



## OFFICE OF THE NASSAU COUNTY COMPTROLLER

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**Hon. Elaine Phillips**  
*Nassau County Comptroller*

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### **Nassau County Comptroller: Report on the First Six Months**

Eliminating Waste, Fraud and Inefficiency – Restoring Integrity and Trust in Government

Mineola, NY – Elaine Phillips, former New York State Senator and Mayor of The Village of Flower Hill, was elected Comptroller of Nassau County with 61 percent of the vote in November 2021. An astute professional with more than 30 years of experience in finance and public service, the County's 15<sup>th</sup> Comptroller and first female elected to the role is committed to ensuring that Nassau County residents' tax dollars are spent properly, and that the county government operates efficiently, ethically and with transparency.

Since Phillips took office on January 3, 2022, she has assembled an expert leadership team with cumulative relevant experience of over 150 years (see page 4 for details). Together, they have embarked on the following:

#### **Improving Efficiency**

**Nassau County's Integrated Financial System (NIFS)** – Replacement of the existing financial software system for budgeting and accounting – Nassau Integrated Financial System (NIFS) – which has been in place since 1999. It lacks efficiency and modern financial-based Enterprise Resource Planning (ERP) functionality. A comprehensive needs assessment is underway after which a request for proposals (RFP) for new software and software installation will be issued. From planning to full implementation, the project is expected to take three to five years.

**Clearing Out Backlogs** – When Comptroller Phillips took office, there were aging vendor claims for payment that had languished unpaid for years. For example, on May 3, 2022, officials of the City of Long Beach, NY met with Comptroller Phillips and her deputy comptrollers to discuss open invoices for bus service the City provides to Lido Beach and Point Lookout. Long Beach had been awaiting payment for services dating back more than four years – to *January 1, 2018*. The Comptroller's Office cleared the bottleneck and payment of \$300,000 was delivered less than three weeks later.

**eClaims** – The Comptroller’s Office is continuing the implementation of a new County-wide electronic claims processing system (eClaims) for processing requests for payments. The new eClaims system is replacing an antiquated paper voucher claims process with an efficient, streamlined digital process. eClaims are virtually paperless and the system enables authorized users to easily enter and track requests and payments from their computers, with an oversight checkpoint for verification by the Comptroller’s Office.

## **Audits**

- **Department of Assessment** – In light of the ongoing issues concerning the County’s real estate assessment process, the Comptroller’s Office is conducting an audit of the County’s Department of Assessment. The audit will initially focus on the 2020-2021 reassessment and will cover Department’s assessment and exemption processes.
- **Department of Consumer Affairs** – In January 2022, when Comptroller Phillips took office, the County had a backlog of hundreds of new permit and license applications and thousands of renewals. Comptroller Phillips directed her office to audit the Nassau County Department of Consumer Affairs to examine the operation of the Department including licensing procedures, management and staffing. Thanks to early findings, the Department of Consumer Affairs has already begun to address the backlog.
- **Nassau Community College** – An audit is underway to assess the College’s financial condition, operations and procedures and to better understand potential reasons for declining enrollment.
- **Town of Hempstead Sanitary District No. 7 (Oceanside)** is being audited at the request of the Chairman of the Board of the Sanitary District.

*“Nassau County taxpayers are confused and frustrated with our complex property assessment system. It’s my job, as the independent protector of Nassau County taxpayers and residents, to not only ensure that County departments are functioning properly and efficiently, but to see that taxpayers are being treated fairly,” said Comptroller Phillips. “This audit will help restore taxpayers’ confidence that their assessments are not only correct, but also fair.” The Comptroller’s Office will examine the systems and processes in place and recommend improvements that ensure the accuracy of property values listed on the rolls.*

## **Additional Accomplishments**

**Longevity Pay** – In mid-June 2022, 7,300 Nassau County civil service employees received back pay totaling \$33 million dollars following an agreement by the current administration to resolve a decades-old freeze of longevity pay. Recipients of retroactive longevity pay include police officers, correction officers, detectives, and clerical workers countywide. Longevity

pay is an entitlement for eligible employees of a periodic payment in recognition of their years of continuous service. It is included in each of the involved unions' collective bargaining agreements.

