Nassau County Interim Finance Authority

NIFA

REVIEW OF THE ADOPTED MULTI-YEAR FINANCIAL PLAN FISCAL 2016 – 2019

November 19, 2015

NASSAU COUNTY
INTERIM FINANCE AUTHORITY

DIRECTORS

STAFF

OVERVIEW

On October 29, 2015, the County adopted a Multi-Year Plan for FY 2016 – 2019 (the "Plan"), which contains significant projected risks and deficits in each year. These risks include approximately $161 million in FY 2016, when calculated in accordance with Generally Accepted Accounting Principles and without using "other financing sources" (such as bond proceeds) to support operating expenses (hereinafter, deficit on a "GAAP Basis"). The NIFA Act requires that the control period continue as long as there is at least a 1% deficit on a GAAP Basis in the County's Major Funds (defined herein), or $29.2 million based on the FY 2016 Budget.

Most of the risks identified in NIFA's October Report were not addressed in the Plan. After almost five years in a Control Period, the County has not achieved GAAP or structural balance (where recurring operating expenditures are supported by recurring operating revenues) and is unlikely to do so for the foreseeable future. To accomplish this mandate, the County's multi-year plans must reflect much larger and more realistic increases in revenues and/or reductions in expenditures. Because of the continued absence of realistic County actions to achieve balance on a GAAP Basis, NIFA is prepared to exercise its statutory authority to bring expenditures in line with the County's available revenues.

Due to the foregoing risks that remain in FY 2016 and the statutory deficits projected for FY 2016 – FY 2019, we find that the Plan is unable to meet the requirements of the NIFA Act using reasonable projections of revenues and expenditures. Consequently, future compliance requires not only the continuation of the Control Period, but also the introduction of more rigorous monitoring and the likely imposition of budget cuts to ensure that operations of the County will be conducted within the resources available.

The remainder of this Report, read in conjunction with NIFA's October Report, provides both the historical context and analysis that were utilized to arrive at the preceding comments.

BACKGROUND

On October 19, 2015 the Directors accepted a staff report ("October Report"), which contained a series of analyses and findings concerning the Proposed Multi-Year Financial Plan for Fiscal Years 2016 – 2019 (the "Proposed Plan"). The October Report was subsequently transmitted to the County Executive and Legislature for consideration.

The October Report discussed a number of risks and concerns, totaling $211 million on a GAAP Basis, and concluded that the Proposed Plan would be considered for approval under certain conditions. The Report suggested the County must immediately adopt measures to significantly raise the level of revenue likely to be available each year to fund its desired level of services. The Report further noted that in the alternative, the County must immediately act to radically cut its expenditures to a level that can be sustained by its preferred level of revenues. A portion of these risks were subsequently reduced during the adoption process, but still total $161 million on a GAAP Basis.

On October 29, 2015, the Legislature approved the FY 2016 Budget and Plan (containing a number of amendments and technical adjustments to the Proposed FY 2016 Budget and Proposed Plan). On November 6, 2015, the County Executive vetoed only one of the adopted amendments. The amendment had reduced the proposed property tax increase by $12 million. On November 13, 2015, the Legislature voted to override his veto.

With respect to the concerns noted above:

- The Legislature cut $12 million from the proposed property tax increase, which had totaled $21.6 million in the Major Funds (including $9.6 million in property taxes that are being shifted from the Environmental Bond Fund tax levy to the Major Funds). The reduction validated our initial concerns; however, the Legislature approved the proposed shift in tax levies, which actually reduced our risk by $9.6 million in FY 2016.
- The Legislature revised downward two of the proposed fee increases – mortgage recording fees and tax map verification fees – which NIFA had held entirely at risk, but still raised them sufficiently to bring in almost $21 million in additional projected revenue.
- The Legislature approved the proposed revenue increase in the Traffic and Parking Violations Agency that is expected to come from an increase in the administrative fee charged on traffic and parking violations. The approval reduced our risk by $6 million.
- The Legislature approved an amendment to include $15.8 million in additional revenue that could potentially be realized by the County from enforcing the imposition of fines on commercial property owners who fail to timely file income and expense statements.

