

New York City Council



BUDGET REPORT

Finance Division

March 2009

***Analysis of the
Fiscal 2010 Preliminary Budget
and
Fiscal 2009 Preliminary Mayor's Management Report
for the
Department for the Aging***

Monday, March 30, 2009

Hon. Christine C. Quinn
Speaker

Preston Niblack, Director

Hon. David I. Weprin, Chair
Committee on Finance

Jeffrey Rodus, First Deputy Director

Latonia McKinney, Deputy Director

Hon. Maria del Carmen Arroyo, Chair
Committee on Aging

Pakhi Sengupta, Senior Legislative
Financial Analyst

Hon. Melissa Mark-Viverito, Chair
Subcommittee on Senior Centers

PREFACE

On March 30, 2009, at 10 am., the Committee on Aging, chaired by the Hon. Maria del Carmen Arroyo, jointly with the Subcommittee on Senior Centers, chaired by the Hon. Melissa Mark-Viverito, will hold a hearing on the Mayor's Fiscal 2010 Preliminary Budget and Fiscal 2009 Preliminary Mayor's Management Report for the Department for the Aging.

Section 236 of the New York City Charter requires the Mayor to submit by January 16th a preliminary budget for the upcoming fiscal year.^a In addition, under section 12 of the City Charter, the Mayor must make public and submit to the Council by January 30th the Preliminary Mayor's Management Report (PMMR) for the current fiscal year.^b Among other things, the PMMR must contain "proposed program performance goals and measures for the next fiscal year reflecting budgetary decisions made as of the date of submission of the preliminary budget."^c The Charter also requires the Council to hold hearings on the preliminary budget and to submit recommendations to the Mayor by March 25th.^d This year, the Council will hold joint hearings on the Fiscal 2010 Preliminary Budget and the Fiscal 2009 Preliminary Mayor's Management Report.

Beginning with the Fiscal Year 2008 Adopted Budget, the Council and the Mayor's Office of Management and Budget agreed to an additional budget presentation, referred to by OMB as the budget function analysis, and by the Council as the program budget. Two agencies were initially presented in the program budget form. Beginning with the January 2008 Financial Plan (Fiscal 2009 Preliminary Budget), a total of 16 agencies are now in program budget form. The Department for the Aging is a program budget agency.

This report was prepared by Pakhi Sengupta, Senior Legislative Financial Analyst, under the supervision of Deputy Director Latonia R. McKinney.

^a The Charter prescribes specific actions that are required as part of the annual budget submission process during a fiscal year. The Charter allows for changes, via local law, in the dates in the submission of the PMMR, as well as an extension for subsequent steps in the budget process. This year, Local Law 03 of 2009 changed the date for the submission of the Preliminary Budget to January 30th, and the date for the Council's Response to the Preliminary Budget to April 8th.

^b Local Law 03 of 2009 changed the date of submission of the PMMR to February 13, 2009.

^c New York City Charter, §12(b)(2).

^d *See id.* at §247.

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.

PROGRAM TO ELIMINATE THE GAP

Since the Fiscal 2009 Budget was adopted in June, the Office of Management and Budget has twice asked agency heads to submit Programs to Eliminate the Gap (PEGs) proposals. In the first round, in September, OMB sought PEG submissions equal to five percent of agency City tax-levy budgets for Fiscal 2010, with a further seven percent sought in December.

PEGs reduce the City's budget gap either by reducing an agency's City tax-levy Expense Budget spending, or by increasing City revenues. The chart below indicates the proposed PEG amounts for the DFTA based on the Fiscal 2010 forecast at the time the Fiscal 2009 Budget was adopted (June 2008).

November and January Plan PEGs for Fiscal 2010 <i>(in 000s)</i>	
Fiscal 2010 Forecast at Fiscal 2009 Adoption (June 2008)	\$132,079
Expense PEGs	(\$16,109)
Revenue PEGs	--
Total Fiscal 2010 PEGs	(\$16,109)
PEGs as a Percent of the Fiscal 2010 Forecast	12.20%

PRELIMINARY BUDGET HIGHLIGHTS

In November 2008, DFTA issued a modernization plan with three major components: case management, home delivered meals, and senior centers, which called for the creation of 15-30 comprehensive wellness centers, in an effort to regionalize senior center services throughout the City. As a result, all current senior centers and these new larger centers would be required to apply for funding through a Request for Proposals (RFP) process. The current financial crisis called into question the City's ability to fund new larger centers, while maintaining all the neighborhood senior centers that provide vital core services, however, the Administration was moving forward. This new plan would have forced current neighborhood senior centers to close, resulting in a loss of core services at remaining senior centers, leaving centers with unbalanced funding and programming. Furthermore, it would have given senior centers unclear information on how to address transportation issues or social work services, among a number of other services seniors rely on. The plan proposed \$117 million in baseline funding for senior centers, up from \$94 million last year. However, the majority of that figure did not represent new funding, but rather money that was allocated by the City Council and Borough Presidents. As a result, there would not have been enough money per region to retain the current number of senior centers. Funding distribution would have been further complicated by the financial challenges facing the New York City Housing Authority (NYCHA), whose facilities house over 40 senior centers. Lastly, the

Administration's own RFP implied that up to 85 local community senior centers would possibly close as a result of this process.

Although the Administration and the City Council agree on the overall vision of modernization, which intends to offer a comprehensive health and wellness approach promoting social, physical and mental wellness, it is for the reasons outlined above that the Council was successful in having this RFP rescinded. Negotiations for the citywide modernization of senior centers will continue under the leadership of DFTA's newly appointed Commissioner Lilliam Barrios-Paoli, with relevant stakeholders asking questions, resolving concerns and ensuring transparency in an effort to provide enhanced services for seniors. Conversely, though the senior center RFP portion of DFTA's modernization plan was rescinded, RFPs for both case management and home delivered meals were released, and awards have been made. The case management transition began on April 1, 2008 and continued through June 30, 2008, reducing 32 contracts to 23. The home delivered meals RFP was released on May 1st, 2008, and DFTA awarded 20 contracts in December, 2008. Although the same number of meals continue to be served, this is a large reduction from the previous 93 home delivered meals contracts. Advocates and service providers have expressed concern regarding multiple issues with both transitions including high caseloads in understaffed programs, lack of adequate funding, miscommunication from DFTA, and new service areas being too large. It is this backdrop that the discussion regarding the Fiscal 2010 Preliminary Budget for DFTA begins.

