



Nassau County Interim Finance Authority

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For Immediate Release

P R E S S R E L E A S E

NIFA Board Unanimously Rejects Multi-Year Financial Plan and Budget

NIFA Seeking Modifications to County Budget by November 30, 2015

Uniondale, NY (November 23, 2015) – The Nassau County Interim Finance Authority (NIFA) Directors unanimously rejected the proposed Nassau County four-year financial plan, the first year of which is the budget for FY 2016, during a meeting on November 19th. As a consequence of the action, the budget was returned to the County Executive for modifications.

In its resolution, NIFA stated that the multi-year financial plan proposed by the County Executive had many questionable revenue sources. Moreover, the County Legislature eliminated or reduced various sources of revenue included in the proposed plan, and substituted them with alternative measures that NIFA characterized as “risks and concerns.” These concerns included \$80 million in borrowing to cover expenditures; \$35 million of unreasonable assumptions; and \$46 million of questionable revenue, including \$20 million from a proposed video lottery terminal.

In a statement incorporated into their resolution, the NIFA Directors stated that “(T)he County has adopted a financial plan for NIFA’s consideration that would continue a structural imbalance between County expenditures and revenues through 2019....The control period cannot last forever. The County’s financial planning must be put on a reasonable path toward balance with some visible horizon.”

Chairman Kaiman stated that “(W)e have been coordinating with the County Executive, the County Comptroller and even the Legislative leaders to see if there is a clear path to a responsible resolution to the budgetary issues that presently exist....We remain committed to work with them through this process.”

With the plan rejected, the County Executive is required to submit a modified budget to the NIFA Directors for review no later than November 30, 2015. In its resolution, NIFA stated that the budget required modifications that address and resolve identifiable risks, and that the modified plan shall not reduce sources of revenue or increase expenditures.

The statement attached to their resolution went on to state, “Adding revenues is not the only means to achieving balance, and NIFA recognizes the substantial financial burdens already borne by County residents....but the other side of the equation is County spending, which continues to grow. Without offsetting revenue growth, the County must reduce expenditures.”

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