of the 14-vote requirement necessitated by the "No New Mandates" Charter Law when County funding must be approved to continue programs that are defunded by the state or federal governments.

Child Care

Budget Review Office Evaluation

The New York State Office of Children and Family Services (OCFS) issued a Local Commissioners Memorandum (08-OCFS-LCM-08) on June 6, 2008 reducing childcare

funding allocations for 41 counties. Suffolk County's share of the New York State Childcare Block Grant (NYSCCBG) allocation for State Fiscal Year (SFY) 2008/2009 was lowered by \$2,222,277 to \$28,846,220 as compared to the Suffolk's NYSCCBG allocation for the SFY 2007/2008 period of \$31,068,497. Sixteen counties and New York City received raises in their annual allocations.

Three steps were taken by the State to come up with the SFY 2008/2009 childcare allocation methodology:

- 1.) The State applied a two percent across-the-board reduction in the general fund based on a district's percentage of the total base allocation.
- 2.) The State took counties, with Suffolk being one of 41, which had rolled an amount forward from FFY 2006/2007 into FFY 2007/2008 in excess of 10% of that district's total SFY 2007/2008 allocation and reduced the SFY 2008/2009 allocation for that county by 40% of the rollover amount. The State indicated that the counties' reserve accounts or rollover funding were not directly cut, however, it was the basis upon which the State lowered the annual childcare allocations for 41 counties and then redistributed that money to New York City and 16 other counties. The City and 16 local districts getting an increase had spent all of their childcare block grant allocation.
- 3.) The State then took \$33.2 million, including \$19.5 million in rollover adjustments and \$13.7 million of prior year quality funding repurposed for childcare subsidies (State funding of unknown origin) and redistributed it primarily to New York City, which reaped a \$26.8 million windfall out of this shuffle and 16 other counties, which got upward adjustments in their childcare allocations for SFY 2008/2009. The reasoning given by the State for all of the adjustments and reconfigured childcare allocations was to cover market rate increases.

The rollover funds are described as a carryover of the previous year's unexpended allocation, not actual cash. For the FFY that ended on 9/30/07, it was reported that 47 of 57 counties in New York State had rollover childcare funds. It was widely accepted practice backed up by State law for the local districts to be able to access childcare funding that was left unspent from the previous year's allocation. Prior to this budget cut by the State, there have never been any penalties or punitive actions associated with a local district having and using rollover funds in their childcare reserve accounts.

Suffolk County was the second hardest hit local district by this State budget cut. The five counties that received the biggest cuts in their SFY 2008-2009 childcare allocations were Erie with a \$2,744,297 decrease, Suffolk with a \$2,222,277 reduction, Westchester with a \$2,121,985 cut, Monroe with a \$1,766,178 decrease and Niagara with a \$1,110,482 reduction.

According to DSS, Suffolk spent all funding possible to be approved, processed and claimed in accordance with the State's regulations for families eligible to receive childcare subsidies, but this did not exhaust the County's childcare allocations. It was reported that Suffolk County shared the situation of having rollover childcare funding with 46 other New York State counties at the end of FFY 2006/2007.

For 2008, it was estimated that average monthly childcare costs would reach an all-time high of \$732, a 30.2% increase in the past five years. With 2008 childcare caseloads averaging 4,350 children per month, total childcare program expenditures are estimated to be \$38.0 million by the end of the County's 2008 fiscal year.

This would require the full expenditure of the \$6.1 million in Suffolk's rollover funds which are still available to be spent and the recently decreased NYSCCBG allocation pro-rated to the end of December 2008. In other words, it is expected that Suffolk County will just barely be able to cover its childcare expenses with the reduced childcare funding allocation and reserve account funding available to Suffolk in calendar year 2008.

No rollover funding is expected to be available to Suffolk in 2009 due to the anticipated exhaustion of all possible sources of funding relating and applicable to childcare. Suffolk's State allocation for the SFY ending on 3/31/09 is set at \$28.8 million. Assuming that the NYSCCBG allocation for Suffolk remains constant for SFY 2009/2010, there will be a total of \$28.8 million for Suffolk County childcare program expenditures and limited administrative expenses. If the Suffolk County Child Care Program continued to cover all of the potentially eligible populations, including all of the guarantee and non-guarantee populations, the 2009 cost of the program is projected to total over \$40 million. This would equate to a deficit in excess of \$11 million.

In response to higher-than-anticipated increases in year-to-date childcare program expenditures and the June 2008 \$2.2 million cut in Suffolk County's childcare funding allocation, DSS closed all intake for the non-guarantee population on July 7, 2008. A waiting list of all applicant families in the non-guarantee category was established which now totals in excess of 400 families.

At this point, all families in the Federal guarantee population are being approved for childcare subsidies. However, if the childcare funding scenarios currently being put forth by the Federal and State governments undergo further cuts or stagnation, closing intake for the new non-guarantee cases may not be sufficient to close the funding gaps in the childcare subsidy program. Social Services may be forced with the unpleasant task of closing active cases in the non-guarantee category.

Budget Review Office Recommendations

According to a 2004 report "The Child Care Industry: An Integral Part of Long Island's Economy", during the time the study was conducted, childcare on Long Island was a \$612 million industry employing nearly 17,000 people. Approximately 15% of Long Island's childcare industry was attributable to government subsidies and investments. The study showed that for every \$1.00 spent in Long Island's childcare industry, \$1.92 would be generated in the local economy. The childcare industry was stated to have stronger and more significant linkages to the regional economy than many other local industries such as banking, hotels and lodging and apparel and accessory stores.

The study points out that although childcare subsidies are often viewed as 'welfare', they are actually a critical part of a comprehensive economic development strategy for Long Island. We have extracted this statement from the study, as the Budget Review

Office believes that it summarizes the issue very succinctly, "In addition to stimulating the regional economy, childcare is part of the social infrastructure that enables parents to work."

- The bottom line is that funding for Suffolk County's childcare subsidies have been severely constrained by the State. To avoid the risk of spending more money than was available, Social Services made the difficult decision to limit participation for childcare subsidies to only active cases in the non-guarantee population, with the potential for further limitations if the funding situation worsens. The reality is that some families now struggling to be self-sufficient may be forced to revert to public assistance because they cannot afford childcare without the subsidies, and they cannot get the childcare subsidies without being on public assistance.
- The 2009 Recommended Budget includes a reduced level of childcare subsidies in line with the amount of funding expected to be available to Suffolk next year. If a policy decision is made to enable the County to reopen eligibility to all potential childcare subsidy populations next year, then the Budget Review Office concurs with the estimate that \$12 to \$14 million in 100% local funding will need to be added to the 2009 budget. As an alternative, consideration could be given to reopening the program to the 400 working families currently on the waiting list. The Budget Review Office estimates that \$6,500,000 at 100% County cost would need to be added to the 2009 budget to provide childcare for the waiting list families to help them remain self-sufficient. If the analysis contained within the 2004 report is correct, the County's investment of \$6.5 million would translate into the generation of approximately \$12.5 million in the local economy.

DD SocialServices09

SOIL AND WATER CONSERVATION DISTRICT

Major Issues

Staffing Levels

Budget Review Office Evaluation

- The 2008 estimated budget is \$375,285 which is \$1,970 more than the 2008 adopted budget amount of \$373,315.
- The 2008 estimated permanent salaries is \$89,937 less than adopted due to the participation of the District Manager in the County ERIP. However, much of the permanent salary savings were offset by \$91,322 for the retirement incentive, and terminal vacation and sick payments.

- The Senior Soil District Technician (grade 19) was promoted to replace the retired District Manager (grade 23) and the vacated Senior Soil District Technician position was abolished in the 2009 recommended budget.
- The 2009 recommended operating budget of \$284,708 is 26% less than the 2009 request of \$385,806. This decrease of \$101,098 is attributable to a reduction of permanent salaries and longevity pay resulting from the abolishment of the vacated Senior Soil District Technician position.
- Currently there are two vacant Soil District Technician positions, one of which was created in 2005 and has never been filled.
- The department has been aggressive in pursuing grant funds and expects to secure approximately \$95,000 in revenue for the County through grants. These revenue sources however are dependant upon the District's ability to handle the workload.
 - \$50,000 reimbursement is expected for County administrative costs from a \$1,000,000 program designed to have the Soil and Water Conservation District work to assist farmers with the installation of deer fencing, which will help protect farms from deer-related destruction. Eligible farmers will receive \$5.25 reimbursement per linear foot of fencing up to a maximum of \$19,000.
 - The NYS Department of Environmental Conservation is ready to distribute over \$600,000 for the installation of Agrichemical Handling facilities to prevent contamination of the ground and water. This ongoing grant provides funds for farmers to install catchment facilities for washing farm equipment and mixing chemicals to prevent contamination of the ground. The Soil and Water Conservation District is required to design and supervise installation of these environmentally friendly facilities for eligible farmers. The District anticipates receiving \$12,000 in revenue during 2009.
 - An approved contract with the NYS Department of Agriculture & Markets for the Agricultural Environmental Management Program (AEM) to be reimbursed for salaries. AEM is a voluntary program that provides farmers with assistance to address nonpoint source water pollution originating from farms, such as barnyard runoff or manure washed from fields into creeks and rivers during rainstorms. AEM is a statewide program of education, technical assistance, and cost sharing for the development and implementation of agricultural plans that prevent this pollution from entering waterways. Soil and Water will receive \$30,000 for the reimbursement of salaries.
 - A grant for nearly \$85,000, also from NYS Department of Agriculture & Markets, is being administered by the Soil and Water Conservation District. This program will make way for farmers to replace their in-ground single walled fuel tanks with safer fuel tanks that will help reduce non-point source pollution. The District expects to be reimbursed nearly \$3,000.

The following table summarizes the scope and expected return to the County from the aforementioned programs:

Suffolk County Soil and Water Conservation District Grants and Reimbursed Programs			
Agency	Program	Total Grant Amount	Net County Revenue
Long Island Farm Bureau	Installation of Deer Fencing	\$1,000,000	\$50,000
NYS Department of Environmental Conservation	Installation of Agrichemical Facilities	\$600,000	\$12,000
NYS Department of Agriculture & Markets	AEM Program	\$30,000	\$30,000
NYS Department of Agriculture & Markets	Farmer's Fuel Tank Replacements	\$85,000	\$3,000
		Total	\$95,000

Budget Review Office Recommendations

The Budget Review Office recommends retaining the abolished Senior Soil District Technician to provide field supervision and to abolish one of the two vacant Soil District Technician positions. The recommended budget includes sufficient permanent salary appropriations to fill one vacant Soil District Technician position.

ES Soil&Water09

VANDERBILT MUSEUM AND PLANETARIUM

Major Issues

1. Endowment Trust Fund Investment Guidelines
2. Endowment Trust Fund Performance
3. Operating Budget Oversight and Financial Audits
4. 2008 Operating Budget
5. 2009 Operating Budget
6. Hotel/Motel Tax
7. 2009 Activities
8. Staffing

Budget Review Office Evaluation

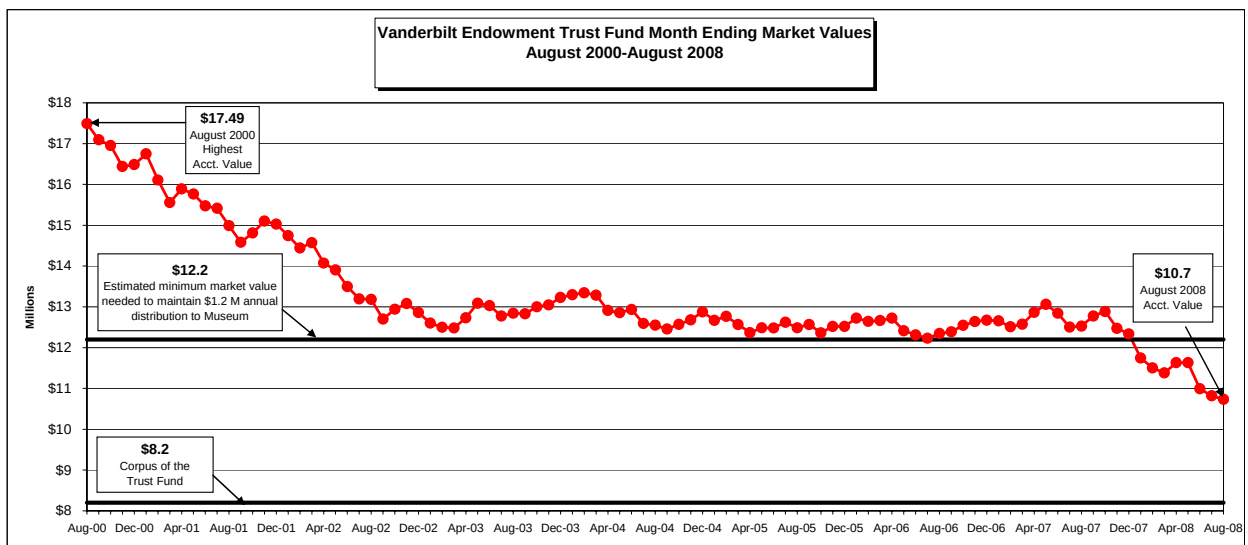
Endowment Trust Fund Investment Guidelines

The current investment objectives for the Fund are to preserve the principal corpus of the Fund (\$8.2 million), maintain a high level of income that is steady and predictable and provide for future growth of income through long-term capital growth.

- The County has a contractual agreement with the Bank of America for investment management services of the Fund, which expires at the end of 2008. The Budget Review Office recommends commencing the RFP process.
- Resolution No. 1266-2007:
 - Continued the investment guideline allowing the Fund's investment manager to maintain a 50/50 split between fixed securities and equities to range between 5-10% of the 50/50 split, as determined by market conditions.
 - Extended the authorization to distribute \$1.2 million annually to the Museum through December 31, 2008, as long as the corpus of the Fund does not go below the value of the original bequest (\$8.2 million). Continuation of the \$1.2 million annual distribution to the Museum in 2009 will require the adoption of a resolution by the Legislature.

Endowment Trust Fund Performance

The following chart details the Museum's Endowment Trust Fund month-ending market values from August 2000 through August 2008.



- During the eight-year period from August 2000 to August 2008, the market value of the Fund declined by \$6.76 million from \$17.49 million to \$10.73 million while at the same time remitting \$9.6 million to the Vanderbilt Museum.
- The 2001-2002 market downturn had a significant negative impact on the Fund, which, to date, it has not recovered from.

- Historically, \$12.2 million has been the estimated minimum market value needed to provide the Museum with a steady \$1.2 million per year distribution. In January 2008, the market value of the Fund (\$11.7 million) fell below this threshold and has remained below it ever since. The 2008 month-ending market values to date are detailed in the table that follows.

**2008 Month-ending Trust
Fund Market Values**

Month	Total Account Market Value
January	\$11,747,785
February	\$11,505,332
March	\$11,381,074
April	\$11,628,847
May	\$11,628,972
June	\$10,995,249
July	\$10,816,861
August	\$10,733,639

- Historically, the Budget Review Office has noted in its reviews of the Museum our concern with the ability of the Fund to continue financing the Museum's operating expenses without further depleting the Fund. We issue an Annual Report on the status of the Fund as well as update the Legislature several times during the year on its performance. Recently, we informed the Legislature that based on the current market value of the Fund and the volatile financial market, the Fund can not support the continuation of the \$100,000 monthly distribution to the Museum without being depleted to its corpus (\$8.2 million) within the next several years. We recommended that the Legislature restrict the annual distribution to the Museum to \$400,000. This conservative management policy would provide for capital appreciation within the Fund increasing its ability to meet the long-term financial needs of the Museum. BRO recommended implementing this reduction in January 2009 to allow the Museum time to develop a plan for addressing this significant loss in revenue. We also recommended apportioning a percentage of the Hotel/Motel tax to the Museum to mitigate this negative fiscal impact. Please see the Hotel/Motel Tax section of this review for further detail.

Operating Budget Oversight and Financial Audits

The narrative in the recommended budget states, "The Legislature has the sole financial oversight over the Museum and its budget." It's true that the Legislature has fiduciary responsibility for the Museum's Endowment Trust Fund; however, it is the Museum's Board of Trustees that is responsible for:

- Adopting the Museum's operating budget

- Ensuring that the Museum's financial audits are prepared
- Overseeing the financial operation of the Museum

The disposition of the Museum's income is provided in the Laws of Suffolk County in Section 184-11: Declaration of ownership, operational control, disposition of income. [Amended 11-12-1986 by L.L. No. 35-1986]. This section of the law states,

“Any and all income derived from the maintenance fund and from the activities of the museum and planetarium, conducted upon authorization of the Trustees of the Suffolk County Vanderbilt Museum and Planetarium, shall be appropriated by the County Legislature to the use of the Trustees who shall have full power of the disposition thereof.”

In essence, with the exception of the Trust Fund, the Legislature is not the “steward of the Museum's finances” as the recommended budget would lead one to believe. The Legislature does not control the Museum's revenues and expenditures. The Legislature does not have the same financial control over the Museum as the County Executive does over the various County departments. In other words, the Museum does not submit requisitions to the Legislature for approval or denial of the use of its funds nor does it submit requests for authorization to fill positions.

Although the Museum's financial status is reflected in Fund 708 of the County's Operating budget, these funds are separate and apart from the County and controlled by the Museum's Board. The Museum's Board of Trustees does not have the ability of a municipality to levy a property tax to balance its budget. Additionally, the Museum does not have a reserve fund to meet unexpected costs that may arise. The only sources of operating revenue for the Museum are revenues from its operation (admissions, sales, events, fees, interest, and donations) and the monthly distribution it receives from the Endowment Trust Fund, as reflected in Fund 708.

To balance its budget, the Board of Trustees has to make adjustments to its revenues and expenditures. In good faith, the Museum's Board submitted a balanced budget for 2009 that included what it believed to be realistic estimates and projections of its income and expenditures. What the Board did not take into account was its Fund 708 deficit. In response, the recommended budget arbitrarily reduces the Museum's expenditures to balance its budget. The “2008 Operating Budget” and “2009 Operating Budget” sections of this review provide additional information.

With regard to the Legislature's fiduciary responsibility of the Trust Fund, the Legislature has been doing its due diligence by issuing Annual Reports on the status of the Fund and updating the Legislature several times during the year on its performance. As stated in the recommended budget, “The Legislature has modified the investment allocation of the trust fund a number of times to take advantage of changed market conditions.” The Legislature has also had the Fund's investment managers present to the Parks and Recreation Committee on the status of the Fund on several occasions.

Additional information on the Trust Fund is provided in the “Endowment Trust Fund Investment Guidelines” and “Endowment Trust Fund Performance” sections of this review.

The Museum’s Board of Trustees is responsible for ensuring that the financial audits are prepared and overseeing the financial operation of the Museum. The Museum’s 2006 financial audit is near completion. The audit has been delayed due to discussions between the Board of Trustees, the County Attorney’s Office and the Museum’s financial auditors regarding whether the Museum should be including the endowment trust fund and the depreciation of its buildings on their financial audit. After receiving opinions from the County Attorney’s Office, the auditor made a determination not to include these items in the Museum’s 2006 audit. The Board has scheduled an October 22, 2008 meeting to vote on the approval of its 2006 audit. The financial audit for 2007 should commence shortly and a draft is expected to be completed in time for the Board’s November 19, 2008 meeting. As the Museum did not have audited figures for 2007, the recommended budget had to use unaudited and unadjusted figures in the status of funds for Fund 708.

2008 Operating Budget

The Vanderbilt Museum’s operating budget receives no funds from the County’s real property taxes. However, the County General Fund assumes all debt service for the Museum’s capital projects.

Historically, the Museum has had difficulty meeting its operating budget fiscal requirements and has been actively taking measures to address its financial situation. In fact, the Museum’s \$1,427,452 in actual expenditures through August is \$149,122 less than its \$1,576,574 actual revenue through August.

The Budget Review Office is projecting a 2008 year-end deficit of \$187,203, which is \$187,134 less than the \$374,337 year-ending deficit included in the recommended budget for the Museum. Our calculation uses historical information including actuals through August, and a two-year average percentage of total revenues and expenditures. The following table summarizes our findings.

**BRO Projected 2008 Year-Ending Fund Balance
for Fund 708-Vanderbilt Museum
Using the Executive’s January 1 Fund Balance**

Fund Balance, January 1	(\$374,337)
Plus BRO Projected Revenues, Jan. 1- Dec. 31	\$2,311,539
Total Funds Available	\$1,937,202
Less BRO Projected Expenditures, Jan. 1- Dec. 31	\$2,124,405
BRO Projected Fund Balance, December 31	(\$187,203)

This projection was based on the following fiscal adjustments to the Museum's 2008 estimated budget.

BRO Estimated Budget Recommendations

Revenues in Fund 708-VAN				
Rev. Code	Description	Estimated Budget	BRO Recommended	Difference
2090	Museum Admission & Sales	\$275,000	\$310,721	\$35,721
2091	Planetarium Admission & Sales	\$400,000	\$448,818	\$48,818
	Subtotal	\$675,000	\$759,539	\$84,539
Expenditures in Fund 708-VAN-7450-Vanderbilt Museum & Planetarium				
Appropriation	Description	Estimated Budget	BRO Recommended	Difference
1100	Permanent Salaries	\$560,000	\$497,740	(\$62,260)
4560	Fees for Services : Non-employee	\$475,000	\$444,665	(\$30,335)
8280	State Retirement	\$37,000	\$30,000	(\$7,000)
8360	Health Insurance	\$166,000	\$163,000	(\$3,000)
	Subtotal	\$1,238,000	\$1,135,405	(\$102,595)

Further budgetary adjustments are needed to address the Museum's potential 2008 year-ending deficit. We recommend that the Board continue to actively monitor its monthly Treasurer's report of actual revenues and expenditures so that timely spending plan adjustments can be made to address its potential 2008 deficit. Repairs to the Museum's Bell Tower will close access to the Mansion from the courtyard in November and December and will restrict handicapped access to the Mansion. Due to the timing of this repair, there should only be a nominal adverse fiscal impact unless the structural repairs to support the weight of the Bell Tower are extended beyond this time period.

2009 Operating Budget

The Vanderbilt Museum's Board of Trustees approved the Museum's 2009 operating budget of \$2,318,800 in June 2008. The Board submitted a balanced budget for fiscal year 2009 but, as in its estimated budget for 2008, the Museum did not take into account its deficit from prior years. Furthermore, the 2009 budget assumes continuation of the guaranteed \$1.2 million distribution from the Endowment Trust Fund. The 2008 estimated annual income (interest and dividends) as of August 31, 2008, is projected to be \$398,046, which will require a distribution of \$801,954 from capital gains to achieve the \$1.2 million distribution. Distributing funds from capital gains reduces the Endowment Trust Funds ability to grow.

The recommended budget includes revenue of \$2,318,800, as requested by the Museum. The recommended budget for expenditures includes \$1,944,463, which is \$374,337 less than requested. The narrative states that the Executive is "unalterably opposed to making up any shortfall in operating revenues for the Museum with General Fund revenues". Instead, the recommended budget arbitrarily reduces the Museum's requested budget from \$2,318,800 to \$1,944,463 to make it balance. The \$374,337

difference between the two budgets is a reduction in the Museum's expenditures for Fees for Services: Non-Employee. The Museum's expenditures in this appropriation include:

- Accounting and auditing services
- Payroll transfer fees
- Program expenses to pay for such items as the arena players
- Oil/gas burner maintenance contracts
- Public relations services
- Website fees
- Stenography fees
- Taxidermy services
- Fire alarm and HVAC systems maintenance contracts
- Security Services

The recommended budget's \$374,337 decrease in this appropriation from \$475,000 to \$100,663 is unreasonable. A good metaphor that has been used to describe this approach is "using a hatchet where you need a scalpel". Expenditures in this appropriation are for essential fees and services, including security services.

The Budget Review Office recognizes the Museum's potential deficit and agrees with the recommended budget that hard choices will have to be made and reasonable revenues and expenditures will need to be adopted. However, we do not agree with the recommended budget on the magnitude of the Museum's deficit beginning January 1, 2009 and we do not agree with the approach the recommended budget takes to rectify the Museum's financial situation. We project that the Museum will begin 2009 with a deficit in the amount of \$187,203, which is \$187,134 less than the recommended budget includes. Therefore, the question becomes what can reasonably be done to either reduce the Museum's expenditures or increase revenues or both to address the Museum's potential \$187,203 Fund 708 deficit to balance its budget in 2009. First, we must recognize that the Museum's operating budget does not directly impact the County's finances and that the County does not control the Museum's budget. Next, we have to make recommendations on austerity measures to the Board of Trustees that it can reasonably carry out. With this in mind, the Budget Review Office recommends the following fiscal adjustments to the Museum's recommended operating budget for 2009.

**BRO Recommendations for Expenditures in
Fund 708-VAN-7450-Vanderbilt Museum & Planetarium**

Appropriation	Description	Recommended Budget	BRO Recommended	Difference
	Personal Services (\$25,000)			
1100	Permanent Salaries	\$590,000	\$565,000	(\$25,000)
	Equipment (\$7,000)			
2050	Other Motorized Equipment	\$8,000	\$1,000	(\$7,000)
	Supplies (\$81,500)			
3010	Office Supplies	\$6,000	\$4,000	(\$2,000)
3020	Postage	\$7,000	\$5,500	(\$1,500)
3050	Fuel for Heating	\$83,000	\$75,000	(\$8,000)
3070	Memberships & Subscriptions	\$4,500	\$2,500	(\$2,000)
3080	Research & Law Books	\$500	\$0	(\$500)
3100	Instructional Supplies	\$14,000	\$8,000	(\$6,000)
3150	Gasoline & Motor Oil	\$16,000	\$12,000	(\$4,000)
3160	Computer Software	\$14,000	\$4,000	(\$10,000)
3190	Tools & Implements	\$5,000	\$1,000	(\$4,000)
3250	Building Materials	\$12,000	\$8,000	(\$4,000)
3310	Clothing & Accessories	\$1,500	\$0	(\$1,500)
3500	Other: Unclassified	\$70,000	\$60,000	(\$10,000)
3650	Repairs: Buildings	\$10,000	\$5,000	(\$5,000)
3770	Advertising	\$20,000	\$10,000	(\$10,000)
3810	Landscaping	\$8,000	\$5,000	(\$3,000)
3910	Items for Resale	\$35,000	\$25,000	(\$10,000)
	Contractual Expenses \$303,337			
4560	Fees for Services : Non-employee	\$100,663	\$404,000	\$303,337
	Employee Benefits (\$2,704)			
8360	Health Insurance	\$170,000	\$167,296	(\$2,704)
	Grand Total			\$187,133

As a budget is a planning document, the Board should consider using BRO's recommended 2009 operating budget adjustments as a guide for balancing the budget. Line item adjustments or modifications can be made as necessary to ensure that the Museum ends 2009 without a deficit.

Hotel/Motel Tax

One option to assist the Museum in mitigating its operating budget financial challenges is to allocate a portion of the Hotel/Motel Tax to the Museum. The funds generated by the Hotel/Motel Tax assist the County in promoting tourism and in supporting cultural programs and activities relevant to the continuation and enhancement of the tourism industry. The distribution of this tax revenue is based on an allocation formula in Article II, Chapter 327-14, of the Suffolk County Code. The current allocation formula for the distribution of Hotel/Motel tax revenue is as follows:

- 66.66% of all revenues collected shall be allocated to a contract agency for the promotion of tourism in Suffolk County.

- 33.33% of all revenues shall be utilized in support of cultural programs and activities relevant to the continuation and enhancement of the tourism industry. Such revenues shall be apportioned equally as follows:
 - 16.66% for the care, maintenance and interpretation for the general public of the historic structures and sites and unique natural areas that are managed by the Suffolk County Department of Parks and Recreation for sites and activities that are open to tourists on a regular and predictable basis.
 - 16.66% for the program support of nonprofit museums and cultural organizations in Suffolk County subject to the final approval of the Suffolk County Legislature.

The Budget Review Office recommends using a portion of the Hotel/Motel Tax to provide revenue to the Museum to help mitigate the Museum's Fund 708 deficit, meet its operating budget fiscal requirements and its potential reduction in revenue from the Endowment Trust Fund. If the Legislature desires to use the Hotel/Motel Tax to provide the Museum with tax revenue then the following options are available:

- Appropriate funds to the Museum from the 16.66% of this revenue that is for "program support of nonprofit museums and cultural organizations in Suffolk County subject to the final approval of the Suffolk County Legislature".
- Amend the allocation formula in Article II, Chapter 327-14, of the Suffolk County Code to specifically identify an ongoing percentage of the Hotel/Motel Tax to be apportioned to the Museum to provide a guaranteed stable source of revenue.

