§ 3957. County financial plans. 1. Commencing with the county's two thousand six fiscal year, the county executive shall prepare and submit to the authority a four-year financial plan, and the county executive's proposed county budget, not later than the date required for submission of such budget to the legislature pursuant to the county charter. Such financial plan shall, in addition to the requirements for financial plans set forth in subdivisions two and three of this section, contain actions sufficient to ensure with respect to the major operating funds for each fiscal year of the plan that annual aggregate operating expenses for such fiscal year shall not exceed annual aggregate operating revenues for such fiscal year. For purposes of determining operating revenues in the fiscal years two thousand five through two thousand nine, such plan may assume receipt by the county of ECFSA assistance in the following collective amounts for each respective fiscal year:

Amount	Fiscal Year
2005 amount	2005
2006 amount	2006
2007 amount	2007
2008 amount	2008
2009 amount	2009

As used in this subdivision:

"2005 amount" means that amount expected to be provided by the authority to ensure balanced major operating fund operations upon its determination that the county has taken recurring actions subsequent to June first, two thousand five to close at a minimum between ten per centum and fifteen per centum of the projected gap.

Provided, however, for this purpose "projected gap" means the amount identified by a report of the state comptroller in June two thousand five.

"2006 amount" means that amount expected to be provided by the authority to ensure balanced major operating fund operations upon its determination that the county has taken recurring actions to close at a minimum between thirty-five per centum and forty per centum of the projected gap.

"2007 amount" means that amount expected to be provided by the authority to ensure balanced major operating fund operations upon its

determination that the county has taken recurring actions to close at a minimum between forty-five per centum and fifty per centum of the projected gap.

"2008 amount" means that amount expected to be provided by the authority to ensure balanced major operating fund operations upon its determination that the county has taken recurring actions to close at a minimum between sixty per centum and sixty-five per centum of the projected gap.

"2009 amount" means that amount expected to be provided by the authority to ensure balanced major operating fund operations upon its determination that the county has taken recurring actions to close at a minimum between eighty per centum and eighty-five per centum of the projected gap.

2. Pursuant to the procedures contained in this subdivision, each year during an advisory period or during a control period the county shall develop, and may from time to time modify, taking into account recommendations of the authority, a four-year financial plan covering the county and the covered organizations. Each financial plan and financial plan modification shall conform to the requirements of paragraph (a) of this subdivision and shall provide that the major operating funds of the county will be balanced in accordance with generally accepted accounting principles. The financial plan shall be developed and approved, and may from time to time be modified, in accordance with the following procedures:

(a) The county executive shall submit to the authority a certificate stating that the budget submitted to the authority is consistent with the financial plan submitted therewith and that operation within the budget is feasible.

(b) Not more than twenty days after submission of a financial plan or more than fifteen days after submission of a financial plan modification, the authority shall determine whether the financial plan or financial plan modification is complete and complies with the provisions of this section and the other requirements of this title, and shall submit its recommendations with respect to the financial plan or financial plan modification in accordance with the provisions of this subdivision.

(c) Upon the approval by the county of a budget in accordance with the provisions of the county charter, the county executive shall submit such approved budget and financial plan to the authority accompanied by expenditure, revenue and cash flow projections on a quarterly basis and certify to the authority that such budget is consistent with the financial plan to be submitted to the authority.

(d) If the authority determines that the financial plan or financial plan modification provided pursuant to paragraph (c) or (f) of this subdivision is complete and complies with the standards set forth in this subdivision, the authority shall make a certification to the county setting forth revenue estimates agreed to by the authority in accordance with such determination.

(e) The authority shall, in the event it disagrees with elements of the financial plan provided pursuant to paragraph (c) or (f) of this subdivision provide notice thereof to the county, with copies to the director of the budget, the state comptroller, the chair of the state assembly ways and means committee and the chair of the state senate finance committee, if, in the judgment of the authority, such plan: (i) is incomplete; (ii) fails to contain projections of revenues and expenditures that are based on reasonable and appropriate assumptions and methods of estimations; (iii) fails to provide that operations of the county and the covered organizations will be conducted within the cash resources available; or (iv) fails to comply with the provisions of this title or other requirements of law.

