



2020 Nassau County Proposed Budget: Risks and Opportunities

TOTAL RISK OF \$61.7 MILLION

2020 Proposed Budget Risks/Opportunities

- ▶ The 2020 Proposed Budget contains approximately \$61.7 million in budget risks. This includes both budgeted revenue and expenditure risks and opportunities, which may not be achieved. These budget items should be reviewed by County policymakers.
- ▶ Revenue risks of \$15.1 million and expenditure risks of \$46.6 million were identified, for a total risk of \$61.7 million.

2020 Proposed Budget Structural Deficit

- ▶ The Structural Deficit inherent in the 2020 Proposed Budget is estimated at \$19.8 million, exclusive of any tax certiorari payments made with bond proceeds. This improved from last year's projection of \$42.0 million Structural Deficit.

Proposed Fiscal Year 2020 Budget Certain Major Risks/Opportunities

"Opportunity" Key Drivers ↑

State Aid

+\$11.6 million

Project an opportunity of \$11.6 million in State Aid related to increased projected costs in the Pre-School Programs.

"Risk" Key Drivers ↓

Sales Tax Revenues

-\$10.6 million

The volatility of sales tax collections and lack of historical data on enhanced internet Sales Tax collections make long term forecasting challenging. Sales tax is on close watch.

Fines and Forfeiture Revenues

-\$6.9 million

Aggressive budgeted amounts for red light camera revenues and public safety fees, based on trends.

Departmental Revenues

-\$9.8 million

Over-budgeted amounts in Assessment GIS/Tax Map fees, County Clerk mortgage and deed recording fees, and Fire Commission fees, based on trends.

Payroll Related Costs

-\$14.1 million

Primarily, Police Headquarters, and Correctional Center OT trends; termination pay underfunded in Police District Fund and Sewer and Storm Water District Fund.

Early Intervention and Pre-School Costs

-\$19.4 million

2020 Proposed Budget projected to be underfunding anticipated expenditures in the area of Pre-School Programs.