2009 Activities

The following activities are expected to have a negative fiscal impact on the Museum in 2009:

- Structural issues with the bridge need to be addressed, which will impact access to the Museum.
- Replacement of the Museum's star projector and audio immersion system will require the planetarium to be shut down for approximately three months beginning in the last quarter of 2009. The timing of this project is crucial to mitigating the Museum's negative fiscal impact on its revenues in 2009. The Museum's potential increase in revenues from the pending replacement of the star projector and audio system is not expected until 2010.

The following items are expected to have a positive fiscal impact on the Museum in 2009:

- The Habitat Wing and Education Center both reopened at the end of August 2008, which may attract additional patrons.
- If the Museum invests in hardware and software, advanced ticketing through an on-line reservation system may come online in 2009. In addition to advanced

ticketing, this system would provide the Museum with contact information for marketing its future events.

- The Museum was selected as the project for the 2008 Best of Long Island Students (BOLIS) Ad Council Campaign Competition. The projects included developing posters, membership brochures, and other types of materials that the Museum now has to enhance its advertising campaign.
- The Museum's library membership program called "Check Us Out" proved to be successful and will be expanded in 2009. This program allows libraries to purchase a family pass for up to two adults and four children. The family pass can be checked out at the library for entrance to regular activities at the Museum.
- The Museum followed up on our recommendation last year to use the County's print shop, which may prove to be a cost effective alternative.
- New revenue opportunities for site use, retail, and food service operations may occur in 2009.

Staffing

The employees of the Suffolk County Vanderbilt Museum are not employees of Suffolk County, but are employees of a privately endowed institution. The Board of Trustees is the appointing body with respect to all personnel engaged in the maintenance, operation and conduct of the programs and activities of the museum and planetarium, including the Director. In 2008, the Board made the following staffing changes:

- a. Abolished the Director of Operations;
- b. Promoted a grounds person to the Buildings and Grounds Foreman position;
- c. Filled the full-time Restoration Supervisor position by promoting a part-time person from the Grounds and Site Use Division.

Additionally, the Museum's Board of Trustees established a search committee for the recruitment of an Executive Director, which was vacated when Lance Mallamo resigned in August 2007. Carol Hart, who was hired in 2006 as the Director of Special Projects to oversee the business office and assist with the creation of new revenue producing programs and activities, was promoted to Deputy Director in 2007 and is now the Acting Executive Director. In addition to the vacant Executive Director position, the Museum has the following key vacancies:

- Astronomer for the Planetarium
- Biologist for the Museum's collections
- Natural History Curator for curatorial oversight of the Museum's collections and exhibits
- Grounds person for general maintenance and upkeep
- Development Director to manage the Museum's grant writing, fundraising and other revenue generating endeavors
- Special events coordinator to coordinate membership efforts and special events

We strongly recommend that the Board of Trustees review the staffing of the Museum and consider filling a finance position. This would allow the role of the Executive Director to be more curatorial and would enhance the Museum's financial accountability to the Board. The job duties of the finance related position could include the following:

- Complete the Museum's capital and operating budgets
- Actively process and apply for grants
- Reconcile the Museum's finances
- Perform financial analyses that include analyzing and evaluating the Museum's revenue and expenditure trends
- Oversee the preparation of the Museum's financial audit statements
- Review the monthly Treasurer's report
- Research and evaluate new funding sources
- Monitor cash flow
- Report directly to the Board on the Museum's financial standing and recommend financial strategies and cost effective solutions

Budget Review Office Recommendations

The following are recommendations for the Legislature to consider:

- Commence the RFP process for investment management services of the Endowment Trust Fund as the current contractual agreement with the Bank of America expires at the end of 2008.
- By the end of the year, adopt a resolution to modify the annual distribution to the Museum in 2009 to an amount less than the current distribution of \$1.2 million in accordance with current financial markets.

- Include the following fiscal adjustments in the Museum's 2008 estimated operating budget.

BRO Estimated Budget Recommendations

Revenues in Fund 708-VAN				
Rev. Code	Description	Estimated Budget	BRO Recommended	Difference
2090	Museum Admission & Sales	\$275,000	\$310,721	\$35,721
2091	Planetarium Admission & Sales	\$400,000	\$448,818	\$48,818
	Subtotal	\$675,000	\$759,539	\$84,539
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8360	Health Insurance	\$166,000	\$163,000	(\$3,000)
	Subtotal	\$1,238,000	\$1,135,405	(\$102,595)

- Include the following fiscal adjustments in the Museum's recommended operating budget for 2009.

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	Employee Benefits (\$2,704)			
8360	Health Insurance	\$170,000	\$167,296	(\$2,704)
	Grand Total			\$187,133

- Allocate a portion of the Hotel/Motel tax to the Museum.

The following are recommendations for the Board of Trustees to consider:

- Review staffing and consider filling a finance related position.
- Continue to actively monitor the monthly Treasurer's report of actual revenues and expenditures so that timely spending plan adjustments can be made to address the potential 2008 operating budget deficit and to ensure that the 2009 year-ending operating budget is balanced.
- Monitor the repairs to the Museum's Bell Tower to mitigate its fiscal impact on the Museum's revenues.
- Use BRO's recommended fiscal adjustments to the 2009 operating budget as a guide for balancing the Museum's budget keeping in mind that line item modifications can be made as necessary to ensure that the Museum's operating budget is balanced year-ending 2009.

SUFFOLK COUNTY HISTORICAL SOCIETY

Major Issues

1. County contribution

Budget Review Office Evaluation

- The Suffolk County Historical Society requested \$300,000 in county funding, a \$20,000, or 7.1%, increase from the 2008 Adopted Budget, primarily due to increasing energy costs. The 2009 Recommended Budget provides \$185,000, which is \$95,000 or 34% less than the 2008 Adopted Budget.
- The recommended funding level will have far reaching ramifications for the Historical Society. Eight part-time positions would be lost, and the museum would be open only two days a week instead of the current five. The gift shop would be closed, further reducing revenue. The number of temporary exhibits will be reduced; the museum would be little more than a warehouse for its artifacts.
- The Historical Society's board is helping with long range planning and fund-raising initiatives. The Society budgeted \$10,000 in membership dues revenue for 2009, up \$500 from the amount estimated for 2008. Intensive membership drives and other fundraising efforts should reap immediate and long term benefits. The Society also plans to expand their website, allowing for online sales, and acceptance of online donations.

Budget Review Office Recommendations

The County Executive's proposed reduction in funding impedes the Historical Society's core mission. Cuts in County funding have a reverberating operational impact on the Society. For the 2008 operating budget the Legislature provided additional funding to strengthen the Society and improve their level of growth and performance. The year 2009 affords the opportunity to review the following funding options:

Option	Funding	Justification
I	\$ 300,000	Keeps up with inflation
II	\$ 280,000	Status quo – in essence loss due to raising inflationary costs
III	\$ 185,000	County Executive's 2008 Recommended Operating Budget

Option I: provides an additional \$115,000 in County funding, above the recommended level. This alternative demonstrates the County's commitment and obligation to fiscally reinforce the Historical Society. It does not provide funding for additional new positions but retains existing ones, and provides for a modest cost of living adjustment to salaries.

Option II: adds \$95,000 to the 2009 recommended budget to maintain the “status quo.” Under this option, the Historical Society will have to make some sacrifices in service, but should still be able to perform their mission.

Option III: adopts the budget as recommended, and forces the Historical Society to reduce staffing, programs and supplies. Their mission cannot be accomplished at this level of County funding.

The Budget Review Office recommends Option II, which permits the Historical Society to keep performing its mission of a tangible recorded history and cultural enhancement of Suffolk County, yet still asks for sacrifices during these tight economic times.

ES HistoricalSociety09

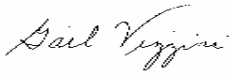
SUFFOLK COUNTY LEGISLATURE

Gail Vizzini
Director

BUDGET REVIEW OFFICE

October 9, 2008

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

From: Gail Vizzini, Director 
Budget Review Office

Subject: Interim Report on the John J. Foley Skilled Nursing Facility – Review of
the 2009 Recommended Operating Budget

The Budget Review Office has prepared this interim report to assist the Legislature in their deliberations concerning the County Executive's proposal to close the John J. Foley Skilled Nursing Facility as presented in the 2009 recommended operating budget.

The operation of the County Skilled Nursing Facility is a major policy determination before the Legislature. There are legal, fiscal, and programmatic issues surrounding this complicated issue. This is not the first Legislature to grapple with the fiscal commitment necessary to operate the Skilled Nursing Facility. Previous County Executives have proposed privatization, transfer to Social Services and the creation of a separate Department of Infirmary Services. Because of the Legislature's steadfast concern for the most fundamental exercise of municipal power in protecting the public health and safety of its residents, Local Law 20-1997 amended the Administrative Code to establish specific requirements and procedures for changes in the delivery of services currently performed by the Department of Health Services, including the Skilled Nursing Facility.

Legal opinion varies as to whether the 2009 recommended operating budget is in compliance with Article 9 (6) of the Administrative Code. The purpose and intent of Article 9 (6) was to establish requirements and a procedure for consideration of any initiatives to replace services provided by the Suffolk County Department of Health Services with services provided by another entity (quasi-public or private) and to ensure

the highest level of scrutiny to any such proposal. Legislative Counsel has advised that the 2009 recommended budget is not in compliance with the purpose and intent of Article 9 (6) of the Administrative Code.

There have also been numerous studies of the Nursing Facility for the Executive and Legislature, including the Suffolk County Blue Ribbon Commission in 1997, the JJFSNF Task Force Report in 2004 and the most recent operational report by consultants Horan, Martell, and Morrone, P.C. (HMM) in May 2008.

The HMM report made numerous recommendations for efficiencies in controllable cost areas and offered five options as far as the disposition of the facility. By the consultant's estimate the closure option would require approximately one year considering the relocation of patients, placement of employees and optimal disposition of the building. The 2009 recommended operating budget proposes closure on January 1, 2009 and provides a general fund transfer to the Skilled Nursing Facility for one quarter of the year.

The 2009 recommended operating budget proposes to abolish all 379 positions at the Skilled Nursing Facility. According to the October 5, 2008 authorized position control, 283 positions are filled. When filled positions are abolished, Civil Service Law provides for an orderly procedure of bump and retreat for permanent competitive class employees whereby senior employees will displace those with less seniority in the same title in the same department. The Department of Civil Service has already begun their analysis. The collective bargaining agreement provides a procedure for non-competitive class and labor class employees. However, many of the titles are unique to the Skilled Nursing Facility.

This report provides you with a programmatic and fiscal overview of the Skilled Nursing Facility and offers several policy options for your consideration. An Executive Summary has been prepared for your convenience. The Budget Review Office is available should you require additional information in your policy deliberations concerning the John J. Foley Skilled Nursing Facility.

* * *

**Review of the
2009 Recommended Operating Budget**

**Interim Report on the
John J. Foley Skilled Nursing Facility**



October 9, 2008

**Budget Review Office
Suffolk County Legislature
Hauppauge, New York**

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
I. INTRODUCTION.....	3
II. PATIENT PROFILE	5
III. THE BERGER COMMISSION AND THE LONG TERM CARE MARKET IN SUFFOLK COUNTY	9
IV. THE COST OF OPERATING JJFSNF	11
V. OPTIONS.....	14
VI. EMPLOYEES	16
APPENDIX 1: HISTORY AND BACKGROUND	19

Executive Summary

1. The John J. Foley Skilled Nursing Facility (JJFSNF) provides access assurance to residential long term care in Suffolk County, even as the definition of a “safety net” patient has changed over the last decade. Payor mix for both new and established patients, length of stay, discharge disposition, and age of patients all indicate a profile unique among the skilled nursing facilities in the County, and typical of county nursing homes throughout New York State and the rest of the nation:
 - The percentage of Medicaid patients, both in new admissions and in established patients, is disproportionally high compared to the rest of the nursing homes in Suffolk County.
 - Patients tend to stay at Foley longer than any other nursing home in Suffolk County.
 - Patients are more likely to be discharged to a hospital than at any other nursing home in the County.
 - JJFSNF has the highest percentage of patients less than 65 years of age for any facility in Suffolk County.

These factors combine to give JJFSNF high percentages of patients needing considerable care, but for whom the facility receives inadequate reimbursement. They also make patients with the profile described above much less attractive to the proprietary and non-profit facilities in Suffolk County. In the event of the closure of JJFSNF, 20-30% of the current patients would be considered difficult to place.

2. The October 2006 Berger Commission report¹ concluded that there was a surplus of nursing home beds in Suffolk County and recommended holding the number of beds at 8,865. Since then total nursing home bed capacity in Suffolk County has fallen to 8,781, as documented by the New York State Department of Health Nursing Home Profile Website (<http://nursinghomes.nyhealth.gov/>). Furthermore, the Berger Commission made no recommendations whatsoever regarding the disposition of the JJFSNF.
3. Based on an aging population with large numbers of baby boomers soon to become senior citizens, it seems likely that within eight years we can expect need to exceed Berger Commission recommendations regarding beds in Suffolk County.
4. JJFSNF, which enjoyed occupancy rates above 95% in 2004, 2005, and 2006, has more recently had difficulty attracting and retaining patients because of the uncertainty over the future of the facility. Publicity surrounding the County Executive’s determination to close the facility has led to reluctance on the part of the public to place their family members in a facility that seems to be at risk of closure. As a result, to the extent possible, the County should immediately make a final determination on whether or not to close the facility. As long as the public believes

¹ The Berger Commission is more formally known as the New York State Commission on Health Care Facilities in the 21st Century.

that closure is a likely scenario it will continue to negatively impact nursing home finances.

5. Given both the mission of the County nursing home, and its current patient profile, Suffolk County Enterprise Fund 632 will require a General Fund subsidy for the foreseeable future, even with increased efficiency, increased revenue, and decreased labor costs. In the 21 years of the Fund's existence, a General Fund subsidy has been required in 19 years. However, opportunities exist to minimize the subsidy. Section V of this report, entitled "Options," provides a list of alternatives.
6. The 2009 budget cycle represents an opportunity to maximize practical efficiencies recommended by the County Executive's consultant and already initiated by the Department of Health Services. The County has the option to leverage the recent IGT revenue increases rather than close the skilled nursing facility, maximize the cost savings accrued through more efficient operation of the facility, and benefit from the revenue enhancements earned through rate rebasing and Medicare, and implementation of the County Executive's consultant recommendations:
 - The Budget Review Office estimates that the JJFSNF could be operated for all of 2009 with a General Fund subsidy of about \$1.5 million more than the \$3.5 million General Fund transfer to the nursing home that is recommended by the County Executive for closing the facility. To be prudent, we would instead recommend increasing the transfer by \$4.5 million to a total of \$8 million as requested by the Health Department. This higher requested amount should positively impact the 2010 starting fund balance for JJFSNF and allow the County to subsidize the facility at a reduced rate in 2010.
 - The Budget Review Office estimates that a \$9 million General Fund subsidy to JJFSNF will be needed in 2010. If the Legislature adds \$4.5 million in General Fund transfers to the nursing home in 2009, there could be a surplus that would allow the County to reduce its subsidy in 2010 to \$6 million.
7. The 2009 recommended budget abolishes all 379 positions at the Skilled Nursing Facility, of which 283 are filled. Civil Service has already begun their analysis for bump and retreat for permanent competitive positions. The collective bargaining agreement provides a layoff procedure for several non-competitive and labor class titles. Many titles are unique to the Skilled Nursing Facility.

I. Introduction

Many counties across the nation, including 36 in New York State, operate skilled nursing facilities open to residents of their respective municipalities. In New York and around the nation, county owned nursing homes face a variety of challenges in continuing operation, as reimbursement for their patients has generally lagged behind growth in costs, requiring ever larger general fund subsidies to the operating budgets of these facilities.

John J. Foley Skilled Nursing Facility (JJFSNF) is a typical county owned nursing home in New York State, with many of the problems identified below as discussed in the Center for Governmental Research September 2007 report, "County Nursing Facilities In New York State: Current Status, Challenges And Opportunities".

Key Challenges Facing County Nursing Homes

County facilities face a number of challenges not faced, or faced to lesser degrees, by their for profit and proprietary competitors, including:

- Fewer high reimbursement admissions from hospitals, including sub-acute care and rehabilitation patients;
- Disproportionate Medicaid admissions, for which county homes lose money from day one;
- Disproportionate total resident days paid for by Medicaid, compared to Medicare and private pay, both of which are more lucrative and pay more of the bills at voluntary and proprietary facilities;
- Demographic profile of residents with disproportionately high behavioral demands and need for staff attention, but with insufficient reimbursement to cover staff costs;
- Low case mix index compared to other types of homes;
- Rising staff costs, especially in benefits, mostly attributable to mandated increased pension/retirement costs passed on from the state to counties, and to increased health insurance costs;
- Limited county nursing home role in labor negotiations which directly affect their budgets and operations;
- Aging facilities;
- Increasing operating losses per bed;
- Rapid decline in Intergovernmental Transfer (IGT) payments designed to compensate for unique costs and mission of county homes;
- Resulting increases in need for county taxpayer support of county homes.

--Center for Governmental Research. "County Nursing Facilities in New York State" September 2007.

There is policy justification for the operation of a publicly owned nursing facility; generally, county owned facilities care for patients that are generally younger, have more behavioral and mental problems, and are more likely to suffer from dementia than

those in voluntary or proprietary facilities², who depend on high patient turnover and higher reimbursements to remain in operation. Many of these characteristics apply to JJFSNF. Operation of JJFSNF supports the essential public health service of linking people to personal health services and assuring the provision of health care when otherwise unavailable.³ There is, however, no legal obligation under either the New York State Public Health Law or under Title 10 (Health), New York State Code of Rules, and Regulations for counties to operate long term care facilities.

John J. Foley Skilled Nursing Facility is organized as an Enterprise Fund (Fund 632) in the Suffolk County Budget, and administered through the Department of Health Services. Under New York State Law, this provides a transparent presentation of all costs and all revenue.

Enterprise Funds ... may be used to account for activities for which a fee is charged to external users for goods or services. Activities are required to be reported as an enterprise fund if any one of the following criteria is met:

- They are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity. (This is not permissible for New York State local governments).
- Where laws and regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges rather than with taxes or similar revenues.
- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

-- New York State Accounting and Reporting Manual,
Chapter 4, p.17

There is no requirement for an Enterprise Fund to make a profit, nor is there any requirement to run the fund as a business. Establishment of an Enterprise Fund does not, at least in New York State, necessarily imply responsibility to any bottom line except the provision of service to the residents of the relevant municipality. Most of the county owned nursing homes in New York State are organized as enterprise funds; none of them make a profit.

² Center for Governmental Research. "County Nursing Facilities in New York State" September 2007

³ Institute of Medicine. The Future of the Public's Health in the 21st Century.2003. p.99.

II. Patient Profile

JJFSNF average occupancy from 2004-2006 was 96.8%, slightly above the 96.5% median occupancy rate for all skilled nursing facilities in Suffolk County in the same time period. Occupancy in 2008 has lagged as the effects of the uncertainty surrounding the facility have compromised its ability to attract and retain patients.

There are significant differences at JJFSNF in patient age, payor mix, and length of stay when compared to the other nursing facilities in Suffolk County. JJFSNF, like most county owned facilities in New York State, disproportionately serves younger patients and patients more likely to be Medicaid payors (and Medicaid payors at time of admission). Patients also tend to stay longer at JJFSNF than at other nursing homes in the County. These differences, which negatively impact the reimbursement for each patient, may make placement of the current residents of the facility difficult. County nursing home administrators responding to the Center for Governmental Research (CGR) survey for the 2007 report indicated that they would expect 20-25% of their patients would not be served by other nursing homes if they closed. Estimates for JJFSNF gathered from individual staff indicate that 35-40 patients would not be placeable elsewhere, close to the CGR estimate. The Suffolk County Department of Health Services believes approximately 64 of the current patients will be more difficult to place than the majority of patients at the facility, but that all patients can be placed, if the closure option is executed. However, *no law or regulation requires closing facilities to place patients within any geographic limit relative to their home or the closing facility if the patient is moving from a closing facility; home assignment does not apply.*

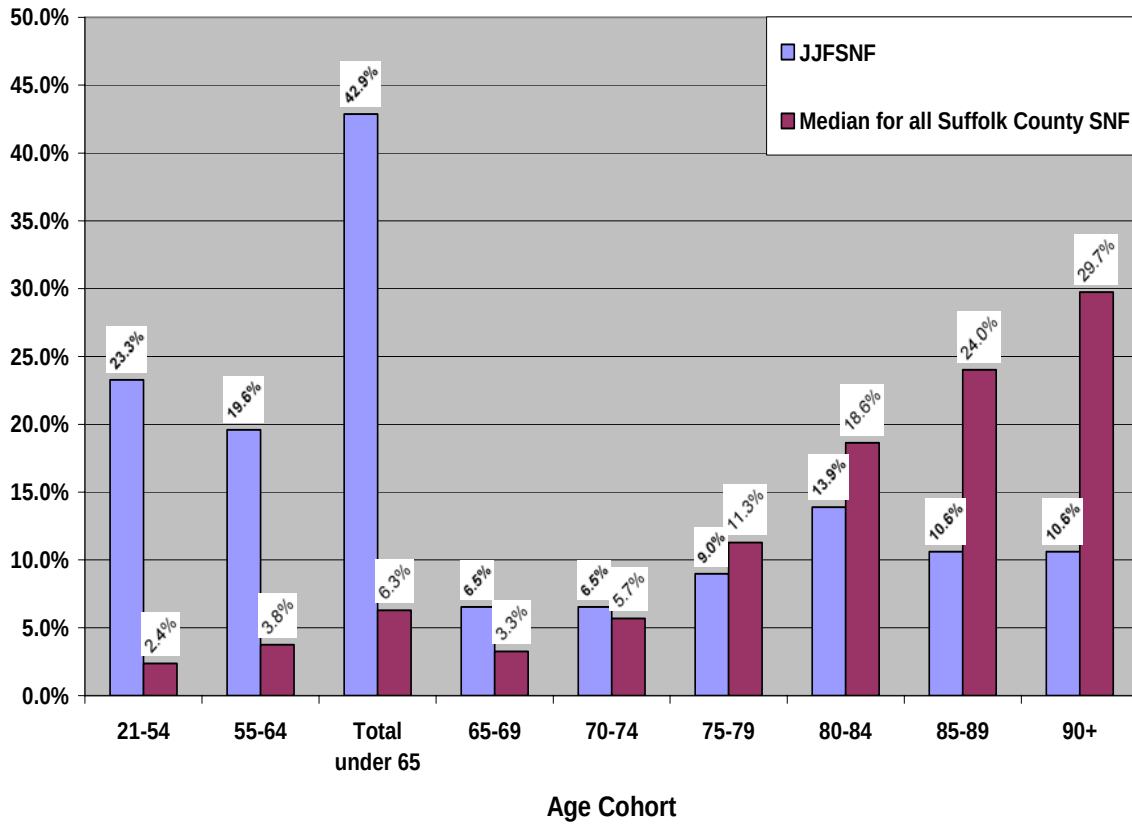
The demographics of the JJFSNF population are typical of county owned nursing homes, but unique in Suffolk County, and comprise a mix that will be difficult financially for the local nursing home market to absorb:

- In 2006, 42% of JJFSNF patients were under 65 years of age, the highest percentage of younger patients in the County. The median occupancy for patients below 65 years of age for other County facilities was 6.3%.
- Payor mix in JJFSNF was also significantly different than in other skilled nursing facilities in Suffolk County. As of 2006, 88% (highest in Suffolk County) of JJFSNF residents are Medicaid patients; the median for the other facilities in the County is 67.8%.^{**}
- Medicare patients make up only 3.2% of the patients at JJFSNF, lowest in the County; median percentage for the rest of the skilled nursing facilities in the County is 13.8%.
- New patients in other facilities are unlikely to start as Medicaid patients; median percentage of Medicaid patients as new admissions to other facilities is only 7.7%, while at JJFSNF it is 36.9%, second highest in the County.

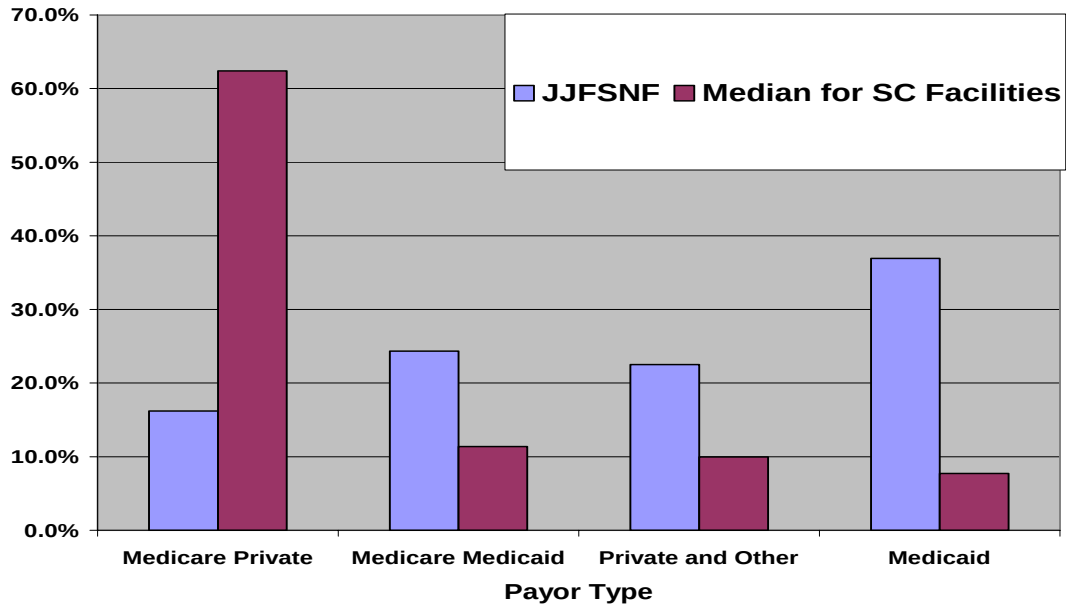
^{**} average percentage of Medicaid patients is 65.0%

The following charts illustrate the disparities between JJFSNF and the other nursing homes operating in Suffolk County.

