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Hearing on the Fiscal Year 2013 Executive Budget

Department for the Aging

May 16, 2012

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Department for the Aging Fiscal 2013 Budget Overview

The Department for the Aging (DFTA) administers a wide range of programs to enhance independence and quality of life of the City's elderly population. The Department's services include the operation of senior centers, provision of home delivered and congregate meals, employment counseling and placement, case management, social and legal services and home care services. DFTA also serves as an advocate for the City's elderly population through legislative activity and public policy initiatives.

This report presents an analysis of the Department's Fiscal 2013 budget as proposed in the Executive Budget. Details of the changes to the Department's budget proposed in the Executive Plan are presented. Adjustments to the Fiscal 2103 Budget proposed in either the November 2011 Financial Plan or the Fiscal 2013 Preliminary Plan were reviewed at the Committee on Aging's March 12, 2012 Preliminary Budget hearing. For a summary of these changes see Appendix B.

Department for the Aging Financial Summary

Dollars in Thousands

<i>Dollars in Thousands</i>	2011 Actual	2012 Adopted	2012 Exec. Plan	2013 Exec. Plan	*Difference 2012 - 2013
Spending					
Personal Services	\$27,369	\$26,319	\$25,708	\$25,201	(\$1,118)
Other Than Personal Services	236,342	232,381	245,635	210,097	(\$22,284)
TOTAL	\$263,711	\$258,700	\$271,343	\$235,298	(\$23,402)
Budget by Program Area					
Administration & Contract Agency Support	\$57,058	\$47,154	\$49,313	\$49,459	\$2,305
Case Management	21,140	17,967	17,963	14,926	(3,041)
Homecare	16,545	16,508	15,905	16,465	(43)
Senior Centers and Meals	123,672	137,317	140,277	125,354	(11,963)
Senior Employment & Benefits	13,664	9,589	12,250	8,704	(885)
Senior Services	31,632	30,165	35,635	20,390	(9,775)
TOTAL	\$263,711	\$258,700	\$271,343	\$235,298	(\$23,402)
Funding					
City Funds	\$141,246	\$139,608	\$141,574	\$117,310	(\$22,298)
Other Categorical	33	0	0	0	0
State	37,971	37,331	37,794	36,968	(363)
Federal - Community Development	1,067	2,495	2,495	2,235	(260)
Federal - Other	81,008	77,948	86,286	77,562	(386)
Intra City	2,386	1,318	3,194	1,223	(95)
TOTAL	\$263,711	\$258,700	\$271,343	\$235,298	(\$23,402)
Positions					
Full-Time Positions	298	296	298	297	(1)
TOTAL	298	296	298	297	(1)

*The difference of Fiscal 2012 Adopted compared to Fiscal 2013 Executive Plan funding.

The proposed budget for DFTA in Fiscal 2013 is approximately \$23 million less than the Fiscal 2012 Adopted Budget. This can be attributed to the fact that a large portion of City funds are from the City Council for senior centers and services. As Council funding is renegotiated annually and allocated on a one-time basis, it is not included in the Fiscal 2013 Executive Budget. A list of the Council initiatives can be found in Appendix A.

Fiscal 2013 Executive Budget Actions

The Fiscal 2013 Executive Plan increased the Department's budget by approximately \$10 million in Fiscal 2012 and \$2 million in Fiscal 2013 for various technical adjustments.

Budget Actions in the Executive Plan						
<i>Dollars in Thousands</i>						
	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
DFTA Budget as of the Preliminary Plan	\$141,554	\$120,003	\$261,557	\$116,027	\$117,272	\$233,299
Other Adjustments						
HHS Connect Technical Adjustment	\$0	\$0	\$0	(\$11)	\$0	(\$11)
Collective Bargaining	3	0	3	3	0	3
Title XX Adjustment	1,604	0	1,604	0	0	0
Local Initiatives	23	0	23	0	0	0
Additional May Plan Technical Adjustments	(1,609)	9,765	8,156	1,291	716	2,007
TOTAL, Other Adjustments	\$21	\$9,765	\$9,786	\$1,283	\$716	\$1,999
TOTAL, All Changes	\$21	\$9,765	\$9,786	\$1,283	\$716	\$1,999
DFTA Budget as of the Executive Plan	\$141,575	\$129,768	\$271,343	\$117,310	\$117,988	\$235,298

