# COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

## AUDITED RESULTS FOR FISCAL YEAR 2019

Significant 2019 Improvement Before Unprecendented 2020 Crisis

**Surplus in the Primary Operating Funds**

**-$27.5M** FY 2018 → **$145.3M** FY 2019

**Positive Unassigned Fund Balance**

**-$22.0M** FY 2018 → **$112.2M** FY 2019

## Report Highlights

- This marks the third year in a row that this important financial report has been filed on time.
- The CAFR 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.
- At the end of fiscal year 2019, the financial condition of the County ended with $145.3 million in its primary operating funds, a significant improvement from a negative $27.5 million at fiscal year-end 2018 and a negative $122.4 million at fiscal year-end 2017.
- At the end of fiscal year 2019, the County's unassigned fund balance for all its governmental funds was a $112.2 million, a significant improvement of $134.2 million from a negative $22.0 million at the end of fiscal year 2018 and a negative $68.8 million at fiscal year-end 2017.

## Key Factors Contributing to Improved Results

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

- Higher sales tax revenues driven by a robust pre-COVID Long Island economy. Sales tax collections grew by 3.5% in 2019. Total revenues in 2019 grew by $47.7 million from 2018.
- Less spent on personnel costs primarily resulting from salary and fringe cost savings.
- Higher OTB revenue due to Video Lottery Terminal (VLT) receipts of $15 million.
- $15 million in funds received from New York State to assume liability for certain types of workers' compensation injuries.

## Ongoing Challenges

- Total tax certiorari liability decreased by $16.1 million to $588.5 million at fiscal year-end 2019; outstanding tax certiorari liability continues to be significant.
- Other Post-Employment Benefits (OPEB) continue to be a significant liability at $5.2 billion, a $1.1 billion decrease from last year.
- Net pension liability increased from $147.2 million to $269.0 million, primarily due to actual earnings on the State's pension plans not meeting the State's expectations.
- *While having no effect on what is reported in the 2019 CAFR, in 2020, our Office conducted an analysis which shows the unprecedented potential impact of COVID-19 on future sales tax collections and other economically driven revenue.*