We have been told that the County Attorney's Office is in the process of setting up procedures to address compliance and expects to be implementing this initiative in a few weeks. We are concerned that implementation will be postponed because the plaintiff has indicated its desire to appeal, which could lead to a stay of enforcement. Consequently, NIFA will hold the projected revenues at risk until the Court's ruling withstands any further challenges and the County demonstrates an ability to collect these fines.

UPDATE OF ANALYSIS

We have reviewed the County's adopted Multi-Year Plan for FY 2016 – 2019, which incorporates several amendments and technical adjustments that were approved by the Legislature during the legislative adoption process. These changes are discussed in the next section of this Report. The following discussion should be read in conjunction with our October Report for a complete understanding of our analysis and concerns with the Plan.

FY 2016

The County did not address most of the FY 2016 issues or risks that were discussed in our October Report. Our analysis indicates that the FY 2016 Budget contains approximately $161 million in projected risks on a GAAP Basis, including $78 million related to the proposed borrowings for tax certiorari refunds ($60 million) and payment of other judgments and settlements ($18 million). Although this projection is $50 million lower than our analysis of the Proposed Plan, it remains more than five times the $29.2 million deficit which would otherwise trigger (or maintain) a control period. Furthermore, the County's non-budgeted reserves remain woefully inadequate to mitigate significant unanticipated events.

We are concerned by the County's lack of significant progress in reducing the projected GAAP Basis deficit, using reasonable projections of revenues and expenditures (see chart below).

Operating Results on a GAAP Basis ($ in millions)							
FY 2009	**FY 2010**	**FY 2011**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015p**	**FY 2016p**
($180.4)	($144.9)	($160.0)	($64.1)	($73.6)	($189.2)	($188.2)	($161.3)

Even if the County receives the requisite approvals for the $78 million in borrowings referenced in the prior paragraph, the remaining projected risks total approximately $81 million. Due to the cumulative size of these risks, we remain concerned whether the County can aggressively manage the FY 2016 Budget to ensure that a deficit, even on a budgetary basis, does not occur. As a reminder to the County, we reiterate that bond proceeds raised through borrowings are not considered revenues and will not reduce the size of the GAAP Basis deficit. The risks, which are shown below, are discussed in detail in our October Report.

ANALYSIS OF FY 2016 BUDGET Surplus/(Risk) ($ in millions)			
($ in millions)	**FY 2016 Proposed**	**FY 2016 Adopted**	**Change Better/(Worse)**
Revenues:			
Fines and Forfeitures	**($12.1)**	**($5.9)**	**$6.2**
Rents and Recoveries	**(5.1)**	**(7.7)**	**(2.6)**
Departmental Revenues	**(41.3)**	**(24.7)**	**16.6**
Mortgage Recording Fees	*(17.7)*	*0.0*	*17.7*
GIS Tax Map Fee	*(18.2)*	*0.0*	*18.2*
Income and Expense Law	-	*(15.8)*	*(15.8)*
Other	*(5.4)*	*(8.9)*	*(3.5)*
Bond Proceeds for Operations	**(92.8)**	**(60.0)**	**32.8**
Tax Certiorari Payments	*(60.0)*	*(60.0)*	**0.0**
Termination Payments	*(32.8)*	*0.0*	**32.8**
OTB Profits	**(20.0)**	**(20.0)**	**0.0**
Property Taxes	**(21.6)**	**0.0**	**21.6**
Sales Tax	**(10.7)**	**(10.7)**	**0.0**
Other Revenue	**0.9**	**(3.4)**	**(4.3)**
Total Revenues	**(202.7)**	**(132.4)**	**70.3**
Expenditures:			
Salaries and Wages	**(6.7)**	**(9.2)**	**(2.5)**
Overtime	*(6.7)*	*(9.2)*	*(2.5)*
Fringe Benefits	**7.2**	**(0.4)**	**(6.8)**
Contractual Services	**0.0**	**0.0**	**0.0**
Debt Service	**7.0**	**0.0**	**(7.0)**
Tax Certiorari Payments	**0.0**	**0.0**	**0.0**
Other Expenditures	**(0.2)**	**0.7**	**0.9**
Total Expenditures	**7.3**	**(8.9)**	**(16.2)**
Contingency Reserve	**4.0**	**0.0**	**(4.0)**
Subtotal of Budgetary Risks	**($191.4)**	**($141.3)**	**$50.1**
GAAP Basis Adjustments*	**(20.0)**	**(20.0)**	**0.0**
Total Risk on GAAP Basis	**($211.4)**	**($161.3)**	**$50.1**

*Includes $18 million that may be taken from the Litigation Fund to pay non-cert judgments and settlements.

