

**New York City Council**

Christine C. Quinn, Speaker

**Finance Division**

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**Hearing on the Mayor's Fiscal Year 2012 Preliminary Budget &  
the Fiscal Year 2011 Preliminary Mayor's Management Report**

**Department for the Aging**

March 14, 2011

**Committee on Aging**

Hon. Jessica Lappin, Chair

**Joint with the Subcommittee on Senior Centers**

Hon. David Greenfield, Chair

Latonia McKinney, Deputy Director, Finance Division  
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## Summary and Highlights

<i>Dollars in Thousands</i>	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011 – 2012
Personal Services	\$26,840	\$27,287	\$28,875	\$26,407	(\$880)
Other than Personal Services	254,778	237,007	241,118	190,823	(46,184)
<b>Department Total</b>	<b>\$281,618</b>	<b>\$264,294</b>	<b>\$269,993</b>	<b>\$217,230</b>	<b>(\$47,064)</b>

*\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.*

### Fiscal 2012 Preliminary Budget Highlights

The Fiscal 2012 Preliminary Budget reflects a \$47 million decrease when compared to the Fiscal 2011 Adopted Budget for DFTA. This decrease can be attributed to two factors. First, the Fiscal 2011 Adopted Budget included approximately \$38 million in City Council funding (including funding for Council initiatives, Programs to Eliminate the Gap [PEG] restorations, and local discretionary). As Council funding is renegotiated annually and allocated on a one-time basis, it is not included in the Fiscal 2012 Preliminary Budget. Second, the City's PEG program for DFTA totaled approximately \$9 million for Fiscal 2012.

### Notable Programs to Eliminate the Gap (PEGs) for Fiscal 2012

**Case Management.** The Fiscal 2012 February Plan includes a \$3.3 million restoration for Fiscal 2011 only to case management. However, a \$6.6 million PEG to case management remains for Fiscal 2012. (See p. 12)

**DFTA Headcount Reduction.** DFTA plans to eliminate 14 positions, saving the agency \$1 million in Fiscal 2012, and approximately \$1.2 million in the outyears. Whether these positions will be eliminated through layoffs or attrition has not yet been determined.

### Fiscal 2011-2012 State Executive Budget: Proposed Cut to Title XX Funding to DFTA

The Fiscal 2011-2012 State Executive Budget proposes to restrict the use of federal Title XX Social Services Block Grant funding, thereby eliminating \$27 million in discretionary funding to the Department for the Aging (DFTA). In prior fiscal years, Title XX funding was allocated by the State for both mandated costs, such as child welfare services, and discretionary spending, used primarily for senior center operations in New York City. The State now proposes to use all Title XX federal funding for mandated services only. If passed, DFTA would be forced to close 105 senior centers citywide. (See p. 7)

# Department for the Aging

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 serves as an advocate for the City’s elderly population through legislative activity and public policy initiatives.

### Key Public Services Areas

- Promote independence and opportunities for older New Yorkers.
- Assist seniors in accessing existing resources and educate the general public about benefits, entitlements and information for older New Yorkers and their families.

### Critical Objectives

- Increase utilization of nutrition and socialization opportunities.
- Continue to provide home delivered meals and home care services.
- Increase knowledge among seniors and professionals about personal safety and services for elderly crime victims.
- Provide employment opportunities for seniors.
- Increase knowledge about benefits and entitlements available to eligible seniors.
- Increase supportive services to caregivers.

SOURCE: Mayor’s Management Report

## Department for the Aging Financial Summary

Dollars in Thousands

	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011–2012
<b>Budget by Program Area</b>						
Senior Centers & Meals	\$136,817	\$129,925	\$132,856	\$131,587	\$106,613	(\$26,243)
Senior Services	36,874	37,364	30,898	33,216	19,682	(11,216)
Case Management	22,466	21,542	21,567	21,609	14,925	(6,642)
Home Care Services	25,749	24,261	16,508	16,610	16,465	(43)
Senior Employment & Benefits	11,804	12,761	9,104	14,514	9,034	(70)
Admin. & Central Support	56,545	55,765	53,361	52,457	50,511	(2,850)
<b>TOTAL</b>	<b>\$290,255</b>	<b>\$281,618</b>	<b>\$264,294</b>	<b>\$269,993</b>	<b>\$217,230</b>	<b>(\$47,064)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$145,893	\$142,508	\$99,415	(\$46,478)
<i>Memo: Council Funds</i>	N/A	N/A	37,641	N/A	N/A	N/A
Federal – CD	N/A	N/A	2,495	2,495	2,495	0
Federal – Other	N/A	N/A	77,797	85,263	77,497	(300)
Intra-City	N/A	N/A	778	1,821	492	(286)
Other Categorical	N/A	N/A	0	31	0	0
State	N/A	N/A	37,331	37,875	37,331	0
<b>TOTAL</b>			<b>\$264,294</b>	<b>\$269,993</b>	<b>\$217,230</b>	<b>(\$47,064)</b>
<b>Positions</b>						
Fulltime Positions	339	309	311	319	297	(14)
<b>TOTAL</b>	<b>339</b>	<b>309</b>	<b>311</b>	<b>319</b>	<b>297</b>	<b>(14)</b>

\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.

