

# NASSAU COUNTY INTERIM FINANCE AUTHORITY

## RESOLUTION NO. 14-501

ORDERING THE COUNTY EXECUTIVE TO PROVIDE A MODIFIED FINANCIAL PLAN DETAILING HOW NASSAU COUNTY WILL COVER THE COSTS OF NEW LABOR AGREEMENTS, WITH THE UNDERSTANDING THAT NIFA THEREAFTER SHALL EXERCISE ITS OWN POWER TO MODIFY THE FINANCIAL PLAN AS NEEDED

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WHEREAS, the NIFA Staff projected that new labor agreements with five unions will create new net costs to the County of approximately \$130 million (at the low range) not accounted for in the County's current 2014 – 2017 Multi-Year Financial Plan; and

WHEREAS, the Office of Legislative Budget Review projected \$120 million (at the low range) of such costs for labor agreements with four unions; and

WHEREAS, the County Comptroller projected \$120 million (at the low range) of such costs for labor agreements with five unions; and

WHEREAS, under Section 3667(2)(f) of the NIFA Act, "the county executive shall provide a modified financial plan in such detail and within such time periods as [NIFA] may require"; and

WHEREAS, under Section 3669(2)(f) of the Act, NIFA during a Control Period "shall issue, to the appropriate public official of the county . . . such orders as it deems necessary to accomplish the purposes of" the Act; and

WHEREAS, under Section 3669(2)(a) of the Act, NIFA is authorized to formulate and adopt its own modifications to the financial plan upon finding that the County has failed to make necessary modifications;

NOW, THEREFORE, BE IT RESOLVED, that NIFA orders the County Executive to provide to NIFA within 60 days a modified financial plan accounting in detail for the newly projected revenue and cost-reduction items that will cover at minimum the low range of new costs of the labor agreements in each year of the modified 2014 – 2017 Multi-Year Plan; and be it further

RESOLVED, that the County Executive's modified plan shall also include, as a contingency, cost reductions and/or revenue increases that would achieve aggregate cost savings of \$30 million in each year of the modified 2014 – 2017 Multi-Year Plan; and be it further

RESOLVED, that if NIFA finds that the County Executive's modified 2014 – 2017 Multi-Year Plan does not adequately address the net costs of the new labor agreements, NIFA is prepared to exercise its own power to modify the 2014 – 2017 Multi-Year Plan, including by imposing specific percentage reductions on funding of specific County departments.

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Jon Kaiman  
Chairperson

May 2, 2014