<u>FY 2017 – FY 2019</u>

The County projects baseline gaps of $93.2 million in FY 2017, $132.1 million in FY 2018, and $163.6 million in FY 2019 (the "Out-Years") even if it can successfully implement its entire FY 2016 gap-closing plan, which has been fully incorporated into the Plan.

In contrast, our analysis continues to indicate that the County's revised projections of Out-Year gaps may be understated if the risks we identified in FY 2016 are not satisfactorily addressed with recurring solutions. We project that the baseline gaps could reach $229.8 million in FY 2017, $270.9 million in FY 2018 and $305.1 million in FY 2019, as shown below.

Projected Out-Year Gaps			
($ in millions)	**FY 2017**	**FY 2018**	**FY 2019**
County Estimated Baseline Gap	**($93.2)**	**($132.1)**	**($163.6)**
NIFA Risks (including GAAP Basis adjustments)	**(136.6)**	**(138.8)**	**(141.5)**
NIFA Estimated Baseline Gap	**($229.8)**	**($270.9)**	**($305.1)**

Closing the Out-Year Gaps – The County's Out-Year Gap Closing Plan, even if fully implemented, is insufficient to close the baseline gaps projected by the County and also mitigate the projected risks identified in our analysis. Furthermore, we have an ongoing concern that the Gap Closing Plan repeats many of the same initiatives already proposed in earlier financial plan submissions, almost all of which contained considerable risk or require outside approval. These concerns are discussed in our October Report.

LEGISLATIVE AMENDMENTS

This section of the Report discusses the budget amendments (and certain technical adjustments) adopted by the Legislature on October 29, 2015.

The County made several changes to the Proposed Budget, which in aggregate resulted in the Major Funds of the FY 2016 Budget (as defined in the Act) being decreased by $28.4 million when excluding interdepartmental transfers. The largest changes are shown below.

Expenditures		Revenues	
Reductions			
Salaries and Wages	($10.0)	Bond Proceeds for Termination Pay	($32.8)
Fringe Benefits	(7.5)	Property Taxes	(12.0)
Contingency Reserve	(4.0)	Mortgage Recording Fee	(8.0)
NIFA Debt Service	(5.0)	GIS Tax Map Verification Fee	(8.0)
County Debt Service	(2.0)		
Increases			
		Income and Expense Law Fines	15.8
		Rents and Recoveries	9.6
		Road Opening Fee	2.5
		Tow Truck Franchise Fee	1.5
		Tax on Medical Marijuana	1.5
		Fire Commission Fees	1.0
Other Expense	0.1	Other Revenue	0.5
Total	**($28.4)**		**($28.4)**

Program Changes

The Legislature's major changes to the Budget included removal of the proposed 1.2% property tax increase and slashing by half, two of the Administration's proposed fee increases. The simultaneously, proposed cost cutting and revenue enhancement measures that they asserted would make up the difference.

The County Executive, in turn, let stand all of the Legislature's amendments choosing to veto only the removal of the property tax increase and associated revenue of $12 million. The Legislature subsequently voted to override the veto, thereby eliminating the $12 million in recurring revenue from the Plan.

Beyond the property tax and fee amendments, several other amendments, including technical adjustments submitted by the Administration were accepted by the Legislature and are also illustrated in the table above.

Bond Proceeds for Termination Pay

The Proposed Budget included an assumption of borrowing $32.8 million to pay for termination costs, which are operating costs routinely paid with operating revenue by other municipalities. The NIFA Directors advised the County that this borrowing would not be permitted. The Administration proposed a number of alternative actions, which were approved by the Legislature, to comply with the mandate.

Property Tax Levy Reduction

The County Executive had proposed a 1.2% property tax increase which, when combined with the transfer of existing property tax revenues from the Environmental Bond Fund, would bring in $21.6 million into the Major Funds ($12 million from the tax levies within the Major Funds and $9.6 million from Environmental Bond Fund). The Legislature eliminated $12 million in property taxes from the General Fund, but approved the transfer of property tax revenue from the Environmental Bond Fund.