## Council Funding

City Council funding provides a large portion of DFTA's annual City-funds operating budget. The Council has routinely provided supplemental operating funds for rent and equipment, transportation, and food costs, as well as other vital services to seniors. In addition to the above categories, the Council provided \$11.5 million to restore PEGs in the 2011 Adopted Budget, as noted below.

<b>FY 2011 Council Changes at Adoption</b>	
<i>Dollars in Thousands</i>	
<b>Senior Centers &amp; Meals</b>	
Senior Centers PEG Restoration	\$5,000
Senior Centers -- Home-Delivered Meals Deficit Restoration	4,500
Space Costs for Senior Centers	1,500
Transportation Operating Costs	2,000
Food Costs for Senior Center Meals	4,500
City Meals on Wheels	1,000
Senior Center Closures –PEG Restoration	1,645
<b>Subtotal</b>	<b>\$20,145</b>
<b>Senior Services</b>	
Elder Abuse Prevention PEG Restoration	\$800
Borough Presidents' Discretionary funding PEG Restoration	4,100
NORC Supportive Service Program	900
Information and Referral Contracts	1,200
<b>Subtotal</b>	<b>\$7,000</b>
<b>Local Initiatives</b>	<b>\$10,496</b>
<b>TOTAL</b>	<b>\$37,641</b>

<b>Fiscal 2012 DFTA Contract Budget</b>			
<b>Category</b>	<b>Number</b>	<b>Budgeted</b>	<b>Percent of Total DFTA Contract Budget</b>
Contractual Services General	8	\$175,000	0.1%
Telecommunications Maintenance	4	15,700	0.0%
Maintenance & Repair of Motor Vehicle Equipment	1	4,000	0.0%
Maintenance & Repair, General	4	192,222	0.1%
Office Equipment Maintenance	3	14,840	0.0%
Data Processing Equipment	3	60,000	0.0%
Printing Contracts	6	110,569	0.1%
Temporary Services	3	425,288	0.3%
Training Programs for City Employees	1	4,000	0.0%
Maintenance & Operation of Infrastructure	1	300,000	0.2%
Payments to Delegate Agencies	1,346	159,334,829	98.4%
Professional Services: Accounting & Auditing	17	100,000	0.1%
Professional Services: Legal Services	1	121,611	0.1%
Professional Services: Computer Services	3	105,000	0.1%
Professional Services: Other	6	928,613	0.6%
<b>Fiscal 2012 Preliminary Budget Totals</b>	<b>1,407</b>	<b>\$161,891,672</b>	<b>100.0%</b>

As DFTA provides the majority of its services to seniors through contracts, the agency's contract budget is comprised almost entirely (98%) of funding for provider agencies/community-based organizations. It is also significant to note, that DFTA's contract budget comprises only two percent of the overall contract budget for the City, which is approximately \$10.2 billion in total.

# Capital Program

## Capital Budget Summary

The February 2011 Capital Commitment Plan includes \$39 million in Fiscal 2011-2014 for the Department of Aging (including City and Non-City funds). This represents less than one percent of the City’s total \$33.2 billion February Plan for Fiscal 2011-2014. The agency’s February Commitment Plan for Fiscal 2011-2014 is 12 percent less than the \$44.4 million scheduled in the September Commitment Plan, a decrease of \$5.4 million.

Over the past five years (2006-2010), the Department for the Aging has only committed an average of eight percent of its annual capital plan. Therefore, it is assumed that a portion of the agency’s Fiscal 2011 Capital Plan will be rolled into Fiscal 2012, thus increasing the size of the Fiscal 2012-2015 Capital Plan. Since adoption last June, the Capital Commitment Plan for Fiscal 2011 has decreased from \$34.9 million to \$30.7 million, a reduction of \$4.2 million or 12 percent.

Currently the Department for the Aging’s appropriations total \$40 million in City-funds for Fiscal 2011. These appropriations are to be used to finance the agency’s \$30.7 million City-funded Fiscal 2011 Capital Commitment Program. The agency has \$9.3 million, or approximately 23 percent, more funding than it needs to meet its entire Capital Commitment Program for the current fiscal year.