Other Adjustments

- ☒ **Title XX Adjustment:** An adjustment was made to include Title XX Social Services Block Grant funding for senior centers and services.
- ☒ **Additional May Plan Technical Adjustments:** Various technical adjustments were made to include federal and State funding in DFTA's budget. Federal dollars consist of Title III Older Americans Act funding for senior nutrition and social services, and Title V Employment Grant funding for senior employment services. State dollars consist mainly of Supplemental Nutrition Assistance Program (SNAP) funding for senior meals and nutritional services.

Case Management

Case management agencies provide assessments and link homebound seniors with services, including home delivered meals, homecare, 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.

DFTA contracts with 23 case management agencies that perform comprehensive in-home assessments of homebound seniors in order to link them with supportive services, including home

delivered meals and home care, as well as a variety of other benefits for which they may be eligible. Seniors access case management services through referrals from senior centers, home delivered meal providers, hospitals and other community-based social service and health care agencies.

The Fiscal 2012 Executive Budget included a \$6.6 million PEG to case management. The cut would have reduced contracted provider budgets by 30 percent. The Council restoration of \$3 million allowed case management providers to maintain continuity of service. Given the partial restoration, however, provider caseloads increased from approximately 70 to 90 per caseworker and caused layoffs throughout case management provider agencies.

Innovative Senior Centers

On April 3rd, DFTA announced that the City's first eight Innovative Senior Centers (ISCs) are now open. Innovative Senior Centers offer a new model of centers for older New Yorkers by providing enhancing wellness and arts programming, access to technology, health care services and volunteer opportunities. These ISCs include the nation's first centers for LGBT seniors and seniors with visual impairments. The eight organizations granted a contract are: BronxWorks, Inc. (Bronx); Lenox Hill Neighborhood House, Inc. (Manhattan); YM YWHA of Washington Heights and Inwood (Manhattan); Selfhelp Community Services (Queens); Services Now for Adult Persons (Queens); Jewish Community Center of Staten Island (Staten Island); Services and Advocacy for Gay, Lesbian, Bisexual and Transgender Elders (SAGE) (citywide); and Visions/Service for the Blind and Visually Impaired (citywide).

Neighborhood Senior Center Solicitation

Earlier this year, DFTA announced its Neighborhood Senior Center Solicitation. The solicitation is funded at \$99.3 million and seeks to update the contracts of all DFTA senior centers. Senior center providers were given the opportunity to propose up to a 10 percent increase to their current budgets, given appropriate justification. Upon receiving proposals in late March, DFTA has just recently finished its grading process and is now in the negotiation and review phase with senior centers. Award announcements will be made in June 2012 and contracts will begin in the fall. DFTA has confirmed that it does not expect any major service disruptions or senior center closures as a result of this solicitation.

Department for the Aging Capital Budget Summary

The May 2012 Capital Commitment Plan includes \$43.3 million in Fiscal 2012-2016 for the Department for the Aging (including City and Non-City funds). This represents less than one percent of the City's total \$39.5 billion Executive Plan for Fiscal 2012-2016. The Executive Commitment Plan for Fiscal 2012-2016 is less than one percent more than the \$39.4 billion scheduled in the Preliminary Commitment Plan, an increase of \$109 million.

The majority of capital projects span multiple fiscal years and it is common practice for an agency to roll unspent capital funds from the current fiscal year into future fiscal years. In Fiscal Year 2011 the Department for the Aging committed \$1.1 million or 3 percent of its annual capital plan. Therefore, it is assumed that a significant portion of the agency's Fiscal 2012 Capital Plan will be rolled into Fiscal 2013, thus increasing the size of the Fiscal 2013-2016 Capital Plan. Since the Preliminary Budget was released in February the City-wide Capital Commitment Plan for Fiscal 2013 has increased from \$8.69 billion to \$10.82 billion, an increase of \$2.13 billion or 24.6 percent.