The Fiscal 2010 Preliminary Budget proposes a total budget of approximately \$245 million for DFTA. When compared to the Fiscal 2009 Adopted Budget, the total DFTA budget reflects a \$26 million decrease, which is primarily attributable to the exclusion of several Council-funded initiatives that total approximately \$24 million. The table below lists the Council initiatives that were included in the Fiscal 2009 Adopted Budget.

Council Initiatives	Funding
Borough Presidents Discretionary Funding	\$533,000
Council Member Discretionary Funding	\$5,546,250
CityMeals on Wheels	\$1,000,000
Food Costs for Senior Centers	\$4,550,000
Healthy Aging	\$1,350,000
Information and Referral Contracts	\$1,500,000
NORC Supportive Service Program	\$1,000,000
Space Costs for Senior Centers	\$1,950,000
Transportation Operating Costs	\$3,000,000
Local Initiatives	\$3,938,335
TOTAL	\$24,367,585

As for the PEGs, most of the reductions are in contract services for senior centers, home delivered meals and case management, and the impact of those reductions are detailed in the Program Budget Analysis section below. Additionally, it is significant to note that the Council added \$18 million at Adoption to the Fiscal 2009 budget -- baselined in the outyears of the Financial Plan by agreement with the Administration -- to fund a transition of social services programming from NYCHA to City agencies. The funds were not necessarily intended to fund DFTA programs, but were budgeted there for convenience, and the Administration intends to transfer these funds to other agencies.

State Budget and Its Impacts on NYC

In addition to City tax-levy actions impacting the Fiscal 2010 Preliminary Budget, funding for aging services within the State budget are significant to note. The Fiscal 2009-2010 State Executive Budget recommends total funding of \$234 million (\$114 million General Fund, \$120 million Other Funds) for the State Office for the Aging (SOFA). This is a decrease of \$14.1 million (\$11.3 million General Fund and \$2.8 million Other Funds) or approximately six percent, from the Fiscal 2008-2009 budget. This change primarily reflects the continuation of across-the-board reductions enacted during the August Special Legislative Session, and the discontinuation of the Fiscal 2009-2010 cost-of-living adjustments and reductions in non-essential spending. The Executive Budget recommends a staffing level of 133 for SOFA with no changes from the Fiscal 2008-2009 level. Major budget actions are outlined below.

- **Targeted Investment.** Funding of \$2 million is recommended for local Area Agencies on Aging and community-based organizations to assist seniors enrolled in the Elderly Pharmaceutical Insurance Coverage (EPIC) Program in selecting appropriate Medicare Part D plans.
- **Cost-of-Living Adjustments.** The State Executive Budget saves \$7.1 million by discontinuing the Fiscal 2009-2010 cost-of-living adjustment for certain aging programs similar to other human services programs. This would not impact the cost-of-living adjustments available in the outyears.
- **Reduction of Non-Essential Spending.** The State Executive Budget reduces funding for the Managed Care Consumer Assistance Program, Congregate Services Initiative, Stony Brook Evaluation of Geriatric In-Home Care, Long Term Care Ombudsman Program, and New York Connects. Funding is eliminated for the Individual Living Senior Housing Project, Geriatric In-Home Care, Social Workers for Geriatric In-Home Care, Sustainable Transportation, End of Life Care, Enriched Social Adult Day Centers and the Long Term Care Insurance Education and Outreach Program. These actions generate savings of \$8.1 million for Fiscal 2009-2010.
- **State Operations Savings.** Savings of \$275,000 will be realized in Fiscal 2009-2010 by controlling non-personnel spending and managing staff vacancies.

Major negative impacts to the City budget are related to what SOFA has categorized as “non-essential spending.” Although the programs listed above do not have a direct impact on senior housing, case management services, or meals, these programs provide crucial outreach, information, friendly visiting, and other supportive services. These cuts affect programs which serve our City’s most frail and vulnerable seniors, who rely on a more intensive level of care and support. Additionally, the cut to the cost-of-living adjustment (COLA) for aging programs is also problematic. Many City programs rely on the State to provide their staff with necessary COLAs, Particularly during a time of fiscal crisis. Such raises, although small, are significant to those serving the NYC aging community.

Fortunately, the Fiscal 2009-2010 State Executive Budget continues funding for the Office’s community-based service programs, including Community Services for the Elderly (CSE), Naturally Occurring Retirement Communities (NORCs), Neighborhood NORCs, respite services and operational funding for transportation providers. It also preserves core funding for Expanded In-home Services for the Elderly Program (EISEP). EISEP provides non-medical in-home services, case management, respite and ancillary services to the frail seniors, most of whom are low income but not eligible for Medicaid. Recipients are required to cost-share for received EISEP program services, and the fee is based on their annual income. EISEP is expected to serve

almost 51,000 persons in Fiscal 2009-2010. It is crucial that funding for these major programs be maintained, as NYC seniors rely on them heavily.

PROGRAM FUNDING OVERVIEW

Program budgets, as the name suggests, presents an agency’s budget and headcount by discrete program areas, in contrast to the broader unit of appropriation breakouts which exist for every agency (see unit of appropriation table below). The tables below present an overview of the DFTA budget by those programmatic functions performed by the agency.

After a long history of mid-year funding shifts, negotiations between the City Council and the Administration have led to changes to DFTA’s program budget. Funding was often placed in the wrong program area at the time of budget adoption. For years, the Social Services and Transportation category reflected an inflated amount at the time of adoption, and conversely, the Senior Centers and Meals category reflected a deflated amount when compared to actual spending for the prior fiscal year. Mid-year transfers made tracking funding difficult. As a result, the Fiscal 2010 Preliminary Budget for DFTA has the following changes to its program budget when comparing it to last year’s report. First, the Social Services and Transportation category has been eliminated. Funding from this program area, which totals approximately \$22 million, has been redistributed to the Senior Centers and Meals program area. Second, DFTA has added a new program area entitled Senior Employment and Benefits. Lastly, the program area General Administration has been expanded and is now aptly named Administration and Contract Agency Support. This new program area now includes funding for central insurance, leases and utilities for contract agencies (i.e. senior centers), in addition to general administration. Details on all these program areas are in the Program Funding Analysis section of this report.