### 2011-2014 Commitment Plan: Adopted and Preliminary Budgets

*Thousands of Dollars*

	FY11	FY12	FY13	FY14	Total
<b>Adopted</b>					
Total Capital Plan	\$34,954	\$1,236	\$5,850	\$2,429	<b>\$44,469</b>
<b>Prelim</b>					
Total Capital Plan	\$30,711	\$989	\$5,421	\$1,943	<b>\$39,064</b>
<b>Change</b>					
Level	(\$4,243)	(\$247)	(\$429)	(\$486)	<b>(\$5,405)</b>
Percentage	-12.14%	-19.98%	-7.33%	-20.01%	<b>-12.15%</b>

## Capital Program Goals

- ✓ Rehabilitation of existing facilities that provide services for senior citizens
- ✓ Targeted improvements to senior centers throughout the City
- ✓ Information technology upgrades, including the purchase of a client tracking software to better track programs and clients

## Preliminary Budget Highlights

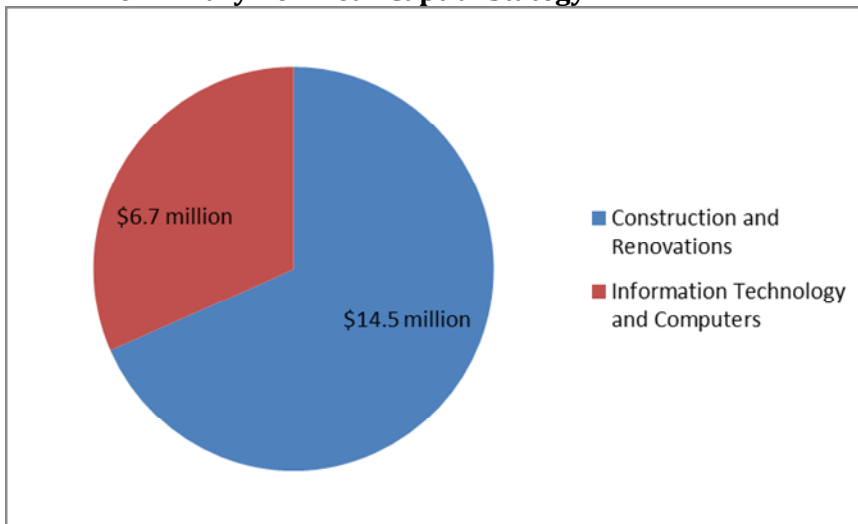
The Administration asked agencies to identify a 20 percent reduction in capital commitments for fiscal years 2011 to 2021. The ten-year Capital Plan included, instead, a reduction of 10 percent. The capital budget for DFTA was cut by nine percent in Fiscal 2011 and 20 percent in Fiscal 2012.

The Capital Variance Report indicates minimal variance between the September Commitment Plan and the February Commitment Plan, with the exception of one project. The DFTA capital budget includes general funding for the rehabilitation and upkeep of senior centers. This funding may be used for large repairs and broad scale maintenance of centers on an ongoing basis. As a result of the 20 percent cut to the Fiscal 2012 overall DFTA capital budget, funding for the rehabilitation for various senior centers has been pushed out to Fiscal 2014 and the outyears.

**Preliminary Ten-Year Strategy**

The Department’s primary objectives for senior center improvements include: structural repairs, interior renovations; and improvements to handicapped accessibility. DFTA is also committed to ensuring high-speed Internet connections are available at all DFTA-funded senior centers. The Department’s Ten-Year Capital Strategy includes a total of \$21.2 million in funding for construction and information technology.

**DFTA Preliminary Ten-Year Capital Strategy**



**TOTAL: \$21.2 Million**

**Construction and Renovations**

The Preliminary Ten-Year Capital Strategy provides funding to complete renovations and upgrades for the various senior centers around the City. Funds are also provided to assure the agency’s fire and safety infrastructure meets standards, and that necessary improvements for HVAC, masonry, roofing, electrical, plumbing are completed.

**Information Technology and Computers**

The Preliminary Ten-Year Capital Strategy will continue to provide funding for the technology needs of the agency, as well as technology improvements for the agency’s contractors and service providers.

# Program Areas

## Senior Centers and Meals

The core of DFTA's service portfolio is the Department's citywide network of 256 senior centers. In addition to supporting 9.5 million congregate meals annually, senior centers offer older New Yorkers opportunities for socialization, recreation, and participation in a wide array of activities designed to improve their health and quality of life. 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.

The proposed budget for senior centers and meals for Fiscal 2012 is approximately \$26 million less than the Fiscal 2011 Adopted Budget. This can be attributed to the fact that a large portion of the City funds in this program area are from the City Council. As Council funding is renegotiated annually and allocated on a one-time basis, it is not included in the Fiscal 2012 Preliminary Budget.

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011-2012
<b>Spending</b>						
<b>Other than Personal Services</b>						
Contractual Services	\$136,817	\$129,925	\$132,742	\$131,473	\$106,542	(\$26,200)
Fixed and Misc Charges	0	0	0	0	0	0
Other Services and Charges	0	0	114	114	71	(43)
<b>TOTAL</b>	<b>\$136,817</b>	<b>\$129,925</b>	<b>\$132,856</b>	<b>\$131,587</b>	<b>\$106,613</b>	<b>(\$26,243)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$75,441	\$70,656	\$48,312	(\$27,129)
Federal – CD	N/A	N/A	2,000	\$1,997	\$1,997	(3)
Federal – Other	N/A	N/A	44,515	47,811	45,028	513
State	N/A	N/A	10,900	11,123	11,276	376
<b>TOTAL</b>	<b>\$136,817</b>	<b>\$129,925</b>	<b>\$132,856</b>	<b>\$131,587</b>	<b>\$106,613</b>	<b>(\$26,243)</b>

\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.

