

County Council of Howard County, Maryland

2016 Legislative Session

Legislative day # 8

Resolution No. 101 - 2016

Introduced by: Mary Kay Sigaty and Jon Weinstein

A RESOLUTION proposing to amend the Howard County Charter by amending Section 603

“Submission and contents of the County budget” and Section 606 “Action on the annual budget and appropriation ordinance by the County Council” to require the budget ordinance to include certain specified funds and a contingency reserve Capital Project; to allow the County Council to increase the appropriation to those funds under certain circumstances; to amend Section 611 "Lapsed Appropriations" to provide that a certain fund is a non-reverting fund; and submitting this amendment to the voters of Howard County for their adoption or rejection in accordance with Article X of the Howard County Charter and Article XI-A of the Maryland Constitution.

Introduced and read first time on _____, 2016.

By order _____
Jessica Feldmark, Administrator to the County Council

Read for a second time and a public hearing held on _____, 2016.

By order _____
Jessica Feldmark, Administrator to the County Council

This Resolution was read the third time and was Adopted ____, Adopted with amendments ____, Failed ____, Withdrawn ____ by the County Council on _____, 2016.

Certified by _____
Jessica Feldmark, Administrator to the County Council

NOTE: [[text in brackets]] indicates deletions from existing language; TEXT IN ALL CAPITALS indicates additions to existing language. ~~Strikout~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **BE IT RESOLVED** by the County Council of Howard County, Maryland, that Section
2 603 “Submission and contents of the County budget”, Section 606 “Action on the annual budget
3 and appropriation ordinance by the County Council”, and Section 611 “Lapsed appropriations”
4 are, upon approval of the voters of Howard County, amended to read as follows:

5
6 **Article VI. Budgetary and Fiscal Procedures.**

7 **Section 603. Submission and contents of the County budget.**

8 Not later than seventy days prior to the end of the fiscal year, the Executive shall submit
9 to the Council the proposed current expense budget for the ensuing fiscal year, the operating
10 expense program for the fiscal year covered by the current expense budget and the next
11 succeeding five fiscal years, and that part of the budget message pertaining to the current
12 expense budget. And not later than ninety days prior to the end of the fiscal year, the Executive
13 shall submit to the Council the proposed capital budget, the capital program for the fiscal year
14 covered by the capital budget and the next succeeding five fiscal years, and that part of the
15 budget message pertaining to the capital budget program.

16 (a) *Contents of the current expense budget.* The proposed current expense budget
17 shall contain not less than the following [[information]]:

- 18 (1) A statement of all revenue estimated to be received by the County during
19 the ensuing fiscal year, classified so as to show the receipts by funds and
20 sources of income;
- 21 (2) A statement of debt service requirements for the ensuing fiscal year;
- 22 (3) A statement of the estimated cash surplus, if any, available for expenditure
23 during the ensuing fiscal year, and any estimated deficit in any fund
24 required to be made up in the ensuing fiscal year;

- 1 (4) An estimate of the several amounts, including any arbitrator's award made
2 pursuant to section 217, which the executive deems necessary for
3 conducting the business of the County to be financed from and not to
4 exceed estimated revenue for the ensuing fiscal year;
- 5 (5) A statement of the bonded and other indebtedness of the County
6 government and its agencies, including self-liquidating and special taxing
7 district debt;
- 8 (6) A statement of the proposed contingency reserves which shall not exceed
9 three per centum of the general fund and of any other fund;
- 10 (7) A comparative statement of the receipts and expenditures for the last
11 completed fiscal year, a comparative statement of authorized expenditures
12 and revenues and estimated expenditures and revenues for the currently
13 ending fiscal year, and the expenditures recommended by the Executive
14 for the ensuing fiscal year for each program or project which shall be
15 classified by agency, character and object; [[and]]
- 16 (8) A CONTINUING, NONLAPSING RESERVE FUND FOR RETIREE OBLIGATIONS,
17 WITH THE INTEREST EARNINGS OF THE FUND RETAINED TO THE CREDIT OF
18 THE FUND;
- 19 (9) A CONTINGENCY RESERVE FUND, WHICH SHALL NOT EXCEED THREE PER
20 CENTUM OF THE GENERAL FUND; AND
- 21 (10) Any other material which the Executive may deem advisable or the
22 Council may require.
- 23 (b) *Contents of the capital budget and capital program.* The proposed capital budget
24 and capital program shall be so arranged as to set forth clearly the plan of

1 proposed capital projects to be undertaken in the ensuing fiscal year and in each
2 of the next five fiscal years, and also the proposed means of financing the same.
3 The capital budget shall include a statement of the revenues anticipated during the
4 ensuing fiscal year from all borrowing and from other sources for capital projects.
5 The capital budget shall include a description of each proposed capital project to
6 be undertaken in the ensuing fiscal year, including those previously authorized.
7 THE CAPITAL BUDGET SHALL INCLUDE A CONTINGENCY RESERVE CAPITAL PROJECT.