Program Funding	2008 Actual Expenses	2009 Adopted Budget	2009 Current Modified	2010 Preliminary Budget
Administration & Contract Agency Support	\$53,990,077	\$47,038,172	\$48,086,419	\$52,707,305
Case Management	\$20,305,448	\$20,143,707	\$20,143,707	\$20,626,774
Homecare	\$26,670,008	\$27,656,839	\$27,839,903	\$26,813,626
Senior Centers and Meals	\$135,939,496	\$123,594,454	\$126,220,858	\$115,261,430
Senior Employment & Benefits	\$8,074,293	\$8,558,991	\$10,693,184	\$9,058,467
Senior Services	\$45,508,101	\$44,482,549	\$45,627,575	\$20,679,306
Total	\$290,487,423	\$271,474,712	\$278,611,646	\$245,146,908

PROGRAM HEADCOUNT OVERVIEW

Headcount by Program	2009 Adopted Budget	2009 Current Modified	2010 Preliminary Budget
Administration & Contract Agency Support	308	308	289
Senior Employment & Benefits	22	22	22
Total	330	330	311

DFTA contracts with more than 400 local providers that deliver a wide array of services to seniors throughout the five boroughs. As DFTA is mainly a contracting agency, staff is deployed in only two program areas (as reflected in the chart above), with the majority of DFTA staff providing support to providers and senior centers that provide direct client services.

PROGRAM FUNDING ANALYSIS

Administration & Contract Agency Support

This program area funds both personnel and supplies, as well as supports contracts which provide administration and program oversight. Also in this program area is funding for non-personnel costs, central insurance, facility leases, and utilities. It is significant to note that this program category did not exist previously, as it is an expansion of the former program area known as "General Administration." As funding for central insurance, leases and utilities for contract agencies (i.e. senior centers) was not previously included in the program category of General Administration, funding in the new program category "Administration and Contract Agency Support" is 29 percent higher at approximately \$49 million (up from approximately \$35 million for General Administration).

The Fiscal 2010 Preliminary Budget includes a reduction in headcount in the area of Administration and Contract Agency Support. As per the Fiscal 2009 November Plan, DFTA will reduce its information technology staff by 19 and will now use existing resources at the Human Resources Administration (HRA) to perform necessary functions.

Also, the Fiscal 2010 Preliminary Budget includes a cut of approximately \$1.8 million in City funds for Fiscal 2010 and in the outyears to the administration budget. DFTA intends to reduce its administrative spending, including consulting services, equipment purchases and special events. Details on the types of services and/or special events to be cut are undetermined.

Case Management

Case Management agencies provide assessment and link homebound seniors with services including home delivered meals, home care, information and referral and other supportive programs. This also includes monitoring and coordinating programs, providing supportive counseling, as well as, assistance with light housekeeping, shopping and laundry.

The Fiscal 2010 Preliminary Budget includes a cut of approximately \$1.1 million in City funds for Fiscal 2010 and in the outyears to the budget for case management. DFTA intends to reduce funding to all case management contracts by 4.5 percent. Details on the implementation of this cut are undetermined.

The cut to case management is particularly problematic as it is being implemented at a time when the current case management system for seniors in NYC is already in turmoil. The recently released case management RFP scaled down the current case management model to 23 service areas (from 32) throughout the five boroughs, specifically, three service areas in the Bronx, seven in Brooklyn, four in Manhattan, seven in Queens, and two in Staten Island. DFTA stated that new service areas were drawn to avoid overlapping, as some case management contracts were serving the same community district. According to aging advocates and providers, issues with the current system appear to be vast. Provider agencies claim to have significantly higher caseloads than quoted in the RFP, and remain understaffed. DFTA's Provider Data System (PDS) has consistent problems which cause it to be frequently non-functional. Consequently, inputting client data is delayed, and reports are inaccurately inputted. Active clients lost from PDS often must be manually re-entered by provider agencies causing additional delays for all categories of staff. Additionally, several provider agencies claim to have insufficient administrative support staff to meet growing client need. As approximately 4,000 new clients have entered the senior

case management system citywide, it is essential that conversations between provider agencies, DFTA, the Administration, and the City Council continue, so as to resolve the current issues.

Homecare

The Homecare Program provides assistance to low-income frail seniors with daily chores and personal care to allow them to safely remain in their homes. This may include housekeeping and personal care, meal preparation, companionship, supervision of medications, doctor's visits, referrals to legal and financial experts, as well as other necessary services.

The Fiscal 2010 Preliminary Budget for homecare remains stable at approximately \$27 million, the same as the Fiscal 2009 Adopted Budget. Although there are no budget actions pertaining to this program area within the Fiscal 2010 Preliminary Budget, the Preliminary Mayor's Management Report indicates that, the hours of home care provided was reduced by 20 percent in comparison to the same reporting period last year. In Fiscal 2008, DFTA reimbursed providers for additional hours resulting in utilization exceeding the contracted amount. Hours of home care provided is on track to meet the Fiscal 2009 target. The contracted cost of home care services remains stable at approximately \$15 per hour.

Senior Centers and Meals

Senior Centers provide educational programs, nutrition and health services, exercise programs, and recreational programming in community-based settings. Most senior centers provide both congregate and home delivered meals to seniors. Funding for this program area reflects a ten percent decrease when comparing the November Financial Plan to the Fiscal 2010 Preliminary Budget. The drop in funding is partially due to approximately \$15 million in Council funds being transferred from this area for New York City Housing Authority (NYCHA) social services. The Fiscal 2009 Executive Budget contained \$18 million in City Council funds for NYCHA social services. This funding was included in DFTA's budget at the time of adoption, with the intention of allocating it later in the fiscal year. As of the Fiscal 2010 Preliminary Budget, it is now being transferred from DFTA's budget and redistributed to the Administration for Children's Services (ACS), the Department of Youth and Community Development (DYCD), and the Human Resources Administration (HRA). It should be noted, however, that \$29.4 million for NYCHA senior centers was included in the November Financial Plan for Fiscal 2010 and in the outyears. This \$29.4 million is City tax-levy which is separate from the aforementioned \$18 million of Council funding. Additionally, as stated previously in the "Program Funding Overview" section of this report, approximately \$22 million has been taken from the former program area known as "Social Services and Transportation" (which has been eliminated), and appropriately allocated to this program area.