## Council Initiatives and Funding

The Council provided funding for the following initiatives in the Senior Centers and Meals program area for FY 2011:

<b>FY 2011 Council Funding</b>	
<i>Dollars in Thousands</i>	
<b>Senior Centers &amp; Meals</b>	
Senior Centers PEG Restoration	\$5,000
Senior Centers -- Home-Delivered Meals Deficit Restoration	4,500
Space Costs for Senior Centers	1,500
Transportation Operating Costs	2,000
Food Costs for Senior Center Meals	4,500
City Meals on Wheels	1,000
Senior Center Closures –PEG Restoration	1,645
<b>Total</b>	<b>\$20,145</b>



- **Senior Centers PEG Restoration.** This \$5 million allocation restored direct funding to DFTA for senior centers as part of an across-the-board cut in the Fiscal 2010 PEG program.
- **Senior Centers – Home Delivered Meals.** This \$4.5 million allocation restored direct funding to DFTA to support those senior centers whose budgets were most adversely affected by the Fiscal 2010 DFTA Home Delivered Meals RFP.
- **Space Costs for Senior Centers.** This \$1.9 million allocation is a Council initiative which supports space/facility costs at senior centers.
- **Transportation Operating Costs.** This \$2.5 million allocation is a Council initiative which supports transportation costs at senior centers. This funding pays for fuel, insurance, and maintenance costs for senior center vans which transport seniors to medical/personal appointments, recreational activities, and other social service sites.
- **Food Costs for Senior Center Meals.** This \$4.5 million allocation is a Council initiative which supports senior centers by adding 35 cents per meal for DFTA’s congregate and home delivered meals programs. This initiative assists DFTA in providing approximately 13 million meals annually.
- **City Meals on Wheels.** This \$1 million allocation is a Council initiative which supports CityMeals on Wheels, which is an organization that provides home-delivered meals to seniors on the weekends and on holidays. This funding is used to reduce waiting lists for home delivered meals.
- **Senior Center Closures PEG Restoration.** This \$1.6 million restored funding to save a portion of the 51 DFTA senior centers slated for closure in the Fiscal 2011 PEG Program.

**Performance Measures**

	FY 08	FY 09	FY 10	Target FY 11	Target FY 12	4 Month Actual FY 11	4 Month Actual FY 12
Average daily attendance at senior centers	N/A	27,951	27,176	*	*	28,163	26,081
Senior centers operating at a minimum of 90% capacity	55%	52%	51%	*	*	62%	71%
Senior center lunches served	7,025,805	6,987,646	6,793,985	7,544,254	7,544,254	2,393,895	2,216,910
Home-delivered meals	4,210,538	3,936,718	3,799,851	4,382,789	4,382,789	1,263,721	1,220,080

**Fiscal 2011-2012 State Executive Budget Actions**

As noted in the “Summary and Highlights” section of this report, the Fiscal 2011-2012 State Executive Budget proposes to restrict the use of federal Title XX Social Services Block Grant funding, thereby eliminating \$27 million in discretionary funding to DFTA (of which \$25 million is used for operational costs of senior centers and \$2 million is intra-city funding through the Human Resources Administration for adult protective services). In prior fiscal years, Title XX funding was allocated by the State for both mandated costs, such as child welfare services, and discretionary spending, used primarily for senior center operations in New York City. The State now proposes to use **all** Title XX federal funding for mandated services only.

This shift, while saving State dollars, would severely cripple the City’s senior center network, forcing **DFTA to close 105 centers**, or approximately 40 percent of the current system. This includes 31 centers in Brooklyn, 26 centers in Manhattan, 22 centers in Queens, 22 centers in the Bronx, and four centers in Staten Island. DFTA estimates that 7,800 seniors will be affected by the citywide closures, many of whom

will be left without services entirely. Consequently, it is reasonable to assume that this cut may cause a rise in the number of seniors on the public assistance rolls, preventable emergency situations, emergency room visits, hospitalizations, elder abuse reporting, long term care placements, and preventable deaths.

Furthermore, DFTA has stated that, of the 105 senior centers slated for closure, 41 are in New York City Housing Authority (NYCHA) developments. NYCHA residents with mobility issues (i.e. those unable to travel to a center outside of their development), would obviously be most adversely affected. Additionally, 23 aging services sponsors will no longer operate a DFTA senior center and some may go out of business entirely, as a result of this cut.