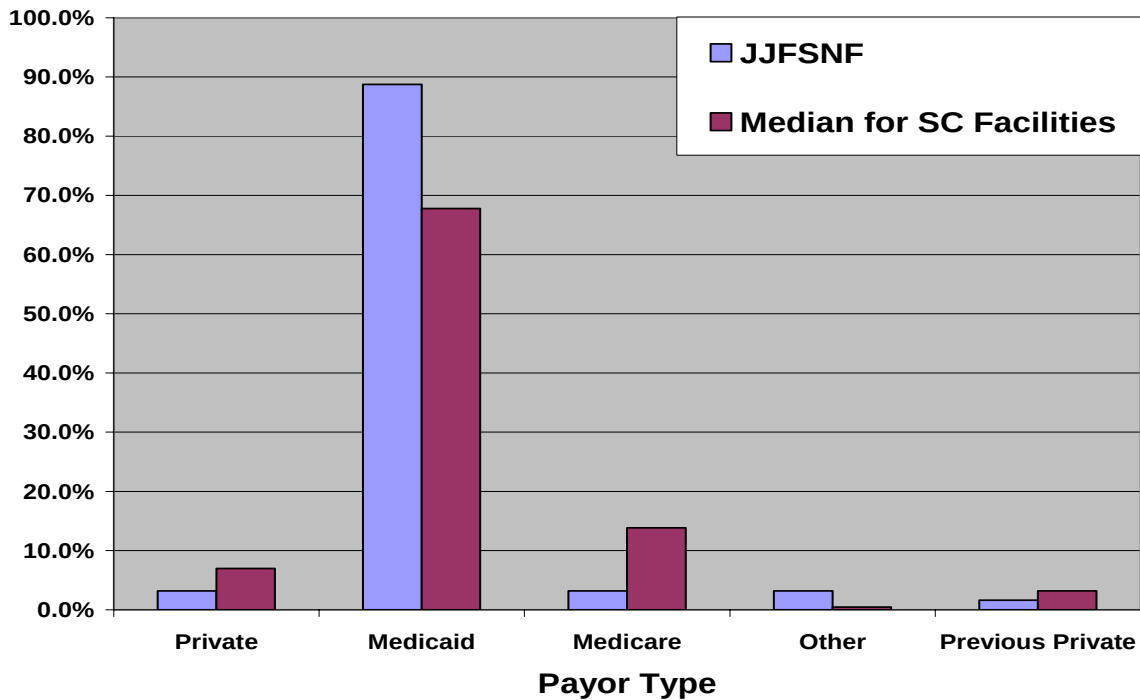
Age of Patients by Percentage, JJFSNF v. Median of all County SNF

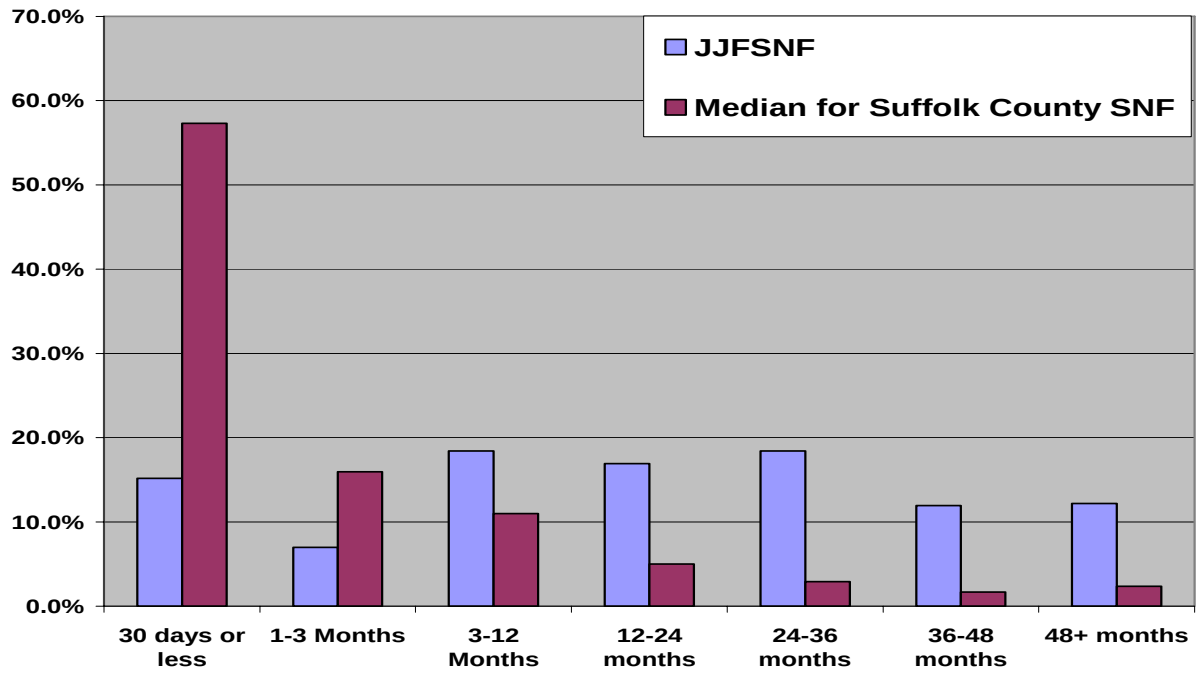


New Admissions by Percentage of Payors



Payor by Percentage



Length of Nursing Home Stay prior to Discharge to Hospital

III. The Berger Commission and the Long Term Care Market in Suffolk County

Neither the final report of the New York State Commission on Health Care Facilities in the 21st Century (the Berger Commission) nor the Long Island Regional Advisory Committee Report mentions JJFSNF. Only one nursing home in Suffolk County, the Brunswick Hospital Skilled Nursing Home, was targeted for closure; and has since closed. The other county nursing home in the region, A. Holly Patterson (AHP) Extended Care Facility (ECF), was targeted by Berger for downsizing, and has received Healthcare Efficiency and Affordability Law (HEAL) monies to downsize and to create an assisted living program on the A. Holly Patterson campus. Nassau Healthcare Corporation, the owner of the ECF, is in the process of complying with the Berger mandates, without completely removing safety net capability from Nassau County. (According to Medicare statistics, as of the end of 1st Quarter 2008, A. Holly Patterson ECF occupancy was 98.3%).

Berger's recommendations, made in October 2006, regarding the long term care market in Suffolk County were:

- to hold the number of beds at 8,865 for the next five to ten years, and
- to "shift any further documented long-term care resource need to the home- and community-based services and supportive housing need categories, for the next five to ten years".⁴

According to the New York State Department of Health Nursing Home Profile Website (<http://nursinghomes.nyhealth.gov/>) there are 8,781^{**} current nursing home beds in Suffolk County, already below the Berger recommendations.

The reason for the Berger Commission's bed "freeze" recommendation made in 2006 was overcapacity relative to expected utilization. Suffolk County had 8,251 occupied beds according to Medicare in March 2008. Utilization is higher than expected in the County because of the current lack of lower acuity and home health options in the market. Based on the state nursing home utilization by age cohort, by 2016, the Budget Review Office projects that the expected demand for nursing home beds will be almost 13,500, an 80% increase in expected occupancy (63% increase against actual current occupancy), as the demographic tsunami that is the "baby boom" generation ages.

Closure and downsizing recommendations by the Berger Commission regarding other county nursing homes in upstate New York were based on significantly more overcapacity and lower occupancy than currently experienced at JJFSNF. Many of the

⁴ New York State Commission on Health Care Facilities in the 21st Century; Findings of the Long Island Regional Advisory Committee October 2006, p.49. The final Berger Commission Report in August 2008 considered the Long Island Region to have complied with the recommendations made regarding long term care, and again failed to mention JJFSNF.

^{**} The HMM report states that there are currently 8,625 beds available in Suffolk County; HMM may not count Continuing Care Retirement Communities (CCRC), or the SNF currently in receivership in its bed count.

recommendations regarding these facilities suggested downsizing or refit, versus closing, even when a facility had an older physical plant, implying a role for publicly owned facilities even in the face of the overcapacity found by the Berger Commission in the upstate regions. Current (end of 1st Quarter 2008 Medicare reporting) median occupancy for county owned homes in New York is 96.5%*, with 66% of all county owned homes in the state having more than 95% occupancy. The continued relative success in utilization, if not in profitability, of publicly owned facilities, even as the Berger Commission mandates and recommendations are implemented, again implies a role for publicly owned long term care facilities in New York State.

As stated above, current total capacity in residential long term care facilities in Suffolk County is 8,781 beds, already below the 8,865 beds recommended by the Berger Commission to be maintained for the next decade in Suffolk County. While it is true, as the HMM report asserts, that Suffolk County's overall occupancy rate is below 95%, several factors may impact both the desire and the ability of voluntary and proprietary homes in the County to absorb patients from JJFSNF, in the event that the Legislature concurs with the County Executive's proposition that closure is the best course of action available.

Of the 530 currently available (end of March 2008, from Center for Medicaid and Medicare Services statistics) beds in the County:

- 90 beds are in continuing care retirement facilities, which are typically out of the price range of current JJFSNF residents.
- Another 37 beds are in facilities that already have occupancy greater than 97%
- 127 of the available beds are in homes that lost money in 2006. These homes, with these indications of financial problems, hold 20.4% of the total beds in Suffolk County. Their ability to absorb patients who will likely decrease their potential reimbursement is problematic.

It seems unlikely that the voluntary and proprietary homes would choose to treat significant percentages of less profitable patients. To quote from the Center for Governmental Research:

"Voluntary and proprietary providers, without offsetting public subsidies available to county homes, simply cannot afford to provide services to many residents who do not bring at least a few days of other revenue sources with them at admission. County homes' ability and willingness to accept high proportions of such persons is a prime example of the "safety net" portion of their mission.⁵

In the event that the nursing home is closed, it is likely that some patients could be placed in other facilities outside of Suffolk County and that some may have to be placed off of Long Island.

* These percentages do not include publicly owned facilities in New York City.

⁵ Center for Governmental Research. "County Nursing Facilities in New York State" September 2007.p.

IV. The Cost of Operating JJFSNF

It is unlikely, given both the mission of the County nursing home, and its patient profile, that Suffolk County Enterprise Fund 632 will pay for operation of JJFSNF without subsidy from the General Fund in the foreseeable future, even with increased efficiency, increased revenue, and decreased labor costs. For the 21 years of the Enterprise Fund's existence, a General Fund subsidy has been required in 19 years. Given the current level of reimbursement available for the patients now comprising the safety net population, it is unlikely that any long term care facility fulfilling an access assurance role would be self sustaining.

However, opportunities exist to minimize the General Fund subsidy, and the 2009 budget year is one of those opportunities to maximize those efficiencies recommended by the County Executive's consultant and already implemented by the Department of Health Services.

Factors that are favorably impacting Foley nursing home finances in 2008 are:

- An approximate \$5.6 million Intergovernmental Transfer from New York State for 2006-2008. This represents a one time revenue that is implicit in the 2008 estimated nursing home budget.
- About \$1.6 million in revenue from 2007 generated by the Medicaid rebasing from 1983 to 2002. These funds are also included in the 2008 estimated nursing home budget and represent a one time revenue from retroactive payments.
- Cost savings accrued through more efficient operation of the facility, including:
 1. Staff at no more than the current filled 2008 level.
 2. Most other costs held to 2008 spending levels.
 3. Improvements engendered by a grant from the New York State Dormitory Authority recently awarded to JJFSNF.
- Resumption of Medicare Part B billing for physical and occupational therapy;
- Billing for physician services to Medicare Part B.
- Improved relations with feeder hospitals.
- Recognition as a provider by more insurers such as the Suffolk County Employee Medical Health Plan and TriCare.

As a result of these initiatives, which are all either under way or expected, the County is favorably positioned to have the option to use additional time over the course of 2009 to improve the revenue flow to the JJFSNF. In particular, the Budget Review Office estimates that the JJFSNF can be operated for all of 2009 with a General Fund subsidy of about \$1.5 million more than the \$3.5 million General Fund transfer to the nursing home that is recommended by the County Executive. To be prudent, the Budget Review Office would instead recommend increasing the transfer by \$4.5 million to the 2009 amount requested by the Health Department. This higher requested amount

should positively impact the 2009 starting fund balance for JJFSNF and allow the County to subsidize the facility at a reduced rate in 2010.

In this case the Legislature would choose to use 2009 as a year to invest resources into JJFSNF, with a goal of reducing, minimizing and controlling the expected General Fund subsidies in 2010 and beyond. Further outsourcing of certain functions should be considered; some of these opportunities are discussed in detail in the County Executive's consultant report by HMM.

Looking ahead to 2010, an operating fund subsidy to JJFSNF of \$9 million will probably be required. If the Legislature adds \$4.5 million in General Fund transfers to the nursing home in 2009, there should be a surplus that would offset some of the \$9 million projected subsidy in 2010. We estimate this surplus at \$3 million, resulting in a 2010 subsidy that is more likely to be \$6 million.

Assumptions used to project the nursing home budget for 2009 and 2010 are:

- A 3% increase in expenses other than health insurance, which is assumed to grow at 7%.
- Staffing that is assumed to continue at about current fall 2008 levels.
- Revenue based on current Medicaid and Medicare rates –no additional rate increase is assumed for 2009 or 2010.
- Patient occupancy rates that are consistent with the requested budget.
- Other revenues that are based on an average of 2007 actual and 2008 estimated dollar amounts, with no growth assumed for 2010.
- Debt service based on information provided by the Comptroller's office.

It should be noted that on page 14 of the narrative accompanying the 2009 recommended budget the General Fund subsidy to the nursing home for 2010 is projected to be \$15 million. Clearly this is higher than the \$9 million estimated in this report. Our analysis indicates that the \$15 million figure is consistent with Medicaid and Medicare rates that do not reflect their recent increase and with significantly higher staffing levels than currently exist at the facility. The Budget Review Office believes that the above assumptions implicit in our \$9 million projected subsidy are reasonable. That being said, the Legislature still needs to determine whether or not it is willing to spend \$9 million annually in 2010 dollars. Alternative options are noted below in Section V of this report.

It should also be noted that in the event that the decision is made is to close JJFSNF, there are costs associated with closure that would continue to be borne by the County:

- \$25 million in debt service over the next 18 years (2009-2026) would no longer be eligible for 100% reimbursement through Medicaid.
- The County's \$1.6 million annual obligation for the employee health insurance for the 165 retirees from the nursing facility.
- \$7.9 million to refit the facility to office space as estimated in the unsuccessful HEAL-NY 7 and 8 grant applications prepared by the County Executive's consultant, Horan, Martello, and Morrone.

The Legislature has a number of options to consider in its deliberations over the JJFSNF. The uncertainty surrounding the possible closure of the facility is adversely impacting patient occupancy and revenue. As long as the public believes that closure is a likely scenario it will continue to negatively impact nursing home finances. To the extent possible, the County should make a final policy determination on the closure issue.

V. Options

Should the Legislature choose not to close the nursing home there are several options that may be considered over the course of 2009, with an eye towards minimizing the General Fund subsidy. Options include:

- Consideration of a surcharge on non-publicly owned nursing homes, similar to the one instituted in New Jersey. This would require both NYS and federal approval. The concept is based upon the premise that the for profits have a modest financial responsibility for the population served by the public sector. Depending upon the size of the surcharge, revenue to the County could be \$1 million or more annually.
- Consideration of a health district property tax levy or sales tax. Many states and municipalities across the country use similar revenues to fund their local health activities. The revenue from such a levy could also be applied to offset other public health operations including health clinics and health inspections.
- Exploration of establishment of a public benefit corporation with JJFSNF partnering with a hospital and or the health clinics participating in the corporation. At this stage the Budget Review Office does not believe a public benefit corporation would be cost effective; however, considerably more analysis is needed before a final determination is made.
- Contract out for the management and operation of the facility. Outsourcing could take on a number of forms, including contracting for management services; specific functions performed at the nursing home; or all services. Resolution No. 334-2008 authorizes a request for proposals to identify a management consultant for the JJFSNF. An analysis would have to be undertaken to make a determination as to the efficiencies gained. The legal implications of the Taylor Law, as it pertains to functions performed by public employees, also needs to be explored.
- Selling the assets to a non-profit or profit provider and transferring the bed license. This has been one of several options that have been proposed in the past. The JJFSNF is a considerable asset. There is value to the facility, the patient mix and associated revenue, the operating license, the County land on which the building stands, the location, and the trained and experienced staff. Although the details would have to be worked out, at this time the Budget Review Office has some reservations. In particular, given nursing home finances, in order for it to be worthwhile for another provider to take over the facility and make it operate without a loss, it would appear that two conditions would need to be met:
 - ✓ Over time most providers would need to reduce the above average number of low reimbursement and hard to place patients that are at the Foley nursing facility. This could create a void in the County's nursing home market that is currently filled by Foley. As a result, if it is the Legislature's desire to sell the nursing home, the Budget Review Office recommends that an RFP require perspective buyers to demonstrate an

ability to maintain, over the long run, the existing level of hard to place patients.

- ✓ Another provider would likely replace or transition the current County workforce to lower cost private sector employees. From the prospective of service provision it is unclear what if any impact this would have. It would be a hardship on the displaced County employees.

VI. Employees

The 2009 recommended operating budget proposes to abolish all 379 positions at the Skilled Nursing Facility. According to the October 5, 2008 authorized position control 283 positions are filled. The Department of Civil Service has already begun the analysis to identify seniority and bump and retreat rights for permanent competitive class employees. The Civil Service Law provides an orderly procedure based on seniority and permanent competitive status to determine the impact of bump and retreat. Competitive class employees have rights to be placed on a preferred list which gives absolute preference should there be authorization to hire in the same title. The collective bargaining agreement provides for a procedure for abolished positions in the non-competitive and labor class. However, many labor class titles such as Food Service Worker and Nurse's Aide and the non-competitive title of Licensed Practical Nurse are unique to the Skilled Nursing Facility. Following is a listing of the titles associated with the 283 abolished positions.

LISTING OF FILLED ABOLISHED POSITIONS

JOB TITLE	TOTAL
ACCOUNT CLERK	2
ACCOUNT CLERK/TYPIST	3
ACCOUNTANT	1
ADULT DAY HEALTH CARE PROG DI	1
ASSISTANT COOK	3
ASSISTANT HOUSEKEEPER	1
ASST FOOD SERVICE SUPVR	2
ASST NURSING CARE DIR	1
CLERK TYPIST	5
CLINICAL NURSE PRACTITIONER	1
CLINICAL SERVICES ADMINISTRAT	1
COOK	2
CUSTODIAL WORKER II	16
CUSTODIAL WORKER III	1
DENTAL HYGIENIST	1
DIETETIC SERVICE SPVR	1
DIETETIC TECHNICIAN	1
DIETICIAN	1
FINANCIAL DIRECTOR (NURSG HOM)	1
FOOD SERVICE WORKER	22
FOOD SERVICE WORKER II	2
HEALTH PROGRAM ANALYST I	1
HEALTH PROGRAM ANALYST II	1
HOUSEKEEPER	1
LAUNDRY WORKER	2
LICENSED PRACTICAL NURSE	36
MAINTENANCE MECHANIC I	1
MAINTENANCE MECHANIC II	4
MAINTENANCE MECHANIC III	2
MAINTENANCE MECHANIC IV	1
MATERIEL CONTROL CLERK II	1
MED SOCIAL WORKER ASST	2
MEDICAL PROGRAM ADMIN	1
MEDICAL RECORDS CLERK	2
MEDICAL RECORDS CLERK (SP SPK)	1
MEDICAL SOCIAL WORKER	2
MEDICAL SOCIAL WORKER II	1
NEEDLE TRADES SPECIALIST	1
NEIGHBORHOOD AIDE	1
NURSES' AIDE	103
OCCUPATIONAL THERAPIST	1
OCCUPATIONAL THERAPY AIDE	1
OFFICE SYSTEMS ANALYST I	1
PHYSICAL THERAPIST	1
PHYSICAL THERAPIST ASST	2
PHYSICIAN II	1

LISTING OF FILLED ABOLISHED POSITIONS cont.

PHYSICIAN III	1
RECREATION INSTRUCTOR	1
REG NURSE SUPVR-NRSNG HME	11
REGISTERED NURSE	14
SENIOR ACCOUNT CLERK	2
SENIOR CLERK TYPIST	4
SENIOR COOK	1
SR MEDICAL RECORDS CLERK	1
THERAPEUTIC ACTIVITIES SP	1
THERAPEUTIC ACTIVITIES WORKER	6
WAREHOUSE WORKER II	1
Grand Total	283

The 2009 recommended budget narrative states that the Labor Department will be available to assist the displaced employees in obtaining other employment.

Appendix 1: History and Background⁶

The John J. Foley Skilled Nursing Facility (JJFSNF) is located in Yaphank on a site where County facilities dedicated to the care of the poor and the infirm have been located for over 100 years. In 1871, Suffolk County purchased a Yaphank Farm to construct the first “Almshouse for the Poor, the Aged, and the Destitute”. In 1879, Suffolk County acquired an adjacent farm and building to be used as an orphanage; by 1919, this building was closed and then subsequently remodeled to serve as the Infirmary for the Almshouse.

In 1937, Suffolk County secured federal assistance to construct a new building at the Yaphank site; this building, called the infirmary, was designed to be used as a home as well as a hospital for the aged and chronically ill population of the County. Over the next 30 years the building was renovated to comply with changes in state and federal regulations, and to better serve its increasingly elderly patient population. During this period, the Infirmary developed formal transfer and linkage arrangements with local hospitals.

By 1968, it became clear that the Infirmary building was not up to the tasks then required of it; the building was small, antiquated, and lacked the design necessary to meet the physical plant requirements of its regulatory bodies. A study performed that year by the Long Island Health and Hospital Planning Council concluded that the design of the unit “did not lend itself to operation of a modern day nursing home from either a patient or operational standpoint”, and that the Infirmary be replaced with a 200 bed nursing home on the same site in Yaphank. This recommendation was not implemented, and the facility continued to deteriorate, while at the same time increasingly accepting severely disabled and hard to place patients rejected by voluntary or proprietary nursing homes. During this timeframe, federal and state regulators issued reports critical of the Infirmary and threatened closure in 1990, when NYSDOH charged that the Infirmary had failed to meet standards of care for its residents. Suffolk County was informed that if construction of a new facility did not begin soon, New York State would suspend funding.

After considerable debate on whether to continue to operate a County owned facility, or to transfer ownership to a not for profit entity, construction on a new facility began in 1991, and was completed in April 1995. At that time, 205 residents* from the old Infirmary were transferred to the new facility. The facility was expanded to a total of 264 beds by March 1996, at that time with 24 beds for residential AIDS patients (there are currently 12 beds reserved for AIDS patients).

Since the adoption of the 1987 operating budget, the nursing home has been operated as an enterprise fund of Suffolk County (originally Fund 32, now Fund 632). Prior to this

⁶ Multiple Sources, including the 1997 Blue Ribbon Panel Report on Healthcare in Suffolk County and Proceedings of the Suffolk County Legislature.

*14 of those 205 patients are still residents of JJFSNF.

budget, the nursing home was operated as a subunit of the Department of Health Services. During the 21 years of its existence as a separate fund, the nursing home has required subsidy from the general fund in 19 of those years.

* * *

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	8050	JBT1	EXE	Handicapped Services	ABLE TO AVIATION	\$0	\$5,000	\$5,000	\$5,100	\$0
001	4310	AA42	HSV	Div Of Comm Mental Hygiene	ACCESS-TOWN OF ISLIP	\$183,491	\$184,373	\$188,525	\$186,061	\$190,546
001	7320	HKK1	EXE	Youth Bureau/Office For Child	ACE YOUTH ORGANIZATION - AMITYVILLE	\$1,000	\$0	\$0	\$0	\$0
001	4330	GBQ1	HSV	Hs Community Support Svc	ADELANTE OF SC - DROP IN	\$64,994	\$64,242	\$65,779	\$65,260	\$65,578
001	7320	GNJ1	EXE	Youth Bureau/Office For Child	ADELANTE OF SUFFOLK CITY INC	\$229,574	\$232,948	\$232,948	\$236,067	\$236,067
001	4330	GNT1	HSV	Hs Community Support Svc	ADELANTE PSYCHO SOCIAL CLUB	\$50,934	\$50,934	\$51,909	\$51,235	\$51,769
001	4330	GGQ1	HSV	Hs Community Support Svc	ADELANTE SPECIAL EMP	\$52,274	\$51,400	\$53,845	\$52,583	\$54,276
001	4100	HVK1	HSV	Hs: Patient Care Svcs Adm	ADELPHI NY STATEWIDE BREAST CANCER HOTLINE & SUPPORT PROGRAM	\$1,500	\$5,000	\$5,000	\$0	\$0
001	4320	HEH1	HSV	Hs: Mental Health Pgms	AHRC	\$20,863	\$10,000	\$10,000	\$0	\$0
001	7110	HXC1	PKS	Parks, Rec & Conservation	AIRMD THEATRE COMPANY	\$2,000	\$0	\$0	\$0	\$0
001	4317	JAD1	HSV	Alternatives For Youth	ALTERNATIVES COUNSELING CENTER, INC.	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	7320	HEU1	EXE	Youth Bureau/Office For Child	ALTERNATIVES FOR CHILDREN	\$2,000	\$5,000	\$5,000	\$0	\$0
001	4100	HVD1	HSV	Hs: Patient Care Svcs Adm	ALZHEIMER'S ASSOCIATION LONG ISLAND - AALI	\$10,000	\$10,000	\$10,000	\$0	\$0
001	4100	GVP1	HSV	Hs: Patient Care Svcs Adm	AMER CANCER SOC RCH FOR RECOVER	(\$2,430)	\$0	\$0	\$0	\$0
001	4100	GGB1	HSV	Hs: Patient Care Svcs Adm	AMERICAN CANCER SOCIETY	\$20,481	\$0	\$0	\$0	\$0
001	7320	JCI1	EXE	Youth Bureau/Office For Child	AMERICAN DANCE THEATRE OF LONG ISLAND	\$0	\$5,000	\$5,000	\$0	\$0
001	6510	JCD1	EXE	Veterans Service	AMERICAN LEGION PEARL HARBOR MEMORIAL POST #1941	\$0	\$10,000	\$10,000	\$0	\$0
001	7510	HKM1	PKS	Parks: Historic Services	AMITYVILLE HISTORICAL SOCIETY	\$1,000	\$0	\$0	\$0	\$0
001	7320	HG11	EXE	Youth Bureau/Office For Child	AMITYVILLE LITTLE LEAGUE	\$7,500	\$5,000	\$5,000	\$0	\$0
001	7320	HKO1	EXE	Youth Bureau/Office For Child	AMITYVILLE TEACHERS ASSOCIATION	\$1,819	\$0	\$0	\$0	\$0
001	6410	GZT1	ECD	Economic Development Admin	ANCIENT ORDER OF HIBERNIANS	\$3,144	\$0	\$0	\$0	\$0
001	7320	HXQ1	EXE	Youth Bureau/Office For Child	ANGELA'S HOUSE	\$5,000	\$0	\$0	\$0	\$0
001	7320	HVT1	EXE	Youth Bureau/Office For Child	ASK-US CHILD CARE	\$4,740	\$0	\$0	\$0	\$0
001	7110	GTN1	PKS	Parks, Rec & Conservation	BABYLON ARTS COUNCIL	\$0	\$10,000	\$0	\$0	\$0
001	6410	GQX1	ECD	Economic Development Admin	BABYLON BEAUTIFICATION SOCIETY	\$2,000	\$0	\$0	\$0	\$0
001	6410	JBX1	ECD	Economic Development Admin	BABYLON CITIZENS COUNCIL ON THE ARTS	\$0	\$20,000	\$30,000	\$0	\$0
001	7110	HKP1	PKS	Parks, Rec & Conservation	BABYLON CITIZENS COUNCIL ON THE ARTS	\$48,500	\$0	\$0	\$0	\$0
001	7510	JCW1	PKS	Parks: Historic Services	BABYLON TOWN HISTORICAL SOCIETY	\$0	\$5,000	\$5,000	\$0	\$0
001	3400	HUW1	FRE	Fire, Rescue & Emergency Svc	BABYLON VILLAGE	\$17,596	\$0	\$0	\$0	\$0
001	8210	JCZ1	EVE	Div Of Water Quality Improvmt	BABYLON VILLAGE (SPONGE PROJECT)	\$0	\$10,000	\$10,000	\$0	\$0
001	6410	JB11	ECD	Economic Development Admin	BABYLON VILLAGE ARTS COUNCIL	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	AA51	EXE	Youth Bureau/Office For Child	BABYLON VILLAGE YOUTH	\$8,118	\$13,280	\$13,280	\$8,446	\$8,446
001	6410	GZV1	ECD	Economic Development Admin	BAY SHORE BEAUTIFICATION SOC.	\$2,000	\$0	\$0	\$0	\$0
001	6410	JDD1	ECD	Economic Development Admin	BAY SHORE BUSINESS IMPROVEMENT DISTRICT MANAGEMENT ASSOCIATI	\$1,000	\$0	\$0	\$0	\$0
001	6410	GZJ1	ECD	Economic Development Admin	BAY SHORE CHAMBER OF COMMERCE	\$20,000	\$10,000	\$10,000	\$0	\$0
001	7510	HK51	PKS	Parks: Historic Services	BAY SHORE HISTORICAL SOCIETY	\$3,000	\$0	\$0	\$0	\$0
001	6410	GZW1	ECD	Economic Development Admin	BAY STREET THEATER	\$22,000	\$20,400	\$20,400	\$0	\$20,400
001	6410	GVU1	ECD	Economic Development Admin	BAYPORT-BLUE PT CHAMB.OF COMM.	\$18,830	\$30,000	\$10,000	\$0	\$0
001	7325	ABC1	EXE	Spec Dlnqncy Prevention Pgm	BELLPORT COMM ACTION COMMITTEE	\$163,750	\$166,391	\$166,391	\$167,838	\$167,838
001	3400	HCU1	FRE	Fire, Rescue & Emergency Svc	BELLPORT FIRE DEPARTMENT	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HKV1	EXE	Youth Bureau/Office For Child	BENINCASA - NORTH AMITYVILLE YOUTH PROGRAM	\$3,000	\$5,000	\$5,000	\$0	\$0
001	6511	GH81	EXE	Administration	BIA-SHELPH, INC	\$55,092	\$59,427	\$59,427	\$60,616	\$60,616
001	7320	ABL1	EXE	Youth Bureau/Office For Child	BIG BROS OF L I CATH CHARITIES	\$51,354	\$52,214	\$52,214	\$53,091	\$53,091
001	4100	HVL1	HSV	Hs: Patient Care Svcs Adm	BIRTHRIGHT (SMITH-TOWN)	\$1,000	\$0	\$0	\$0	\$0
001	8210	JD81	EVE	Div Of Water Quality Improvmt	BISHOP MCGANN-MERCY DIOCESAN H.S.	\$0	\$5,000	\$5,000	\$0	\$0
001	3198	GBS1	PRO	STOP-DWI	BOCES	\$30,000	\$32,000	\$32,000	\$32,000	\$32,000
001	4310	ABN1	HSV	Div Of Comm Mental Hygiene	BOCES II	\$1,161,852	\$1,159,347	\$1,206,042	\$1,179,305	\$1,202,706
001	7510	ABQ1	PKS	Parks: Historic Services	BOHEMIA HISTORICAL SOCIETY	\$1,000	\$0	\$0	\$0	\$0
001	4320	ABR1	HSV	Hs: Mental Health Pgms	BOY SCOUTS	\$19,471	\$0	\$0	\$0	\$0
001	7320	HUV1	EXE	Youth Bureau/Office For Child	BOY SCOUTS OF AMERICA	\$35,879	\$0	\$0	\$0	\$0
001	7320	GVV1	EXE	Youth Bureau/Office For Child	BOYS & GIRLS CLUB OF BELLPORT	\$7,117	\$15,000	\$15,000	\$0	\$0
001	7320	HJB1	EXE	Youth Bureau/Office For Child	BOYS & GIRLS CLUB OF HUNTINGTON	\$0	\$0	\$0	\$0	\$0
001	4100	HLA1	HSV	Hs: Patient Care Svcs Adm	BREAST CANCER HELP, INC	\$6,500	\$0	\$0	\$0	\$15,606
001	7320	HEZ1	EXE	Youth Bureau/Office For Child	BRENTWOOD PUBLIC LIBRARY	\$10,000	\$10,000	\$10,000	\$0	\$0
001	4310	ABZ1	HSV	Div Of Comm Mental Hygiene	BRENTWOOD UFS#42	\$169,489	\$169,555	\$186,505	\$182,562	\$175,910
001	7320	ACA1	EXE	Youth Bureau/Office For Child	BRENTWOOD YOUTH ASSOCIATION	\$0	\$11,716	\$11,716	\$11,950	\$11,950
001	7320	ACB1	EXE	Youth Bureau/Office For Child	BRENTWOOD YOUTH DEVEL CORP	\$59,780	\$60,976	\$60,976	\$62,196	\$62,196

