

Fiscal 2009 Executive Budget Hearings

Human Resources Administration (Capital)

May 2008

*Hon. Christine C. Quinn
Speaker of the Council*

*Hon. David I. Weprin, Chair
Committee on Finance*

*Hon. Bill De Blasio, Chair
Committee on General Welfare*

*Hon. Helen Sears, Chair
Committee on Women's Issues*

*Preston Niblack, Director
Finance Division*

New York City Council Finance Division

Preston Niblack
Director

Jeffrey Rodus
Deputy Director

Jonathan Rosenberg
Deputy Director

Human Resources Administration (Capital)

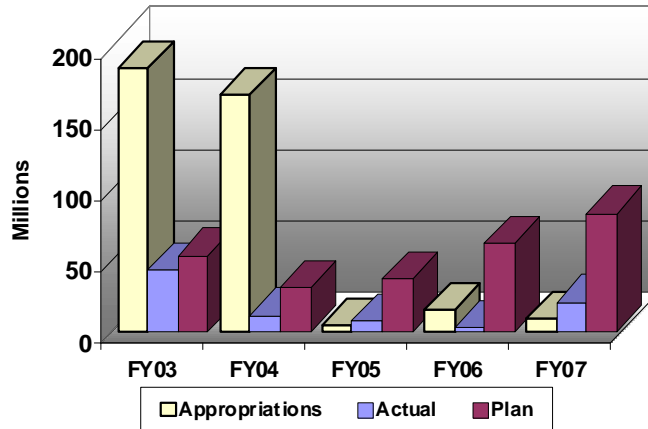
Crystal Coston
Analyst

Agency Overview

The Human Resources Administration (HRA) is responsible for protecting the health and welfare of the City's needy residents by providing temporary economic and social service support, and by helping them achieve economic independence. HRA administers a broad range of programs and services to achieve its mission.

The Administration's programs include income support for Temporary Assistance to Needy Families and Safety Net recipients; employment services, including the Work Experience Program with concurrent training, education, treatment, and short-term job search programs; Medicaid; home care services for elderly and individuals with disabilities; food stamps; food assistance; support services for individuals with AIDS and HIV-related illnesses; protective services for adults; domestic violence prevention; and crisis intervention and stabilization programs.

HUMAN RESOURCES ADMINISTRATION
Appropriations vs. Actual & Planned Commitments
(City funds)



The goals of the HRA capital program include improving social service facilities, including the replacement of building infrastructure and upgrades throughout the City; installation of local area networks for continued development of HRA connectivity within agency locations; replacement of paper case records with imaging technology based record retention systems; and upgrading, maintaining and acquiring telecommunication and data processing equipment to provide for the future operational requirements of HRA.

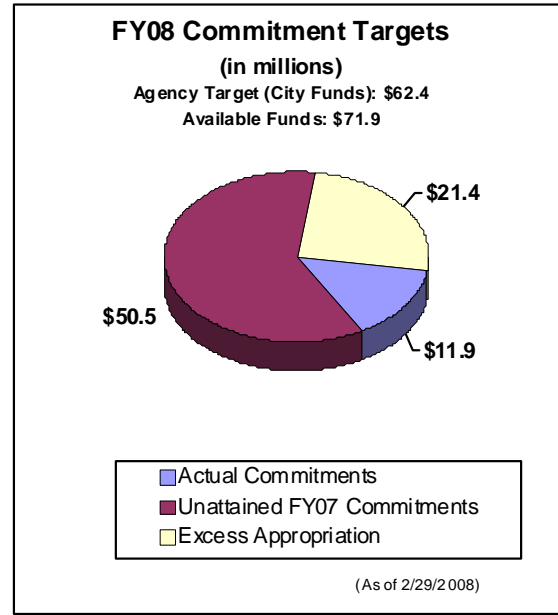
Fiscal 2009 Executive Capital Budget

Current Budget Summary

The May 2008 Capital Commitment Plan includes \$113.6 million in Fiscals 2009-2012 for the Human Resources Administration (including City and Non-City funds). This represents less than one percent of the City's total \$43.1 billion Executive Plan for Fiscals 2009-2012. The agency's May Commitment Plan for Fiscals 2009-2012 is 10.8 percent greater than the \$101.2 million in the January Commitment Plan, an increase of \$12.3 million.

As of February 29, 2008 the Human Resources Administration has only committed \$11.9 million, or 26.1 percent of its \$45.7 million Fiscal 2008 Plan. Over the past five years the Human Resources Administration has only committed an average of 15.7 percent of its annual capital plan. Therefore, it is assumed that a large portion of the agency's Fiscal 2008 capital plan will be rolled into Fiscal 2009 thus greatly increasing the size of the Fiscal 2009-2012 capital plan. Since Adoption, the Capital Commitment Plan for Fiscal 2008 has decreased from \$62.4 million to \$45.7 million, a decrease of \$16.7 million or 26.8 percent. This reduction is due to the rolling of funds from Fiscal 2008 to Fiscal 2009 in the Executive Plan.

Currently the Human Resources Administration's appropriations total \$71.9 million in city-funds for Fiscal 2009. These appropriations are to be used to finance the Human Resources Administration's \$33.8 million city-funded Fiscal 2009 Capital Commitment program. The agency has over 88.5 percent more funding than it needs to meet its entire capital commitment program for the current fiscal year.