## 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 Naturally Occurring Retirement Communities (NORC). The proposed budget for senior services for Fiscal 2012 is approximately \$11 million less than the Fiscal 2011 Adopted Budget. This can be attributed to the fact that a large portion of the City funds in this program area are from City Council initiatives and discretionary funding. As Council funding is renegotiated annually and allocated on a one-time basis, it is not included in the Fiscal 2012 Preliminary Budget.

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011–2012
<b>Spending</b>						
<b>Personal Services</b>						
Additional Gross Pay	\$0	\$4	\$0	\$0	\$0	\$0
Full-Time Salaried – Civilian	0	46	0	0	0	0
Other Salaried and Unsalari ed	0	0	0	5	0	0
<b>Subtotal</b>	<b>\$0</b>	<b>\$50</b>	<b>\$0</b>	<b>\$5</b>	<b>\$0</b>	<b>\$0</b>
<b>Other than Personal Services</b>						
Contractual Services	\$36,872	\$37,313	\$30,898	\$33,199	\$19,682	(\$11,216)
Fixed and Misc. Charges	0	\$1	0	0	0	0
Other Services and Charges	0	0	0	\$12	0	0
Supplies and Materials	\$2	0	0	0	0	0
<b>Subtotal</b>	<b>\$36,874</b>	<b>\$37,314</b>	<b>\$30,898</b>	<b>\$33,211</b>	<b>\$19,682</b>	<b>(\$11,216)</b>
<b>TOTAL</b>	<b>\$36,874</b>	<b>\$37,364</b>	<b>\$30,898</b>	<b>\$33,216</b>	<b>\$19,682</b>	<b>(\$11,216)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$21,303	\$22,948	\$10,695	(\$10,608)
Federal – CD	N/A	N/A	362	362	362	0
Federal – Other	N/A	N/A	8,411	8,870	8,089	(322)
Intra-City	N/A	N/A	286	500	0	(286)
State	N/A	N/A	536	536	536	0
<b>TOTAL</b>	<b>\$36,874</b>	<b>\$37,364</b>	<b>\$30,898</b>	<b>\$33,216</b>	<b>\$19,682</b>	<b>(\$11,216)</b>

\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.

### Council Initiatives and Funding

The Council provided funding for the following initiatives in the Senior Services program area for FY 2011:

#### FY 2011 Council Funding

*Dollars in Thousands*

##### Senior Services

Elder Abuse Prevention PEG Restoration	\$800
Borough Presidents' Discretionary funding PEG Restoration	4,100
NORC Supportive Service Program	900
Information and Referral Contracts	1,200
<b>Total</b>	<b>\$7,000</b>

As indicated in the chart above, the City Council was successful in partially restoring funding for elder abuse, Borough Presidents’ Discretionary Funding, the NORC Supportive Service Program, and Information and Referral Contracts.

- Elder Abuse Prevention PEG Restoration.** This \$800,000 allocation restored funding for elder abuse prevention programs slated for elimination in the Fiscal 2010 PEG program. DFTA contracts with community-based service providers to provide direct services to victims of elder abuse, as well as develop prevention activities. Service providers provide long-term case management services, including: securing orders of protection; providing long-term counseling; accompanying victims to court; examining powers of attorney and other legal documents; working with police to place victims on high propensity lists; and working closely with district attorneys to aid in prosecution of cases.
- Borough Presidents’ Discretionary Funding PEG Restoration.** This \$4.1 million allocation restored funds for Borough Presidents’ discretionary spending slated for elimination in the Fiscal 2010 PEG program. This funding provided budgetary support to senior centers citywide for operating costs, meals, and various social services.
- Naturally Occurring Retirement Communities (NORC) Supportive Service Program.** This \$900,000 allocation provided additional funding for Naturally Occurring Retirement Communities (NORCs). NORCs are on-site collaborations among housing entities, social service providers, and healthcare networks which, by providing such critical services as case assistance and healthcare management, allow seniors to remain in their own homes. In addition to the \$900,000 from the Council, the Administration provides \$5.5 million in funding for 28 NORCs in the Bronx, Brooklyn, Manhattan and Queens, collectively serving approximately 45,000 seniors. The NORC program model has gained national recognition, putting New York City in the forefront of adapting programs to meet the changing needs of the elderly population.
- Information and Referral Contracts.** This \$1.2 million allocation restored funding for information and referral contracts, originally slated for elimination in the Fiscal 2009 PEG program. This funding supports eight programs which perform various case management functions including providing information and referral to available City services and benefits to seniors.

**Performance Measures**

	FY 08	FY 09	FY 10	Target FY 11	Target FY 12	4 Month Actual FY 11	4 Month Actual FY 12
Caregivers who received casework services or training	6,278	7,746	8,145	*	*	3,315	3,432
Caregivers who received supportive services	7,495	6,414	6,202	*	*	2,685	2,959

## Case Management Services

Case management agencies provide assessment 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 through referrals from senior centers, home delivered meal providers, hospitals and other community-based social service and health care agencies. The proposed budget for case management services for Fiscal 2012 is \$6.6 million less than the Fiscal 2011 Adopted Budget. This can be attributed to the Fiscal 2012 PEG program.