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	7320	ACE1	EXE	Youth Bureau/Office For Child	BRIDGEHMP TN CHLD CARE & REC CT	\$35,453	\$46,512	\$46,512	\$47,442	\$47,442
001	6017	DDE1	DSS	Domestic Violence Programs	BRIGHTER TOMORROWS	\$177,320	\$214,279	\$214,279	\$215,230	\$215,230
001	6015	GEG1	DSS	Public Assist Admin	BRIGHTER TOMORROWS INC	\$118,146	\$22,088	\$22,088	\$22,088	\$22,088
001	7323	ACJ1	EXE	Comprehensive Pning-Runaway	BROOKHAVEN HOMELESS	\$9,113	\$9,113	\$9,113	\$9,295	\$9,295
001	4010	AZXL	HSV	Hs: Public Health	BROOKHAVEN MEMORIAL HOSPICE	\$8,478	\$0	\$0	\$0	\$0
001	4310	HZQ1	HSV	Div Of Comm Mental Hygiene	BROOKHAVEN MEMORIAL HOSPITAL CENTER	\$154,195	\$157,278	\$161,871	\$158,211	\$163,173
001	4100	GGU1	HSV	Hs: Patient Care Svcs Adm	C.S.HOSPITAL-RIVERHEAD H.C.	\$857,820	\$857,820	\$857,820	\$794,112	\$790,756
001	4100	HVJ1	HSV	Hs: Patient Care Svcs Adm	CANCER CARE OF THE HAMPTONS	\$2,000	\$0	\$0	\$0	\$0
001	7320	HFC1	EXE	Youth Bureau/Office For Child	CAST(CO)MM. & SCHOOLS(TOGETHER)	\$61,971	\$48,500	\$48,500	\$0	\$0
001	4310	ACN4	HSV	Div Of Comm Mental Hygiene	CATHOLIC CHARITIE TALBOT HOUSE	\$1,539,761	\$1,491,309	\$1,532,685	\$1,501,206	\$1,545,906
001	4330	GEB1	HSV	Hs Community Support Svc	CATHOLIC CHARITIES ACT TEAM	\$110,137	\$122,209	\$120,951	\$118,116	\$121,918
001	4320	HLE1	HSV	Hs: Mental Health Pgms	CATHOLIC CHARITIES-BAY SHORE OUTREACH	\$3,060	\$3,060	\$3,060	\$3,121	\$3,121
001	8750	HSG1	CEX	Cooperative Extension Assn	CCE- 4H YOUTH & DEVELOP & FARM ED PROG	\$218,578	\$218,578	\$218,578	\$218,578	\$0
001	8750	HSG1	HSV	Cooperative Extension Assn	CCE- 4H YOUTH & DEVELOP & FARM ED PROG	\$0	\$0	\$0	\$0	\$222,950
					CCE- ALT MGT STRATEGIES FOR CONTROL OF INSECT					
477	8751	HSJ1	CEX	Cornell Cooperative Extension	PESTS	\$138,589	\$142,566	\$142,566	\$142,566	\$0
					CCE- ALT MGT STRATEGIES FOR CONTROL OF INSECT					
477	8751	HSJ1	HSV	Cornell Cooperative Extension	PESTS	\$0	\$0	\$0	\$0	\$145,417
					CCE- DEVELOP & IMPLEMENT AGRICULTURE					
477	8751	HSK1	CEX	Cornell Cooperative Extension	STEWARDSHIP PRO	\$269,281	\$284,080	\$284,080	\$284,080	\$0
					CCE- DEVELOP & IMPLEMENT AGRICULTURE					
477	8751	HSK1	HSV	Cornell Cooperative Extension	STEWARDSHIP PRO	\$0	\$0	\$0	\$0	\$289,762
001	4148	GSU1	HSV	Diabetes Education	CCE- DIABETES EDUCATION PROGRAM	\$125,000	\$102,000	\$102,000	\$0	\$0
001	8750	HSH1	CEX	Cooperative Extension Assn	CCE- FAMILY & CONSUMER SCIENCES PROGRAM	\$276,106	\$300,272	\$300,272	\$300,272	\$0
001	8750	HSH1	HSV	Cooperative Extension Assn	CCE- FAMILY & CONSUMER SCIENCES PROGRAM	\$0	\$0	\$0	\$0	\$306,277
001	8750	HSI1	CEX	Cooperative Extension Assn	CCE- FARM MEAT PRODUCTION PROGRAM	\$907,249	\$929,543	\$929,543	\$929,543	\$0
001	8750	HSI1	HSV	Cooperative Extension Assn	CCE- FARM MEAT PRODUCTION PROGRAM	\$0	\$0	\$0	\$0	\$948,134
					CCE- INTEGRATED PEST MANAGEMENT PROGRAM					
477	8751	HSM1	CEX	Cornell Cooperative Extension	(IPM)	\$198,241	\$204,000	\$204,000	\$204,000	\$0
					CCE- INTEGRATED PEST MANAGEMENT PROGRAM					
477	8751	HSM1	HSV	Cornell Cooperative Extension	(IPM)	\$0	\$0	\$0	\$0	\$208,080
					CCE- RESTORATION OF PECONIC BAY SCALLOP					
477	8751	HSN1	CEX	Cornell Cooperative Extension	POPULATIONS & FISHER	\$296,867	\$349,064	\$349,064	\$349,064	\$0
					CCE- RESTORATION OF PECONIC BAY SCALLOP					
477	8751	HSN1	HSV	Cornell Cooperative Extension	POPULATIONS & FISHER	\$0	\$0	\$0	\$0	\$356,045
001	8750	HSD1	CEX	Cooperative Extension Assn	CCE-ADMIN.FIN. & COMM	\$773,821	\$900,158	\$800,158	\$800,158	\$0
001	8750	HSD1	HSV	Cooperative Extension Assn	CCE-ADMIN.FIN. & COMM	\$0	\$0	\$0	\$0	\$816,161
001	8750	HSF1	CEX	Cooperative Extension Assn	CCE-AGRICULTURE & HORTICULTURE PROGRAMS	\$491,506	\$497,660	\$497,660	\$497,660	\$0
001	8750	HSF1	HSV	Cooperative Extension Assn	CCE-AGRICULTURE & HORTICULTURE PROGRAMS	\$0	\$0	\$0	\$0	\$507,613
001	4100	GGW1	HSV	Hs: Patient Care Svcs Adm	CCE-DIABETES PREVENTION PROGRAM	\$243,388	\$277,878	\$277,878	\$387,476	\$385,875
001	6015	GHE1	DSS	Dss: Public Assist Admin	CCE-FOOD STAMP PROGRAM	\$155,462	\$172,922	\$154,561	\$172,922	\$172,922
001	7320	GTQ1	EXE	Youth Bureau/Office For Child	CCE-MARINE DAY CAMP (CEDAR BEACH)	\$36,530	\$37,885	\$37,885	\$38,643	\$38,643
001	7320	GTR1	EXE	Youth Bureau/Office For Child	CCE-MARINE DAY CAMP(VANDERBILT)	\$15,851	\$16,236	\$16,236	\$16,561	\$16,561
001	8750	HSE1	CEX	Cooperative Extension Assn	CCE-MARINE PROGRAM	\$477,819	\$485,914	\$485,914	\$485,914	\$0
001	8750	HSE1	HSV	Cooperative Extension Assn	CCE-MARINE PROGRAM	\$0	\$0	\$0	\$0	\$495,632
001	7320	HLQ1	EXE	Youth Bureau/Office For Child	CCE-PECONIC DUNES CAMP	\$28,029	\$30,000	\$30,000	\$0	\$0
					CCE-SC STORMWATER PHASE II PROGRAM					
477	8210	GZA1	EVE	Div Of Water Quality Improvmt	IMPLEMENTATION	\$331,460	\$382,400	\$382,400	\$379,000	\$379,000
001	4100	HLF1	HSV	Hs: Patient Care Svcs Adm	CCMAC - COLETTE COYNE MELANOMA	\$5,000	\$0	\$0	\$0	\$0
001	7320	ACX1	EXE	Youth Bureau/Office For Child	CEDAR BEACH YOUTH PROJECT	\$0	\$0	\$0	\$0	\$11,261
001	6410	GVY1	ECD	Economic Development Admin	CENTEREACH CIVIC ASSN	\$7,737	\$10,000	\$10,000	\$0	\$0
001	3400	HCX1	FRE	Fire, Rescue & Emergency Svc	CENTEREACH FIRE DIST DEFIB.PRO	\$14,668	\$0	\$0	\$0	\$0
001	7320	GZ21	EXE	Youth Bureau/Office For Child	CENTRAL ISLIP CIVIC COUNCIL	\$21,000	\$20,000	\$20,000	\$0	\$0
001	6410	HLJ1	ECD	Economic Development Admin	CENTRAL ISLIP HIS. PRES SOC.	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	HFD1	EXE	Youth Bureau/Office For Child	CENTRAL ISLIP PUBLIC LIBRARY	\$9,456	\$10,000	\$10,000	\$0	\$0
001	7320	GHT1	EXE	Youth Bureau/Office For Child	CENTRAL SUFFOLK FOOTBALL	\$0	\$0	\$0	\$0	\$11,040
001	4109	GVK1	HSV	Medical Program	CENTRAL SUFFOLK HOSPITAL	\$390,427	\$395,893	\$395,893	\$403,811	\$403,811
001	4400	GVK1	HSV	Hs: Environmental Health	CENTRAL SUFFOLK HOSPITAL	\$0	\$0	\$0	\$0	\$0
001	6010	HIO1	DSS	Dss: Community Svcs Admin	CHILD ABUSE PREVENTION SERVICES	\$2,000	\$5,000	\$5,000	\$0	\$0
001	6015	GKN1	DSS	Dss: Public Assist Admin	CHILD CARE CNCL CDC SUFF LOAN	\$0	\$11,703	\$11,703	\$11,937	\$11,937
001	6135	GKN1	DSS	Suffolk Works Employmt Program	CHILD CARE CNCL CDC SUFF LOAN	\$11,325	\$0	\$0	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	6015	ADB2	DSS	Dss: Public Assist Admin	CHILD CARE COUNCIL OF SUFFOLK	\$0	\$130,998	\$130,998	\$133,618	\$133,618
001	6015	GGN1	DSS	Dss: Public Assist Admin	CHILD CARE COUNCIL OF SUFFOLK	\$916,383	\$939,193	\$939,193	\$939,193	\$939,193
001	6135	ADB2	DSS	Suffolk Works Employmnt Program	CHILD CARE COUNCIL OF SUFFOLK	\$95,312	\$0	\$0	\$0	\$0
001	6004	HWC1	DSS	Soc Svc: Commodities Dist	CHRIST THE KING OUTREACH	\$1,500	\$0	\$0	\$0	\$0
001	4330	ADJ1	HSV	HS Community Support Svc	CLUBHOUSE MED TRAINING	\$36,100	\$0	\$0	\$0	\$0
001	4330	GN51	HSV	HS Community Support Svc	CLUBHOUSE OF SUFF SUPP CASE MG	\$129,721	\$313,772	\$328,695	\$320,990	\$331,324
001	4320	JAJ1	HSV	HS: Mental Health Pgms	CLUBHOUSE OF SUFFOLK	\$0	\$5,000	\$5,000	\$0	\$0
001	4320	JAN1	HSV	HS: Mental Health Pgms	CLUBHOUSE OF SUFFOLK	\$6,000	\$0	\$0	\$0	\$0
001	4330	ADK1	HSV	HS Community Support Svc	CLUBHOUSE OF SUFFOLK	\$336,231	\$0	\$0	\$0	\$0
001	4330	JAP1	HSV	HS Community Support Svc	CLUBHOUSE PROS RIVERHEAD	\$55,000	\$32,500	\$59,852	\$58,449	\$60,331
001	4330	JA01	HSV	HS Community Support Svc	CLUBHOUSE PROS RONKONKOMA	\$21,667	\$82,500	\$138,120	\$134,883	\$139,225
001	4330	ADK2	HSV	HS Community Support Svc	CLUBHOUSE PSYCHOSOC/DROP IN CT	\$22,465	\$22,089	\$22,856	\$22,597	\$22,756
001	4330	ADL1	HSV	HS Community Support Svc	CLUBHOUSE PSYCHOSOCIAL CLUB	\$162,915	\$0	\$0	\$0	\$0
001	4330	JDP1	HSV	HS Community Support Svc	CLUBHOUSE SHELTER-CLINIC CASE MANAGEMENT	\$0	\$0	\$82,176	\$80,250	\$82,834
001	4330	GFK1	HSV	HS Community Support Svc	CLUBHOUSE SUF ASSIST COMP EMP	\$89,936	\$0	\$0	\$0	\$0
001	4330	GPH1	HSV	HS Community Support Svc	CLUBHOUSE SUFFOLK SUPPORTED ED	\$30,900	\$0	\$0	\$0	\$0
001	4330	ADM1	HSV	HS Community Support Svc	CLUBHOUSE:SPCL EMPLOYMENT	\$172,536	\$0	\$0	\$0	\$0
001	4330	HEW1	HSV	HS Community Support Svc	CLUBHOUSE OF SUFF-ADULT HOME SCM	\$7,143	\$74,475	\$78,013	\$76,185	\$78,637
001	7320	JCL1	EXE	Youth Bureau/Office For Child	COAST 2 COAST BASKETBALL, INC.	\$0	\$5,000	\$5,000	\$0	\$0
001	8050	JCX1	EXE	Handicapped Services	CODY CENTER FOR AUTISM	\$0	\$0	\$5,000	\$5,100	\$0
001	7320	GAB1	EXE	Youth Bureau/Office For Child	COLONIAL YTH & FAMILY SVC	\$81,185	\$82,467	\$82,467	\$54,045	\$54,045
001	6770	GDA1	EXE	Sr Czins Home Energy Pgm/Wrap	COMM DEVELOPMENT CORP OF LI	\$50,050	\$90,191	\$131,060	\$90,191	\$90,191
001	7320	JCN1	EXE	Youth Bureau/Office For Child	COMMACK EDUCATIONAL FOUNDATN	\$0	\$5,000	\$5,000	\$0	\$0
001	3400	HDB1	FRE	Fire, Rescue & Emergency Svc	COMMACK FIRE DEPARTMENT	\$7,691	\$13,000	\$13,000	\$0	\$0
001	7510	JCG1	PKS	Parks: Historic Services	COMMERDINGER PRESERVATION SOCIETY	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HXY1	EXE	Youth Bureau/Office For Child	COMMUNITIES IN SCHOOLS OF NY	\$2,000	\$0	\$0	\$0	\$0
001	6004	HLL1	DSS	Soc Svc: Commodities Dist	COMMUNITY ACTION OF SOUTHOOLD TOWN (CAST)	\$3,500	\$0	\$0	\$0	\$0
001	3400	HMM1	FRE	Fire, Rescue & Emergency Svc	COMMUNITY AMBULANCE CO., INC.	\$5,000	\$0	\$0	\$0	\$0
001	6008	GBG1	DSS	Ss: Housing Services	COMMUNITY DEVELOPE CORP OF LI	\$8,902	\$9,393	\$9,393	\$9,447	\$9,447
001	7320	HXX1	EXE	Youth Bureau/Office For Child	COMMUNITY LIBRARY'S FAMILY LITERACY PROJECT	\$1,997	\$0	\$0	\$0	\$0
001	7320	ADR1	EXE	Youth Bureau/Office For Child	COMMUNITY PROGRAM CENTER OF LI	\$32,166	\$31,789	\$31,789	\$32,425	\$32,425
477	6411	HGW1	ECD	Downtown Revitalization	COMP-SHELLFISH RESTORATION PRO	\$122,544	\$557,085	\$557,085	\$0	\$0
001	7320	ADW1	EXE	Youth Bureau/Office For Child	COMSEWOGUE YOUTH CLUB INC	\$41,974	\$27,613	\$27,613	\$28,165	\$28,165
001	4330	JDN1	HSV	HS Community Support Svc	CONCERN	\$0	\$0	\$530,559	\$522,150	\$359,312
001	4310	AED1	HSV	Div Of Comm Mental Hygiene	CONNETQUOT CSD	\$58,276	\$0	\$0	\$0	\$0
001	7320	HLN1	EXE	Youth Bureau/Office For Child	CONNETQUOT FOUNDATION FOR ADVANCEMENT OF CHILDREN	\$9,501	\$0	\$0	\$0	\$0
001	7320	GSL1	EXE	Youth Bureau/Office For Child	CONNETQUOT YOUTH ATHLETIC LG	\$11,000	\$10,000	\$10,000	\$0	\$5,630
001	7320	DD1	EXE	Youth Bureau/Office For Child	CONTRACT AGENCY	\$31,277	\$31,903	\$31,903	\$32,541	\$32,541
001	7325	DDL1	EXE	Spec Dlnqncy Prevention Pgm	CONTRACT AGENCY	\$253,004	\$257,574	\$257,574	\$260,494	\$260,494
404	8131	DDM1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	CONTRACT AGENCY	\$144,701	\$144,701	\$144,701	\$144,701	\$144,701
404	8131	DDN1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	CONTRACT AGENCY	\$146,688	\$146,688	\$146,688	\$146,688	\$146,688
001	6410	HZK1	ECD	Economic Development Admin	COPIAGUE PUBLIC LIBRARY	\$5,000	\$0	\$0	\$0	\$0
001	7320	AEL1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH COUNCIL	\$54,560	\$54,151	\$54,151	\$55,234	\$55,234
001	7320	AEW1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH LEAGUE	\$5,412	\$5,520	\$5,520	\$5,630	\$5,630
001	7320	HXF1	EXE	Youth Bureau/Office For Child	COPIAGUE YOUTH LEAGUE	\$20,000	\$0	\$0	\$0	\$0
001	8200	JDC1	EVE	General Admn: Environ & Energy	CORNELL COOPERATIVE EXTENSION OF SUFFOLK COUNTY	\$5,859	\$0	\$0	\$0	\$0
001	1182	HJZ1	DIS	Proj. Safe Neighborhood-Juv.J.	COUNCIL FOR UNITY RIVERHEAD SD	\$15,205	\$0	\$0	\$0	\$0
001	7320	GHA1	EXE	Youth Bureau/Office For Child	COUNTYWIDE COUNSEL PGM HUNTGTN	\$33,895	\$34,779	\$34,779	\$35,475	\$35,475
001	7320	AEN1	EXE	Youth Bureau/Office For Child	COW HARBOR YOUTH SOCCER	\$21,224	\$0	\$0	\$0	\$22,081
001	3120	HHG1	POL	Police: General Administration	CRIME STOPPERS OF SUFFOLK CTY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	4310	AEI2	HSV	Div Of Comm Mental Hygiene	CTH CHARITY CHEM DEPEND CLINIC	\$488,104	\$506,929	\$494,907	\$496,946	\$502,600
001	4320	AEI3	HSV	HS: Mental Health Pgms	CTH CHARITY MEN HLTH CTR (	\$949,859	\$949,859	\$949,859	\$706,282	\$856,282
001	7320	AEX1	EXE	Youth Bureau/Office For Child	DEER PARK COMMUNITY ORG INC	\$62,355	\$63,602	\$63,602	\$64,874	\$64,874
001	7320	HTP1	EXE	Youth Bureau/Office For Child	DEER PARK LITTLE LEAGUE	\$7,500	\$5,000	\$5,000	\$0	\$0
001	8050	HTM1	EXE	Handicapped Services	DEVELOPMENTAL DISABILITIES INSTITUTE	\$5,000	\$5,000	\$5,000	\$5,100	\$0
001	6773	HZU1	EXE	Senior Support Programs	DOMINICAN SISTERS FAMILY HEALTH SERVICE, INC.	\$3,000	\$5,000	\$5,000	\$0	\$0
001	4010	HVC1	HSV	HS: Public Health	DOUBLE D BAR RANCH	\$1,500	\$0	\$0	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	4310	AFM2	HSV	Div Of Comm Mental Hygiene	DRUG ABUSE PREVENTION COUNCIL	\$4,995	\$5,023	\$5,170	\$5,053	\$5,211
001	6410	HA-F1	ECD	Economic Development Admin	E HAMPTON CHAMBER OF COMMERCE	\$1,940	\$0	\$0	\$0	\$0
001	6410	HAH1	ECD	Economic Development Admin	E.NORTHPORT CHAMBEROF COMMERCE	\$10,000	\$5,000	\$5,000	\$0	\$0
001	6410	HAG1	ECD	Economic Development Admin	E QUOGUE CHAMBER OF COMMERCE	\$1,450	\$0	\$0	\$0	\$0
001	6010	HYQ1	DSS	Community Svcs Admin	EAC	\$18,489	\$60,771	\$60,771	\$0	\$0
001	6008	GYD1	DSS	Ss: Housing Services	EAC - SANCTIONED CLIENT OUT	\$0	\$186,000	\$186,000	\$187,525	\$187,525
001	6015	GYD1	DSS	Ss: Public Assist Admin	EAC - SANCTIONED CLIENT OUT	\$477,264	\$0	\$258,025	\$0	\$0
001	6010	GDM1	DSS	Ss: Community Svcs Admin	EAC CHILD ADVOCACY	\$169,097	\$171,075	\$171,075	\$172,156	\$172,156
001	6010	GVL1	DSS	Ss: Community Svcs Admin	EAC ENHANCED SUPERVISED VISIT	\$369,375	\$416,283	\$416,283	\$418,831	\$418,831
001	6010	GDO1	DSS	Ss: Community Svcs Admin	EAC INC FAMILY DRUG COURT	\$213,512	\$216,596	\$216,596	\$217,922	\$217,922
001	6008	GVO1	DSS	Ss: Housing Services	EAC, INC. EMPLOYMENT SHUTTLE	\$0	\$130,000	\$130,000	\$0	\$0
001	6073	AFN1	DSS	Ss: Child Support Enforcement	EAC,INC.	\$198,763	\$192,247	\$192,247	\$193,047	\$193,047
001	6115	HKB1	DSS	Ss: Alternatives For Youth	EAC-AFI	\$756,222	\$883,860	\$883,860	\$889,269	\$889,269
001	6410	HWH1	ECD	Economic Development Admin	EAST END ARTS COUNCIL - WINTERFEST	\$10,000	\$10,000	\$10,000	\$0	\$0
001	7320	HLT1	EXE	Youth Bureau/Office For Child	EAST END CHILDREN'S MUSEUM	\$2,000	\$5,000	\$5,000	\$0	\$0
001	4010	HEB1	HSV	HS: Public Health	EAST END HOSPICE	\$4,977	\$5,000	\$5,000	\$0	\$0
001	6430	HWQ1	ECD	Economic Development Admin	EAST END LIGHTHOUSES	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HXS1	EXE	Youth Bureau/Office For Child	EAST FARMINGDALE RECREATION COUNCIL	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	AFS1	EXE	Youth Bureau/Office For Child	EAST HAMPTON JUVENILE AID	\$17,969	\$18,329	\$18,329	\$18,603	\$18,603
001	6773	HLU1	EXE	Senior Support Programs	EAST HAMPTON MEALS ON WHEELS	\$3,000	\$5,000	\$5,000	\$0	\$0
001	7510	HYV1	PKS	Parks: Historic Services	EAST ISLIP HISTORICAL SOCIETY	\$1,000	\$0	\$0	\$0	\$0
001	7320	HLV1	EXE	Youth Bureau/Office For Child	EAST ISLIP SOCCER CLUB	\$4,000	\$5,000	\$5,000	\$0	\$0
001	4007	HSV1	HSV	Tobacco Education & Control Program	EASTERN SUFFOLK BOCES	(\$5,000)	\$0	\$0	\$0	\$0
001	7320	HYZ1	EXE	Youth Bureau/Office For Child	EASTPORT SOUTH MANOR SPORTS ASSOCIATION(ESMSA)	\$0	\$5,000	\$5,000	\$0	\$0
001	7510	HYG1	PKS	Parks: Historic Services	EASTVILLE HISTORICAL SOCIETY	\$2,000	\$0	\$0	\$0	\$0
001	6008	JDQ1	DSS	Ss: Housing Services	EDUCATION AND ASSISTANCE CORPORATION (EAC), SNAP PROJECT	\$0	\$0	\$60,000	\$0	\$0
001	7320	HWX1	EXE	Youth Bureau/Office For Child	ELIZABETH T MCNAMEE MEMORIAL	\$2,000	\$5,000	\$5,000	\$0	\$0
001	7320	HXO1	EXE	Youth Bureau/Office For Child	ELWOOD SOCCER	\$4,402	\$0	\$0	\$0	\$0
001	6141	AGF1	DSS	Ss: Heap	EMPIRE TRAINING ASSOCIATES	\$13,644	\$20,395	\$20,395	\$20,395	\$20,394
001	6511	HIY1	EXE	Administration	ERASE RACISM	\$25,000	\$0	\$0	\$0	\$0
001	4330	GKQ1	HSV	HS Community Support Svc	F.E.G.S. LI TRANS/MED MGT	\$467,457	\$459,579	\$481,477	\$470,150	\$485,293
001	4330	GKX1	HSV	HS Community Support Svc	F.E.G.S. OF LI DSS PROJECT	\$41,915	\$43,174	\$42,162	\$43,519	\$43,519
001	4330	GGR1	HSV	HS Community Support Svc	F.R.E.E.	\$156,821	\$154,200	\$161,567	\$157,747	\$162,860
001	4330	GTJ1	HSV	HS Community Support Svc	F.R.E.E. INTEGRATED EMPLOYMENT	\$33,872	\$33,110	\$27,259	\$26,620	\$27,477
001	4330	GYZ1	HSV	HS Community Support Svc	F.R.E.E. SINGLE POINT ACCESS	\$131,279	\$138,062	\$114,253	\$111,575	\$115,167
001	6008	GVN1	DSS	Ss: Housing Services	FAM SRVC LGE SELF-SUFFICIENT/MOT	\$161,980	\$182,638	\$182,638	\$0	\$0
001	4330	CAD1	HSV	HS Community Support Svc	FAM SV LG THER. REC.	\$70,579	\$76,038	\$78,851	\$77,787	\$78,679
001	4330	HEV1	HSV	HS Community Support Svc	FAM.SERV.LEAGUE-ADULT HOME SCM	\$75,742	\$74,475	\$78,013	\$76,185	\$78,637
001	6010	GZM1	DSS	Ss: Community Svcs Admin	FAM.SERV.LEAGUE-SO.SH.FAM.CTR	\$40,000	\$40,000	\$40,000	\$0	\$0
001	6010	GNJ1	DSS	Ss: Community Svcs Admin	FAMILY & CHILDRENS ASSOC	\$314,773	\$87,500	\$350,000	\$350,511	\$350,511
001	4317	HZZ1	HSV	Alternatives For Youth	FAMILY COUNSELING SERVICES	\$0	\$25,704	\$0	\$26,218	\$0
001	7320	AGN1	EXE	Youth Bureau/Office For Child	FAMILY COURT WAITING ROOM	\$130,758	\$134,400	\$134,400	\$136,853	\$136,853
001	6794	GEY1	EXE	Title VII / Ombudsman	FAMILY LEAGUE SERVICE	\$103,336	\$104,495	\$104,495	\$106,585	\$105,413
001	6010	HKJ1	DSS	Ss: Community Svcs Admin	FAMILY S.L. HOME BASE V PROG	\$85,639	\$0	\$0	\$0	\$0
001	6010	HYR1	DSS	Ss: Community Svcs Admin	FAMILY SERVICE LEAGUE	\$10,941	\$37,006	\$37,006	\$0	\$0
001	6772	GET1	EXE	Older Americans Act Programs	FAMILY SERVICE LEAGUE	\$20,743	\$20,753	\$20,753	\$21,168	\$20,795
001	6798	GFB1	EXE	Ort Volunteer Train Grant	FAMILY SERVICE LEAGUE	\$4,400	\$11,383	\$0	\$0	\$0
001	7325	AGS1	EXE	Spec Dlnqncy Prevention Pgm	FAMILY SERVICE LEAGUE	\$207,183	\$210,384	\$210,384	\$182,249	\$182,249
001	4310	AGW1	HSV	Div Of Comm Mental Hygiene	FAMILY SERVICE LEAGUE	\$462,900	\$468,705	\$473,773	\$475,638	\$481,113
001	4330	AGP1	HSV	HS Community Support Svc	FAMILY SERVICE LEAGUE	\$79,982	\$78,655	\$66,001	\$80,434	\$0
001	6008	HMA1	DSS	Ss: Housing Services	FAMILY SERVICE LEAGUE - HUNTINGTON INTERFAITH HOMELESS INITI	\$9,979	\$5,000	\$5,000	\$0	\$0
001	3142	HTU1	PRO	Dfy-Placement Reduction	FAMILY SERVICE LEAGUE HOME BASE II	\$239,122	\$274,022	\$274,022	\$279,502	\$279,502
001	3175	HTV1	PRO	Mental Health Juv Del Project	FAMILY SERVICE LEAGUE HOME BASE III	\$237,115	\$259,449	\$259,449	\$264,638	\$264,638
001	6410	JBV1	ECD	Economic Development Admin	FAMILY SERVICE LEAGUE HOMESHARE OF LONG ISLAND	\$0	\$7,000	\$7,000	\$0	\$0
001	3180	HZY1	PRO	Options For Female Adolescents & Adults	FAMILY SERVICE LEAGUE OF SUFFOLK COUNTY, INC.	\$0	\$149,223	\$149,223	\$152,207	\$152,207
001	4330	JAS1	HSV	HS Community Support Svc	FAMILY SERVICE LEAGUE PROS HAUPPAUGE	\$17,500	\$23,000	\$156,898	\$168,494	\$42,696

