

Council members seek budget flexibility

Measure would allow greater movement of funds cut from executive's proposal

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A measure before the Howard County Council could entrust the county's legislative body with more authority over the county's budget.

Proposed by Councilman Jon Weinstein and Councilwoman Mary Kay Sigaty, the measure — if passed by the council this month and approved by voters in November — would change the county's charter by giving the council more options to move funds it cuts from the county executive's proposed budget.

By law, the council's budgetary powers are limited compared to surrounding jurisdictions in the state. Currently, the council can only reduce — not increase — the county executive's budget by restoring funds up to the level requested by the school board. If the council does not want to shift funds to the school board, it can reduce tax rates to balance the budget.

The measure, part of a broader push to give the council greater budget flexibility, would allow the council to move funds it cuts into two additional categories: the county's pension fund and a contingency reserve fund, which is a reserve of money set aside to cover future expenses under certain circumstances.

Weinstein, the newest member on the council, and Sigaty, who has served on the council since 2006, said the tool will improve the budget process by increasing the council's flexibility in a process where the county executive exercises most budgetary powers.

"We have a big responsibility to approve a \$1.8 billion budget, but we have such limited leeway on what to do with those funds," Weinstein said. "This is just a practical tool for the council to address questions about the budget. The executive maintains the onus of power. Ultimately, we are preserving the money in the county's budget as opposed to putting it out of the budget. If we transfer it to the school system, then it's gone."

Although the proposal allows the council to hold funds, the council can't spend them. The county executive maintains the authority to bring back funds from the

reserve for future consideration.

When the council unanimously approved a \$1.8 billion budget for the next fiscal year in late May, ample opportunities arose to use the proposed measure, Sigaty said.

"In my tenure, there have been plenty of times where I've wanted to be able to do something like this. I see it being used sparingly, but it allows us to further our conversations," Sigaty said. "The council has very limited budget authority. This is a very executive-heavy process."

For example, as the council voted on the budget, a multi-year plan to create a new nonprofit center to house human service organizations under one roof prompted protracted discussion about how to preserve the center's long-term sustainability and reaffirm the administration's financial commitment. That commitment includes at least \$210,000 per year and a one-time startup cost of \$300,000.

Absent such a tool this year, the council unanimously required the county to submit a proposed agreement between the stakeholders to ensure appropriate protections were in place.

With the proposed measure, the council could hold back the funds until the

council's questions and concerns were adequately addressed by the administration, Weinstein said.

In November, the county's auditor recommended updating the budget process to give the council more options to move funds between projects, shuffle the funding sources of capital projects and approve changes to the number and classification of government positions recommended in the executive's budget. The auditor also suggested adding more detailed information about each project, including changes from previous years, justifications for costs increases and cuts as well as initial project estimates.

The auditor, Craig Glendenning, formerly worked for Anne Arundel County government, where a similar measure is already in place. Glendenning said the council has limited options on how it can handle funds cut from the county executive's budget compared to other jurisdictions.

The office of County Executive Allan Kittleman declined to comment on the legislation until it fully reviews its implications, said press secretary Andy Barth.

If passed by the council, the measure will head to the ballots in November.