

## **Executive Summary**

The Fiscal Affairs Committee of the Charter Review Commission has systematically reviewed the pertinent sections of the Erie County Charter and Code. After careful consideration of Article XVIII, we present the following recommendations for Charter and Code Changes.

## **Article XVIII: Financial Procedures**

### **Overview**

Article XVII 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.

### **Recommended Changes**

The Fiscal Affairs Committee recommends the following changes be made to the Charter and Code. All decisions were unanimous, except for Section 18.02 a. of the code, which was approved by a 4-1 vote (Commissioner Zabel in the negative).

### **Charter**

- Section 1802 – a statement of intent was added to ensure transparency, programmatic budgeting, quantification and cost accounting is contained in the budget.
- Section 1803 – provides for the review of revenue projections and certain large expense projections by the comptroller.
- Section 1804 – provides a self balancing mechanism on capital debt above one hundred million dollars.
- Section 1805 A. – clarifies the need to vote on each individual line item proposed less than 48 hours prior to the annual budget meeting by the legislature.
- Section 1805 F. – ensures that budget documents are easily accessible by the public both online and in public libraries.
- Section 1805 G. – Deleted because it only relates to the year 1984
- Section 1806 – deletes the legislature's power to fix a reserve amount for uncollected taxes, which the legislature is not in a position to determine.
- Section 1807 – Deletes the legislature's power to appropriate unanticipated revenues during the fiscal year, since it is not possible to determine a surplus during the fiscal year.
- Section 1808 – a statement of intent was added to indicate that the maintenance of a balanced budget throughout the year is essential to the integrity of the county. This new section also provides a mechanism with checks and balances between the manager (executive), comptroller and legislature to ensure that if a deficit arises it is dealt with immediately. This section raises the limit for the manager

(executive) to make transfers within administrative unit from \$1,000 to \$10,000 and provides that such transfers be reported to the legislature on a monthly basis.

- Section 1810 – deleted because it was never enacted.
- Section 1815 – deleted because it was never convened.

### Code

- Section 18.02 a. – moved the date of submission from September 15<sup>th</sup> to August 15<sup>th</sup> for administrative units.
- Section 18.02 a. – Provides for the unaltered submittal of proposed budgets by the independently elected officials (**Fiscal Affairs approved this section by a vote of 4-1**).
- Section 1802 b. – Provides for the review of budget format by the legislature.
- Section 1802 c. – Ensures accessibility to budget documents by the public
- Section 1802 d. – Calls for greater justification for capital projects.
- Section 1802 f. – Provides a mechanism in case the independently elected officials do not submit a budget on time.
- Section 1802 h. – provides commentary to the legislature by the manger (budget director) on the budget submission of the independently elected officials.
- Section 18.03 f. – moves the date for capital project submittals from September 15<sup>th</sup> to August 15<sup>th</sup>.
- Section 18.03 g. – prohibits the use of bonded capital for paying salaries, utilities, supplies or other recurring operating expenses unless authorized under New York State Law.
- Section 18.03 d. – ensures that a proper fund balance be maintained in the adopted budget.
- Section 18.05 – allows the independently elected officials to manage their own budgets throughout the year, with the legislature able to institute quotas, allotments and other cost control measures by simple majority vote and with proper steps taken to mitigate a deficit, subject to section 1808 of the Charter if necessary.