



COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) AUDITED RESULTS FOR FISCAL YEAR 2018

Deficit in the Primary Operating Funds

-\$122.4M → **-\$27.5M**
FY 2017 FY 2018

Negative Unassigned Fund Balance

-\$68.8M → **-\$22M**
FY 2017 FY 2018
(Rainy Day Fund)

Report Highlights

- ▶ Last year was the first time in seven years that this important financial report has been filed on time. This on-time CAFR demonstrates accountability and stewardship of taxpayer resources.
- ▶ Presents official fiscal results for the County, providing an independent, transparent, and standardized view of the County's finances. Our goal is to create a full and complete picture of the County's finances to help guide the decision-making process.
- ▶ The County's primary operating funds reported a deficit of **\$27.5 million** at the end of fiscal year 2018. At the end of Fiscal year 2017, the deficit was **\$122.4 million**.
- ▶ The County's unassigned fund balance (rainy day fund) was negative **\$22 million** at the end of fiscal year 2018. The fund balance was negative **\$68.8 million** at the end of fiscal year 2017.

Key Factors Contributing to Improved Results

The Operating Fund saw an improvement over the previous fiscal year. Some factors include:

- ▶ Higher sales tax revenues driven by a robust Long Island economy. The revenues in 2018 grew by **3.7% or \$43.1 million** from 2017.
- ▶ **\$59.9 million** less spent on personnel costs, excluding fringe benefits.
- ▶ **\$9.5 million** increase in PILOT (payment in lieu of taxes) revenues.
- ▶ **\$10.4 million** increase in Public Safety fee revenues.

Ongoing Challenges

- ▶ Outstanding tax certiorari liability is **\$603.5 million**, up from **\$569.3 million**.
- ▶ Litigation liabilities are **\$414.8 million**, up from **\$391.5 million**.
- ▶ Postemployment Benefits Other Than Pensions (OPEB) continues to be a significant unfunded liability at **\$6.3 billion**.

JULY 2, 2019