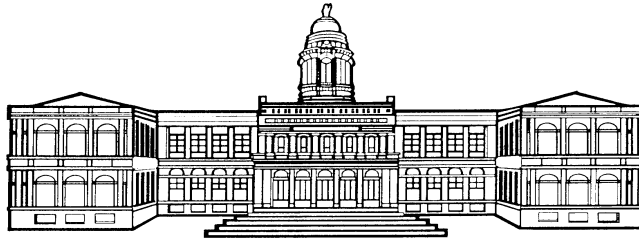


New York City Council



BUDGET NOTE

Finance Division

November 2008

Hon. Christine C. Quinn
Speaker

Hon. David I. Weprin
Chair, Committee on Finance

Hon. Maria del Carmen Arroyo
Chair, Committee on Aging

Hon. James Vacca
Chair, Subcommittee on Senior
Centers

Preston Niblack, Director
Jeffrey Rodus, First Deputy
Director

DEPARTMENT FOR THE AGING (125)

The Department for the Aging (DFTA) promotes, administers and coordinates the development and provision of services for older New Yorkers to help them maintain their independence and participation in their communities. The Department supports a broad range of services, both directly and through over 600 contracts with community-based organizations, including the administration of 329 contracted senior centers, and also provides over 11.8 million meals annually, both home delivered and at senior centers.

AGENCY FUNDING OVERVIEW (in \$000s)

Agency Funding Sources	Fiscal 2009 Adopted Budget	Fiscal 2009 November Plan	Fiscal 2010 Plan at Fiscal 2009 Adoption	Fiscal 2010 November Plan
City	\$157,890	\$179,211	\$132,079	\$150,626
Other Categorical	\$0	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0	\$0
State	\$35,019	\$38,274	\$35,367	\$35,367
Community Development	\$2,485	\$2,485	\$2,485	\$2,485
Federal-Other	\$75,608	\$78,400	\$75,358	\$75,358
Intra-City	\$472	\$481	\$472	\$472
Total	\$271,474	\$298,851	\$245,761	\$264,308

<i>HEADCOUNT OVERVIEW</i>				
Headcount	Fiscal 2009 Adopted Budget	Fiscal 2009 November Plan	Fiscal 2010 Plan at Fiscal 2009 Adoption	Fiscal 2010 November Plan
City	57	57	57	38
Non-City	273	273	273	273
Total	330	330	330	311

Fiscal 2009 November Plan Action Analysis

In September, the Mayor's Budget Director ordered each agency head to submit proposed Programs to Eliminate the Gap (PEGs) equal to 2.5% in Fiscal 2009 and 5% in Fiscal 2010 and each of the outyears of the agency's City tax-levy budget. The Fiscal 2009 November Plan presents the results of this budget exercise.

Programs to Eliminate the Gap are Financial Plan actions that reduce the City's budget gap by either reducing an agency's City tax-levy Expense Budget or increasing City revenues. It should be noted that some PEGs involve increases in Expense Budget costs that lead to increased revenues. For example: An agency may increase expenses by hiring 20 inspectors, with the expectation that those inspectors will generate additional revenue, ultimately saving City tax-levy dollars.

The chart below indicates the PEG amount the agency is proposing to implement in Fiscal 2009 based upon the Fiscal 2009 Adopted Budget and the amount in Fiscal 2010 based on the 2010 forecast at the time of adoption.

<i>NOVEMBER PLAN PEGS (in \$000s)</i>				
		Fiscal 2009 Adopted Budget and Forecast	Fiscal 2009 November Plan PEGs	PEG as percentage of Adopted Budget and Forecast
	Fiscal 2009	157,890	(3,972)	-2.5%
	Fiscal 2010	132,079	(6,540)	-5%

NOVEMBER PLAN ACTIONS (in \$000s)

Description (in \$000s)	Fiscal 2009			Fiscal 2010		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Fiscal 2009 Adopted Plan	157,890	113,584	271,474	132,079	113,682	245,761
November Plan PEGS						
IT Consolidation	0	0	0	(1,079)	0	(1,079)
Federal Revenue for Senior Employment	(311)	0	(311)	(311)	0	(311)
Elder Abuse Prevention	(424)	0	(424)	(849)	0	(849)
Social Adult Day Care	(1,179)	0	(1,179)	(2,359)	0	(2,359)
Caregiver Support Services	(888)	0	(888)	0	0	0
Congregate Services Initiative	(199)	0	(199)	0	0	0
Intergenerational Program	(504)	0	(504)	(1,008)	0	(1,008)
Non-Core Social Services	(467)	0	(467)	(934)	0	(934)
Total PEGS	(3,972)	0	(3,972)	(6,540)	0	(6,540)
November Plan Other Adjustments						
Collective Bargaining	13	0	13	15	0	15
NYCHA Social Services	29,400	0	29,400	29,400	0	29,400
Technical Adjustments	311	138	449	(241)	0	(241)
NYCHA Reorganization	(4,085)	0	(4,085)	(4,085)	0	(4,085)
State Budget Adjustment	(343)	0	(343)	0	0	0
State Budget Reduction	0	(1,767)	(1,767)	0	0	0
State Transportation Grant	0	712	712	0	0	0
SNAP	0	3,305	3,305	0	0	0
EISEP	0	(515)	(515)	0	0	0
CSE	0	1,128	1,128	0	0	0
Rollover SOFA w/003	0	88	88	0	0	0
Increase WRAP w/002 & 003	0	2,275	2,275	0	0	0
Increase HICAP w/002 & 003	0	356	356	0	0	0
Add Last 1/4 HEAP funds	0	66	66	0	0	0
Total Other Adjustments	25,296	5,786	31,082	25,089	0	25,089
November Plan New Needs						
Total New Needs	0	0	0	0	0	0
Total November Plan Budget Changes	21,324	5,786	27,110	18,549	0	18,549
Agency Budget as per the November Plan	179,214	119,370	298,584	150,628	113,682	264,310