The Fiscal 2010 Preliminary Budget includes cuts to the budgets for both senior centers and home delivered meals. The reduction to senior centers will save approximately \$5.3 million in City funds for Fiscal 2010 and in the outyears. DFTA intends to reduce funding to all senior centers by five percent. The reduction to the Home Delivered Meals program will save approximately \$1.4 million in City funds. DFTA will achieve savings by scaling back on the planned expansion of its Home Delivered Meals program, but will continue to serve 4.1 million home delivered meals annually. Details on the implementation of both cuts are still undetermined.

Additionally, according to the Preliminary Mayor's Management Report (PMMR), senior centers utilized at a minimum of 90 percent of capacity increased from 60 percent in Fiscal 2008 to 66 percent in Fiscal 2009 for the same reporting period. DFTA is reviewing the operation of senior centers as part of a broader effort to modernize services for older adults in New York City, as discussed at the beginning of this report. Despite the fact that during the first four months of Fiscal 2009 the number of home delivered meals served declined nearly three percent compared to the same period last year, DFTA expects to meet its Fiscal 2009 goal for home delivered meals served.

Lastly, changes within the State budget for senior meals are worth noting, as they will have a significant impact on New York City's seniors. Through a combination of State tax dollars and federal grants, the State annually provides over 23.5 million congregate and home-delivered meals as well as other nutritional services primarily to non-institutionalized frail elderly clients. These seniors are at risk of malnutrition because they are no longer able to obtain adequate nutrition without assistance. SOFA receives \$41 million in federal grants to support congregate and home-delivered meals and another \$15 million to support the purchase of food. The Fiscal 2009-2010 State Executive Budget continues funding for the Supplemental Nutrition Assistance Program (SNAP), the State counterpart to the federal program, at \$21 million. Although additional funding is necessary for these areas due to the rising cost of food, it is positive to see funding for SNAP at least maintained during difficult financial times.

Senior Employment and Benefits

This program area mainly funds employment programs that subsidize jobs for seniors. It also supports benefit programs which assist seniors with home energy costs through the Home Energy Assistance Program (HEAP), and the Weatherization Referral and Packaging Program (WRAP). Additionally it provides funding for the Health Insurance Counseling and Advocacy Program (HICAP) which assist seniors with obtaining health insurance that is best suited to their individual needs. As stated previously in the "Program Budget Overview" section of this report, this is a new area in the program budget for DFTA.

Given the common need and/or desire of seniors to continue working post-retirement, DFTA's employment programs provide outreach to seniors who are eligible to secure employment through federal funding. Authorized by Congress in Title V of the Older Americans Act of 1965 to provide subsidized, part-time, community service work-based training for low-income seniors age 55 or older who have poor employment prospects, the Senior Community Service Employment Program (SCSEP) trains older workers. In addition to providing community services and part-time work based training, the program has a goal of placing seniors into unsubsidized jobs equal to 30 percent of the authorized positions. Seniors placed through this program work an average of 20 hours a week, and are paid the highest federal, State or local minimum wage, or the prevailing wage. They are placed in a wide variety of community service activities at non-profit and public facilities, including day-care centers, senior centers, schools and hospitals. It is intended that these community service experiences serve as a bridge to other employment positions that are not supported with federal funds. Program participants must be at least 55 and have a family income of no more than 25 percent over the federal poverty level. Enrollment priority is given to seniors over the age of 60, veterans, and qualified spouses of veterans. Preference is also given to eligible individuals who have the greatest economic need.

As DFTA receives the bulk of its funding for this program area through Title V federal funds, the agency is required to work with the SCSEP to provide outreach, training, and job placement for seniors who qualify. 85 percent of funding in this program area is allocated for the salaries of those seniors who gain

employment through this program. The remaining 15 percent is for administrative costs associated with outreach, recruitment, training, and job placement.

Although there are no budget actions pertaining to this program area within the Fiscal 2010 Preliminary Budget, the Preliminary Mayor's Management Report (PMMR) indicates that the number of seniors trained for unsubsidized employment – placement in the private sector with no public subsidies - and the number of trainees placed in unsubsidized employment declined by 17 percent. This decrease represents 13 fewer people placed in comparison to the same period in Fiscal 2008. DFTA will explore more sources for job placements.

Senior Services

In this program area are a variety of services to seniors, including caregiver programs, social services and transportation, elder abuse services, the congregate services initiative, extended services, intergenerational funding, legal services, social adult day services, and funding for NORCs.

Of the six program categories within DFTA's budget, the largest decrease can be seen in the Senior Services category, which reflects a dramatic 46 percent drop from approximately \$44 million in the Fiscal 2009 Adopted Budget to approximately \$20 million in the Fiscal 2010 Preliminary Budget. Such a sharp decrease in projected spending is the result of realignments by the agency of budget lines to better reflect where spending takes place, and the acknowledgment of State and federal funding that are received throughout the year. Additionally, the decrease in this program area is also partially attributable to the exclusion of Council funding for transportation, NORCs, extended services and other senior services.

Although there are no budget actions pertaining to this program area within the Fiscal 2010 Preliminary Budget, the Preliminary Mayor's Management Report (PMMR) indicates that the average processing time for the Senior Citizen Rent Increase Exemption program improved slightly from 46 days in Fiscal 2008 to 44 days in Fiscal 2009 for the same reporting period. Additionally, the number of caregivers who received casework services or training directly from DFTA was modified in the Fiscal 2008 MMR to include caregiver services provided to persons caring for a senior and grandparents caring for their grandchildren. The number of caregivers who received supportive services through DFTA's contracted providers increased by 22 percent in Fiscal 2009 for the same reporting period. The number of caregivers seeking assistance has been increasing over time as the community becomes more aware of the availability of these services.

Lastly, the State and federal budgets also include funding for caregivers services, a vital component in the area of senior services at DFTA. Family members and other informal caregivers provide an estimated 80 percent of long-term care for older New Yorkers; sustaining this cost-effective, individualized support system for seniors is a key objective of the aging service system. The State Office for the Aging's 17 Caregiver Resource Centers assist caregivers through training programs, support groups, counseling and linkages to other community services. The \$12 million Federal Caregivers Program provides respite, training and counseling for caregivers, as well as other services that support an elderly person's ability to maximize his or her independence. To this end, State and federal funding for this program area will be maintained for Fiscal 2010. As caregiver programs are often categorized as "non-essential," it is positive to see no cuts to this area, as it is crucial to the many who support our City's seniors.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget
City	\$157,890,026	\$156,853,526	\$127,950,849
Other Categorical	\$0	\$36,104	\$0
Capital IFA	\$0	\$0	\$0
State	\$35,019,397	\$40,040,250	\$36,968,244
Community Development	\$2,484,841	\$2,484,841	\$2,494,727
Federal-Other	\$75,608,023	\$78,699,425	\$77,260,663
Intra-City	\$472,425	\$497,500	\$472,425
Total	\$271,474,712	\$278,611,646	\$245,146,908

HEADCOUNT OVERVIEW

Headcount (Uniform and Civilian)	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget
City	57	57	38
Non-City	273	273	273
Total	330	330	311

UNITS OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency's spending plans. The City Charter requires that U/A's represent the amount appropriated for personal services (i.e. salaries) or Other Than Personal Services (i.e. supplies) for a particular program, purpose, activity or institution. The table below presents the DFTA budget, comparing the Fiscal 2009 Adopted Budget to the Fiscal 2010 Preliminary Budget. The Fiscal 2009 Modified Budget reflects this year's budget at the time this financial plan was released.