**Refunds of Social Security and Medicare taxes** – After Social Security and Medicare taxes were inappropriately deducted from the paychecks of law enforcement officers out on Disability due to injuries in the line of duty, the Comptroller is ensuring that refunds are issued to the affected individuals. Under section 207-C of New York State General Municipal Law, Chapter 24, Article 10, there is an exemption from these taxes while the officer is out on disability.

**Nassau County's Audited Financial Statements** – On June 30, the Comptroller's Office released the 2021 audited financial statements and the [Annual Comprehensive Financial Report \(ACFR\)](#) for the fiscal year ending on December 31, 2021, consistent with complex requirements. In addition, we released the [Popular Annual Financial Report \(PAFR\)](#), which provides a summary of the ACFR in a "user-friendly" review of the County's finances, operations, and economy to inform taxpayers and residents of the financial condition of the County and how taxpayers' money is being used. The County's 2021 financial statement was audited by the independent accounting firm of Mayer Hoffman McCann CPAs, who issued an unmodified ("clean") opinion.

Highlights of the report included:

- Nassau County ended fiscal year 2021 with a surplus of \$480 million in the Governmental Funds. In anticipation of better than projected sales tax revenue, the Nassau County Legislature unanimously approved the creation of an Excess Sales Tax Fund. The fund was designed to ensure that the additional revenue was allocated responsibly to pay down prior liabilities and improve the County's financial stability.
- Despite the economic stress created by the COVID-19 pandemic, the County's finances have improved dramatically, to the extent that the County no longer meets the conditions that would warrant remaining in a control period under the Nassau County Interim Finance Authority (NIFA), which was created by New York State in 2000 in response to the County's financial distress in the 1990s. For additional details about NIFA's authority and the Control Period Calculation, see the Oversight Authority section on page 7 of the [Annual Comprehensive Financial Report](#).

### **About the Comptroller's Office**

Comptroller Elaine Phillips is the elected independent protector of the taxpayers and residents of Nassau County. With a population of approximately 1.4 million people and an annual budget of

approximately \$3.68 billion, Nassau County relies on Comptroller Phillips and her dedicated staff to monitor Nassau's budget and financial operations, report on matters that affect Nassau's financial health, proactively advocate for operational efficiency on behalf of the taxpayers, and audit government departments and outside agencies that do business with the county to uncover and prevent waste, fraud, and inefficiency. Each year, the Comptroller's Office reviews thousands of contracts and reviews and approves approximately 100,000 payments. The Comptroller's office also administers payroll and health benefits for the County's 8,000 employees, 12,000 retirees and their dependents for a total of approximately 50,000 covered lives.

### **The Nassau County Comptroller's Leadership Team**

**Chief Deputy Comptroller Jeff Schoen's** career includes a wide range of legal, investigative, auditing and administrative governmental experience spanning 25 years in government, at supervisory and executive levels, including the New York State Attorney General's Office, the Waterfront Commission of New York Harbor and the Nassau County Comptroller's Office.

**Deputy Comptroller Elizabeth (Betsy) Hill** has over 40 years of experience in the municipal bond market, as a credit analyst, portfolio manager, and Municipal Securities Rulemaking Board (MSRB)-registered municipal advisor. Her nationwide perspective, knowledge of government financial reporting and work with underperforming bond obligors provides valuable expertise to ensure the County follows best practices.

**Deputy Comptroller Beaumont Jefferson** has 35 years of experience in finance, banking and government. He served as a Vice President JP Morgan Chase Bank, was the Deputy Nassau County Treasurer 2010–2013, and Nassau County Treasurer 2013–2021. In addition, Mr. Jefferson currently serves as a Trustee and Second Deputy Mayor in the Village of Westbury.

**Chief Counsel Charles Casolaro, Esq.,** concentrated his private practice in municipal and government law and administration. A village attorney to numerous villages, and special counsel to Townships, as well as former judge of the Nassau County Department of Health, Mr. Casolaro has 22 years of experience in a wide range of governmental issues.

For additional information about anything described here, please contact Wendy L. Goldstein, Director of Communications for the Comptroller's Office, at [wgoldstein@nassaucountyny.gov](mailto:wgoldstein@nassaucountyny.gov) or (516) 571-2478.

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