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	4330	JAR1	HSV	HS Community Support Svc	FAMILY SERVICE LEAGUE PROS HUNTINGTON	\$15,333	\$17,500	\$175,788	\$155,904	\$55,690
001	6010	HVU1	DSS	Dss: Community Svcs Admin	FAMILY SV LEAGUE BAY SHORE CTR	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	GLF1	EXE	Youth Bureau/Office For Child	FAMILY SV LEAGUE CCSI CONTRACT	\$40,198	\$42,150	\$42,150	\$42,993	\$42,993
001	6010	GEF1	DSS	Community Svcs Admin	FAMILY SV LEAGUE CCSI CONTRACT	\$157,715	\$159,860	\$159,860	\$160,838	\$160,838
001	7320	GJK1	EXE	Youth Bureau/Office For Child	FAMILY SV HUNTING STA FAM CTR	\$238,439	\$238,439	\$238,439	\$178,888	\$178,888
001	4330	AG21	HSV	HS Community Support Svc	FAMILY SVC LEAGUE - C.A.P.	\$23,517	\$32,166	\$33,598	\$32,900	\$33,520
001	4330	GP11	HSV	HS Community Support Svc	FAMILY SVC LEAGUE ACT TEAM	\$30,486	\$87,434	\$84,941	\$82,950	\$85,620
001	4330	AG23	HSV	HS Community Support Svc	FAMILY SVC LEAGUE CLUBHOUSE	\$16,168	\$0	\$0	\$0	\$0
001	6010	AHE1	DSS	Dss: Community Svcs Admin	FAMILY SVC LEAGUE OF SUFF CTY	\$508,190	\$526,767	\$526,767	\$529,991	\$529,991
001	6008	GUX1	DSS	Ss: Housing Services	FAMILY SVC LEAGUE PROGRAM HOME	\$140,497	\$142,214	\$142,214	\$143,380	\$143,380
001	4330	GUT1	HSV	HS Community Support Svc	FAMILY SVC LEAGUE SUPP CASE MG	\$549,639	\$549,102	\$575,215	\$561,733	\$579,816
001	7320	GHM1	EXE	Youth Bureau/Office For Child	FAMILY SVC LEAGUE/FAST PROGRAM	\$128,139	\$117,543	\$117,543	\$39,255	\$39,255
001	4320	AHG1	HSV	HS Mental Health Prgms	FAMILY SVC LEAGUE-EAST END PRO	\$450,769	\$460,834	\$460,834	\$434,741	\$434,741
001	4330	AHH1	HSV	HS Community Support Svc	FAMILY SVC LG PARENT TO PARENT	\$77,703	\$87,505	\$91,349	\$89,550	\$91,162
001	4330	AGO1	HSV	HS Community Support Svc	FAMILY SVC LG-SPEC EMPLOYMENT	\$45,526	\$0	\$0	\$0	\$0
001	4330	AHL1	HSV	HS Community Support Svc	FED ASSOC CONSUMER ENTRP SYSTM	\$111,721	\$0	\$0	\$0	\$0
001	4330	GZ11	HSV	HS Community Support Svc	FED OF ORG ADULT HOME PEER SRV	(\$44,457)	\$198,600	\$208,036	\$203,160	\$209,700
001	4330	GNR1	HSV	HS Community Support Svc	FED OF ORG SUPPORTED CASE MGMT	\$590,393	\$705,987	\$739,562	\$722,228	\$745,478
001	6780	GFC2	EXE	Respite Care Demonstratn Pgm	FED OF ORG ORGANIZATIONS RESPITE	\$54,200	\$30,697	\$60,676	\$31,311	\$31,311
001	4330	GTL1	HSV	HS Community Support Svc	FED OF ORG-CLIENT SVC DOLLAR P	\$20,108	\$55,672	\$58,319	\$56,952	\$58,786
001	4330	AHM1	HSV	HS Community Support Svc	FED OF ORGIZATNS NYS MNT DISA	\$399,772	\$450,005	\$474,396	\$463,159	\$478,182
001	4330	GSV1	HSV	HS Community Support Svc	FED OF ORG-SINGLE POINT ENTRY	\$275,501	\$402,323	\$419,192	\$410,022	\$422,546
001	4330	GUR1	HSV	HS Community Support Svc	FED ORG TRANSPORTATION CSS	\$285,376	\$280,606	\$293,949	\$287,060	\$296,301
001	4330	GBG1	HSV	HS Community Support Svc	FEDERATION ADVOCACY	\$175,595	\$172,660	\$178,491	\$176,631	\$177,540
001	6808	JED1	EXE	END OF LIFE CARE PROGRAM	FEDERATION EMPLOYMENT AND GUIDANCE SERVICE, INC. (FEGS)	\$0	\$0	\$50,000	\$0	\$0
001	4330	AHN1	HSV	HS Community Support Svc	FEDERATION MULTI-CULTURAL CONF	\$8,363	\$8,223	\$8,614	\$8,412	\$8,683
001	4330	GZH1	HSV	HS Community Support Svc	FEDERATION OF ORG ACT TEAM	\$65,191	\$122,209	\$120,951	\$118,116	\$121,918
001	4330	HSO1	HSV	HS Community Support Svc	FEDERATION OF ORG OISE	(\$35,584)	\$24,200	\$0	\$0	\$0
001	4330	JAT1	HSV	HS Community Support Svc	FEDERATION OF ORG PROS BABYLON	\$16,667	\$25,000	\$95,740	\$44,961	\$46,408
001	4330	JAU1	HSV	HS Community Support Svc	FEDERATION OF ORG PROS PATCHOGUE	\$18,333	\$27,500	\$100,345	\$49,457	\$51,049
001	6772	GES1	EXE	Older Americans Act Programs	FEDERATION OF ORGANIZATIONS	\$9,957	\$9,957	\$9,957	\$10,156	\$9,977
001	6780	GFC1	EXE	Respite Care Demonstratn Pgm	FEDERATION OF ORGANIZATIONS	\$94,308	\$95,550	\$135,667	\$97,461	\$95,550
001	4330	GJP1	HSV	HS Community Support Svc	FEDERATION OF ORGIZATN SESRO	\$705,294	\$693,503	\$727,315	\$709,453	\$733,868
001	4330	GPA1	HSV	HS Community Support Svc	FEDERATION PEER BRIDGT PGM	\$171,155	\$168,294	\$173,997	\$172,165	\$173,089
001	4330	GPE1	HSV	HS Community Support Svc	FEDERATION PRE-ARREST FRNSC PR	\$112,439	\$110,559	\$105,489	\$113,102	\$96,007
001	4330	GBG3	HSV	HS Community Support Svc	FEDERATION PSYCHOSOC/DROP IN	\$112,322	\$110,444	\$114,273	\$112,984	\$113,766
001	4330	GBD1	HSV	HS Community Support Svc	FEDERATION RESPITE PAYEE	\$123,633	\$121,566	\$125,666	\$124,362	\$124,990
001	4330	GBG2	HSV	HS Community Support Svc	FEDERATION RESPITE CARE	\$32,723	\$32,176	\$33,373	\$32,916	\$33,307
001	4330	GCY1	HSV	HS Community Support Svc	FEDERATION RESPITE HOUSING	\$38,677	\$38,030	\$38,431	\$38,905	\$39,339
001	4330	AHO1	HSV	HS Community Support Svc	FEDERATN HOMELESS MENTALLY ILL	\$363,529	\$359,989	\$371,366	\$364,546	\$368,800
001	4330	AHP2	HSV	HS Community Support Svc	FEDERATN ORGS NYS MENT DISABLD	\$1,267,254	\$1,104,158	\$1,120,268	\$1,104,158	\$1,118,843
001	4330	GZB1	HSV	HS Community Support Svc	FEGS FAMILY SUPPORT	\$109,815	\$113,205	\$118,107	\$115,700	\$117,821
001	4330	GPI1	HSV	HS Community Support Svc	FEGS OF LI ACT TEAM	\$94,929	\$122,209	\$120,951	\$118,116	\$121,918
001	4330	GPD1	HSV	HS Community Support Svc	FEGS OF LI PRE-ARREST FORENSIC	\$46,225	\$45,452	\$37,286	\$46,497	\$27,257
001	4330	JAQ1	HSV	HS Community Support Svc	FEGS PROS COPAIGUE	\$40,104	\$40,104	\$386,586	\$383,619	\$127,623
001	4330	GZC1	HSV	HS Community Support Svc	FEGS SUPPORT CASE MANAGEMENT	\$452,204	\$445,535	\$410,870	\$401,240	\$414,157
001	6004	HVY1	DSS	Soc Svc: Commodities Dist	FIRST BAPTIST CHURCH OUTREACH FOOD PANTRY	\$1,268	\$5,000	\$5,000	\$0	\$0
001	6410	JEAL	ECD	Economic Development Admin	FISCHER - HEWINS VWV POST 6249	\$0	\$0	\$15,000	\$0	\$0
001	6773	AHT1	EXE	Senior Support Programs	FISHER ISLAND SENIOR HOTLINE	\$2,734	\$6,367	\$6,367	\$6,494	\$6,494
001	3400	HD11	FRE	Fire, Rescue & Emergency Svc	FLANDERS NORTHAMPTON VOL. AMB.	\$3,000	\$0	\$0	\$0	\$0
001	6410	GW11	ECD	Economic Development Admin	FLANDERS RIVERSIDE NRTHMPTN CM	\$249,513	\$267,680	\$276,618	\$270,135	\$278,830
001	4330	GPJ1	HSV	HS Community Support Svc	FLS SUPPORTIVE CASE MGMT	\$54,233	\$55,345	\$55,345	\$45,534	\$45,534
001	6073	GDP1	DSS	Dss: Child Support Enforcement	FOCUS	\$175,228	\$175,228	\$175,228	\$178,733	\$178,733
001	6773	AHV1	EXE	Senior Support Programs	FOSTER GRANDPARENT PROGRAM					
001	8210	HY11	EVE	Div Of Water Quality Improvmt	FOUNDATION FOR ECOLOGICAL RESEARCH IN THE NORTHEAST(FERN)	\$2,093	\$0	\$0	\$0	\$0
001	6410	HAK1	ECD	Economic Development Admin	FRIENDS OF E.NORTHPORT LIBRARY	\$10,000	\$5,000	\$5,000	\$0	\$0
001	7110	JDE1	PKS	Parks, Rec & Conservation	FRIENDS OF EDGEWOOD-OAKBRUSH PLAINS PRESERVE	\$647	\$0	\$0	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	6010	GZP1	DSS	Dss: Community Svcs Admin	FRIENDS OF KAREN	\$100,728	\$105,000	\$105,000	\$0	\$0
001	6410	HMF1	ECD	Economic Development Admin	FRIENDS OF SMITHTOWN LIBRARY	\$25,000	\$30,000	\$30,000	\$0	\$0
001	7110	HXB1	PKS	Parks, Rec & Conservation	FRIENDS OF ST. PATRICK	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	JCB1	ECD	Economic Development Admin	FRIENDS OF THE NORTH SHORE PUBLIC LIBRARY	\$0	\$15,000	\$0	\$0	\$0
001	6773	GVE1	EXE	Senior Support Programs	FRIENDS RET & SR VOL ADM RSV	\$32,464	\$32,464	\$32,464	\$33,113	\$33,113
001	6772	GVB1	EXE	Older Americans Act Programs	FRIENDS RET & SR VOL IIB TELE	\$64,291	\$64,291	\$64,291	\$65,577	\$64,420
001	6792	GVJ1	EXE	Title III-F	FRIENDS RET & SR VOL IIB DISE	\$22,345	\$22,345	\$22,345	\$22,792	\$22,390
001	4330	AHH2	HSV	HS Community Support Svc	FSL COORD CHILD SERV INIT	\$35,015	\$34,430	\$36,067	\$35,222	\$36,356
001	4330	JDO1	HSV	HS Community Support Svc	FSL SHELTER-CLINIC CASE MANAGEMENT	\$0	\$0	\$82,176	\$80,250	\$82,834
001	4330	JDM1	HSV	HS Community Support Svc	FSL SUICIDE PREVENTION PROGRAM	\$30,934	\$46,000	\$68,500	\$68,500	\$69,048
001	4320	HVQ1	HSV	HS: Mental Health Pgms	FSL-SUICIDE PREVENTION & RESPONSE PROGRAM	\$10,000	\$0	\$46,000	\$0	\$0
001	6410	HMH1	ECD	Economic Development Admin	GALLERY NORTH - ART OUTREACH	\$50,000	\$50,000	\$50,000	\$0	\$0
001	7320	HFJ1	EXE	Youth Bureau/Office For Child	GERALD RYAN OUTREACH	\$12,000	\$10,000	\$10,000	\$0	\$0
001	7320	HMI1	EXE	Youth Bureau/Office For Child	GIRL SCOUTS OF SUFFOLK COUNTY CONEXIONES CONNECTION	\$3,000	\$0	\$0	\$0	\$0
001	7320	HMJ1	EXE	Youth Bureau/Office For Child	GIRL SCOUTS'S SUMMER CAMP PROGRAM	\$10,000	\$0	\$0	\$0	\$10,000
001	6510	JEK1	EXE	Veterans Service	GOLDSTAR PARENTS	\$0	\$0	\$0	\$0	\$0
001	4100	HVO1	HSV	HS: Patient Care Svcs Adm	GOOD SAMARITAN HOSPITAL	\$0	\$0	\$0	\$0	\$0
001	4100	JDX1	HSV	HS: Patient Care Svcs Adm	GOOD SAMARITAN HOSPITAL	\$0	\$0	\$46,638	\$56,604	\$47,571
001	4100	HVN1	HSV	HS: Patient Care Svcs Adm	GOOD SAMARITAN NURSING HOME	\$10,000	\$0	\$0	\$0	\$0
001	4010	HJV1	HSV	HS: Public Health	GOOD SHEPARD HOSPICE	\$21,000	\$22,000	\$22,000	\$0	\$0
001	3400	HVA1	FRE	Fire, Rescue & Emergency Svc	GORDON HEIGHTS'S FIRE DEPARTMENT	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	AIF1	EXE	Youth Bureau/Office For Child	GORDON HEIGHTS YOUTH PROGRAM	\$55,972	\$37,710	\$37,710	\$38,247	\$38,247
001	7320	AIG1	EXE	Youth Bureau/Office For Child	GREAT SOUTH BAY YMCA BAY SHORE	\$20,629	\$22,081	\$22,081	\$22,523	\$22,523
001	6410	JBW1	ECD	Economic Development Admin	GREATER BELLPORT COALITION (VISIONING)	\$0	\$10,000	\$10,000	\$0	\$0
001	6017	GSM1	DSS	Domestic Violence Programs	GREATER HAMPTONS INTERFAITH CO	\$1,057	\$1,061	\$1,061	\$0	\$1,082
001	6410	GZ1	ECD	Economic Development Admin	GREATER PORT JEFF ART COUNCIL	\$0	\$10,000	\$10,000	\$0	\$0
001	6410	JDA1	ECD	Economic Development Admin	GREATER SAYVILLE CHAMBER OF COMMERCE	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	HZC1	ECD	Economic Development Admin	GRUMMAN MEMORIAL PARK/EAST END AIRCRAFT	\$5,000	\$0	\$0	\$0	\$0
001	8050	HMP1	EXE	Handicapped Services	GUIDE DOG FOUNDATION FOR THE BLIND	\$4,893	\$0	\$0	\$0	\$0
001	6410	HAN1	ECD	Economic Development Admin	GUILD HALL OF EAST HAMPTON	\$13,500	\$15,300	\$15,300	\$0	\$15,300
001	7320	HFK1	EXE	Youth Bureau/Office For Child	HABITAT FOR HUMANITY OF PECONIC, INC.	\$2,000	\$0	\$0	\$0	\$0
001	7320	AII1	EXE	Youth Bureau/Office For Child	HAFALI	\$5,000	\$0	\$0	\$0	\$0
001	7320	HTQ1	EXE	Youth Bureau/Office For Child	HALF HOLLOW HILL YOUTH DEV CTR	\$9,024	\$9,204	\$9,204	\$9,388	\$9,388
001	4330	GZG1	HSV	HS Community Support Svc	HALF HOLLOW HILLS LITTLE LEAGUE	\$11,626	\$12,500	\$10,000	\$0	\$0
001	4330	GPC1	HSV	HS Community Support Svc	HALI PEER ADVOCACY	\$175,157	\$170,876	\$181,213	\$174,697	\$182,663
001	4330	GPF1	HSV	HS Community Support Svc	HALI PRE-ARREST FORENSIC PGM	\$112,439	\$110,559	\$115,816	\$113,102	\$116,743
001	4330	JAV1	HSV	HS Community Support Svc	HALI PROS CENTRAL ISLIP	\$36,667	\$55,000	\$266,491	\$264,117	\$102,098
001	4330	HAL2	HSV	HS Community Support Svc	HALI PSYCHOSOC/DROP IN CTR	\$67,393	\$66,266	\$69,417	\$67,790	\$69,972
001	4330	HAL3	HSV	HS Community Support Svc	HALI PSYCHOSOC/SELF DIR REHAB	\$16,064	\$0	\$0	\$0	\$0
001	4330	HAL1	HSV	HS Community Support Svc	HALI TRNG/CONF/RESOURCE CTR	\$23,632	\$26,296	\$27,547	\$26,901	\$27,767
001	6410	HAO1	ECD	Economic Development Admin	HAMPTON BAYS BEAUTIFICATION AS	\$4,000	\$5,000	\$5,000	\$0	\$0
001	6410	HAP1	ECD	Economic Development Admin	HAMPTON BAYS CIVIC ASSOCIATION	\$2,000	\$0	\$0	\$0	\$0
001	7510	HEO1	PKS	Parks: Historic Services	HAMPTON BAYS HIST/PRESERV. SOC	\$1,800	\$0	\$0	\$0	\$0
001	6410	HMS1	ECD	Economic Development Admin	HAMPTON BAYS LIBRARY	\$2,000	\$0	\$0	\$0	\$0
001	7320	AJ3	EXE	Youth Bureau/Office For Child	HAMPTON COUNCIL OF CHURCHES IN	\$67,622	\$71,739	\$71,739	\$72,891	\$72,891
001	4310	AJ1	HSV	Div Of Comm Mental Hygiene	HAMPTON COUNCIL OF CHURCHES IN	\$435,366	\$395,762	\$462,966	\$459,679	\$468,705
001	6410	HIP1	ECD	Economic Development Admin	HAMPTON FILM FESTIVAL	\$15,000	\$15,300	\$15,300	\$0	\$15,300
001	4330	AIN1	HSV	HS Community Support Svc	HANDS ACROSS LI ADVOCACY PGRM	\$193,511	\$190,276	\$199,325	\$194,653	\$200,920
001	4330	AIM1	HSV	HS Community Support Svc	HANDS ACROSS LI PSYCHOSOCIAL	\$227,223	\$102,002	\$104,450	\$102,002	\$105,286
001	6004	JEI1	DSS	Soc Svc: Commodities Dist	HARRISON HALE COMMUNITY ACTION CENTER	\$0	\$0	\$0	\$0	\$2,000
001	7320	QGB1	EXE	Youth Bureau/Office For Child	HAUPPAUGE EDUCATIONAL FOUNDATN	\$0	\$5,000	\$5,000	\$0	\$0
001	3400	HMU1	FRE	Fire, Rescue & Emergency Svc	HAUPPAUGE FIRE DEPARTMENT	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	GWH1	ECD	Economic Development Admin	HAUPPAUGE INDUSTRIAL ASSN	\$12,500	\$12,500	\$12,500	\$0	\$0
001	7320	GNZ1	EXE	Youth Bureau/Office For Child	HAUPPAUGE YOUTH ORGANIZATION	\$0	\$34,097	\$34,097	\$34,779	\$34,779
001	7320	GDK1	EXE	Youth Bureau/Office For Child	HECKSHER STATE PARK YOUTH	\$35,126	\$34,299	\$34,299	\$34,985	\$34,985
001	6510	JEJ1	EXE	Veterans Service	HEROLD-TIERNEY POST THE AMERICAN 1039 LEGION	\$0	\$0	\$0	\$0	\$5,000
001	7320	HXL1	EXE	Youth Bureau/Office For Child	HILLS FOUNDATION	\$5,000	\$10,000	\$10,000	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	8050	JCY1	EXE	Handicapped Services	HILLS FOUNDATION FOR ENHANCEMENT AND					
001	7510	HMW1	PKS	Parks: Historic Services	ENRICHMENT OF CHILDREN	\$0	\$5,000	\$0	\$5,100	\$0
001	6410	GTY1	ECD	Economic Development Admin	HISTORICAL SOCIETY OF ISLIP HAMLET	\$1,000	\$0	\$0	\$0	\$0
001	6010	HY51	DSS	Dss: Community Svcs Admin	HOLBROOK CHAMBER OF COMMERCE	\$20,000	\$10,000	\$10,000	\$0	\$0
001	6123	HUA1	PRO	Mandated Juvenile Detention Sv	HOPE FOR YOUTH	\$5,634	\$19,755	\$19,755	\$0	\$0
001	6010	GV1	DSS	Dss: Community Svcs Admin	HOPE FOR YOUTH INC	\$962,300	\$1,141,221	\$1,141,221	\$1,152,633	\$1,158,633
001	4310	JBA1	HSV	Div Of Comm Mental Hygiene	HOPE FOR YOUTH, INC	\$431,025	\$453,931	\$453,931	\$456,709	\$456,709
001	4317	JAI1	HSV	Alternatives For Youth	HOPE FOR YOUTH, INC.	\$83,042	\$0	\$204,084	\$199,300	\$205,678
001	4010	GWJ1	HSV	Hs: Public Health	HOSPICE CARE NETWORK-CHILDRENS B	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	4310	AIS2	HSV	Div Of Comm Mental Hygiene	HUGS INC	(\$5,000)	\$0	\$0	\$0	\$0
001	6004	HVZ1	DSS	Soc Svc: Commodities Dist	HUMAN RESOURCES PROGRAM OF SOUTHAMPTON	\$61,491	\$62,410	\$62,873	\$63,436	\$63,936
001	4100	HMV1	HSV	Hs: Patient Care Svcs Adm	HUNTINGTON BREAST CANCER COALITION	\$0	\$10,000	\$10,000	\$0	\$0
001	6004	HVS1	DSS	Soc Svc: Commodities Dist	HUNTINGTON COMMUNITY FOOD COUNCIL	\$15,000	\$15,000	\$15,000	\$0	\$0
001	7320	HMZ1	EXE	Youth Bureau/Office For Child	HUNTINGTON FREEDOM CENTER	\$29,594	\$5,000	\$5,000	\$0	\$0
001	7323	AIV1	EXE	Comprehensive Pining-Runaway	HUNTINGTON HOMELESS	\$16,140	\$16,463	\$16,463	\$16,792	\$16,792
001	4100	AIU1	HSV	Hs: Patient Care Svcs Adm	HUNTINGTON HOSPITAL	\$3,021,972	\$3,086,972	\$3,086,972	\$2,314,781	\$2,313,351
001	6510	HTL1	EXE	Veterans Service	HUNTINGTON VETERANS ADVISORY					
001	7320	AIZ1	EXE	Youth Bureau/Office For Child	BRDI/HUNTINGTON HUMAN SERV INST	\$0	\$10,000	\$10,000	\$0	\$0
001	7320	AJA1	EXE	Youth Bureau/Office For Child	HUNTINGTON VILLAGE YOUTH	\$25,469	\$25,978	\$25,978	\$26,498	\$26,498
001	7110	HHX1	PKS	Parks, Rec & Conservation	HUNTINGTON YMCA	\$5,412	\$5,520	\$5,520	\$5,630	\$5,630
001	6004	HNC1	DSS	Soc Svc: Commodities Dist	IGHL FOUNDATION	\$25,000	\$25,000	\$25,000	\$0	\$0
001	4310	AJF1	HSV	Div Of Comm Mental Hygiene	ISLAND HARVEST	\$55,000	\$50,000	\$50,000	\$5,306	\$5,306
001	6410	BBU1	ECD	Economic Development Admin	ISLIP ACCESSO CLINIC	\$429,101	\$431,567	\$440,676	\$435,811	\$445,652
001	4100	AJK1	HSV	Hs: Patient Care Svcs Adm	ISLIP ARTS COUNCIL	\$25,000	\$30,000	\$30,000	\$0	\$0
001	7323	AJL1	EXE	Comprehensive Pining-Runaway	ISLIP HEALTH CENTER	\$12,659,727	\$12,659,727	\$12,659,727	\$12,141,884	\$11,975,165
001	7320	HFP1	EXE	Youth Bureau/Office For Child	ISLIP HOMELESS-YMCA	\$9,113	\$9,295	\$9,295	\$9,481	\$9,481
001	4310	AJN2	HSV	Div Of Comm Mental Hygiene	ISLIP TOWN NAACP BRANCH#2131	\$4,491	\$0	\$0	\$0	\$0
001	7320	JDH1	EXE	Youth Bureau/Office For Child	ISLIP UNION FREE SCHOOL DIST	\$0	\$15,000	\$15,000	\$0	\$0
001	7325	AJO1	EXE	Spec Dihqncy Prevention Pgm	ISLIP UNION FREE SCHOOL DISTRICT	\$0	\$0	\$0	\$0	\$0
001	4310	AJR1	HSV	Div Of Comm Mental Hygiene	ISLIP YMCA-OUTREACH	\$81,104	\$87,814	\$87,814	\$88,641	\$88,641
001	4100	JBP1	HSV	Hs: Patient Care Svcs Adm	J MATHER MEMORIAL HOSPITAL	\$80,000	\$174,766	\$177,306	\$177,038	\$179,782
001	4330	CAB1	HSV	Hs Community Support Svc	J. T. MATHER MEMORIAL HOSPITAL (BARIATRIC SURGERY DATABASE)	\$0	\$10,000	\$10,000	\$0	\$0
001	4330	GBE2	HSV	Hs Community Support Svc	JCSLIFECS - CSS	\$30,319	\$29,812	\$31,230	\$30,498	\$31,480
001	4330	GGP1	HSV	Hs Community Support Svc	JEW COMM SVC/FECS PSYCHOSOC/D	\$89,859	\$88,357	\$91,424	\$90,389	\$91,023
001	4330	AJS1	HSV	Hs Community Support Svc	JEWISH COM SVC FECS SP EMP	\$35,344	\$0	\$57,583	\$56,233	\$58,044
001	4320	AJS7	HSV	Hs: Mental Health Pgms	JEWISH COMM SVC LIFE/PTNR/PSY	\$122,993	\$93,392	\$95,633	\$93,392	\$96,398
001	7320	HTH1	EXE	Youth Bureau/Office For Child	JEWISH COMMUNITY SVC LI (90%)	\$476,944	\$486,483	\$486,483	\$496,213	\$496,213
001	4100	JAK1	HSV	Hs: Patient Care Svcs Adm	JOHN MCMAHON SR ROLLER HOCKEY CLUB	\$2,000	\$0	\$0	\$0	\$0
001	4317	JAA1	HSV	Alternatives For Youth	JT MATHER MEMORIAL HOSPITAL	\$0	\$40,000	\$40,000	\$0	\$0
001	7510	HYF1	PKS	Parks: Historic Services	JT MATHER MEMORIAL HOSPITAL	\$0	\$25,704	\$0	\$26,218	\$0
001	6410	HZF1	ECD	Economic Development Admin	KALER'S POND AUDUBON CENTER	\$2,500	\$0	\$5,000	\$0	\$0
001	7320	HX11	EXE	Youth Bureau/Office For Child	KEEP ISLIP CLEAN	\$2,000	\$5,000	\$5,000	\$0	\$0
001	6410	GW01	ECD	Economic Development Admin	KEVIN WILLIAMS MEMORIAL FOUNDATION	\$2,500	\$10,000	\$10,000	\$0	\$0
001	3400	GWP1	FRE	Fire, Rescue & Emergency Svc	KINGS PARK CHAMBER OF COMMERCE	\$10,000	\$10,000	\$10,000	\$0	\$0
001	7510	HNQ1	PKS	Parks: Historic Services	KINGS PARK FIRE DEPT	\$9,959	\$8,000	\$8,000	\$0	\$0
001	7110	HLI1	PKS	Parks, Rec & Conservation	LI MARITIME MUSEUM	\$2,500	\$5,000	\$5,000	\$0	\$0
001	4100	AKU2	HSV	Hs: Patient Care Svcs Adm	LI 2 DAY WALK BREAST CANCER	\$8,000	\$9,500	\$9,500	\$0	\$0
001	6410	JDZ1	ECD	Economic Development Admin	LI ASSOC OF AIDS CARE	\$193,825	\$196,306	\$196,306	\$200,232	\$199,101
001	6410	JCA1	ECD	Economic Development Admin	LAKE GROVE BEAUTIFICATION AND HISTORICAL SOCIETY	\$0	\$0	\$5,000	\$0	\$0
001	7320	GTZ1	EXE	Youth Bureau/Office For Child	LAKE GROVE CHAMBER OF COMM	\$5,412	\$0	\$0	\$0	\$5,630
001	7320	JDS1	EXE	Youth Bureau/Office For Child	LAKE GROVE TRIANGLE SOCCER	\$499,161	\$562,131	\$562,131	\$222,494	\$218,567
001	6772	GER1	EXE	Older Americans Act Programs	LEAGUE OF WOMEN VOTERS	\$0	\$0	\$5,000	\$0	\$0
001	7320	GQJ1	EXE	Youth Bureau/Office For Child	LEGAL AID SOCIETY	\$5,306	\$5,412	\$5,412	\$5,520	\$5,520
001	6004	HNK1	DSS	Soc Svc: Commodities Dist	LI CNCL CHURCHES BLDG BRIDGES	\$5,000	\$5,000	\$5,000	\$0	\$0
001	4330	GKR1	HSV	Hs Community Support Svc	LI COUNCIL OF CHURCHES FOOD PANTRY	\$34,435	\$36,165	\$35,167	\$36,165	\$33,582
001	7320	GFF1	EXE	Youth Bureau/Office For Child	LI FAMILIES TOGETHER	\$117,196	\$117,196	\$117,196	\$106,325	\$106,325