The decision to eliminate the property tax increase removed a reliable source of recurring revenue that would otherwise have helped to support the County's operating budget and the provision of desired services. It also exacerbated the structural imbalance that continues to plague County finances and further moved the County's finances in the wrong direction. As we noted in our October Report, the Proposed Budget already carried significant risks that could contribute toward an operating deficit even if the proposed property tax increase was enacted.

Various Departmental Fee Increases

The Administration proposed $42.8 million in fee increases, including $36.7 million from a $150 increase per filing to both the GIS Tax Map Verification and Mortgage Recording Fees. The GIS Tax Map Verification fee would have increased from $75 to $225 per filing and the Mortgage Recording fee would have increased from $150 to $300. The Legislature approved only half of the proposed increases, bringing the fees to $150 and $225, respectively. The Legislature estimates that the amendment results in the loss of $8 million in projected revenue from each fee. The County Executive did not veto the Legislature's amendment to either of the Program fees.

The Legislature adopted four other changes to provide, on paper, the resources necessary to offset the loss of property tax revenue and the reduction in the aforementioned departmental fee increases: a road opening fee in Public Works for $2.5 million; a tow truck franchise fee in the Police Department for $1.5 million; recognition of projected revenue from taxes on medical marijuana for $1.5 million; and Fire Commission fees for $1.0 million. Some of these changes are speculative and untested or are repeats of failed initiatives, such as the tow truck franchise fee.

Capture Revenue from Income and Expense Law

A fine is imposed on commercial property owners who fail to file income and expense statements. A local law to enforce compliance was introduced in December 2013; however, a suit against the County prevented the collection of the fines. The New York State Supreme Court ruled in the County's favor in May 2015 and the decision was reduced to an order in June 2015. Having recently won its right to enforce the law and collect the fine, the Legislature estimates that fines collected from parcels which are currently out of compliance could be as high as $45 million. The Legislature said that it chose to conservatively set its amendment at $15.8 million in FY 2016 and lower amounts in the Out-Years of the Plan, assuming that compliance with the law will increase over time. The amount that can actually be collected depends on how aggressively the County pursues these fines and whether the Court's ruling withstands any further challenges and appeals, as previously noted.

Rents and Recoveries

Each year, the County disencumbers, or closes out, a portion of prior year appropriations after determining that they are no longer needed and reflects the recoveries as revenue. The Administration had already provided a $2.6 million technical adjustment to the Proposed Budget increasing the amount already allocated for the annual practice of reducing contract encumbrances. The Legislature increased the level of anticipated recovery by $7 million, for a total increase to the Proposed Budget of $9.6 million. With these changes, the Budget contains $15.5 million in projected revenue from the recovery of these prior year appropriations. Historically, the County has realized amounts varying from a low of $9 million in 2009 to as much as $33 million in 2014. While the practice may be implementable, even at the higher amount, it may provide only non-recurring budgetary relief and simply forestall impending and needed contract services.

Salaries and Fringe Benefit Reduction

The County reduced its projection of expenditures for salaries and fringe benefits by $17.5 million combined, including the Legislature's amendment of $3.2 million. The Adopted Budget reflects a $10 million reduction in salaries and wages and a $7.5 million reduction in the associated fringe benefits to reflect savings from vacancies and lower than assumed health insurance costs. The degree to which this reduction can be realized is dependent on the County's ability and willingness to hold vacancies, slow the backfilling of prospective attrition and manage overtime.

Reduce Debt Service Budget

The Legislature noted that the County's monitors, including NIFA, estimated that the County's Debt Service budget was overstated. The Administration had already proposed a reduction of $4.2 million to reflect savings resulting from delayed and reduced borrowings as well as savings generated by a recent NIFA bond refunding transaction. The Legislature further reduced this line by $2 million for a total reduction of $7 million, which we find to be reasonable.

Contingency Reserve

The $4 million contingency reserve that was allocated in the Proposed Budget has been eliminated in its entirety to address budgetary holes. It is fiscally imprudent to adopt a multi-year financial plan that lacks budgeted contingencies that would be available to mitigate unanticipated revenue shortfalls or cost overruns. This action could result in disruptive mid-year cuts that are progressively larger if negative variances develop and fewer months remain in the year.