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011-2012
<b>Spending</b>						
<b>Other than Personal Services</b>						
Contractual Services	\$22,466	\$21,542	\$21,567	\$21,609	\$14,925	(\$6,642)
<b>TOTAL</b>	<b>\$22,466</b>	<b>\$21,542</b>	<b>\$21,567</b>	<b>\$21,609</b>	<b>\$14,925</b>	<b>(\$6,642)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$11,512	\$11,511	\$4,870	\$6,642
State	N/A	N/A	10,055	10,098	10,055	0
<b>TOTAL</b>	<b>\$22,466</b>	<b>\$21,542</b>	<b>\$21,567</b>	<b>\$21,609</b>	<b>\$14,925</b>	<b>(\$6,642)</b>

*\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.*

As noted in the "Summary and Highlights" section of this report, the Fiscal 2012 February Plan includes a \$3.3 million restoration to the case management program for Fiscal 2011 only. However, a \$6.6 million PEG to case management remains for Fiscal 2012, and DFTA proposes to cut 30 percent from contracted provider budgets. It is likely that this cut will result in over 100 layoffs within the provider community. Case management agencies provide the City's most vulnerable, homebound seniors with, at times, the *only* link to services and benefits, as well as monitoring and support from the "outside world." DFTA has stated that this cut will result in an increase in caseloads for case management workers, as they try to ensure that no senior currently receiving care will be without service.

## Home Care Services

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.

The Department provides home care services to approximately 4,500 elderly residents throughout the City. These services are for low-income frail elderly, who are above the Medicaid eligibility threshold, allowing them to safely remain in their homes by providing assistance with daily chores and personal care. DFTA also provides emergency homecare to enable elderly persons to be discharged from hospitals or other facilities before other home care arrangements, including Medicaid or Medicare services, have been put into place.

The proposed budget for home care services for Fiscal 2012 remains relatively unchanged when compared to the Fiscal 2011 Adopted Budget.

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011-2012
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried – Civilian	\$0	\$0	\$0	\$33	\$0	\$0
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33</b>	<b>\$0</b>	<b>\$0</b>
<b>Other than Personal Services</b>						
Contractual Services	\$25,749	\$24,261	\$16,508	\$16,577	\$16,465	(\$43)
<b>Subtotal</b>	<b>\$25,749</b>	<b>\$24,261</b>	<b>\$16,508</b>	<b>\$16,577</b>	<b>\$16,465</b>	<b>(\$43)</b>
<b>TOTAL</b>	<b>\$25,749</b>	<b>\$24,261</b>	<b>\$16,508</b>	<b>\$16,610</b>	<b>\$16,465</b>	<b>(\$43)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$4,900	\$4,900	\$4,857	(\$43)
State	N/A	N/A	11,308	11,377	11,308	0
Intra-City	N/A	N/A	300	333	300	0
<b>TOTAL</b>	<b>\$25,749</b>	<b>\$24,261</b>	<b>\$16,508</b>	<b>\$16,610</b>	<b>\$16,465</b>	<b>(\$43)</b>

*\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.*

## Performance Measures

	FY 08	FY 09	FY 10	Target FY 11	Target FY 12	4 Month Actual FY 11	4 Month Actual FY 12
Total recipients of home care services (annual)	N/A	6,064	5,206	*	*	N/A	N/A
Hours of home care services provided	1,746,742	1,534,705	1,618,069	1,059,179	1,059,179	551,302	392,481

## Fiscal 2011 Actions

**Home Care Reorganization.** DFTA's State funded Homecare Program -- Expanded In-Home Services for the Elderly Program (EISEP) -- requires a 25 percent City tax-levy match. According to DFTA, the agency had been matching State funds in excess of approximately \$10 million annually. To achieve savings, DFTA cut this \$10 million in Fiscal 2011. As a result, the agency reorganized home care services to assess Medicaid eligibility, as DFTA's program is reserved for non-Medicaid eligible seniors. Those served by DFTA who were Medicaid eligible were transferred to the Human Resources Administration (HRA) Home Care Program. According to DFTA, approximately 20 percent of their clientele was enrolled in the Medicaid program or likely to be Medicaid eligible. Collaboration between HRA and DFTA found that about 700 DFTA home care clients (16 percent) currently receive Medicaid and approximately 300 others (7 percent) receive food stamps and therefore are likely to be Medicaid eligible.