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	4400	GUW1	HSV	Hs: Environmental Health	LI GROUNDWATER RESEARCH	\$0	\$0	\$0	\$0	\$0
001	7110	GRC1	PKS	Parks, Rec & Conservation	LI MUSEUM OF ART AND HISTORY	\$5,000	\$0	\$0	\$0	\$0
001	6773	GJX1	EXE	Senior Support Programs	LI SENIOR GAMES INC.	\$26,000	\$25,000	\$25,000	\$0	\$0
001	6410	HAS1	ECD	Economic Development Admin	LI SHAKESPEARE	\$9,978	\$5,000	\$5,000	\$0	\$0
001	7320	JCS1	EXE	Youth Bureau/Office For Child	LI SOUND SHARKS FOOTBALL	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	GKJ1	EXE	Youth Bureau/Office For Child	LIFELINE MEDIATION CENTER	\$151,083	\$155,637	\$155,637	\$33,122	\$33,122
001	6004	HNL1	DSS	Soc Svc: Commodities Dist	LIGHTHOUSE MISSION	\$2,000	\$0	\$0	\$0	\$0
001	6410	HYM1	ECD	Economic Development Admin	LINDENHURST VILLAGE	\$29,900	\$0	\$0	\$0	\$0
001	7320	AKD1	EXE	Youth Bureau/Office For Child	LINDENHURST YTH SVCS BOARD IN	\$100,810	\$102,826	\$102,826	\$104,883	\$104,883
001	7320	HFS1	EXE	Youth Bureau/Office For Child	LITERACY SUFFOLK	\$74,400	\$0	\$0	\$0	\$0
001	4005	JAM1	HSV	Hs: General Admin	LITERACY SUFFOLK, INC.	\$0	\$65,000	\$65,000	\$0	\$0
001	7320	HNH1	EXE	Youth Bureau/Office For Child	LITTLE LEAGUE OF THE ISLIP	\$2,500	\$0	\$0	\$0	\$0
001	6511	HWX1	EXE	Administration	LONG ISLAND ACT-SO PROGRAM	\$4,590	\$10,000	\$10,000	\$0	\$0
001	3193	HTZ1	PRO	Alternatives For Youth	LONG ISLAND ADVOCACY CENTER (AFY)	\$143,337	\$194,569	\$194,569	\$195,922	\$195,922
001	3145	HTY1	PRO	Pins Diversion Plan	LONG ISLAND ADVOCACY CENTER (PINS DIVERSION)	\$212,687	\$254,229	\$254,229	\$256,009	\$256,009
001	3140	JEB1	PRO	Prob: General Administration	LONG ISLAND ADVOCACY CENTER, INC.	\$0	\$0	\$0	\$0	\$0
001	7320	GJY1	EXE	Youth Bureau/Office For Child	LONG ISLAND ADVOCACY CTR	\$4,245	\$4,330	\$4,330	\$4,417	\$4,417
001	6004	AKL3	DSS	Soc Svc: Commodities Dist	LONG ISLAND CARES	\$129,519	\$132,890	\$132,890	\$135,548	\$135,548
001	7110	HN01	PKS	Parks, Rec & Conservation	LONG ISLAND GREENBELT TRAIL CONFERENCE	\$1,000	\$0	\$0	\$0	\$0
001	7320	HKK1	EXE	Youth Bureau/Office For Child	LONG ISLAND SCHOOL OF THE ARTS	\$10,000	\$5,000	\$5,000	\$0	\$0
001	7320	AKP1	EXE	Youth Bureau/Office For Child	LONGWOOD YOUTH SPORTS ASSN	\$0	\$8,000	\$8,000	\$0	\$0
001	7320	HFU1	EXE	Youth Bureau/Office For Child	MADD	\$199,258	\$5,000	\$5,000	\$0	\$0
001	7323	AKT2	EXE	Comprehensive Pining-Runaway	MADONNA HEIGHTS	\$199,258	\$202,547	\$202,547	\$204,400	\$204,400
001	4310	AKT1	HSV	Div Of Comm Mental Hygiene	MADONNA HEIGHTS	\$843,405	\$843,627	\$988,717	\$966,036	\$996,580
001	4100	HN11	HSV	Hs: Patient Care Svcs Adm	MARCH OF DIMES - PERINATAL PROGRAM @ SUNY SB	\$32,600	\$35,000	\$35,000	\$0	\$0
001	4100	GRH1	HSV	Hs: Patient Care Svcs Adm	MARCH OF DIMES LI DIVISION	\$27,891	\$33,000	\$33,000	\$0	\$0
001	6510	HNH1	EXE	Veterans Service	MARINE HELICOPTER SQUADON	\$10,000	\$15,000	\$15,000	\$0	\$0
001	6510	JCC1	EXE	Veterans Service	MARTIN A. KESSLER VFW POST #2912	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HFV1	EXE	Youth Bureau/Office For Child	MARV AVERY PALMORE CTR OF HOPE	\$70,963	\$70,000	\$70,000	\$0	\$0
001	4330	ALC1	HSV	Hs Community Support Svc	MARYHAVEN	\$632,166	\$596,190	\$1,199,046	\$1,276,147	\$1,097,995
001	4320	HNH1	HSV	Hs: Mental Health Pgms	MARYHAVEN CENTER OF HOPE	(\$2,775)	\$0	\$0	\$0	\$0
001	4330	GSJ1	HSV	Hs Community Support Svc	MARYHAVEN CTR HOPE TRANSPRTN	\$842,320	\$838,726	\$838,726	\$838,726	\$838,726
001	4330	JAW1	HSV	Hs Community Support Svc	MARYHAVEN PROS RIVERHEAD	\$18,521	\$18,521	\$58,470	\$57,100	\$58,938
001	4330	JAX1	HSV	Hs Community Support Svc	MARYHAVEN PROS YAPHANK	\$11,667	\$11,667	\$72,615	\$71,752	\$37,127
001	4330	ALC5	HSV	Hs Community Support Svc	MARYHAVEN/SPECIAL EMPLOYMENT	\$173,668	\$145,388	\$0	\$0	\$0
001	4618	GWU1	HSV	Emergency Medical Care	MASTIC BEACH COMM AMBULANCE	(\$5,000)	\$0	\$0	\$0	\$0
001	3400	GRR1	FRE	Fire, Rescue & Emergency Svc	MASTIC FIRE DEPT	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	GUD1	EXE	Youth Bureau/Office For Child	MASTIC SPORTS	\$0	\$0	\$0	\$0	\$8,280
001	4100	GLH1	HSV	Hs: Patient Care Svcs Adm	MATHER MEMORIAL HOSP FORTUNATO	(\$2,848)	\$80,000	\$80,000	\$0	\$0
001	6410	HWF1	ECD	Economic Development Admin	MEDFORD CHAMBER OF COMMERCE	\$0	\$20,000	\$0	\$0	\$0
001	3400	HUX1	FRE	Fire, Rescue & Emergency Svc	MEDFORD FIRE DEPARTMENT	\$5,725	\$0	\$0	\$0	\$0
001	4330	DDD1	HSV	Hs Community Support Svc	MENTAL HEALTH ASSN - CSS	\$79,824	\$79,019	\$81,901	\$80,836	\$81,681
001	4330	ALG3	HSV	Hs Community Support Svc	MENTAL HLTH ASSC CHILD & YOUTH	\$36,815	\$36,815	\$37,662	\$37,662	\$38,093
001	4330	ALG4	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC ANTI-STIGMA	\$5,348	\$5,259	\$5,421	\$5,380	\$5,376
001	4330	GBF1	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC S C ADVOC	\$78,712	\$84,147	\$86,998	\$86,082	\$86,544
001	4330	GBF2	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC S C ELEC EMP	\$26,325	\$31,555	\$32,614	\$32,281	\$32,433
001	4330	ALG5	HSV	Hs Community Support Svc	MENTAL HLTH ASSOC SUFFOLK CNTY	\$23,295	\$23,700	\$24,580	\$24,248	\$24,527
001	7323	ALM1	EXE	Comprehensive Pining-Runaway	MERCY CENTER	\$203,958	\$207,330	\$207,330	\$209,411	\$209,411
001	6410	JDU1	ECD	Economic Development Admin	MIDDLE COUNTRY GIRLS FOR SMART GROWTH	\$0	\$0	\$8,750	\$0	\$0
001	7320	JDV1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY GIRLS YOUTH LACROSSE ASSOCIATION, INC.	\$0	\$0	\$5,000	\$0	\$0
001	6015	JEL1	DSS	Dss: Public Assist Admin	MIDDLE COUNTRY LIBRARY DATABASE RESOURCE	\$0	\$0	\$0	\$0	\$45,000
001	6410	HWR1	ECD	Economic Development Admin	MIDDLE COUNTRY LIBRARY FOUNDATION	\$12,000	\$0	\$0	\$0	\$0
001	7320	GJQ1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY PUBLIC LIBRARY	\$17,571	\$17,922	\$17,922	\$18,280	\$18,280
001	7320	GWV1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY SOCCER	\$10,000	\$10,000	\$10,000	\$0	\$0
001	7320	GHO1	EXE	Youth Bureau/Office For Child	MIDDLE COUNTRY YOUTH ASSN	\$15,612	\$20,824	\$20,824	\$11,040	\$11,040
001	7320	HOA1	EXE	Youth Bureau/Office For Child	MIDDLE ISLAND CARING FOR KIDS	\$12,500	\$12,500	\$12,500	\$0	\$0
001	7510	HOC1	PKS	Parks: Historic Services	MILLER PLACE-MT. SINAI HISTORICAL SOCIETY	\$5,000	\$5,000	\$5,000	\$0	\$0
001	6010	GZQ1	DSS	Dss: Community Svcs Admin	MINISTRY OF HOPE OF EASTERN LI	\$9,815	\$10,000	\$10,000	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	6410	HAX1	ECD	Economic Development Admin	MONTAUK CHAMBER OF COMMERCE	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7510	HYH1	PKS	Parks: Historic Services	MONTAUK HISTORICAL SOCIETY	\$2,000	\$0	\$0	\$0	\$0
001	7110	HOD1	PKS	Parks, Rec & Conservation	MONTAUK OBSERVATORY	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	HWO1	ECD	Economic Development Admin	MONTAUK PLAYHOUSE	\$5,000	\$0	\$0	\$0	\$0
001	6410	HAX1	ECD	Economic Development Admin	MONTAUK VILLAGE ASSOCIATION	\$2,000	\$0	\$0	\$0	\$0
001	6410	HOE1	ECD	Economic Development Admin	MORICHES COMMUNITY CENTER, INC.	\$1,000	\$0	\$0	\$0	\$0
001	7320	HOE1	EXE	Youth Bureau/Office For Child	MORICHES COMMUNITY CENTER, INC.	\$2,000	\$5,000	\$5,000	\$0	\$0
001	4100	HVF1	HSV	Hs: Patient Care Svcs Adm	MULTIPLE SCLEROSIS SOCIETY	\$5,000	\$0	\$0	\$0	\$0
001	6410	HOH1	ECD	Economic Development Admin	MUSIC FESTIVAL OF THE HAMPTONS	\$2,000	\$0	\$0	\$0	\$0
001	7320	HEV1	EXE	Youth Bureau/Office For Child	MUSIC FOR MONTAUK	\$2,000	\$0	\$0	\$0	\$0
001	6010	JDJ1	DSS	Dss: Community Svcs Admin	M'YAD L'YAD	\$2,271	\$0	\$0	\$0	\$0
001	6410	GWX1	ECD	Economic Development Admin	N AMITYVILLE TAXPAYERS ASSN	\$0	\$5,000	\$5,000	\$0	\$0
001	6511	HU1	EXE	Administration	NAACP-BABYLON	\$0	\$0	\$0	\$15,606	\$15,606
001	6410	AMJ1	ECD	Economic Development Admin	NACEC	\$1,106,616	\$49,386	\$33,386	\$0	\$0
001	6008	GKP1	DSS	Ss: Housing Services	NASSAU/SUFFOLK COALTN HOMELESS	\$35,344	\$37,888	\$37,888	\$38,646	\$38,646
001	6017	AMF1	DSS	Domestic Violence Programs	NASSAU/SUFFOLK LAW SERVICES	\$171,026	\$183,915	\$183,915	\$185,041	\$185,041
001	8050	HTD1	EXE	Handicapped Services	NASSAU/SUFFOLK SERVICES FOR THE AUTISTIC INC	\$0	\$5,000	\$5,000	\$5,100	\$0
001	4330	HYO1	HSV	Hs Community Support Svc	NASSAU-SUFFOLK LAW SERVICES	\$210,328	\$102,800	\$213,098	\$210,328	\$212,525
001	4320	HOI1	HSV	Hs: Mental Health Pgms	NATIONAL FOUNDATION FOR HUMAN POTENTIAL	(\$5,006)	\$0	\$0	\$0	\$0
001	7320	GUF1	EXE	Youth Bureau/Office For Child	NESCONSET ATHLETIC ASSN	\$5,306	\$0	\$0	\$0	\$5,520
001	6410	HUJ1	ECD	Economic Development Admin	NESCONSET CHAMBER OFCOMMERCE	\$0	\$5,000	\$5,000	\$0	\$0
001	3400	HOJ1	FRE	Fire, Rescue & Emergency Svc	NESCONSET FIRE DEPARTMENT	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	GLZ1	EXE	Youth Bureau/Office For Child	NEWFIELD SOCCER	\$10,612	\$0	\$0	\$0	\$11,040
001	3400	HDQ1	FRE	Fire, Rescue & Emergency Svc	NISSEQUOGUE FIRE DEPT.	\$9,908	\$8,000	\$8,000	\$0	\$0
001	5643	0000	DPW	Trans: Mass Tran Oper Assist	NON-CONTRACT AGENCY	\$626,956	\$887,750	\$887,750	\$944,750	\$944,750
001	6004	0000	DSS	Soc Svc: Commodities Dist	NON-CONTRACT AGENCY	\$2,500	\$0	\$0	\$0	\$0
001	6005	0000	DSS	Dss: Administration	NON-CONTRACT AGENCY	\$0	\$375,000	\$0	\$0	\$0
001	6010	0000	DSS	Dss: Community Svcs Admin	NON-CONTRACT AGENCY	\$0	\$1,037,500	\$0	\$0	\$0
001	6115	0000	DSS	Dss: Alternatives For Youth	NON-CONTRACT AGENCY	\$0	\$17,940	\$317,940	\$324,299	\$324,299
001	6201	0000	DSS	Dss: Medical Assist Admin	NON-CONTRACT AGENCY	\$0	\$675,000	\$112,000	\$675,000	\$0
001	6410	0000	ECD	Economic Development Admin	NON-CONTRACT AGENCY	\$25,000	\$157,293	\$157,293	\$0	\$0
001	6510	0000	EXE	Veterans Service	NON-CONTRACT AGENCY	\$0	\$25,000	\$25,000	\$0	\$25,000
001	6511	0000	EXE	Administration	NON-CONTRACT AGENCY	\$35,743	\$25,000	\$25,000	\$25,000	\$25,000
001	6772	0000	EXE	Older Americans Act Programs	NON-CONTRACT AGENCY	\$0	\$75,000	\$75,000	\$40,000	\$25,000
001	6774	0000	EXE	Sup Nut Program	NON-CONTRACT AGENCY	\$695,226	\$741,828	\$917,287	\$756,664	\$756,664
001	6777	0000	EXE	Comm Svcs For The Elderly	NON-CONTRACT AGENCY	\$1,106,616	\$532,883	\$781,621	\$535,015	\$535,015
001	6778	0000	EXE	Expanded In Home Services	NON-CONTRACT AGENCY	\$2,193,945	\$2,098,467	\$2,855,850	\$2,567,080	\$2,567,080
001	6790	0000	EXE	Title Iii C-1	NON-CONTRACT AGENCY	\$1,448,786	\$1,596,782	\$1,596,782	\$1,628,718	\$1,628,718
001	6797	0000	EXE	Title Iii C-2	NON-CONTRACT AGENCY	\$1,885,356	\$2,015,412	\$2,015,412	\$2,048,553	\$2,048,553
001	6798	0000	EXE	Ort Volunteer Train Grant	NON-CONTRACT AGENCY	\$5,423	\$12,460	\$0	\$0	\$0
001	6800	0000	EXE	State Ltcoop	NON-CONTRACT AGENCY	\$57,990	\$60,000	\$68,440	\$54,000	\$54,000
001	6801	0000	EXE	Title Iii E	NON-CONTRACT AGENCY	\$332,364	\$395,352	\$395,352	\$403,260	\$403,260
001	6805	0000	EXE	Long Term Care Ed & Outreach	NON-CONTRACT AGENCY	\$50,840	\$50,000	\$66,921	\$50,000	\$50,000
001	6806	0000	EXE	AAA TRANSPORTATION PROGRAM	NON-CONTRACT AGENCY	\$146,598	\$129,048	\$171,421	\$129,048	\$129,048
001	6807	0000	EXE	POINT OF ENTRY	NON-CONTRACT AGENCY	\$0	\$0	\$100	\$100	\$100
001	7320	0000	EXE	Youth Bureau/Office For Child	NON-CONTRACT AGENCY	\$3,973	\$0	\$0	\$0	\$25,000
001	7326	0000	EXE	Alternative For Youth	NON-CONTRACT AGENCY	\$307,400	\$0	\$0	\$0	\$0
001	7329	0000	EXE	Pins - Adj Service Plan	NON-CONTRACT AGENCY	\$104,142	\$153,000	\$153,000	\$156,060	\$156,060
001	8050	0000	EXE	Handicapped Services	NON-CONTRACT AGENCY	\$19,826	\$50,000	\$50,000	\$0	\$25,000
001	8051	0000	EXE	Sc Office For Women	NON-CONTRACT AGENCY	\$2,000	\$242,225	\$242,225	\$242,225	\$187,225
001	3414	0000	FRE	SAFER	NON-CONTRACT AGENCY	\$0	\$0	\$451,848	\$0	\$0
001	4010	0000	HSV	Hs: Public Health	NON-CONTRACT AGENCY	(\$23,462)	\$0	\$0	\$0	\$0
001	4100	0000	HSV	Hs: Patient Care Svcs Adm	NON-CONTRACT AGENCY	\$49,328	\$0	\$0	\$0	\$0
001	4310	0000	HSV	Div Of Comm Mental Hygiene	NON-CONTRACT AGENCY	(\$29,689)	\$535,826	\$200,000	\$591,570	\$200,000
001	4317	0000	HSV	Alternatives For Youth	NON-CONTRACT AGENCY	\$252,000	\$0	\$0	\$0	\$0
001	4320	0000	HSV	Hs: Mental Health Pgms	NON-CONTRACT AGENCY	\$0	\$350,000	\$0	\$350,000	\$350,000
001	6334	0000	MSC	Contract Agencies	NON-CONTRACT AGENCY	\$50,610	\$0	\$0	\$0	\$0
001	7110	0000	PKS	Parks, Rec & Conservation	NON-CONTRACT AGENCY	\$0	\$210,000	\$0	\$0	\$0
001	1239	0000	PRO	PROBATION: DAY REPORTING	NON-CONTRACT AGENCY	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
001	3140	0000	PRO	Prob. General Administration	NON-CONTRACT AGENCY	\$119,887	\$170,000	\$170,000	\$273,400	\$100,000