VI. APPENDIX

ADOPTED MULTI-YEAR FINANCIAL PLAN FOR FISCAL YEARS 2016-2019

OBJECT	2016 ADOPTED BUDGET	2017 PLAN	2018 PLAN	2019 PLAN
EXPENDITURES				
AA - SALARIES, WAGES & FEES	860,114,056	905,409,758	923,965,868	936,173,850
AB - FRINGE BENEFITS	514,257,831	535,864,650	560,747,366	587,981,554
AC - WORKERS COMPENSATION	31,582,954	31,582,954	31,582,954	31,582,954
BB - EQUIPMENT	1,936,454	1,948,073	1,948,073	1,948,073
DD - GENERAL EXPENSES	37,884,015	38,073,583	38,087,728	38,147,991
DE - CONTRACTUAL SERVICES	245,358,648	246,151,497	246,552,548	246,963,624
DF - UTILITY COSTS	40,005,456	40,271,669	41,680,915	43,706,679
DG - VAR DIRECT EXPENSES	5,250,000	5,250,000	5,250,000	5,250,000
FF - INTEREST	115,388,821	125,961,787	132,090,374	136,752,530
GA - LOCAL GOVT ASST PROGRAM	67,626,890	69,286,312	71,327,402	73,429,724
GG - PRINCIPAL	86,175,000	107,205,000	116,310,001	129,345,000
HH - INTERFD CHGS INTERFUND CHARGES	28,134,268	28,072,229	27,931,502	27,783,106
MM - MASS TRANSPORTATION	43,803,242	44,998,006	46,227,417	47,492,482
NA - NCIFA EXPENDITURES	1,950,000	2,000,000	1,925,000	2,000,000
OO - OTHER EXPENSE	284,923,271	279,715,926	222,147,869	220,360,316
PP - EARLY INTERVENTION/SPECIAL EDUCATION	135,000,000	137,700,000	140,454,000	143,263,080
SS - RECIPIENT GRANTS	62,000,000	63,240,000	64,504,800	64,504,800
TT - PURCHASED SERVICES	65,851,121	67,168,143	68,511,506	69,881,736
WW - EMERGENCY VENDOR PAYMENTS	50,980,000	50,470,200	50,470,200	50,470,200
XX - MEDICAID	240,233,215	251,071,349	255,615,874	251,071,349
TOTAL EXPENDITURES	**2,918,455,242**	**3,031,441,136**	**3,047,331,396**	**3,108,109,047**
REVENUES				
AA - FUND BALANCE	0	0	0	0
BA - INT PENALTY ON TAX	31,900,000	31,900,000	31,900,000	31,900,000
BC - PERMITS & LICENSES	17,614,750	18,614,750	17,614,750	18,614,750
BD - FINES & FORFEITS	66,653,563	70,239,653	70,239,653	70,239,653
BE - INVEST INCOME	979,300	979,300	979,300	979,300
BF - RENTS & RECOVERIES	57,226,757	34,323,701	38,906,301	25,407,783
BG - REVENUE OFFSET TO EXPENSE	13,400,000	13,400,000	13,400,000	13,400,000
BH - DEPT REVENUES	215,837,222	210,787,222	205,787,222	205,787,222
BO - PAY LIEU TAX PAYMENT IN LIEW OF TAXES	50,777,307	51,112,674	51,359,820	50,192,721
BQ - D/S FROM CAP DEBT SERVICE FROM CAPITAL	64,483,620	62,400,000	2,719,200	3,200,000
BS - OTB NON-TAX REVENUE	20,000,000	22,000,000	25,000,000	25,000,000
BW - INTERFD CHGS INTERFUND CHARGES REVENUE	72,321,378	82,689,824	86,856,451	92,894,604
FA - FEDERAL AID REIMBURSEMENT OF EXPENSES	135,005,324	136,118,914	136,118,914	136,098,899
SA - STATE AID REIMBURSEMENT OF EXPENSES	211,848,977	213,433,917	215,050,556	216,699,527
TA - SALES TAX CO SALES TAX COUNTYWIDE	1,042,478,623	1,068,540,589	1,100,596,806	1,133,614,710
TB - PART COUNTY SALES TAX PART COUNTY	81,809,065	85,186,793	90,719,033	93,440,604
TL - PROPERTY TAX	804,565,525	804,168,386	795,798,090	795,024,795
TO - OTB 5% TAX	2,385,331	2,165,283	1,966,609	1,787,188
TX - SPECIAL TAXS SPECIAL TAXES	29,168,500	30,168,500	30,168,500	30,168,500
TOTAL REVENUES	**2,918,455,242**	**2,938,229,506**	**2,915,181,205**	**2,944,450,257**
PROJECTED SURPLUS/GAP	**0**	**(93,211,630)**	**(132,150,191)**	**(163,658,791)**