PEGS

- **IT Consolidation.** This action represents a reduction in spending of approximately \$1 million in Fiscal 2010 and in the outyears. The agency will recognize savings due to information technology services being provided through existing resources at the Human Resources Administration (HRA).
- **Federal Revenue for Senior Employment.** This action represents a reduction in City Tax Levy of \$311,000 in Fiscal 2009 and in the outyears. Federal revenue will offset city expenses for fringe benefits in the senior employment program.

- **Elder Abuse Prevention.** This action represents a reduction in spending of \$425,000 in Fiscal 2009 and \$850,000 in Fiscal 2010 and in the outyears. This cut will eliminate funding for all elder abuse prevention contracts.
- **Social Adult Day Care.** This action represents a reduction in spending of \$1.2 million in Fiscal 2009 and \$2.4 million in Fiscal 2010 and in the outyears. This cut will eliminate funding for all contracts that provide non-medical adult day care services to fewer than 200 individuals with cognitive or physical limitations.
- **Congregate Services Initiative.** This action represents a reduction in spending of \$200,000 in Fiscal 2009 only. This cut will eliminate funding for all programs providing educational and recreational services to seniors.
- **Intergenerational Program.** This action represents a reduction in spending of \$504,000 in Fiscal 2009 and \$1 million in Fiscal 2010 and in the outyears. This cut will eliminate funding for all contracts that foster engagement between seniors and youth.
- **Non-Core Social Services.** This action represents a reduction in spending of \$467,000 in Fiscal 2009 and \$935,000 in Fiscal 2010 and in the outyears. This cut will eliminate funding for all contracts providing non-core social services, including information and referral, escort services, and shopping services for seniors.

Other Adjustments

- **Collective Bargaining.** Annual city funds totaling \$96,000 in Fiscal 2009 and \$112,000 in Fiscal 2010 and the outyears will be transferred from the Labor Reserve in the Miscellaneous Budget to the budget of ACS to cover costs associated with recent collective bargaining settlements.
- **NYCHA Social Services.** City funds totaling \$29 million will be added to the agency's budget to replace funding for DFTA managed social services at New York City Housing Authority (NYCHA) sites. This is funding that originally came from NYCHA but was recently cut due to its current budget deficit.
- **Technical Adjustments.** The agency will recognize an increase in City funds totaling \$311,000 for Fiscal 2009, a decrease in City funds totaling \$241,000 for Fiscal 2010, a decrease in City funds totaling \$227,000 for Fiscal 2011 and a decrease in City funds totaling \$212,000 for Fiscal 2012 for technical adjustments.
- **NYCHA Reorganization.** The agency will recognize a decrease in City funds totaling \$4 million in Fiscal 2009 and Fiscal 2010 and in the outyears, as a result of the reorganization of NYCHA social service programs. Portions of this funding are being added to the budgets of other city agencies (including the Administration for Children's Services and the Human Resources Administration) so that NYCHA may work collaboratively with those agencies to enhance social services programming citywide.

- **State Budget Adjustment.** The agency will recognize a decrease in City funds totaling \$343,000 for Fiscal 2009 only as a result of a 6% State Budget Cut to aging services.

Capital Budget

FY09 Executive Capital Plan vs. FY09 Adopted Capital Budget (in \$000s)

	FY09	FY10	FY11	FY12	FY13	Total
May	2,696	1,990	4,985	2,206	3,470	15,347
Sept	7,851	1,592	3,988	1,765	3,799	18,995
Variance	5,155	-398	-997	-441	329	3,648

As part of the formulization of the FY09 Adopted Capital Budget agencies were required to reduce their capital plans by twenty percent in each year from FY09-12. The funds pushed-out from these four years could roll into the fifth year of the plan, FY13. As such, even with the inevitable roll of projects from FY08 which had yet to be committed, the FY09-13 plan is significantly less than the plan presented in May 2008.

The Department for the Aging's FY09-13 adopted capital plan is \$3.65 million greater than the Executive Capital Plan released in May. When taking into account the \$29.4 million of uncommitted projects rolled from FY08 the increase of \$3.65 million is actually a decrease of \$25.75 million over the five years of the plan.

Capital Plan Highlights

- \$704,000 is added in Fiscal Year 2009 for the purchase of computers and technical support for City-wide senior centers, to enable them to automate service management. No additional funding for this project is planned until Fiscal outyears 2014-2019 (\$2.9 million).
- \$333,000 is added in Fiscal 2009 for the rehabilitation of various city-wide senior centers. Funding for this project is reduced in Fiscal Years 2010-2013 and increases by \$6.2 million in Fiscal outyears 2014-2019.

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