

DRAFT OUTLINE
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FINAL REPORT
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INTRODUCTION

The Charter Revision Commission was formed in the wake of the destructive budget crisis experienced by Erie County in 2005. Confronted by rapidly increasing mandated costs, the executive and legislative branches of county government were unwilling for several years to take the politically unattractive actions necessary to close a growing gap between recurrent revenues and expenditures. They were then unable to manage effectively the fiscal and political crisis that emerged when drastic action became unavoidable to cut services and raise taxes and debt. Recognizing that the news media, organized interest groups and the community at large were inexcusably acquiescent in the failure of elected officers to confront the growing and unsustainable fiscal imbalance before it became a crisis, the fact remains that county government failed miserably in its responsibility to the community. It has been suggested that this was simply a matter of bad decisions by the elected leaders, that good leadership can govern well regardless of the form of the government, and that no structural reform can guarantee good government. It does not follow, though, that reforms in structure and processes cannot increase the probability that government will act responsibly.

Two such reforms are, in our view, of critical importance: (1) professional management of the administrative functions of county government, free of patronage concerns, together with

continuing political leadership and representation of the entire county by an elected county executive; and (2) independent certification of major revenue and expenditure estimates in the budgeting process, and independent monitoring and reporting of actual financial performance throughout the fiscal year. The 2005 budget crisis was attributable in part to insufficiently timely, precise, authoritative and publicly visible financial projections and reports. The ability of the elected leadership to manage the crisis was impaired by patronage concerns and conflicts. If budget estimates and reports and the hiring and firing of executive branch personnel had been the responsibility of a professional, non-partisan county manager, and if budget estimates and reports had been subject to verification by the Comptroller or an independent budget commission, it is reasonable to believe that the county would have moved several years ago to bring its budgets into balance, that its 2004 budget would not have been badly unbalanced, and that the elected leadership would have been able to manage far more effectively a more modest imbalance in 2005.

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