(f) After the initial adoption of an approved financial plan, the revenue estimates certified by the authority and the financial plan shall be regularly reexamined by the authority in consultation with the county and the covered organizations and the county executive shall provide a modified financial plan in such detail and within such time periods as the authority may require. In the event of reductions in such revenue estimates, or in the event the county or a covered organization shall expend funds at a rate that would exceed the aggregate expenditure limitation for the county or covered organization prior to the expiration of the fiscal year, the county executive shall submit a financial plan modification to effect such adjustments in revenue estimates and reductions in total expenditures as may be necessary to conform to such revised revenue estimates or aggregate expenditure

limitations.

(g) If, within a time period specified by the authority, the county fails to make such modifications after reductions in revenue estimates, or to provide a modified plan in detail and within such time period required by the authority, the authority shall adopt a resolution so finding.

(h) The county shall amend its budget or shall submit a financial plan modification for the approval of the authority such that the county's budget and the approved financial plan shall be consistent. In no event shall the county operate under a budget that is inconsistent with an approved financial plan.

3. The financial plan shall be in such form and shall contain such information for each year during which the financial plan is in effect as the authority may specify, and shall include the county and all the covered organizations, and shall, in such detail as the authority from time to time may prescribe, include (a) statements of all estimated revenues and of all expenditures and cash flow projections of the county and each covered organization, and (b) an accounting of the expenditure of efficiency incentive grants available to the county for each year of the plan.

4. The financial plan shall include any information which the authority may request to satisfy itself that: (a) projected employment levels, collective bargaining agreements and other actions relating to employee costs, capital construction and such other matters as the authority may specify are consistent with the provisions made for such obligations in the financial plan; (b) the county and the covered organizations are taking whatever action is necessary with respect to programs mandated by state and federal law to ensure that expenditures for such programs are limited to and covered by the expenditures stated in the financial plan; (c) adequate reserves are provided to maintain essential programs in the event revenues have been overestimated or expenditures underestimated for any period; and (d) the county has adequate cash resources to meet its obligations. In addition, except to the extent such reporting requirements may be modified pursuant to agreement between the authority and the county, for each fiscal year

occurring during a control period, or while bonds, notes or other obligations issued pursuant to this title are outstanding, the county executive shall prepare a quarterly report of summarized budget data depicting overall trends, by major category within funds, of actual revenues and budget expenditures for the entire budget rather than individual line items, as well as updated quarterly cash flow projections of receipts and disbursements. Such reports shall compare revenue estimates and appropriations as set forth in such budget and in the quarterly revenue and expenditure projections submitted therewith, with the actual revenues and expenditures made to date. Such reports shall also compare actual receipts and disbursements with the estimates contained in the cash flow projections, together with variances and their explanation. All quarterly reports shall be accompanied by recommendations from the county executive to the legislature setting forth any remedial action necessary to resolve any unfavorable budget variance including the overestimation of revenues and the underestimation of appropriations. These reports shall be completed within thirty days after the end of each quarter and shall be submitted to the legislature, the authority, the director of the budget, the chair of the state senate finance committee, the chair of the state assembly ways and means committee and the state comptroller. For each fiscal year occurring during a control or advisory period or while bonds, notes or other obligations issued pursuant to this title are outstanding, the county executive shall submit a proposed budget or revision thereto to the authority concurrent with submission to the legislature, and shall submit the adopted budget to the authority immediately upon its adoption.

5. For each financial plan and financial plan modification to be prepared and submitted by the county executive to the authority pursuant to the provisions of this section, the covered organizations shall submit to the county such information with respect to their projected expenditures, revenues and cash flows for each of the years covered by such financial plan or modification as the county executive shall determine.