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	3145	0000	PRO	Pins Diversion Plan	NON-CONTRACT AGENCY	\$125,858	\$528,941	\$528,940	\$524,000	\$524,000
001	3168	0000	PRO	Prob. Enhancement Services	NON-CONTRACT AGENCY	\$15,000	\$50,000	\$0	\$0	\$0
001	3169	0000	PRO	Prob. Adol Sex Offend Program	NON-CONTRACT AGENCY	\$0	\$22,200	\$41,400	\$22,200	\$22,200
001	3172	0000	PRO	PAROLE REENTRY TASK FORCE	NON-CONTRACT AGENCY	\$0	\$0	\$336,000	\$0	\$0
001	3173	0000	PRO	Juvenile Intensive Supervision	NON-CONTRACT AGENCY	\$14,844	\$20,053	\$20,053	\$20,454	\$20,454
001	3180	0000	PRO	Options For Female Adolescents & Adults	NON-CONTRACT AGENCY	\$126,105	\$0	\$0	\$0	\$0
001	3184	0000	PRO	Com Svc Alternative Sentencing	NON-CONTRACT AGENCY	\$405,143	\$691,252	\$691,252	\$705,077	\$674,477
001	3187	0000	PRO	Com Svc Juv Alter Sentencing	NON-CONTRACT AGENCY	\$185,574	\$0	\$0	\$0	\$0
001	3190	0000	PRO	Juvenile Day Reporting Center	NON-CONTRACT AGENCY	\$471,287	\$563,322	\$563,322	\$574,588	\$574,588
001	3193	0000	PRO	Alternatives For Youth	NON-CONTRACT AGENCY	\$0	\$45,000	\$0	\$0	\$0
001	3199	0000	PRO	JUSTICE ASSISTANCE GRANT	NON-CONTRACT AGENCY	\$0	\$0	\$114,000	\$0	\$0
001	6123	0000	PRO	Mandated Juvenile Detention Sv	NON-CONTRACT AGENCY	\$0	\$150,000	\$150,000	\$135,000	\$135,000
192	6410	0000	ECD	Economic Development Admin	NON-CONTRACT AGENCY	\$1,231,325	\$1,180,621	\$1,180,621	\$1,307,025	\$1,240,358
320	6300	0000	LAB	WorkForce Investment Act	NON-CONTRACT AGENCY	\$2,007,511	\$874,237	\$1,738,524	\$269,166	\$269,166
320	6377	0000	LAB	Labor: Displaced Homemakers	NON-CONTRACT AGENCY	\$25,767	\$39,429	\$37,587	\$39,899	\$39,899
320	6565	0000	LAB	Disability Program Navigator	NON-CONTRACT AGENCY	\$31,674	\$56,609	\$56,609	\$70,000	\$70,000
360	6204	0000	DSS	MEDICAID COMPLIANCE	NON-CONTRACT AGENCY	\$0	\$0	\$0	\$0	\$675,000
001	7320	AMJ1	EXE	Youth Bureau/Office For Child	NORTH AMITYVILLE COMM ECON CNL	\$37,418	\$0	\$16,000	\$0	\$16,714
001	6410	HOK1	ECD	Economic Development Admin	NORTH AMITYVILLE TAXPAYERS ASSOC.	(\$2,874)	\$0	\$0	\$0	\$0
001	7320	AMK1	EXE	Youth Bureau/Office For Child	NORTH BABYLON TEEN CENTER INC	\$42,448	\$43,297	\$43,297	\$44,163	\$44,163
001	4100	AML1	HSV	HS: Patient Care Svcs Adm	NORTH BROOKHAVEN CLINIC	\$4,652,419	\$4,652,419	\$4,652,419	\$4,704,515	\$4,645,967
001	4100	HV11	HSV	HS: Patient Care Svcs Adm	NORTH FORK BREAST HEALTH COALITION	\$2,250	\$5,000	\$5,000	\$0	\$0
001	6410	HOL1	ECD	Economic Development Admin	NORTH GREAT RIVER CIVIC ASSOCIATION	(\$18)	\$0	\$0	\$0	\$0
001	7320	JCO1	EXE	Youth Bureau/Office For Child	NORTH SHORE COLT'S FOOTBALL LEAGUE	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	JCU1	EXE	Youth Bureau/Office For Child	NORTH SHORE HOLIDAY HOUSE	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HFZ1	EXE	Youth Bureau/Office For Child	NORTH SHORE LITTLE LEAGUE	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	AMN1	EXE	Youth Bureau/Office For Child	NORTH SHORE YOUTH COUNCIL	\$163,471	\$166,740	\$166,740	\$170,075	\$170,075
001	7320	HGA1	EXE	Youth Bureau/Office For Child	NORTHEAST YOUTH SPORTS ASSOC.	\$49,446	\$5,000	\$5,000	\$0	\$0
001	7320	AMQ1	EXE	Youth Bureau/Office For Child	NORTHPORT YOUTH SOCCER	\$5,306	\$0	\$0	\$0	\$5,520
001	6015	GZP1	DSS	Dss: Public Assist Admin	OLA (HISPANIC COMM. OUTREACH)	\$2,000	\$0	\$0	\$0	\$0
001	6015	HOR1	DSS	Dss: Public Assist Admin	OUR LADY OF LOURDES PARISH OUTREACH	\$4,895	\$5,000	\$5,000	\$0	\$0
001	6410	HZ11	ECD	Economic Development Admin	OYSTERPONDS COMMUNITY ACTIVITIES FOR	\$2,500	\$0	\$0	\$0	\$0
001	7320	HGC1	EXE	Youth Bureau/Office For Child	POQUATUCK HALL	\$0	\$5,000	\$5,000	\$0	\$0
001	6008	HVV1	DSS	Ss: Housing Services	PARENT-CHILD HOME PROGRAM/EASTERN SUFFOLK	\$3,861	\$0	\$0	\$0	\$0
001	7320	GHD1	EXE	Youth Bureau/Office For Child	BOCES	\$363,944	\$389,955	\$389,955	\$387,554	\$387,554
001	3400	JBO1	FRE	Fire, Rescue & Emergency Svc	PARENTS FOR MEGANS LAW	\$0	\$10,000	\$10,000	\$0	\$0
001	7320	GAC1	EXE	Youth Bureau/Office For Child	PATCHOGUE AMBULANCE COMPANY	\$123,917	\$126,395	\$126,395	\$128,923	\$128,923
001	6410	GWZ1	ECD	Economic Development Admin	PATCHOGUE MEDFORD YOUTH	\$20,000	\$0	\$0	\$0	\$0
001	4310	ANH1	HSV	Div Of Comm Mental Hygiene	PATCHOGUE THEATER FOR PERF ART	(\$7,113)	\$10,000	\$10,000	\$0	\$0
001	7320	HIZ1	EXE	Youth Bureau/Office For Child	PATCHOGUE-MEDFORD UFSD #24	\$5,000	\$0	\$0	\$0	\$0
001	7320	HXJ1	EXE	Youth Bureau/Office For Child	PATHOGUE YOUTH ATHLETIC ASSOC	\$10,000	\$10,000	\$10,000	\$0	\$0
001	4400	GXB1	HSV	HS: Environmental Health	PAT-MED CLUB (YOUTH FOOTBALL & CHEERLEADING CLUB INC)	\$10,000	\$10,000	\$10,000	\$0	\$0
001	4100	JAL1	HSV	HS: Patient Care Svcs Adm	PECONIC BAY KEEPER'S	\$0	\$0	\$0	\$0	\$0
001	6008	HYN1	DSS	Ss: Housing Services	PECONIC BAY MEDICAL CENTER	\$0	\$110,989	\$64,351	\$56,604	\$65,638
001	4330	GEC1	HSV	HS Community Support Svc	PECONIC COMMUNITY COUNCIL	\$0	\$42,250	\$42,250	\$43,095	\$43,095
001	4330	GKU1	HSV	HS Community Support Svc	PEDERSEN KRAG ACT TEAM	\$86,595	\$122,209	\$120,951	\$118,116	\$121,918
001	6010	GNV1	DSS	Dss: Community Svcs Admin	PEDERSEN KRAG CLINIC (AOT)	\$7,163	\$14,326	\$14,856	\$14,655	\$14,824
001	4330	GPNI	HSV	HS Community Support Svc	PEDERSEN KRAG	\$112,013	\$135,399	\$135,399	\$71,087	\$71,087
001	4330	GGH1	HSV	HS Community Support Svc	PEDERSON KRAG ACT TEAM	\$81,825	\$122,209	\$120,951	\$118,116	\$121,918
001	4330	GUU1	HSV	HS Community Support Svc	PEDERSON KRAG C & Y TRAINING	\$11,368	\$11,178	\$11,532	\$11,435	\$11,447
001	4330	GUS1	HSV	HS Community Support Svc	PEDERSON KRAG C&F EMERGENCY CARE	\$254,997	\$250,735	\$262,568	\$256,375	\$264,619
001	4317	JAB1	HSV	Alternatives For Youth	PEDERSON KRAG CASE MGMT TRAIN	\$10,934	\$10,748	\$8,252	\$10,996	\$8,191
001	6010	JDK1	DSS	Dss: Community Svcs Admin	PEDERSON KRAG CENTER INC.	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	4330	GGG1	HSV	HS Community Support Svc	PEDERSON KRAG ENHANCED COMPREHENSIVE CASE MANAGEMENT PROGRAM	\$0	\$0	\$136,000	\$0	\$0
001	4330	GGJ1	HSV	HS Community Support Svc	PEDERSON KRAG FAM SUPP/RESPT	\$238,350	\$234,366	\$243,540	\$240,013	\$242,947
001	4330	GGF1	HSV	HS Community Support Svc	PEDERSON KRAG MICA TRAINING	\$11,003	\$22,006	\$9,901	\$10,000	\$9,802
001	4330	HSP1	HSV	HS Community Support Svc	PEDERSON KRAG MICA-TFIP	\$450,518	\$443,502	\$458,959	\$453,703	\$457,636
001	4330		HSV	HS Community Support Svc	PEDERSON KRAG OISE	\$16,555	\$0	\$0	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	6010	HYT1	DSS	Dss: Community Svcs Admin	PEDERSON KRAG POST ADOPTION SERVICES	\$1,261	\$3,585	\$3,585	\$0	\$0
001	4330	JAY1	HSV	HS Community Support Svc	PEDERSON KRAG PROS CORAM	\$27,708	\$27,708	\$154,477	\$85,427	\$88,177
001	4330	JAZ1	HSV	HS Community Support Svc	PEDERSON KRAG PROS SMITHOWN	\$6,417	\$6,417	\$76,258	\$19,783	\$20,420
001	4330	PKP1	HSV	HS Community Support Svc	PEDERSON KRAG PSYCHOSOC/DROP	\$67,366	\$66,270	\$68,471	\$67,562	\$68,343
001	4330	GP11	HSV	HS Community Support Svc	PEDERSON KRAG SPOA	\$157,353	\$154,723	\$161,829	\$158,245	\$163,029
001	4330	ANL2	HSV	HS Community Support Svc	PEDERSON KRAG SUPPRVY CASE MGT	\$246,223	\$313,772	\$328,695	\$320,991	\$331,324
001	4310	ANL7	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG CLINIC INC (96%)	\$829,512	\$827,172	\$993,891	\$996,757	\$1,006,981
001	4320	ANL5	HSV	HS: Mental Health Pgms	PEDERSON-KRAG CLINIC INC (96%)	\$1,108,251	\$1,054,555	\$1,084,555	\$1,075,646	\$1,075,646
001	4310	ANL9	HSV	Div Of Comm Mental Hygiene	PEDERSON-KRAG COMPUL GAMBLING	\$231,910	\$144,930	\$115,447	\$112,952	\$116,408
001	4330	GST1	HSV	HS Community Support Svc	PEDERSON-KRAG CTR INC SCHOOL S	\$395,000	\$460,258	\$482,223	\$470,850	\$486,014
001	4100	HOT1	HSV	HS: Patient Care Svcs Adm	PEDIATRIC DENTAL FUND OF THE HAMPTONS	\$7,000	\$5,000	\$5,000	\$0	\$0
001	4330	GPB1	HSV	HS Community Support Svc	PHOENIX HOUSE RESIDENTIAL PGM	\$109,299	\$107,472	\$112,583	\$109,944	\$113,484
001	8020	HEQ1	PLN	Planning	PLANNING FEDERATION	\$0	\$6,000	\$6,000	\$0	\$0
001	7320	ANO1	EXE	Youth Bureau/Office For Child	POLICE ATHLETIC LEAGUE-CTYWIDE	\$95,472	\$97,137	\$97,137	\$98,835	\$98,835
001	6410	HOU1	ECD	Economic Development Admin	PORT JEFFERSON CHAMBER OF COMMERCE	\$3,000	\$0	\$0	\$0	\$0
001	3400	HUV1	FRE	Fire, Rescue & Emergency Svc	PORT JEFFERSON VOLUNTEER AMBULANCE CORP	\$5,000	\$5,000	\$5,000	\$0	\$0
001	4317	JAC1	HSV	Alternatives For Youth	PROJECT OUTREACH	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	4310	GNC1	HSV	Div Of Comm Mental Hygiene	PROJECT OUTREACH (CMS)	\$204,754	\$372,338	\$414,101	\$405,767	\$417,721
001	6511	HV11	EXE	Administration	PRONTO OF LONG ISLAND	\$17,802	\$20,400	\$20,400	\$20,808	\$20,808
001	6010	ANU1	DSS	Dss: Community Svcs Admin	PRONTO OF LONG ISLAND, INC	\$92,503	\$85,931	\$85,931	\$86,457	\$86,457
001	6010	HYU1	DSS	Dss: Community Svcs Admin	PRONTO OF LONG ISLAND, INC	\$1,060	\$3,654	\$3,654	\$0	\$0
001	7320	HOW1	EXE	Youth Bureau/Office For Child	PUERTO RICAN COALITION FOR BETTER COMMUNITY	\$2,500	\$5,000	\$5,000	\$0	\$0
001	7320	GUI1	EXE	Youth Bureau/Office For Child	READ TO YOUR BABY LINDENHURST	\$0	\$0	\$0	\$0	\$5,520
001	4320	AOD1	HSV	HS: Mental Health Pgms	RESPONSE	\$124,280	\$135,489	\$135,489	\$133,099	\$133,099
001	7320	AOE1	EXE	Youth Bureau/Office For Child	RESPONSE OF SUFFOLK COUNTY IN	\$51,200	\$48,282	\$48,282	\$48,973	\$48,973
001	7325	AOF1	EXE	Spec Dirncy Prevention Pgm	RESPONSE OF SUFFOLK COUNTY IN	\$40,917	\$38,810	\$38,810	\$39,174	\$39,174
001	7320	AOJ1	EXE	Youth Bureau/Office For Child	RIVERHEAD COMM AWARENESS PROG	\$108,821	\$116,354	\$116,354	\$118,073	\$118,073
001	4310	AOH1	HSV	Div Of Comm Mental Hygiene	RIVERHEAD COMMUNITY AWARENESS	\$165,460	\$165,524	\$170,274	\$166,546	\$171,678
001	7320	AOO1	EXE	Youth Bureau/Office For Child	RIVERHEAD TEEN CENTER	\$31,388	\$31,820	\$31,820	\$32,261	\$32,261
001	6410	GXC1	ECD	Economic Development Admin	RONKONOMA CHAMBER OF COMM	\$5,000	\$5,000	\$5,000	\$0	\$0
001	3400	HPF1	FRE	Fire, Rescue & Emergency Svc	RONKONOMA FIRE DEPARTMENT	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	GSQ1	ECD	Economic Development Admin	ROTARY CLUB OF SAYVILLE	\$0	\$10,000	\$10,000	\$0	\$0
001	1490	GQR1	DPW	P W: Engineering	ROUTE 110 REDEVELOPMENT CORP	\$10,000	\$10,000	\$10,000	\$0	\$0
001	6410	JBZ1	ECD	Economic Development Admin	RT, 110 REDEVELOPMENT CORPORATION	\$0	\$15,000	\$15,000	\$0	\$0
001	7320	AOV1	EXE	Youth Bureau/Office For Child	S SHORE BOYS CLUB INC SAYVILLE	\$109,685	\$111,879	\$111,879	\$114,117	\$114,117
001	4100	DOB1	HSV	HS: Patient Care Svcs Adm	S, FORK RURAL HEAL TH	\$32,884	\$33,305	\$33,305	\$33,971	\$33,779
001	4330	ASR1	HSV	HS Community Support Svc	S.U.N.Y. SAYVILLE	\$296,669	\$291,710	\$302,523	\$298,419	\$301,885
001	7320	JCH1	EXE	Youth Bureau/Office For Child	SACHEM ATHLETIC CLUB	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	JDT1	EXE	Youth Bureau/Office For Child	SACHEM COMMUNITY YOUTH SERVICES	\$0	\$0	\$5,000	\$0	\$0
001	7320	JCO1	EXE	Youth Bureau/Office For Child	SACHEM EDUCATIONAL FOUNDATN	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	GUJ1	EXE	Youth Bureau/Office For Child	SACHEM LITTLE LEAGUE	\$10,824	\$5,000	\$5,000	\$0	\$11,261
001	7320	AOZ1	EXE	Youth Bureau/Office For Child	SACHEM TEEN CENTER INC	\$114,966	\$107,065	\$107,065	\$109,206	\$109,206
001	7320	GQC1	EXE	Youth Bureau/Office For Child	SACHEM YOUTH ADVISORY GROUP	\$25,612	\$10,000	\$10,000	\$0	\$11,040
001	3400	HDV1	FRE	Fire, Rescue & Emergency Svc	SAG HARBOR FIRE DEP-AMBULANCE	\$5,000	\$0	\$0	\$0	\$0
001	7320	HXZ1	EXE	Youth Bureau/Office For Child	SAG HARBOR AFTER SCHOOL EDUCATION PROGRAM (SHAEP)	\$32	\$5,000	\$5,000	\$0	\$0
001	6004	HW11	DSS	Soc Svc: Commodities Dist	SAG HARBOR FOOD PANTRY	\$3,000	\$5,000	\$5,000	\$0	\$0
001	7320	APC1	EXE	Youth Bureau/Office For Child	SAG HARBOR SCHOOL DISTRICT	\$5,725	\$5,840	\$5,840	\$5,957	\$5,957
001	7320	GGZ1	EXE	Youth Bureau/Office For Child	SAG HARBOR SD YOUTH AT RISK	\$15,265	\$18,530	\$18,530	\$13,801	\$13,801
001	7320	APF1	EXE	Youth Bureau/Office For Child	SAG HARBOR YOUTH CENTER INC	\$46,381	\$49,445	\$49,445	\$50,326	\$50,326
001	7510	GUK1	PKS	Parks: Historic Services	SAGTIKOS MANOR HISTORICAL SOC	\$2,500	\$0	\$0	\$0	\$0
001	6004	HPI1	DSS	Soc Svc: Commodities Dist	SAINT JOHN THE EVANGELIST ROMAN CATHOLIC CHURCH FOOD PANTRY	\$2,500	\$0	\$0	\$0	\$0
001	7320	HXE1	EXE	Youth Bureau/Office For Child	SAJES TEEN ACTION PROJECT	\$18,567	\$15,000	\$15,000	\$0	\$0
001	4010	HPK1	HSV	HS: Public Health	SAVE-A-PET	\$4,844	\$5,000	\$5,000	\$0	\$0
001	7320	JCJ1	EXE	Youth Bureau/Office For Child	SAYVILLE LACROSSE CLUB	\$0	\$10,000	\$10,000	\$0	\$0
001	4330	APK2	HSV	HS Community Support Svc	SAYVILLE PROJ PSYCHOSOC/DROP	\$19,411	\$44,177	\$45,712	\$45,193	\$45,512
001	4330	APK1	HSV	HS Community Support Svc	SAYVILLE PROJ SUPPRVY CASE MGT	\$61,976	\$313,772	\$328,695	\$320,991	\$331,324
001	4330	HYP1	HSV	HS Community Support Svc	SAYVILLE PROJECT ADULT HOME CASE MGT	\$0	\$49,650	\$52,009	\$50,790	\$52,425
001	6410	JBV1	ECD	Economic Development Admin	SAYVILLE VILLAGE IMPROVEMENT SOCIETY, INC.	\$0	\$5,000	\$5,000	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	6015	GNL1	DSS	Dss: Public Assist Admin	SC COALITION AGAINST DOM VIO	\$43,717	\$44,174	\$44,174	\$44,174	\$44,174
001	6017	GNK1	DSS	Domestic Violence Programs	SC COALITION AGAINST DOM VIO	\$703,434	\$727,697	\$727,697	\$632,890	\$632,890
001	3252	HRO1	POL	Project Scope	SC COALITION AGAINST DOMESTIC VIOLENCE	\$46,957	\$0	\$754,436	\$0	\$0
001	6010	JDW1	DSS	Dss: Community Svcs Admin	SC CO FAMILY OF SERVICES, INC	\$0	\$0	\$555,542	\$779,743	\$779,743
001	4100	APR1	HSV	Hs: Patient Care Svcs Adm	SE & SW BROOKHAVEN CLINICS	\$13,846,829	\$15,224,222	\$15,224,222	\$15,342,797	\$15,162,569
001	7320	HXP1	EXE	Youth Bureau/Office For Child	SECCA	\$4,889	\$8,000	\$8,000	\$0	\$0
001	7110	HEM1	PKS	Parks, Rec & Conservation	SECOND CHANCE WILDLIFE RESCUE	\$10,000	\$10,000	\$10,000	\$0	\$0
001	6410	HBE1	ECD	Economic Development Admin	SELDEN CIVIC ASSOCIATION	\$0	\$10,000	\$10,000	\$0	\$0
001	7320	APT1	EXE	Youth Bureau/Office For Child	SELDEN-CENTEREACH YTH ASSN IN	\$154,866	\$147,763	\$147,763	\$150,718	\$150,718
001	7320	GHR1	EXE	Youth Bureau/Office For Child	SELDN/CENTEREACH LITTLE LEAGUE	\$0	\$10,000	\$10,000	\$0	\$0
001	6773	HPM1	EXE	Senior Support Programs	SENIOR NET	\$3,000	\$0	\$0	\$0	\$0
001	6410	GXE1	ECD	Economic Development Admin	SHAKESPEARE FESTIVAL	\$0	\$5,000	\$5,000	\$0	\$0
001	6511	HIT1	EXE	Administration	SHANTI	\$0	\$0	\$0	\$15,606	\$15,606
001	7320	APV1	EXE	Youth Bureau/Office For Child	SHELTER ISLAND COMM YOUTH ASSN	\$12,407	\$12,855	\$12,655	\$12,908	\$12,908
001	6773	HPQ1	EXE	Senior Support Programs	SHELTER ISLAND SENIOR CITIZENS	\$2,005	\$5,000	\$5,000	\$0	\$0
001	6773	HZJ1	EXE	Senior Support Programs	SHELTER ISLAND SENIOR NUTRITION PROGRAM	\$3,000	\$5,000	\$5,000	\$0	\$0
001	4618	GUN1	HSV	Emergency Medical Care	SHORELY COMMUNITY AMBULANCE	\$3,000	\$5,000	\$5,000	\$0	\$0
001	7320	HP51	EXE	Youth Bureau/Office For Child	SHOREHAM WADING RIVER LITTLE LEAGUE	\$5,000	\$5,000	\$5,000	\$0	\$0
001	4330	AQA1	HSV	Hs Community Support Svc	SKILLS SPECIAL EMPLOYMENT	\$49,624	\$66,019	\$51,839	\$50,624	\$52,254
001	4330	AQA2	HSV	Hs Community Support Svc	SKILLS UNLIMITED	\$327,313	\$320,995	\$318,174	\$330,424	\$300,539
001	4320	AOA4	HSV	Hs: Mental Health Pgms	SKILLS UNLIMITED (98%)	\$292,281	\$297,105	\$298,770	\$302,045	\$303,710
001	7325	AQC4	EXE	Spec Dlnqncy Prevention Pgm	SMITH HAVEN MINISTRIES MALL	\$125,120	\$128,254	\$128,254	\$129,333	\$129,333
001	4010	HZK1	HSV	Hs: Public Health	SMITHOWN ANIMAL SHELTER-VET VISITS	\$1,000	\$0	\$0	\$0	\$0
001	6410	GQO1	ECD	Economic Development Admin	SMITHOWN ARTS COUNCIL	\$18,000	\$0	\$0	\$0	\$0
001	6410	GXG1	ECD	Economic Development Admin	SMITHOWN CHMBR OF COMM	\$14,369	\$15,000	\$15,000	\$0	\$0
001	7320	JCM1	EXE	Youth Bureau/Office For Child	SMITHOWN EDUCATIONAL FOUNDATN	\$0	\$5,000	\$5,000	\$0	\$0
001	3400	GXH1	FRE	Fire, Rescue & Emergency Svc	SMITHOWN FIRE DEPARTMENT	\$10,000	\$13,000	\$13,000	\$0	\$0
001	8050	GXI1	EXE	Handicapped Services	SMITHOWN GUIDE DOG FOUNDATION	\$15,000	\$15,300	\$15,300	\$15,606	\$15,606
001	7510	GFV1	PKS	Parks: Historic Services	SMITHOWN HISTORICAL SOCIETY	\$27,000	\$5,000	\$5,000	\$0	\$0
001	6410	HPU1	ECD	Economic Development Admin	SMITHOWN LIBRARY FOUNDATION	\$0	\$7,500	\$7,500	\$0	\$0
001	4100	JD1	HSV	Hs: Patient Care Svcs Adm	SMITHOWN PARKINSON'S THERAPY ASSOC.	\$1,500	\$0	\$0	\$0	\$0
001	7320	DDK1	EXE	Youth Bureau/Office For Child	SMITHOWN VETERANS YOUTH	\$26,157	\$34,476	\$34,476	\$35,166	\$35,166
001	7320	AQH1	EXE	Youth Bureau/Office For Child	SMITHOWN YOUTH/KINGS PARK	\$15,793	\$16,109	\$16,109	\$16,431	\$16,431
001	7320	AQI2	EXE	Youth Bureau/Office For Child	SNAP	\$255,513	\$258,027	\$258,027	\$262,603	\$262,603
001	7320	HXG1	EXE	Youth Bureau/Office For Child	SNAP LONG ISLAND-AFTER SCHOOL PROGRAM FOR RIVERHEAD	\$17,715	\$5,000	\$5,000	\$0	\$0
001	8050	JDY1	EXE	Handicapped Services	SOAR FOUNDATION, INC.	\$0	\$0	\$5,000	\$0	\$0
001	6410	HBJ1	ECD	Economic Development Admin	SONS OF ITALY A.TOSCANINI 2107	(\$542)	\$0	\$0	\$0	\$0
001	7320	JCR1	EXE	Youth Bureau/Office For Child	SOUND BEACH SOCCER LEAGUE	\$0	\$5,000	\$5,000	\$0	\$0
001	4100	HPY1	HSV	Hs: Patient Care Svcs Adm	SOUTH FORK BREAST HEALTH COALITION	\$4,000	\$5,000	\$5,000	\$0	\$0
001	7320	JCK1	EXE	Youth Bureau/Office For Child	SOUTH SHORE COMMUNITIES YOUTH SPORTS CENTER, INC.	\$0	\$10,000	\$10,000	\$0	\$0
001	4010	AQS1	HSV	Hs: Public Health	SOUTH SHORE HOSPICE	\$15,000	\$0	\$0	\$0	\$0
001	7320	GXX1	EXE	Youth Bureau/Office For Child	SOUTH SHORE YOUTH	\$10,000	\$10,000	\$10,000	\$0	\$0
001	6410	HBN1	ECD	Economic Development Admin	SOUTHAMPTON CHAMB OF COMMERCE	\$2,000	\$0	\$0	\$0	\$0
001	6410	HVP1	ECD	Economic Development Admin	SOUTHAMPTON CULTURAL CENTER	\$2,000	\$0	\$0	\$0	\$0
001	7320	GTF1	EXE	Youth Bureau/Office For Child	SOUTHAMPTON DAY CARE FOUNDATN	\$2,000	\$0	\$0	\$0	\$0
001	7320	HGK1	EXE	Youth Bureau/Office For Child	SOUTHAMPTON YOUTH BUREAU	\$2,000	\$0	\$0	\$0	\$0
001	4310	AQX2	HSV	Div Of Comm Mental Hygiene	SOUTHMPN ALTERNATIVE/EAST END	\$753,163	\$849,093	\$869,930	\$856,037	\$878,548
001	7320	ARH1	EXE	Youth Bureau/Office For Child	SOUTHOLD YOUTH BUREAU	\$10,316	\$10,449	\$10,449	\$10,585	\$10,585
001	7320	HQB1	EXE	Youth Bureau/Office For Child	SPLASHES OF HOPE	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	ARN1	EXE	Youth Bureau/Office For Child	SPRINGS YOUTH ASSOCIATION	\$11,402	\$11,556	\$11,556	\$11,713	\$11,713
001	4100	JBQ1	HSV	Hs: Patient Care Svcs Adm	ST CHARLES HOSPITAL INDEPENDENCE SQUARE PROJECT	\$0	\$10,000	\$10,000	\$0	\$0
001	7320	HGM1	EXE	Youth Bureau/Office For Child	ST CRYIL & METHODIUS OUTREACH	\$1,000	\$5,000	\$5,000	\$0	\$0
001	6410	GUP1	ECD	Economic Development Admin	ST JAMES CHAMBER OF COMMERCE	\$0	\$10,000	\$10,000	\$0	\$0
001	7320	GHU1	EXE	Youth Bureau/Office For Child	ST JOHN BAPTIST PEER MINISTRY	\$4,500	\$5,412	\$5,412	\$5,520	\$5,520
001	7320	GTK1	EXE	Youth Bureau/Office For Child	ST JOSEPH'S CYO	\$2,000	\$0	\$0	\$0	\$0
001	7320	GQG1	EXE	Youth Bureau/Office For Child	ST JOSEPHS RC CHURCH YOUTH	\$5,306	\$5,412	\$5,412	\$5,520	\$5,520
001	7320	GHS1	EXE	Youth Bureau/Office For Child	ST MARGARET'S SCHOOL SCOTLAND	\$10,612	\$10,824	\$10,824	\$11,040	\$11,040
001	7320	GQH1	EXE	Youth Bureau/Office For Child	ST PHILLIP & JAMES RC CHURCH Y	\$0	\$5,412	\$5,412	\$5,520	\$5,520