Additionally, according to the Mayor's Office of Management and Budget (OMB), DFTA had over 100 seniors on Medicaid on its home care waiting list. Under the revised program these individuals were moved to HRA's home care program after receiving the required medical assessment, rather than remain on DFTA's waiting list. These individuals comprised 17 percent of the wait list. HRA has been working to ensure that any seniors referred are aware of all the community-based long-term care options for which they might qualify, including the Long Term Home Health Care Program and the Managed Long Term Care program. Lastly, unlike DFTA, which has a 20-hour cap on home care service hours, there is no cap on the service hours provided through HRA. Hours provided to each senior are based on individual need. As anticipated, hours of DFTA home care services provided decreased by 29 percent during the first four months of Fiscal 2011 as a result of this cut.

## 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. The proposed budget for senior employment and benefits for Fiscal 2012 remains relatively unchanged when compared to the Fiscal 2011 Adopted Budget.

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011-2012
<b>Spending</b>						
<b>Personal Services</b>						
Additional Gross Pay	\$83	\$82	\$74	\$77	\$70	(\$4)
Fringe Benefits	0	0	367	0	367	0
Full-Time Salaried – Civilian	1,194	1,309	1,380	1,437	1,379	(1)
Other Salaried and Unsalaries	4,561	5,448	4,552	6,841	4,471	(81)
<b>Subtotal</b>	<b>\$5,838</b>	<b>\$6,839</b>	<b>\$6,373</b>	<b>\$8,355</b>	<b>\$6,287</b>	<b>(\$86)</b>
<b>Other than Personal Services</b>						
Contractual Services	\$3,445	\$4,577	\$2,322	\$5,149	\$2,322	\$0
Fixed and Misc Charges	1	1	1	1	1	0
Other Services and Charges	366	390	275	777	301	26
Property and Equipment	2,016	823	5	15	5	0
Supplies and Materials	138	131	128	217	118	(10)
<b>Subtotal</b>	<b>\$5,966</b>	<b>\$5,922</b>	<b>\$2,731</b>	<b>\$6,159</b>	<b>\$2,747</b>	<b>\$16</b>
<b>TOTAL</b>	<b>\$11,804</b>	<b>\$12,761</b>	<b>\$9,104</b>	<b>\$14,514</b>	<b>\$9,034</b>	<b>(\$70)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$524	\$752	\$431	(\$93)
Federal – Other	N/A	N/A	8,526	12,977	8,549	23
Intra City	N/A	N/A	20	726	20	0
Other Categorical	N/A	N/A	0	25	0	0
State	N/A	N/A	34	34	34	0
<b>TOTAL</b>	<b>\$11,804</b>	<b>\$12,761</b>	<b>\$9,104</b>	<b>\$14,514</b>	<b>\$9,034</b>	<b>(\$70)</b>

\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.

### Discontinuation of American Recovery and Reinvestment Act (ARRA) Funding

The Fiscal 2012 Preliminary Budget excludes federal ARRA funding for the Senior Community Service Employment Program (Title V). DFTA received a total of \$1.3 million in ARRA funding to support job training for low-income seniors. This funding provided an additional 112 Title V slots. Title V workers receive training at work sites in clerical work, customer service, human services, healthcare and retail, with the goal of being placed in employment upon completion of their training. According to the Fiscal 2011 Preliminary Mayor's Management Report, as of October 2010, 145 seniors were trained for unsubsidized employment, a decrease of 16 percent when compared to the same period last year, due to the discontinuation of ARRA funding.



**Performance Measures**

	<b>FY 08</b>	<b>FY 09</b>	<b>FY 10</b>	<b>Target FY 11</b>	<b>Target FY 12</b>	<b>4 Month Actual FY 11</b>	<b>4 Month Actual FY 12</b>
Seniors trained for unsubsidized employment (Title V)	305	308	542	*	*	173	145
Trainees placed in unsubsidized employment (Title V)	185	161	123	*	*	35	46

## Administration and Central Agency Support

Personnel, supplies, and support contracts to 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. The proposed budget for administration and central agency support for Fiscal 2012 is approximately \$2.8 million less than the Fiscal 2011 Adopted Budget. This is due largely to the Fiscal 2012 PEG Program.