U/A#	U/A Name	Fiscal 2009 Adopted Budget	Fiscal 2009 Modified as of 1/30/2009	Fiscal 2010 Preliminary Budget	Percent Change from Adoption
001	Executive & Admin Management	\$7,770,494	\$7,770,494	\$7,945,178	2.25%
002	Community Programs-PS	\$14,276,930	\$14,549,774	\$18,302,410	28.20%
	Total PS	\$22,047,424	\$22,320,268	\$26,247,588	19.05%
003	Community Programs-OTPS	\$246,997,991	\$253,308,009	\$217,546,242	-11.92%
004	Executive & Admin Management-OTPS	\$2,429,297	\$2,983,369	\$1,353,078	-44.30%
	Total OTPS	\$249,427,288	\$256,291,378	\$218,899,320	-12.24%
	Total Agency	\$271,474,712	\$278,611,646	\$245,146,908	-9.70%

PRELIMINARY BUDGET ACTIONS (in 000s)

The following table is a summary of the Preliminary Plan actions for Fiscal 2009 and Fiscal 2010 that are described in the Program Budget section above. The Non-City actions include State, Federal, Other Categorical, Intra-City and Capital Inter-Fund Agreement (IFA) funding changes for DFTA.

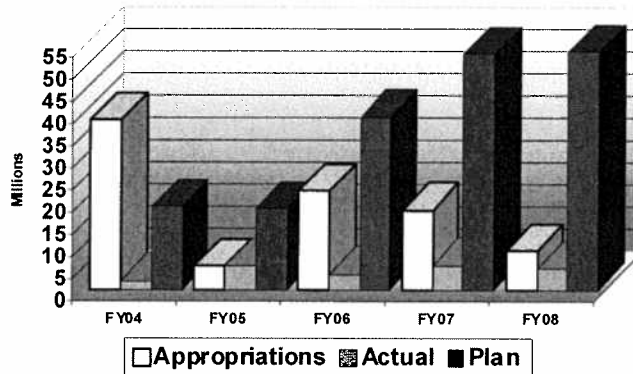
Description	Fiscal 2009			Fiscal 2010		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the November Plan	\$179,211	\$119,640	\$298,851	\$150,626	\$113,682	\$264,308
January Plan Programs to Eliminate the Gap (PEGs)						
Administrative Savings	\$0	\$0	\$0	(\$1,750)	\$0	(\$1,750)
Case Management	\$0	\$0	\$0	(\$1,112)	\$0	(\$1,112)
Home Delivered Meals	\$0	\$0	\$0	(\$1,433)	\$0	(\$1,433)
Senior Centers	\$0	\$0	\$0	(\$5,274)	\$0	(\$5,274)
Elder Abuse Prevention	\$424	\$0	\$424	\$0	\$0	\$0
Total PEGs	\$424	\$0	\$424	(\$9,569)	\$0	(\$9,569)
January Plan New Needs						
Total New Needs	\$0	\$0	\$0	\$0	\$0	\$0
January Plan Other Adjustments						
Collective Bargaining	\$591	\$12	\$603	\$808	\$11	\$819
NYCHA Social Services	(\$12,250)	\$0	(\$12,250)	(\$12,250)	\$0	(\$12,250)
Revenue Adjustment	\$239	(\$239)	\$0	\$0	\$0	\$0
Technical Adjustment	(\$1,665)	\$0	(\$1,665)	(\$1,665)	\$0	(\$1,665)
Seniors Meet the Arts (SM/ARTS)	(\$1,100)	\$0	(\$1,100)	\$0	\$0	\$0
Local Initiatives	\$63	\$0	\$63	\$0	\$0	\$0
Budget Code Realignment	\$0	\$0	\$0	\$0	\$3,505	\$3,505
Carryover SMP to FY 09	\$0	\$15	\$15	\$0	\$0	\$0
USDA Food Stamp Outreach Grant	\$0	\$74	\$74	\$0	\$0	\$0
Evidence Based Health Promo	\$0	\$30	\$30	\$0	\$0	\$0
Increase Title VII Grant	\$0	\$81	\$81	\$0	\$0	\$0
Carryover Evidence Based Program	\$0	\$89	\$89	\$0	\$0	\$0
Increase HICAP	\$0	\$8	\$8	\$0	\$0	\$0
DFTA Reserve Elder Services	\$0	\$16	\$16	\$0	\$0	\$0
Elder Abuse Prevalence Study	\$0	\$36	\$36	\$0	\$0	\$0
Total Other Adjustments	(\$14,122)	\$122	(\$14,000)	(\$13,107)	\$3,516	(\$9,591)
Total January Plan Budget Changes	(\$13,698)	\$122	(\$13,576)	(\$22,676)	\$3,516	(\$19,160)
Agency Budget as per the January Plan	\$165,513	\$119,762	\$285,275	\$127,950	\$117,198	\$245,148

FISCAL 2010 CAPITAL PLAN

Agency Overview

The New York City Department for the Aging (DFTA) serves as an advocate for the City's elderly population through legislative activity and public policy initiatives. Through the programs of the Department for the Aging, senior citizens can engage in a wide variety of activities that help them maintain their independence and improve their quality of life. DFTA manages 329 senior centers, including 181 senior centers that were formerly the responsibility of the Human Resources Administration. Among the programs administered by the Department are congregate and home-delivered meals, social and legal services, assistance to crime victims, immigration services, intergenerational services, information referral services and employment and counseling services.

