

**LOCAL LAW NO. 6 OF 2014
COUNTY OF ROCKLAND
STATE OF NEW YORK**

Mr. Grant offered the following resolution, which was seconded by Mr. Schoenberger and adopted:

A local law amending local law no. 10 of 2012, which created a Rockland County Deficit Reduction Act (RCDRA).

Be it enacted by the legislature of the county of Rockland as follows:

Section 1. Legislative Intent

In 2012, the Legislature of Rockland County requested that the New York State Legislature approve a deficit reduction bond, which would have allowed the County of Rockland to bond an amount equivalent to the 2010 audited deficit and pay the bond over a period of ten years. The deficit reduction bond was approved by the New York State Assembly but not approved by the New York State Senate. At that time, with no expectation for home rule relief from the State Legislature and recognizing the need to take decisive action, the Rockland County Legislature enacted Local Law No. 10 of 2012, the Rockland County Deficit Reduction Act. The Act directed that the County allocate a sum of no less than \$10 million on an annual recurring basis to reduce and eliminate the deficit in approximately ten years.

In 2013, the Rockland County Legislature renewed its efforts to secure approval for a deficit reduction bond from the New York State Legislature. In November 2013, the Governor of the State of New York signed the Rockland County Deficit Financing Act, which authorized the County of Rockland to issue bonds for the sole purpose of allowing the County to bond its accumulated deficit in the amount of \$96 million. In 2014 the County issued and sold the deficit reduction bonds. The annual principle and interest on the deficit reduction bonds is approximately \$13 million. However, as the actual accumulated deficit exceeds the authorized bond amount, due in part to the delay between the request for home rule relief, the passage and signing of the bill, and the actual sale of the bonds, the County of Rockland is left with a remaining deficit of approximately \$40 million. The Rockland County Legislature wishes to address the remaining deficit by paying it down at the same rate it had originally contemplated, that is, 10% per year. Therefore, it is now prudent, reasonable and in the best interest of the taxpayers of Rockland County that the Legislature amend the Rockland County Deficit Reduction Act by amending the annual recurring allocation from \$10 million to at least \$4 million. In this way, both the deficit reduction bond and the remaining accumulated deficit will be paid off and eliminated concurrently.

Section 2. The following sections are hereby amended as follows:

§ 70-18. Fund for Deficit Reduction.

The County of Rockland, in adopting its annual budget, commencing with the budget for calendar year 2015, shall allocate a sum of no less than 4 million dollars on a reoccurring annual basis for the reduction of the deficit of Rockland County fund, which sum shall be held in the account designated “for deficit reduction”, which account is a deficit reserve fund and cannot and will not be used for any purpose other than to eliminate the deficit in Rockland County. Any transfer or allocation of funds for a purpose other than deficit reduction shall require a resolution which must be approved by two-thirds a majority of the Legislature.

§ 70-19. Deposit of Funds.

Such annual budgetary allocation of not less than 4 million dollars in the fund “for deficit reduction” shall be cumulatively held and deposited in a depository approved by the Rockland County investment policy.

Section 3. Annual Budget Allocation.

Section 70-20 is hereby added:

§70-20. Annual Budget Allocation by County Executive

Unless and until this local law is amended or repealed, the County Executive is mandated to include deficit reduction in the proposed annual budget in strict compliance with this local law.

Section 4. Effective date.

This local law shall become effective upon filing with the New York State secretary of state.

The vote resulted as follows:

Ayes: 15	(Legislators Cornell, Earl, Grant, Jobson, Kantrowitz, Low-Hogan, Moroney, Murphy, Paul, Schoenberger, Soskin, Sparaco, Wieder, Hood, Jr., Wolfe)
Nays: 02	(Legislators Carey, Meyers)