

5.17.06 Reconsideration of Article XVIII, Charter sections 1804 and 1807 and Code section 18.04 d., consideration for Article XIX Code Section 19.04 and one non-Charter specific recommendation.

Executive Summary

The Fiscal Affairs Committee of the Charter Review Commission has reconsidered Article XVIII, Charter sections 1804 and 1807 of the Erie County Charter and section 18.04 d. of the Code. After further deliberation we present the following recommendations.

In addition, this committee is forwarding recommendations for Article XIX, Code Section 19.04 for review, as well as, a non-Charter specific suggestion by former Charter Review Commission Member Ken Kruly, regarding “member item money” (aka pork).

Article XVIII: Financial Procedures

Overview

Article XVIII of the Charter and Code outline the financial procedures to be followed by Erie County in the adoption of an annual budget and capital plan and the maintenance of said budgets throughout the year.

Reconsidered Recommended Changes

After reconsideration of Article XVIII, Charter sections 1804 and 1807 and section 18.04 d. of the Code, the Fiscal Affairs Committee unanimously recommends the following:

Article XVIII Charter

- Charter section 1804 – with minor adjustments, the committee recommends the approval of a self balancing mechanism for county capital debt.
- Charter section 1807 – with further clarification of the process and taking into account grants and other funds, not included in the budget at time of adoption, but received during the fiscal year, this committee recommends that the county executive may propose supplemental appropriations, subject to the approval of the legislature.

Article XVIII Code

- Code Section 18.04 d. – after further inquiry, this committee believes that “fund” is a technical accounting term sufficient to explain what this section is attempting to do. While the county has multiple “Fund Centers” there are a limited number of “funds,” such as the General Fund, Sewer Fund, Utility Fund Library Fund and Highway Fund. Each has unrestricted, restricted and designated balances accumulated during the year and carried over from year to year. A current report by September 1st of each year will give the legislature an accurate picture of the

fiscal condition of the county as they begin preparations for the subsequent year's budget. The purpose of this additional language then is to ensure that the legislature is informed and active in maintaining the balance in each fund and only using appropriate amounts of fund balance as a revenue source when appropriate.

Article XIX Code

- Code section 19.04 – deals with the reimbursement of mileage and other expenses for legislators, officers and employees of the county. This committee recommends that certain language be deleted and that annually the Legislature by resolution sets the rate and qualifications for receiving reimbursements.

Non-Charter Recommendation

Over the past several years members of the county legislature have had access to funds set aside for community and public benefit organizations as determined by members of the legislature (subject to majority vote). Considerable debate has occurred during the past year about these appropriations, and currently, none are being approved.

Aside from the fiscal implications of these appropriations, questions have been raised about the lack of a review process for the grants and the ability of the county executive to use the approval of required contracts to influence the actions of legislators.

Recognizing the legislature's budget prerogatives and the possibility of valuable appropriations in the future, it is proposed that that legislatively-initiated community/public benefit appropriations be limited to approval only as part of the annual budget approval with a specified purpose and dollar amount, and subject to separate votes of the legislature on each and every proposed appropriation when the budget is adopted.