DEPARTMENT FOR THE AGING
Appropriations vs. Actual & Planned Commitments
(City funds)



Current Budget Summary

The January 2010 Capital Commitment Plan includes \$53.1 million in Fiscal 2009-2013 for the Department for the Aging (including City and Non-City funds). This represents less than one percent of the City's total \$50.55 billion January Plan for Fiscal 2009-2013. The agency's Preliminary Commitment Plan for Fiscal 2009-2013 is 2.5 percent more than the \$51.8 million in the November Capital Commitment Plan, an increase of \$1.3 million.

Over the past five years the Department for the Aging has only committed an average of 11.68 percent of its annual capital plan. Therefore, it is assumed that a large portion of the agency's Fiscal 2009 capital plan will be rolled into Fiscal 2010 thus greatly increasing the size of the Fiscal 2010-2014 capital plan. Since adoption last June, the Capital Commitment Plan for Fiscal 2009 has decreased from \$36 million to \$34.7 million, a decrease of \$1.3 million or 3.7 percent.

Currently, the Department for the Aging's appropriations total \$43.7 million in city funds for Fiscal 2009. These appropriations are to be used to finance DFTA's \$34.7 million city-funded Fiscal 2009 capital commitment program. The agency has over 25.9 percent more funding than it needs to meet its entire capital commitment program for the current fiscal year.

In January the Mayor announced his intention to reduce the City's capital plan by 30 percent. The objective of the capital cut is to reduce the amount of debt service as a percentage of total revenues. The 30 percent reduction in the Ten-Year Capital Plan Fiscal 2010 – Fiscal 2019 would reduce the long-term average annual growth in debt service costs to 3.4 percent, equal to the level of forecast growth in City revenues. The capital cut would eliminate nearly \$7 billion in planned commitments from the current Plan.

The Department for the Aging's Capital Commitments for the last five years are shown below:

FIVE YEAR HISTORY – CAPITAL BUDGET

(\$ in millions)

	FY04	FY05	FY06	FY07	FY08
CITY	\$2	\$5	\$4	\$6	\$5
NON-CITY	0	0	0	0	0
TOTAL	\$2	\$5	\$4	\$6	\$5

The Adopted Five-Year Capital Plan is shown below:

ADOPTED FIVE YEAR CAPITAL BUDGET – NOVEMBER 2008

(\$ in millions)

	FY09	FY10	FY11	FY12	FY13	FY's 09-13
CITY	\$36.0	\$1.8	\$3.9	\$1.8	\$8.3	\$51.8
NON-CITY	0	0	0	0	0	0
TOTAL	\$36.0	\$1.8	\$3.9	\$1.8	\$8.3	\$51.8

The Preliminary Five-Year Capital Plan is shown below:

PRELIMINARY FIVE YEAR CAPITAL PLAN – JANUARY 2009

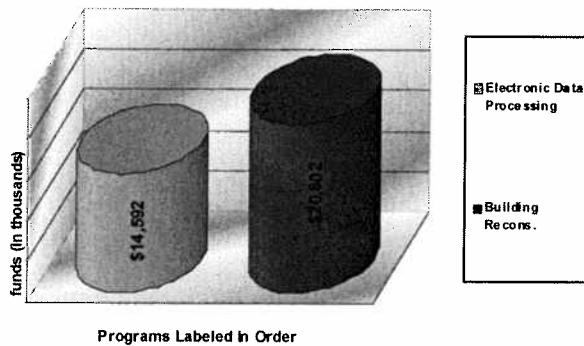
(\$ in millions)

	FY09	FY10	FY11	FY12	FY13	FY's 09-13
CITY	\$34.7	\$4.4	\$3.9	\$1.8	\$8.3	\$53.1
NON-CITY	0	0	0	0		0
TOTAL	\$34.7	\$4.4	\$3.9	\$1.8	\$8.3	\$53.1

PRELIMINARY TEN-YEAR CAPITAL PLAN HIGHLIGHTS

DFTA's Preliminary Ten-Year Capital Plan includes \$43.7 million in planned commitments, including: building reconstruction (\$30.1 million); and data processing and information technology (\$13.4 million). Improvements to senior centers included in the Plan are primarily for major system rehabs, such as, fire suppression systems, heat and hot water systems, and renovations for handicapped accessibility. The Department for the Aging's goal is also to connect the senior centers with high-speed internet connections.

Capital Commitments by Program Area
FY10-FY019



PRELIMINARY BUDGET ISSUES

As part of the formulization of the Fiscal 2009 Adopted Capital Budget, agencies were required to reduce their capital plans by twenty percent in each year from Fiscal 2009 to Fiscal 2012. The funds pushed-out from these four years would roll into the fifth year of the Plan, Fiscal 2013. As such, even with the inevitable roll of projects from Fiscal 2008 which have yet to be committed, the Fiscal 2009-2013 Plan is significantly less than the plan presented in May 2008. The Department for the Aging's Fiscal 2009-2013 Adopted Capital Plan is \$3.65 million greater than the Executive Capital Plan released in May.

Capital Plan Highlights

The following are highlights from the Fiscal 2010 Capital Commitment Plan. Although there are several projects with DFTA that are currently pending (which are not discussed in this section), these are those projects that reflect changes in the Plan (i.e. projects pushed out to later fiscal years).

- A total of \$406,000, for the purchase of replacement computers and technical support for senior centers citywide to enable them to automate service management, is included in the Plan for Fiscal 2010. The remaining funding for this project is pushed out to Fiscal 2011 in the amount of \$2.7 million and \$3 million in 2013 and in the outyears.
- A total of \$686,000 for the rehabilitation of various city-wide senior centers is included in the Plan for Fiscal 2010. DFTA's primary focus for senior center improvements include: fire suppression systems; heat and hot water systems; and renovations for handicapped accessibility. Building reconstruction is planned for various centers throughout the five boroughs. Funding for this project is pushed out to Fiscal 2011 and the outyears, totaling approximately \$19 million in planned spending.
- DFTA is working towards bridging the digital divide thru high-speed internet connections at all DFTA-funded senior centers, creating computer labs wherever possible. It is significant to note, however, that funding for the re-engineering of the current Grants Management System is being pushed out to Fiscal 2013 and the outyears, for a total of \$3.8 million in planned spending.

Department for the Aging

2010 January Plan

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.