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The Human Resources Administration's capital commitments for the last five years are shown below:

FIVE YEAR HISTORY - CAPITAL BUDGET (\$ in millions)					
	FY03	FY04	FY05	FY06	FY07
CITY	43	11	7	2	21
NON-CITY	10	6	5	2	8
TOTAL	53	17	12	4	29

The Preliminary Four-Year Capital Plan is shown below:

PRELIMINARY CAPITAL BUDGET – JANUARY 2008 (\$ in millions)					
	FY09	FY10	FY11	FY12	FY's 09-12
CITY	17.2	17.5	22.5	13.3	70.5
NON-CITY	4.2	6.2	12.6	7.6	30.6
TOTAL	21.4	23.7	35.1	20.9	101.1

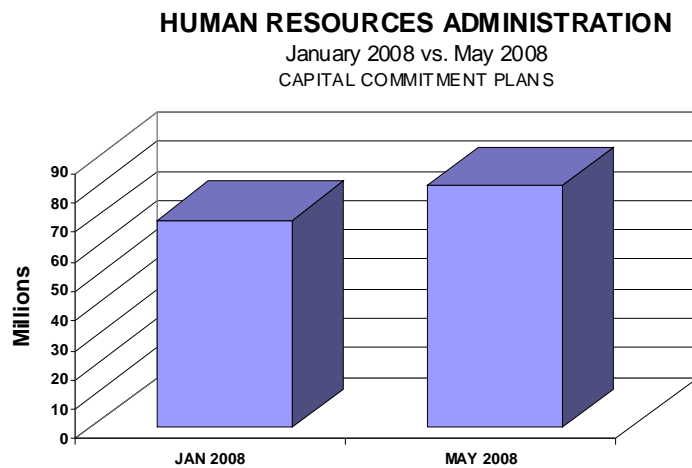
The Executive Four-Year Capital Plan is shown below:

EXECUTIVE CAPITAL PLAN – MAY 2008 (\$ in millions)					
	FY09	FY10	FY11	FY12	FY's 09-12
CITY	29.0	16.9	22.5	13.3	81.7
NON-CITY	5.5	6.5	12.6	7.0	31.6
TOTAL	34.5	23.4	35.1	20.3	113.3

EXECUTIVE BUDGET ISSUES/HIGHLIGHTS:

- The Human Resource Administration's (HRA) Executive Four Year Capital plan for Fiscals 2009-2012 is \$113.6 million, of which \$81.9 million consists of City funds, and \$31.7 million consists of Non-City funds. The City funded amount for Fiscals 2009-2012 has increased by \$11.2 million dollars when compared to \$70.5 the January Capital Commitment Plan. However, most of the increase in the City funded portion of the plan is the result of \$10.3 million dollars rolling from Fiscal 2008 to Fiscal 2009. When the \$10.3 million roll is subtracted the Executive Plan increases by approximately \$900,000.
- The Executive Four Year Capital Plan for HRA continues to focus on four primary categories: data processing, telecommunications, construction/renovation/upgrades to centers and other HRA sites, and vehicles.

- \$31.1 million of HRA's Executive Capital Plan is allocated for Data Processing and Information Technology. This represents 38 percent of the City funded portion of HRA's \$89 million Executive Capital Plan. The Department will continue to emphasize imaging and database management of paper records, and the maintenance and upgrade of computer equipment and software for greater efficiency in caseload tracking, reporting, and intra- and inter-agency communications. Current major computer system improvements at HRA include:



- The purchase of hardware and software for food stamps automation (\$129,000 remains from \$5.8 million)
- HRA data processing and case management integration (\$7.4 million of the \$12.2 million project remains)

- Construction, renovations and equipment make up \$41.9 million, or 51 percent of HRA's Executive Four Year Capital Plan. This funding will be used to complete the renovations and upgrades of model offices, and for computer equipment replacement. Funds are also available for emergencies, improvements of HVAC, masonry, roofing, electrical, plumbing, and renovations. Current major equipment replacement and construction/renovation projects include:

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- Lease Renewal at the West 8th Street HRA building in Brooklyn (\$3.5 million)
 - Reconstruction of the 330 W 34th Street Medicaid Model office (\$5.2 million)
 - Renovation and equipment for the 32-20 Northern Boulevard MIS data center (\$2 million)
- \$8.1 million, or 10 percent of the Plan, is allocated for telecommunication upgrades, which will allow the department to continue to enhance productivity and create a Wide Area Network to provide greater connectivity among agency personnel and contract service providers. These will strengthen operations management and maximize the efficient allocation of resources using the latest technology including:
- \$3.9 million is included in the plan for Voice Over Internet Protocol (VOIP) which will provide all voice and video communications for most HRA locations providing HRA with the ability to remove most of the Centrex lines providing cost savings (funding for this project extends to out years 2017)
 - \$1.6 million of additional city funding (\$125,000 remains) was provided for the installation of an Interactive Voice Response System (IVRS) installation at two HRA locations; the Gertz Building in Queens, and the 15 Metro Tech location in Brooklyn
- \$516,000, or less than one percent of the Plan is allocated for the replacement of aging cars, vans, and trucks used to carry out program support operations for child support enforcement, and investigations.