8 (c) *Contents of the budget message.* The budget message shall contain supporting
9 summary tables and shall explain the proposed current expense budget and capital
10 program both in fiscal terms and in terms of work to be done. It shall outline the
11 proposed financial policies of the County for the ensuing fiscal year and describe
12 the important features of the current expense budget. It shall indicate any major
13 changes in fiscal policies and in expenditures, appropriations and revenues as
14 compared with the fiscal year currently ending, and shall set forth the reasons for
15 such changes. As to the capital program, the message shall include an explanation
16 of changes made by the Executive in the program presented by the Office of
17 Planning and Zoning. The message shall also include such other material as the
18 Executive may deem necessary.

19 **Section 606. Action on the annual budget and appropriation ordinance by the County**
20 **Council.**

21 After the public hearing specified in the preceding section, the Council may decrease or
22 delete any items in the budget ordinance except those required by the public general laws of this
23 State and except any provisions for debt service on obligations then outstanding or for estimated
24 cash deficits. The Council shall have no power to change the form of the budget as submitted by

1 the Executive, to alter the revenue estimates or to increase any expenditure recommended by the
2 Executive for current or capital purposes [[unless]] EXCEPT: 1) AS expressly provided in State
3 [[law,]] LAW; 2) TO INCREASE THE APPROPRIATION TO THE RETIREE OBLIGATIONS RESERVE FUND,
4 THE CONTINGENCY RESERVE FUND, OR THE CONTINGENCY CAPITAL RESERVE PROJECT; AND 3)[[and
5 except]] to correct [[mathematical]] ARITHMETIC errors. The adoption of the budget ordinance,
6 which shall include only the current expense budget and the capital budget, shall be by the
7 affirmative vote of not less than a majority of the Council on an ordinance to be known as the
8 Annual Budget and Appropriation Ordinance of Howard County. The capital program, as
9 defined in this Charter, shall be adopted by the Council by its separate resolution. Any borrowing
10 to finance capital projects must be authorized by an existing law of the General Assembly of
11 Maryland or by a law of the Council adopted in accordance with the Charter. The Council may
12 adopt from time to time bond issue authorization ordinances pursuant to an enabling law or laws
13 then in force and effect to provide the means of financing such capital projects as are to be
14 financed from borrowing. Such bond issue authorization ordinances are not subject to
15 referendum and shall take effect from the date of their enactment. All of said ordinances referred
16 to in this Section shall be exempt from the executive veto. The Annual Budget and Appropriation
17 Ordinance shall be adopted by the Council on or before the first day of the last month of the
18 fiscal year currently ending, and if the Council fails to do so, the proposed current expense
19 budget submitted by the Executive shall stand adopted, and funds for the expenditures proposed
20 in the current expense budget shall stand appropriated as fully and to the same extent as if
21 favorable action thereon had been taken by the Council.

22 **Section 611. Lapsed Appropriations.**

23 Unless otherwise provided by public general law, all unexpended and unencumbered
24 appropriations in the current expense budget remaining at the end of the fiscal year shall lapse

1 into the County treasury, except that appropriations to the risk [[management]] MANAGEMENT,
2 RETIREE OBLIGATIONS RESERVE, and grants funds shall be non-reverting. No appropriation for a
3 capital project in the capital budget shall lapse until the purpose for which the appropriation was
4 made shall have been accomplished or abandoned; provided, however, that any capital project
5 shall stand abandoned if three fiscal years elapse without any expenditure from or encumbrance
6 of the appropriation made therefor. The balances remaining to the credit of the completed or
7 abandoned capital project shall be available for appropriation in subsequent capital budgets.

8 **AND BE IT FURTHER RESOLVED** by the County Council of Howard County,
9 Maryland, that at the next general election to be held in Maryland, the proposed amendment to
10 the Howard County Charter shall be submitted to the voters of Howard County for their adoption
11 or rejection in accordance with the provisions of the Article X of the Howard County Charter and
12 Article XI-A of the Maryland Constitution, and if adopted by the majority of the voters, shall
13 stand adopted from and after the 30th day following the general election.

14 **AND BE IT FURTHER RESOLVED** by the County Council of Howard County,
15 Maryland, that this Resolution, having been approved by two-thirds of the members of the
16 Howard County Council, stands adopted this ___ day of _____, 2016 in accordance
17 with provisions of Article X of the Howard County Charter.