DFTA 2012-2016 Commitment Plan: Preliminary Budget and Executive Budget

Dollars in Thousands

	FY12	FY13	FY14	FY15	FY16	Total
Prelim						
Total Capital Plan	\$33,092	\$4,842	\$1,943	\$1,703	\$1,741	\$43,321
Exec						
Total Capital Plan	\$24,480	\$12,407	\$2,943	\$1,703	\$1,741	\$43,274
Change						
Level	(\$8,612)	\$7,565	\$1,000	\$0	\$0	(\$47)
Percentage	-26.02%	156.24%	51.47%	0.00%	0.00%	-0.11%

Capital Program Overview

The Department's Four-Year Capital Strategy for 2013-2016 totals \$19 million and includes rehabilitation of senior centers throughout the City and information technology projects to improve operations. Capital improvements to senior centers include fire suppression systems, heat and hot water systems, and renovations for handicapped accessibility. Technology upgrades include computer lab expansions and the installation of high-speed Internet connections in senior centers.

Major Capital Projects

Highlights of the Four-Year Capital Plan include:

- Infrastructure improvements to the City's senior center network, including renovations and repairs to existing facilities;

- Information technology upgrades that bridge the digital divide by enhancing the ability of seniors to access entitlement programs and other services electronically;
- New Client Data System to better manage and track the services provided to older New Yorkers, and to more efficiently report statistical information to oversight agencies.

Appendix 1: City Council Fiscal Year 2012 Initiatives

In Fiscal 2012, the City Council provided over 20 percent of DFTA's City funds budget supporting core operations, including its senior center network, meals programs, Naturally Occurring Retirement Community (NORC) programs, and other senior services. Below is a breakdown of those funds.

FY 2012 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Senior Centers & Meals	
Senior Center Core Operating Costs	\$14,000
Senior Center Closures – PEG Restoration	1,645
Space Costs for Senior Centers	1,500
Transportation Operating Costs	2,000
City Meals on Wheels	1,000
Subtotal	\$20,145
Senior Services	
Case Management Restoration	\$3,000
Elder Abuse Prevention PEG Restoration	800
Borough Presidents' Discretionary funding PEG Restoration	4,100
NORC Supportive Service Program	900
Information and Referral Contracts	1,000
Subtotal	\$9,800
TOTAL	\$29,945

Appendix 2: Budget Actions in the November, February & Executive Plans

<i>Dollars in Thousands</i>	FY 2012			FY 2013		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of June 2011 Plan	\$139,608	\$119,093	\$258,701	\$116,048	\$117,710	\$233,758
Other Adjustments						
November Plan Technical Adjustments	\$316	\$269	\$585	(\$13)	(\$438)	(\$451)
February Plan Technical Adjustments	1630	641	2271	(8)	0	(8)
May Plan Technical Adjustments	21	9765	9786	1283	716	1999
TOTAL, Other Adjustments	\$1,967	\$10,675	\$12,642	\$1,262	\$278	\$1,540
TOTAL, All Changes	\$1,967	\$10,675	\$12,642	\$1,262	\$278	\$1,540
Agency Budget as of May 2012 Plan	\$141,575	\$129,768	\$271,343	\$117,310	\$117,988	\$235,298

Appendix 3: Reconciliation of Program Areas to Units of Appropriation

<i>Dollars in Thousands</i>	Personal Services		Other Than Personal Services		Grand Total
	001	002	003	004	
Administration & Contract Agency Support	\$8,521	\$10,920	\$29,178	\$841	\$49,459
Case Management	0	0	14,926	0	14,926
Homecare	0	0	16,465	0	16,465
Senior Centers and Meals	0	0	125,354	0	125,354
Senior Employment & Benefits	0	5,615	2,283	807	8,704
Senior Services	0	146	20,244	0	20,390
Grand Total	\$8,521	\$16,681	\$208,449	\$1,647	\$235,298