	2008 Actuals	2009 Adopted Budget	2009 November Plan	2009 January Plan	2010 January Plan
Spending by Program					
Administration & Contract Agency Support	\$53,990,077	\$47,038,172	\$47,976,949	\$48,647,478	\$52,707,305
Case Management	\$20,305,448	\$20,143,707	\$20,075,707	\$20,075,707	\$20,626,774
Homecare	\$26,670,008	\$27,656,839	\$27,027,783	\$27,027,783	\$26,813,626
Senior Centers and Meals	\$135,939,496	\$123,594,454	\$151,487,233	\$136,472,233	\$115,261,430
Senior Employment & Benefits	\$8,074,293	\$8,558,991	\$10,587,074	\$10,738,455	\$9,058,467
Senior Services	\$45,508,101	\$44,482,549	\$41,695,837	\$42,312,951	\$20,679,306
Total	\$290,487,423	\$271,474,712	\$298,850,583	\$285,274,607	\$245,146,908
Funding					
City Funds	NA	\$157,890,026	\$179,211,227	\$165,516,251	\$127,950,849
Federal - Community Development	NA	\$2,484,841	\$2,484,841	\$2,491,340	\$2,494,727
Federal - Other	NA	\$75,608,023	\$78,399,718	\$78,460,162	\$77,260,663
Intra City	NA	\$472,425	\$481,200	\$497,500	\$472,425
Other Categorical	NA			\$36,104	\$0
State	NA	\$35,019,397	\$38,273,597	\$38,273,250	\$36,968,244
Total	NA	\$271,474,712	\$298,850,583	\$285,274,607	\$245,146,908
Full-Time Positions	345	330	330	330	311
Contracts	NA	1,528	1,533	1,531	1,407

Administration & Contract Agency Support

Personnel, supplies, and support contracts provide for administration and program oversight. Certain contract agency expenses, including insurance, facility leases, and utilities, are paid directly by the City on behalf of providers.

	2008 Actuals	2009 Adopted Budget	2009 November Plan	2009 January Plan	2010 January Plan
Spending					
Personal Services	\$20,871,030	\$16,473,063	\$16,723,547	\$17,283,090	\$19,900,262
Other Than Personal Services	\$33,119,046	\$30,565,109	\$31,253,402	\$31,364,388	\$32,807,043
Total	\$53,990,077	\$47,038,172	\$47,976,949	\$48,647,478	\$52,707,305
Funding					
City Funds	NA	\$31,180,664	\$31,882,088	\$32,423,517	\$31,922,846
Federal - Community Development	NA	\$122,841	\$122,841	\$129,340	\$132,727
Federal - Other	NA	\$11,305,751	\$11,533,820	\$11,620,317	\$16,344,704
Intra City	NA	\$172,425	\$172,425	\$172,425	\$172,425
Other Categorical	NA			\$36,104	\$0
State	NA	\$4,256,491	\$4,265,775	\$4,265,775	\$4,134,603
Total	NA	\$47,038,172	\$47,976,949	\$48,647,478	\$52,707,305
Full-Time Positions	320	308	308	308	289
Contracts	NA	69	75	75	50
Cleaning Services	NA	1	1	1	
Contractual Services - General	NA	8	8	8	8
Data Processing Equipment Maintenance	NA	3	4	4	3
Maintenance and Operation of Infrastructure	NA		1	1	1
Maintenance and Repairs - General	NA	4	4	4	4
Maintenance and Repairs - Motor Vehicle Equip	NA		1	1	1
Office Equipment Maintenance	NA	2	2	2	2
Printing Services	NA	3	3	3	1
Prof. Services - Accounting Services	NA	17	17	17	17
Prof. Services - Computer Services	NA	17	17	17	3
Prof. Services - Legal Services	NA		1	1	1
Prof. Services - Other	NA	5	5	5	3
Security Services	NA		1	1	
Telecommunications Maintenance	NA	3	4	4	4
Temporary Services	NA	4	4	4	1
Training Program for City Employees	NA	2	2	2	1

Case Management

Case management agencies provide assessment and link homebound seniors with services including home delivered meals, home care, information and referral, and other supportive programs. This also includes monitoring and coordinating programs, providing supportive counseling, as well as, assistance with light housekeeping, shopping and laundry.

	2008 Actuals	2009 Adopted Budget	2009 November Plan	2009 January Plan	2010 January Plan
Spending					
Other Than Personal Services	\$20,305,448	\$20,143,707	\$20,075,707	\$20,075,707	\$20,626,774
Total	\$20,305,448	\$20,143,707	\$20,075,707	\$20,075,707	\$20,626,774
Funding					
City Funds	NA	\$9,289,500	\$9,221,500	\$9,221,500	\$10,571,116
State	NA	\$10,854,207	\$10,854,207	\$10,854,207	\$10,055,658
Total	NA	\$20,143,707	\$20,075,707	\$20,075,707	\$20,626,774

Contracts	NA	32	32	32	32
Payments to Delegate Agencies	NA	32	32	32	32

Performance Measures		2006 Annual Target	2006 Annual Actual	2007 Annual Target	2007 Annual Actual	2008 Annual Target	2008 Annual Actual	2009 Annual Target	2010 Annual Target
Hours of direct service provided to elder abuse victims	Output	NA	20,411	NA	20,922	NA	NA	NA	NA
Hours of home care services provided (000)	Output	1,662.8	1,677.0	1,606.3	1,591.0	1,691.0	1,746.7	NA	NA
Contracted cost per hour of home care service (\$)	Unit Cost	NA	\$15.60	NA	\$15.55	NA	\$16.35	NA	NA

Homecare

The Homecare Program provides assistance to low-income frail seniors with daily chores and personal care to allow them to safely remain in their homes. This may include housekeeping and personal care, meal preparation, companionship, supervision of medications and doctor’s visits, referrals to legal and financial experts, as well as other necessary services.