ADOPTED PLAN COMPARED TO PROPOSED PLAN

MAJOR FUNDS CHANGES				
EXPENDITURES				
OBJECT	**2016 Budget**	**2017 Plan**	**2018 Plan**	**2019 Plan**
AA-SALARIES, WAGES & FEES	(9,950,000)	(12,991,657)	(12,979,989)	(12,975,813)
AB-FRINGE BENEFITS	(7,537,873)	(7,910,014)	(8,300,731)	(8,710,963)
AC-WORKERS COMPENSATION	0	0	0	0
BB-EQUIPMENT	0	0	0	0
DD-GENERAL EXPENSES	0	0	0	0
DE-CONTRACTUAL SERVICES	230,000	234,990	239,859	244,849
DF-UTILITY COSTS	(190,000)	(190,817)	(197,610)	(204,605)
DG-VAR DIRECT EXPENSES	0	0	0	0
FF-INTEREST	(1,140,000)	(1,640,000)	(1,509,750)	(1,372,750)
GA-LOCAL GOVT ASST PROGRAM	0	0	0	0
GG-PRINCIPAL	(860,000)	(2,605,000)	(2,740,000)	(2,875,000)
HH-INTERFD CHGS - INTERFUND CHARGES	0	0	0	0
MM-MASS TRANSPORTATION	0	0	0	0
NA-NCIFA EXPENDITURES	0	0	0	0
OO-OTHER	(9,000,000)	0	0	0
PP-EARLY INTERVENTION/SPECIAL EDUCATION	0	0	0	0
SS-RECIPIENT GRANTS	0	0	0	0
TT-PURCHASED SERVICES	0	0	0	0
WW-EMERGENCY VENDOR PAYMENTS	0	0	0	0
XX-MEDICAID	0	0	0	0
TOTAL	**(28,447,873)**	**(25,102,499)**	**(25,488,222)**	**(25,894,283)**
REVENUES				
OBJECT	**2016 Budget**	**2017 Plan**	**2018 Plan**	**2019 Plan**
AA - FUND BALANCE	0	0	0	0
BA-INT PENALTY ON TAX	0	0	0	0
BC-PERMITS & LICENSES	2,500,000	2,500,000	2,500,000	2,500,000
BD-FINES & FORFEITS	0	0	0	0
BE-INVEST INCOME	0	0	0	0
BF-RENTS & RECOVERIES	9,600,000	0	0	0
BG-REVENUE OFFSET TO EXPENSE	0	0	0	0
BH-DEPT REVENUES	2,300,000	(3,500,000)	(8,500,000)	(8,500,000)
BO-PAY LIEU TAX - PAYMENT IN LIEU OF TAXES	37,797,128	37,797,128	37,797,128	37,797,128
BQ-D/S FROM CAP - DEBT SERVICE FROM CAPITAL	0	(18,000,000)	(18,000,000)	(18,000,000)
BS - OTB NON-TAX REVENUE	0	0	0	0
BW-INTERFD CHGS - INTERFUND CHARGES REVENUE	(32,796,998)	(10,000)	(10,000)	(10,000)
FA-FEDERAL AID - REIMBURSEMENT OF EXPENSES	0	0	0	0
SA-STATE AID - REIMBURSEMENT OF EXPENSES	1,500,000	1,500,000	1,500,000	1,500,000
TA-SALES TAX CO - SALES TAX COUNTYWIDE	0	0	0	0
TB-PART COUNTY - SALES TAX PART COUNTY	0	0	0	0
TL-PROPERTY TAX	(49,348,003)	(49,348,003)	(49,348,003)	(49,348,003)
TO-OTB 5% TAX	0	0	0	0
TX-SPECIAL TAXS - SPECIAL TAXES	0	0	0	0
TOTAL	**(28,447,873)**	**(29,060,875)**	**(34,060,875)**	**(34,060,874)**
SURPLUS/(DEFICIT)	**0**	**(3,958,377)**	**(8,572,652)**	**(8,166,593)**