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	7323	ARS1	EXE	Comprehensive Pining-Runaway	ST VINCENT DEPAUL (RYAN HOUSE)	\$190,736	\$192,277	\$192,277	\$193,707	\$193,707
001	4618	HQC1	HSV	Emergency Medical Care	ST. CATHERINE OF SIENA	\$21,000	\$0	\$0	\$0	\$0
001	4100	HQE1	HSV	HS: Patient Care Svcs Adm	ST. CHARLES FOUNDATION	\$10,000	\$0	\$0	\$0	\$0
001	6004	JBS1	DSS	Soc Svc: Commodities Dist	ST. ELIZABETH'S PARISH OUTREACH	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HQF1	EXE	Youth Bureau/Office For Child	ST. JOHN OF GOD ROLLER HOCKEY LEAGUE (CENTRAL ISLIP)	\$2,500	\$0	\$0	\$0	\$0
001	7510	HVE1	PKS	Parks: Historic Services	ST. JOHN'S EPISCOPAL CHURCH	\$5,000	\$0	\$0	\$0	\$0
001	8050	HVR1	EXE	Handicapped Services	ST. MARGARET'S OF SCOTLAND OUTREACH	\$10,000	\$0	\$0	\$0	\$0
001	6004	HWB1	DSS	Soc Svc: Commodities Dist	ST. MARY'S FOOD PANTRY	\$2,000	\$0	\$0	\$0	\$0
001	6004	HYW1	DSS	Soc Svc: Commodities Dist	ST. PATRICK HOSPITALITY CENTER	\$2,500	\$5,000	\$5,000	\$0	\$0
001	6015	HQH1	DSS	Dss: Public Assist Admin	ST. PATRICK'S FAMILY OUTREACH	\$6,000	\$0	\$0	\$0	\$0
001	6004	JBR1	DSS	Soc Svc: Commodities Dist	ST. PETER'S PARISH OUTREACH	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HGO1	EXE	Youth Bureau/Office For Child	ST. HUGH'S OUTREACH	\$995	\$5,000	\$5,000	\$0	\$0
001	7320	HYA1	EXE	Youth Bureau/Office For Child	ST. JOHN THE BAPTIST DIOCESAN HIGH SCHOOL	\$1,000	\$0	\$0	\$0	\$0
001	6004	HHU1	DSS	Soc Svc: Commodities Dist	ST. JOSEPH'S PARISH O/R SHEPARD	\$1,500	\$0	\$0	\$0	\$0
001	7320	HBO1	EXE	Youth Bureau/Office For Child	ST. MARTIN OF TOURS KNGT OF COL	\$940	\$0	\$0	\$0	\$0
001	6004	HQG1	DSS	Soc Svc: Commodities Dist	ST. MARY'S OUTREACH (EAST ISLIP)	\$4,500	\$5,000	\$5,000	\$0	\$0
001	6410	HBP1	ECD	Economic Development Admin	STALLER FILM FESTIVAL	\$15,000	\$25,200	\$25,200	\$0	\$10,200
001	4320	ARV1	HSV	HS: Mental Health Pgms	SUFF COMM CNCL-CLRNG HOUSE PG	\$68,186	\$69,206	\$71,582	\$70,217	\$72,593
001	4100	HED1	HSV	HS: Patient Care Svcs Adm	SUFF CTY.BREAST HLTH.COALITION	(\$3,500)	\$0	\$0	\$0	\$0
001	4100	HEE1	HSV	HS: Patient Care Svcs Adm	SUFF CTY.PERINATAL COALITION	(\$5,000)	\$5,100	\$5,100	\$5,202	\$5,173
001	7320	GFD1	EXE	Youth Bureau/Office For Child	SUFFOLK ASSN FOR JEWISH ED SVC	\$36,014	\$36,734	\$36,734	\$37,469	\$37,469
001	7320	ARY1	EXE	Youth Bureau/Office For Child	SUFFOLK CNTY SPECIAL OLYMPICS	\$60,825	\$69,568	\$69,568	\$70,690	\$70,690
001	8050	HSS1	EXE	Handicapped Services	SUFFOLK COMMUNITY COUNCIL HANDICAPPED PROGRAMS	\$0	\$20,400	\$20,400	\$20,808	\$20,808
001	4330	GZD1	HSV	HS Community Support Svc	SUFFOLK COMMUNITY COUNCIL-SPA	\$15,478	\$15,219	\$15,943	\$15,569	\$16,071
001	7510	HYE1	PKS	Parks: Historic Services	SUFFOLK COUNTY ARCHAEOLOGICAL ASSOCIATION	\$3,000	\$0	\$0	\$0	\$0
001	7320	ASA1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY BOY SCOUTS	\$32,292	\$29,292	\$29,292	\$17,039	\$17,039
001	4310	ASB1	HSV	Div Of Comm Mental Hygiene	SUFFOLK COUNTY COALITION	(\$84,622)	\$0	\$0	\$0	\$0
001	6017	HYV1	DSS	Domestic Violence Programs	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	\$844	\$0	\$0	\$0	\$0
001	3252	JDL1	POL	Project Scope	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	\$0	\$0	\$18,983	\$0	\$0
001	3178	GDE1	PRO	Stop Violence Against Women	SUFFOLK COUNTY COALITION AGAINST DOMESTIC VIOLENCE	\$37,272	\$39,795	\$39,795	\$40,044	\$40,044
001	7320	ASC1	EXE	Youth Bureau/Office For Child	SUFFOLK COUNTY GIRL SCOUTS IN	\$46,575	\$43,935	\$43,935	\$30,615	\$30,615
001	4010	GSP1	HSV	HS: Public Health	SUFFOLK COUNTY SPCA	(\$7,991)	\$0	\$0	\$0	\$0
001	6017	GHC1	DSS	Domestic Violence Programs	SUFFOLK CTY COALITION (VAP)	\$72,570	\$73,512	\$73,512	\$73,838	\$73,838
001	7320	GQD1	EXE	Youth Bureau/Office For Child	SUFFOLK JEWISH COMM CENTER	\$500,000	\$510,000	\$510,000	\$520,200	\$520,200
001	6410	BDV1	ECD	Economic Development Admin	SUFFOLK SPORTS HALL OF FAME	\$15,000	\$0	\$0	\$0	\$0
001	6410	HWS1	ECD	Economic Development Admin	SUMMER MOVIE PROGRAM - TOWN OF BABYLON	\$2,000	\$0	\$0	\$0	\$0
001	6410	HTS1	ECD	Economic Development Admin	SUSTAINABLE LONG ISLAND	\$5,000	\$0	\$0	\$0	\$0
001	6410	HWP1	ECD	Economic Development Admin	THE CUSTER INSTITUTE	\$3,000	\$0	\$0	\$0	\$0
001	7323	ASU1	EXE	Comprehensive Pining-Runaway	THE MINISTRIES INC (RESIDENCE)	\$423,808	\$428,805	\$428,805	\$433,335	\$433,335
001	6410	HUR1	ECD	Economic Development Admin	THE PERLMAN MUSIC PROGRAM	\$15,000	\$15,300	\$15,300	\$15,300	\$15,300
001	3178	GDF1	PRO	Stop Violence Against Women	THE RETREAT	\$41,891	\$42,219	\$42,219	\$42,564	\$42,564
001	6015	GEJ1	DSS	Dss: Public Assist Admin	THE RETREAT INC	\$206,279	\$211,279	\$211,279	\$197,368	\$197,368
001	6017	ASX1	DSS	Domestic Violence Programs	THE RETREAT, INC.	(\$12,500)	\$0	\$0	\$0	\$0
001	4100	HEF1	HSV	HS: Patient Care Svcs Adm	THE SUNRISE FUND	\$35,823	\$46,539	\$46,539	\$37,270	\$37,270
001	7320	GDT1	EXE	Youth Bureau/Office For Child	THE SUNSHINE CENTER INC	\$10,000	\$10,000	\$10,000	\$0	\$0
001	4100	HEG1	HSV	HS: Patient Care Svcs Adm	THE WITNESS PROJECT	(\$4,667)	\$0	\$0	\$0	\$0
001	6410	HBR1	ECD	Economic Development Admin	THEATRE THREE	\$10,000	\$0	\$0	\$0	\$0
001	7320	GXR1	EXE	Youth Bureau/Office For Child	THREE VILLAGE BOYS AND GIRLS	\$51,602	\$52,992	\$52,992	\$0	\$0
001	4310	GGX1	HSV	Div Of Comm Mental Hygiene	THREE VILLAGE CENT SCHOOL DIST	\$51,583	\$0	\$0	\$0	\$0
001	6410	HQK1	ECD	Economic Development Admin	THREE VILLAGE CHAMBER OF COMMERCE	(\$3,000)	\$0	\$0	\$0	\$0
001	7320	ASV1	EXE	Youth Bureau/Office For Child	THREE VILLAGE COMMUNITY SVCS	\$174,356	\$177,843	\$177,843	\$181,400	\$181,400
001	7320	GMM1	EXE	Youth Bureau/Office For Child	THREE VILLAGE YOUTH	\$0	\$12,990	\$12,990	\$13,250	\$13,250
001	4100	HQL1	HSV	HS: Patient Care Svcs Adm	THURSDAY'S CHILD	\$12,500	\$85,000	\$85,000	\$15,300	\$31,700
001	7320	HZT1	EXE	Youth Bureau/Office For Child	TIME FOR TEENS, INC.	\$3,000	\$5,000	\$5,000	\$0	\$0
001	7320	JCP1	EXE	Youth Bureau/Office For Child	TIMOTHY HILL CHILDREN'S RANCH	\$0	\$5,000	\$5,000	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	6773	GJC1	EXE	Senior Support Programs	TOURO ELDERCARE	\$15,000	\$15,000	\$15,000	\$0	\$0
001	6772	GEL1	EXE	Older Americans Act Programs	TOWN OF BABYLON	\$24,385	\$25,380	\$25,380	\$25,888	\$25,431
001	7323	ASZ1	EXE	Comprehensive Pining-Runaway	TOWN OF BABYLON	\$19,484	\$19,874	\$19,874	\$20,271	\$20,271
001	4317	JAE1	HSV	Alternatives For Youth	TOWN OF BABYLON	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	7110	JCE1	PKS	Parks, Rec & Conservation	TOWN OF BABYLON (SANCHEZ PARK)	\$0	\$25,000	\$25,000	\$0	\$0
001	4310	ATC1	HSV	Div Of Comm Mental Hygiene	TOWN OF BABYLON NARC GUID CNC	\$432,163	\$419,208	\$429,037	\$422,858	\$433,476
001	6410	HWJ1	ECD	Economic Development/Admin	TOWN OF BABYLON SUMMER CONCERT SERIES	\$8,000	\$0	\$0	\$0	\$0
001	8051	HCR1	EXE	Sc Office For Women	TOWN OF BABYLON UJIMA PROGRAM	\$5,000	\$5,000	\$5,000	\$5,000	\$0
001	7320	GLA1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON YOUTH BUREAU	\$89,248	\$91,946	\$91,946	\$93,785	\$93,785
001	7320	HTR1	EXE	Youth Bureau/Office For Child	TOWN OF BABYLON YOUTH COURT	\$10,000	\$10,000	\$10,000	\$0	\$0
001	7110	HXA1	PKS	Parks, Rec & Conservation	TOWN OF BABYLON-PARK FOR THE DISABLED CHILDREN	\$50,000	\$0	\$0	\$0	\$0
001	3408	HUL1	FRE	Pre Disaster Mitigation Grant	TOWN OF BABYLON-PRE DISASTER MITIGATION	\$25,548	\$0	\$16,285	\$0	\$0
001	6410	JEE1	ECD	Economic Development Admin	TOWN OF BROOKHAVEN	\$0	\$0	\$20,000	\$0	\$0
001	6772	GEM1	EXE	Older Americans Act Programs	TOWN OF BROOKHAVEN	\$25,380	\$25,380	\$25,380	\$25,888	\$25,431
001	7320	ATJ1	EXE	Youth Bureau/Office For Child	TOWN OF BROOKHAVEN	\$24,409	\$24,897	\$24,897	\$25,395	\$25,395
001	3408	JEG1	FRE	Pre Disaster Mitigation Grant	TOWN OF BROOKHAVEN	\$0	\$0	\$15,000	\$0	\$0
001	7110	HZV1	PKS	Parks, Rec & Conservation	TOWN OF BROOKHAVEN	\$19,194	\$0	\$0	\$0	\$0
001	6410	JEF1	ECD	Economic Development Admin	TOWN OF BROOKHAVEN - STREET LIGHTING	\$0	\$0	\$20,000	\$0	\$0
001	6772	GEV1	EXE	Older Americans Act Programs	TOWN OF EAST HAMPTON	\$27,061	\$27,061	\$27,061	\$27,602	\$27,061
001	3408	JEH1	FRE	Pre Disaster Mitigation Grant	TOWN OF EAST HAMPTON	\$0	\$0	\$38,808	\$0	\$0
001	3198	AUA1	PRO	STOP-DWI	TOWN OF EAST HAMPTON	\$15,831	\$24,220	\$24,220	\$24,220	\$24,220
115	3135	ATZ1	POL	Town & Village Revenue Sharing	TOWN OF EAST HAMPTON	\$533,767	\$586,217	\$586,217	\$586,217	\$638,667
001	6772	GEN1	EXE	Older Americans Act Programs	TOWN OF HUNTINGTON	\$24,317	\$25,380	\$25,380	\$25,888	\$25,431
001	7323	AUC1	EXE	Comprehensive Pining-Runaway	TOWN OF HUNTINGTON	\$7,578	\$7,730	\$7,730	\$7,885	\$7,885
001	4317	JAF1	HSV	Alternatives For Youth	TOWN OF HUNTINGTON	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	7320	AUD1	EXE	Youth Bureau/Office For Child	TOWN OF HUNTINGTON YOUTH BOARD	\$128,020	\$130,580	\$130,580	\$133,192	\$133,192
001	4310	AUG1	HSV	Div Of Comm Mental Hygiene	TOWN OF HUNTINGTON/STARSHINE	\$653,368	\$641,328	\$656,385	\$646,903	\$663,169
001	3408	HUG1	FRE	Pre Disaster Mitigation Grant	TOWN OF HUNTINGTON-PRE DISASTER MITIGATION	\$10,342	\$0	\$5,707	\$0	\$0
001	6772	GEF1	EXE	Older Americans Act Programs	TOWN OF ISLIP	\$25,380	\$25,380	\$25,380	\$25,888	\$25,431
001	7320	AUJ1	EXE	Youth Bureau/Office For Child	TOWN OF ISLIP	\$80,682	\$82,296	\$82,296	\$83,942	\$83,942
001	7323	AUI1	EXE	Comprehensive Pining-Runaway	TOWN OF ISLIP	\$17,626	\$17,979	\$17,979	\$18,339	\$18,339
001	7325	AUK1	EXE	Spec Dihqncy Prevention Pgm	TOWN OF ISLIP	\$67,269	\$67,922	\$67,922	\$68,588	\$68,588
001	4317	JAG1	HSV	Alternatives For Youth	TOWN OF ISLIP	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	4100	HQO1	HSV	Hs: Patient Care Svcs Adm	TOWN OF ISLIP BREAST CANCER COALITION	\$3,000	\$5,000	\$5,000	\$0	\$0
001	4310	AUT1	HSV	Div Of Comm Mental Hygiene	TOWN OF ISLIP/ACCESS	\$395,638	\$398,170	\$406,185	\$402,273	\$410,931
001	6772	GEQ1	EXE	Older Americans Act Programs	TOWN OF RIVERHEAD	\$27,326	\$27,646	\$27,646	\$28,199	\$27,701
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	\$910,305	\$999,755	\$999,755	\$999,755	\$1,089,205
001	3408	HUH1	FRE	Pre Disaster Mitigation Grant	TOWN OF RIVERHEAD-PRE DISASTER MITIGATION	\$0	\$0	\$54,881	\$0	\$0
001	3198	AUX1	PRO	STOP-DWI	TOWN OF SHELTER ISLAND	\$2,370	\$2,375	\$2,375	\$2,375	\$2,375
115	3135	AUV1	POL	Town & Village Revenue Sharing	TOWN OF SHELTER ISLAND	\$87,011	\$95,561	\$95,561	\$95,561	\$104,111
001	3408	HUI1	FRE	Pre Disaster Mitigation Grant	TOWN OF SHELTER ISLAND-PRE DISASTER MITIGATION GRANT	\$0	\$0	\$12,496	\$0	\$0
001	7320	AVB1	EXE	Youth Bureau/Office For Child	TOWN OF SMITHTOWN	\$22,574	\$23,025	\$23,025	\$23,486	\$23,486
001	4317	JAH1	HSV	Alternatives For Youth	TOWN OF SMITHTOWN	\$0	\$25,704	\$25,704	\$26,218	\$32,773
001	4310	AVH1	HSV	Div Of Comm Mental Hygiene	TOWN OF SMITHTOWN/HORIZONS	\$627,619	\$669,220	\$734,380	\$722,893	\$741,723
001	3408	HUJ1	FRE	Pre Disaster Mitigation Grant	TOWN OF SMITHTOWN-PRE DISASTER MITIGATION	\$5,621	\$0	\$16,516	\$0	\$0
001	3198	AVK1	PRO	STOP-DWI	TOWN OF SOUTHAMPTON	\$30,171	\$34,500	\$34,500	\$34,500	\$34,500
115	3135	AVJ1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHAMPTON	\$1,501,061	\$1,648,561	\$1,648,561	\$1,648,561	\$1,796,061
001	3198	AVM1	PRO	STOP-DWI	TOWN OF SOUTHOLD	\$0	\$19,000	\$19,000	\$19,000	\$19,000
115	3135	AVL1	POL	Town & Village Revenue Sharing	TOWN OF SOUTHOLD	\$683,873	\$751,073	\$751,073	\$751,073	\$818,273
001	3408	HUK1	FRE	Pre Disaster Mitigation Grant	TOWN OF SOUTHOLD-PRE DISASTER MITIGATION	\$0	\$0	\$12,166	\$0	\$0
001	4320	AVO1	HSV	Hs: Mental Health Pgms	TRANSITNL SVC:SPEC EMPLOYMENT	\$60,000	\$60,000	\$60,000	\$0	\$0
001	6410	HBT1	ECD	Economic Development Admin	TRAVELING HISPANIC THEATER INC	\$0	\$10,000	\$10,000	\$0	\$0
001	7320	HXT1	EXE	Youth Bureau/Office For Child	TRI CYA - FOOD PANTRY	\$3,859	\$0	\$0	\$0	\$0

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	7320	HKA1	EXE	Youth Bureau/Office For Child	TRI-COM YTH AGY HUNTINGTON SD	\$24,799	\$15,000	\$15,000	\$0	\$0
001	7320	GMH1	EXE	Youth Bureau/Office For Child	TRINITY EVANGELICAL LUTHERAN	\$18,011	\$22,081	\$22,081	\$22,523	\$22,523
001	6004	HQO1	DSS	Soc Svc: Commodities Dist	TRINITY LUTHERAN FOOD PANTRY	\$6,000	\$5,000	\$5,000	\$0	\$0
001	7320	HYB1	EXE	Youth Bureau/Office For Child	TWIRLING AND DANCE ASSOCIATION-TADA	\$1,000	\$0	\$0	\$0	\$0
001	4320	AVV1	HSV	Hs: Mental Health Pgms	UNITED CEREBRAL PALSY (95%)	\$502,072	\$616,147	\$616,147	\$623,403	\$622,971
001	7320	AVY1	EXE	Youth Bureau/Office For Child	UNITED NO AMITY YOUTH	\$107,191	\$124,788	\$124,788	\$82,859	\$82,859
001	6008	HH1	DSS	Ss: Housing Services	UNITED VETERANS BEACON HOUSE	\$116,457	\$141,832	\$141,832	\$141,832	\$141,832
001	4618	AWV1	HSV	Emergency Medical Care	UNIVERSITY HOSPITAL	\$430,583	\$439,195	\$439,195	\$447,979	\$447,979
001	6410	GZF1	ECD	Economic Development Admin	VAIL-LEAVITT MUSIC HALL	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	HBU1	ECD	Economic Development Admin	VENNTIES CULTURAL WORKSHOP	\$0	\$5,000	\$5,000	\$0	\$0
001	6510	JDR1	EXE	Veterans Service	VETERANS OF FOREIGN WARS SUFFOLK COUNTY COUNCIL	\$0	\$0	\$10,000	\$0	\$0
001	8050	JDF1	EXE	Handicapped Services	VFW TORDIK-DIEDERICH-DUFFIELD POST #4927	\$4,578	\$0	\$0	\$0	\$0
001	3178	GDD1	PRO	Stop Violence Against Women	VIBS	\$128,415	\$125,295	\$125,295	\$126,735	\$126,735
001	6035	GSJ1	DSS	Tanf Non Res Dom Violence	VICTIMS INFO BUREAU OF SUF CTY	\$46,875	\$47,602	\$56,499	\$0	\$47,602
001	6015	GEK1	DSS	Dss: Public Assist Admin	VICTIMS INFO BUREAU OF SUFFOLK	\$21,930	\$22,088	\$22,088	\$22,088	\$22,088
001	6017	AWF1	DSS	Domestic Violence Programs	VICTIMS INFORMATION BUREAU	\$628,619	\$640,551	\$640,551	\$526,358	\$526,358
001	4100	AWB1	HSV	Hs: Patient Care Svcs Adm	VICTIMS INFORMATION BUREAU	\$48,450	\$50,346	\$50,346	\$51,353	\$51,353
001	6510	HQT1	EXE	Veterans Service	VIETNAM VETERANS OF AMERICA	\$1,000	\$0	\$0	\$0	\$0
001	3198	AW1	PRO	STOP-DWI	VILLAGE OF AMITYVILLE	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
115	3135	AWH1	POL	Town & Village Revenue Sharing	VILLAGE OF AMITYVILLE	\$357,202	\$392,302	\$392,302	\$392,302	\$427,402
001	3198	AWJ1	PRO	STOP-DWI	VILLAGE OF ASHAROKEN	\$2,350	\$2,350	\$2,350	\$2,350	\$0
115	3135	AWK1	POL	Town & Village Revenue Sharing	VILLAGE OF ASHAROKEN	\$31,039	\$34,089	\$34,089	\$34,089	\$37,139
001	3408	HUM1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF ASHAROKEN-PRE DISASTER MITIGATION GRANT	\$0	\$0	\$750	\$0	\$0
001	4400	HQU1	HSV	Hs: Environmental Health	VILLAGE OF BABYLON STOWE/TAPPEN WATERSHED	\$0	\$0	\$0	\$0	\$0
001	3408	HUN1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF BELLPORT-PRE DISASTER MITIGATION GRANT	\$2,173	\$0	\$4,708	\$0	\$0
001	3198	AWM1	PRO	STOP-DWI	VILLAGE OF EAST HAMPTON	\$8,630	\$11,000	\$30,000	\$11,000	\$11,000
115	3135	AWL1	POL	Town & Village Revenue Sharing	VILLAGE OF EAST HAMPTON	\$53,936	\$59,236	\$59,236	\$59,236	\$64,536
404	8131	AWS1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF GREENPORT	\$26,984	\$26,984	\$26,984	\$26,984	\$26,984
001	3198	AWX1	PRO	STOP-DWI	VILLAGE OF HEAD OF HARBOR	\$2,350	\$2,350	\$2,350	\$2,350	\$0
115	3135	AWY1	POL	Town & Village Revenue Sharing	VILLAGE OF HEAD OF HARBOR	\$51,901	\$57,001	\$57,001	\$62,101	\$62,101
115	3135	AWY1	POL	Town & Village Revenue Sharing	VILLAGE OF HUNTINGTON BAY	\$58,516	\$64,266	\$64,266	\$64,266	\$70,016
001	3408	HUO1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF HUNTINGTON BAY-PRE DISASTER MITIGATION GRANT	\$8,405	\$0	\$32,771	\$0	\$0
001	7110	JCF1	PKS	Parks, Rec & Conservation	VILLAGE OF LINDENHURST (PARKS)	\$0	\$15,000	\$15,000	\$0	\$0
115	3135	AXB1	POL	Town & Village Revenue Sharing	VILLAGE OF LLOYD HARBOR	\$128,735	\$141,385	\$141,385	\$141,385	\$154,035
001	3198	AXC1	PRO	STOP-DWI	VILLAGE OF NISSEQUOQUE	\$1,550	\$1,550	\$1,550	\$1,550	\$0
115	3135	AXD1	POL	Town & Village Revenue Sharing	VILLAGE OF NISSEQUOQUE	\$62,587	\$68,737	\$68,737	\$68,737	\$74,887
001	3198	AXH1	PRO	STOP-DWI	VILLAGE OF NORTHPORT	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500
115	3135	AXG1	POL	Town & Village Revenue Sharing	VILLAGE OF NORTHPORT	\$291,562	\$320,212	\$320,212	\$320,212	\$348,862
404	8131	AXE1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF NORTHPORT	\$126,851	\$126,851	\$126,851	\$126,851	\$126,851
001	3408	HUO1	FRE	Pre Disaster Mitigation Grant	VILLAGE OF NORTHPORT-PRE DISASTER MITIGATION GRANT	\$12,126	\$0	\$17,329	\$0	\$0
115	3135	AXI1	POL	Town & Village Revenue Sharing	VILLAGE OF OCEAN BEACH	\$5,088	\$5,588	\$5,588	\$5,588	\$6,088
404	8131	AXJ1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF OCEAN BEACH	\$28,017	\$28,017	\$28,017	\$28,017	\$28,017
404	8131	AXK1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF PATCHOQUE	\$18,099	\$18,099	\$18,099	\$18,099	\$18,099
001	6410	HWG1	ECD	Economic Development Admin	VILLAGE OF PATCHOQUE (ARTSPACE PROJECT)	\$20,000	\$0	\$0	\$0	\$0
001	3198	AXN1	PRO	STOP-DWI	VILLAGE OF QUOGUE	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
115	3135	AXM1	POL	Town & Village Revenue Sharing	VILLAGE OF QUOGUE	\$34,601	\$38,001	\$38,001	\$38,001	\$41,401
001	3198	AXL1	PRO	STOP-DWI	VILLAGE OF SAG HARBOR	\$14,500	\$14,500	\$14,500	\$14,500	\$14,500
115	3135	AXO1	POL	Town & Village Revenue Sharing	VILLAGE OF SAG HARBOR	\$81,922	\$89,972	\$89,972	\$89,972	\$98,022
404	8131	AXP1	DPW	Res Assmnt Fd Payt Twn/Vlg Sd	VILLAGE OF SAG HARBOR	\$19,938	\$19,938	\$19,938	\$19,938	\$19,938
115	3135	AXR1	POL	Town & Village Revenue Sharing	VILLAGE OF SALTARE	\$1,527	\$1,677	\$1,677	\$1,677	\$1,827
001	3198	AXS1	PRO	STOP-DWI	VILLAGE OF SOUTHAMPTON	\$9,642	\$14,000	\$14,000	\$14,000	\$14,000
115	3135	AXQ1	POL	Town & Village Revenue Sharing	VILLAGE OF SOUTHAMPTON	\$153,159	\$168,209	\$168,209	\$168,209	\$183,259
001	3198	AXT1	PRO	STOP-DWI	VILLAGE OF WESTHAMPTON BEACH	\$5,008	\$7,500	\$7,500	\$7,500	\$7,500
115	3135	AXU1	POL	Town & Village Revenue Sharing	VILLAGE OF WESTHAMPTON BEACH	\$60,551	\$66,501	\$66,501	\$66,501	\$72,451
001	6010	GGY1	DSS	Dss: Community Svcs Admin	VINES	\$195,800	\$200,318	\$200,318	\$201,544	\$201,544

CONTRACTED AGENCY FUNDING IDENTIFIED BY ACTIVITY NAME

Fund	Approp	Act Code	Dept	Appropriation Name	Activity Name	2007 Actual	2008 Adopted	2008 Estimated	2009 Requested	2009 Recommended
001	6510	HQZ1	EXE	Veterans Service	W ISLIP AMERICAN LEGION	\$1,721	\$0	\$0	\$0	\$0
001	7510	JCV1	PKS	Parks: Historic Services	WARD MELVILLE HERITAGE ORGANIZATION ARCHIVE PROJECT	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	HWM1	ECD	Economic Development Admin	WEST BABYLON BEAUTIFICATION SOCIETY	\$5,000	\$0	\$0	\$0	\$0
001	4310	AYA1	HSV	Div Of Comm Mental Hygiene	WEST BABYLON UFSD #2	(\$1,866)	\$0	\$0	\$0	\$0
001	6410	HRA1	ECD	Economic Development Admin	WEST ISLIP BEAUTIFICATION SOCIETY	\$2,000	\$0	\$0	\$0	\$0
001	6410	HRC1	ECD	Economic Development Admin	WEST ISLIP CHAMBER OF COMMERCE	\$0	\$5,000	\$5,000	\$0	\$0
001	6410	HRD1	ECD	Economic Development Admin	WEST ISLIP COMMUNITY ORCHESTRA	\$2,000	\$5,000	\$5,000	\$0	\$0
001	7320	AYF1	EXE	Youth Bureau/Office For Child	WEST ISLIP YES	\$100,640	\$102,653	\$102,653	\$104,706	\$104,706
001	6410	GTG1	ECD	Economic Development Admin	WESTHAMPTON BCH PERFORM ARTS	\$14,000	\$20,000	\$20,000	\$0	\$0
001	7320	HGR1	EXE	Youth Bureau/Office For Child	WESTHAMPTON YOUTH ALLIANCE	\$2,000	\$0	\$0	\$0	\$0
001	6004	HR11	DSS	Soc Svc: Commodities Dist	WESTMINSTER PRESBYTERIAN CHURCH OUTREACH PROGRAM	\$343	\$5,000	\$5,000	\$0	\$0
001	7110	HEN1	PKS	Parks, Rec & Conservation	WILDLIFE REHAB.CTR.OF THE HAMP	\$2,000	\$5,000	\$5,000	\$0	\$0
001	7320	GXX1	EXE	Youth Bureau/Office For Child	WILLIAM FLOYD COMMUNITY SUMMIT	\$1,008	\$5,000	\$5,000	\$0	\$0
001	4310	HKC1	HSV	Div Of Comm Mental Hygiene	WSNCHS EAST, INC	(\$173)	\$175,203	\$180,422	\$176,193	\$181,831
001	4100	AYM1	HSV	Hs: Patient Care Svcs Adm	WYANDANCH CLINIC	\$5,960,851	\$5,901,790	\$5,901,790	\$5,984,453	\$5,908,053
001	6410	HRM1	ECD	Economic Development Admin	WYANDANCH COMMUNITY DEVELOPMENT CORP.	\$5,000	\$0	\$0	\$0	\$0
001	7325	AYP1	EXE	Spec Dlnqncy Prevention Pgm	WYANDANCH YOUTH SERVICES, INC	\$153,770	\$156,100	\$156,100	\$157,491	\$157,491
001	3400	HEA1	FRE	Fire, Rescue & Emergency Svc	WYANDANCH/WHEAT.HTS. AMBULANCE	\$5,000	\$0	\$0	\$0	\$0
001	3400	HRN1	FRE	Fire, Rescue & Emergency Svc	YAPHANK FIRE DEPARTMENT	\$0	\$5,000	\$5,000	\$0	\$0
001	7320	HXM1	EXE	Youth Bureau/Office For Child	YAPHANK PRESBYTERIAN CHURCH YOUTH PROGRAM	\$5,000	\$5,000	\$5,000	\$0	\$0
001	7320	HGT1	EXE	Youth Bureau/Office For Child	YES INC	\$22,500	\$20,000	\$20,000	\$0	\$0
001	4310	AYU1	HSV	Div Of Comm Mental Hygiene	YMCA OF L I INC	\$1,080,396	\$1,143,927	\$1,171,742	\$1,153,408	\$1,183,457
001	7320	GTH1	EXE	Youth Bureau/Office For Child	YOUTH EXPERIENCE ART (YEA) PRO	\$96,570	\$98,501	\$98,501	\$100,471	\$100,471
001	7320	AZB1	EXE	Youth Bureau/Office For Child	YTH DEVLPMNT ASSN OF COMMACK IN	\$25,030	\$25,531	\$25,531	\$26,042	\$26,042