	2008 Actuals	2009 Adopted Budget	2009 November Plan	2009 January Plan	2010 January Plan
Spending					
Other Than Personal Services	\$26,670,008	\$27,656,839	\$27,027,783	\$27,027,783	\$26,813,626
Total	\$26,670,008	\$27,656,839	\$27,027,783	\$27,027,783	\$26,813,626
Funding					
City Funds	NA	\$16,066,452	\$15,873,452	\$15,873,452	\$15,205,374
Intra City	NA	\$300,000	\$300,000	\$300,000	\$300,000
State	NA	\$11,290,387	\$10,854,331	\$10,854,331	\$11,308,252
Total	NA	\$27,656,839	\$27,027,783	\$27,027,783	\$26,813,626

Contracts	NA	24	24	24	24
Payments to Delegate Agencies	NA	24	24	24	24

Performance Measures

	Type of Measure	2006 Annual Target	2006 Annual Actual	2007 Annual Target	2007 Annual Actual	2008 Annual Target	2008 Annual Actual	2009 Annual Target	2010 Annual Target
Hours of home care services provided (000)	Output	1,662.8	1,677.0	1,606.3	1,591.0	1,691.4	1,746.7	1,691.0	1,691.0
Contracted cost per hour of home care service (\$)	Unit Cost	NA	\$16.60	NA	\$15.55	NA	\$16.35	NA	NA

Senior Centers and Meals

This program area mainly funds employment programs that subsidize jobs for seniors. It also supports benefit programs which assist seniors with home energy costs through the home energy assistance program (HEAP), and the weatherization referral and packaging program (WRAP). Additionally it provides funding for the Health Insurance Counseling and Advocacy Program (HICAP) which assist seniors with obtaining health insurance that is best suited to their individual needs.

	2008 Actuals	2009 Adopted Budget	2009 November Plan	2009 January Plan	2010 January Plan
Spending					
Other Than Personal Services	\$135,939,496	\$123,594,454	\$151,487,233	\$136,472,233	\$115,261,430
Total	\$135,939,496	\$123,594,454	\$151,487,233	\$136,472,233	\$115,261,430
Funding					
City Funds	NA	\$68,996,602	\$94,229,602	\$79,453,865	\$57,846,469
Federal - Community Development	NA	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Federal - Other	NA	\$44,350,182	\$44,350,182	\$44,110,919	\$44,514,938
State	NA	\$8,247,670	\$10,907,449	\$10,907,449	\$10,900,023
Total	NA	\$123,594,454	\$151,487,233	\$136,472,233	\$115,261,430

Contracts	NA	244	244	244	244
Payments to Delegate Agencies	NA	244	244	244	244

Performance Measures		2006 Annual Target	2006 Annual Actual	2007 Annual Target	2007 Annual Actual	2008 Annual Target	2008 Annual Actual	2009 Annual Target	2010 Annual Target
Senior centers operating at a minimum of 90 percent capacity (%)	Outcome	NA	58%	NA	58%	NA	55%	NA	NA
Home delivered meals served (000)	Output	NA	3,701	NA	3,687	NA	4,211	4,195	NA
Senior center lunches served (000)	Output	NA	7,128	NA	6,887	NA	7,026	7,542	NA
Contracted cost per meal (lunch only) (\$)	Unit Cost	NA	\$6.59	NA	\$6.58	NA	NA	NA	NA

Senior Employment & Benefits

Funding for employment programs that subsidize jobs for seniors, as well as benefits programs, including assistance with home energy costs and obtaining health insurance.

	2008 Actuals	2009 Adopted Budget	2009 November Plan	2009 January Plan	2010 January Plan
Spending					
Personal Services	\$5,350,889	\$5,574,361	\$5,597,892	\$5,649,223	\$6,347,326
Other Than Personal Services	\$2,723,404	\$2,984,630	\$4,989,182	\$5,089,232	\$2,711,141
Total	\$8,074,293	\$8,558,991	\$10,587,074	\$10,738,455	\$9,058,467
Funding					
City Funds	NA	\$1,049,139	\$360,846	\$411,832	\$498,601
Federal - Other	NA	\$7,475,663	\$10,039,289	\$1,123,731	\$8,526,024
Intra City	NA	\$0	\$8,775	\$25,075	\$0
State	NA	\$34,189	\$178,164	\$177,817	\$33,842
Total	NA	\$8,558,991	\$10,587,074	\$10,738,455	\$9,058,467
Full-Time Positions	25	22	22	22	22
Contracts					
Contractual Services - General	NA	46	45	43	21
Office Equipment Maintenance	NA	23	23	23	
Payments to Delegate Agencies	NA	1	1	1	1
Printing Services	NA	10	10	10	10
Prof. Services - Accounting Services	NA	7	7	7	5
Prof. Services - Other	NA	1	1	1	3
Temporary Services	NA	1	1	1	2
Training Program for City Employees	NA	2	2		

Senior Services

In this program area are a variety of services to seniors, including caregiver programs, social services and transportation, elder abuse services, the congregate services initiative, extended services, intergenerational funding, legal services, social adult day services, and funding for NORCs.

	2008 Actuals	2009 Adopted Budget	2009 November Plan	2009 January Plan	2010 January Plan
Spending					
Other Than Personal Services	\$45,508,101	\$44,482,549	\$41,695,837	\$42,312,951	\$20,679,306
Total	\$45,508,101	\$44,482,549	\$41,695,837	\$42,312,951	\$20,679,306
Funding					
City Funds	NA	\$31,307,669	\$27,643,739	\$28,132,085	\$11,906,443
Federal - Community Development	NA	\$362,000	\$362,000	\$362,000	\$362,000
Federal - Other	NA	\$12,476,427	\$12,476,427	\$12,476,427	\$7,874,997
State	NA	\$336,453	\$1,213,671	\$1,213,671	\$535,866
Total	NA	\$44,482,549	\$41,695,837	\$42,312,951	\$20,679,306

Contracts	NA	1,113	1,113	1,113	1,036
Payments to Delegate Agencies	NA	1,113	1,113	1,113	1,036

Performance Measures

	Type of Measure	2006	2006	2007	2007	2008	2008	2009	2010
		Annual Target	Annual Actual	Annual Target	Annual Actual	Annual Target	Annual Actual	Annual Target	Annual Target
Caregivers who received casework services or training through DFTA's in-house	Output	NA	4,543	NA	3,690	NA	6,278	NA	NA
Caregivers who received supportive services through DFTA's contracted providers	Output	NA	7,027	NA	7,553	NA	3,065	NA	NA
Hours of direct service provided to elder abuse victims	Output	NA	20,411	NA	20,922	NA	NA	NA	NA
Public informational events conducted regarding services and benefits for seniors	Output	NA	185	NA	192	NA	NA	NA	NA
Seniors trained for unsubsidized employment	Output	NA	302	NA	268	290	305	NA	NA
Trainees placed in unsubsidized employment	Output	NA	189	NA	188	200	185	NA	NA
Average processing time for SCRIE applications (days)	Service Quality	NA	NA	NA	NA	NA	44	NA	NA