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	*Difference 2011-2012
<b>Spending</b>						
Personal Services						
Additional Gross Pay	\$963	\$495	\$99	\$134	\$104	\$5
Fringe Benefits	0	0	43	0	43	0
Full-Time Salaried – Civilian	18,993	18,431	19,768	\$19,311	18,977	(791)
Other Salaried and Unsalariated	1,316	996	1,001	1,034	995	(6)
Overtime - Civilian	23	28	3	3	3	0
P.S. Other	(4)	1	0	0	0	0
<b>Subtotal</b>	<b>\$21,291</b>	<b>\$19,951</b>	<b>\$20,914</b>	<b>\$20,482</b>	<b>\$20,122</b>	<b>(\$792)</b>
<b>Other than Personal Services</b>						
Contractual Services	\$2,739	\$1,644	\$2,588	\$1,778	\$1,954	(\$634)
Fixed and Misc Charges	18,950	22,212	16,463	17,085	15,331	(1,132)
Other Services and Charges	12,441	11,376	12,529	12,374	12,237	(292)
Property and Equipment	589	173	333	241	333	0
Supplies and Materials	535	409	534	497	534	0
<b>Subtotal</b>	<b>\$35,254</b>	<b>\$35,814</b>	<b>\$32,447</b>	<b>\$31,975</b>	<b>\$30,389</b>	<b>(\$2,058)</b>
<b>TOTAL</b>	<b>\$56,545</b>	<b>\$55,765</b>	<b>\$53,361</b>	<b>\$52,457</b>	<b>\$50,511</b>	<b>(\$2,850)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$32,214	\$31,741	\$30,250	(\$1,964)
Federal -- CD	N/A	N/A	133	136	136	3
Federal -- Other	N/A	N/A	16,345	15,605	15,832	(513)
Intra City	N/A	N/A	172	262	172	0
Other Categorical	N/A	N/A	0	6	0	0
State	N/A	N/A	4,497	4,707	4,121	(376)
<b>TOTAL</b>	<b>\$56,545</b>	<b>\$55,765</b>	<b>\$53,361</b>	<b>\$52,457</b>	<b>\$50,511</b>	<b>(\$2,850)</b>

\*The difference of Fiscal 2011 Adopted compared to Fiscal 2012 February Plan funding.

### Fiscal 2012 PEG Program

The Fiscal 2012 Preliminary Budget included three reductions in planned spending to the area of administration and contract agency support.

- **Headcount Reduction.** DFTA plans to eliminate 14 positions, saving the agency \$1 million in Fiscal 2012, and approximately \$1.2 million in the outyears. Whether these positions will be eliminated through layoffs or attrition has not yet been determined.
- **Lease Termination.** DFTA plans to terminate its lease for office space at 40 Worth Street. Training staff from that space will be relocated to DFTA offices at 2 Lafayette Street. This lease termination will save the agency \$280,000 in Fiscal 2012, and \$216,000 in the outyears

- **Central Insurance Program Savings.** DFTA was successful in negotiating lower health insurance rates for staff in contracted programs. This will save the agency \$990,000 in Fiscal 2012 and \$1.1 million in the outyears.

## Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as of June 2010 Plan</b>	<b>\$145,894</b>	<b>\$118,401</b>	<b>\$264,295</b>	<b>\$108,253</b>	<b>\$117,793</b>	<b>\$226,046</b>
<b>Program to Eliminate the Gap (PEGs)</b>						
Case Management Restructuring	(\$3,300)	\$0	(\$3,300)	(\$6,600)	\$0	(\$6,600)
Case Management Restructuring PEG Restoration	3,300	0	3,300	0	0	0
Headcount Reduction	0	0	0	(1,000)	0	(1,000)
Central Insurance Program Savings	(990)	0	(990)	(1,131)	0	(1,131)
Lease Termination	(280)	0	(280)	(216)	0	(216)
Refunds from Contractors	(2,000)	0	(2,000)	0	0	0
Agency Accruals	(1,780)	0	(1,780)	0	0	0
<b>Total, PEGs</b>	<b>(\$5,050)</b>	<b>\$0</b>	<b>(\$5,050)</b>	<b>(\$8,947)</b>	<b>\$0</b>	<b>(\$8,947)</b>
<b>Other Adjustments</b>						
WRAP Realign	\$0	\$893	\$893	\$0	\$0	\$0
Increase HIICAP	0	109	109	0	0	0
Older Americans Act Funding Shift	(500)	500	0	0	0	0
Technical Adjustments	2,165	7,581	9,746	109	23	132
<b>Total, Other Adjustments</b>	<b>\$1,665</b>	<b>\$9,083</b>	<b>\$10,748</b>	<b>\$109</b>	<b>\$23</b>	<b>\$132</b>
<b>Total, All Changes</b>	<b>(\$3,385)</b>	<b>\$9,083</b>	<b>\$5,698</b>	<b>(\$8,838)</b>	<b>\$23</b>	<b>(\$8,815)</b>
<b>Agency Budget as of February 2011 Plan</b>	<b>\$142,509</b>	<b>\$127,484</b>	<b>\$269,993</b>	<b>\$99,415</b>	<b>\$117,816</b>	<b>\$217,231</b>

**Appendix B: Reconciliation of Program Areas to Units of Appropriation**

*Dollars in thousands*

	Personal Services		Other Than Personal Services		Grand Total
	001	002	003	004	
Administration & Contract Agency Support	\$8,378	\$11,743	\$29,527	\$863	\$50,511
Case Management			14,925		14,925
Home Care Services			16,465		16,465
Senior Centers and Meals			106,613		106,613
Senior Employment & Benefits		6,287	2,218	529	9,034
Senior Services			19,682		19,682
<b>Grand Total</b>	<b>\$8,378</b>	<b>\$18,030</b>	<b>\$189,430</b>	<b>\$1,392</b>	<b>\$217,230</b>