

**VETOED BY COUNTY EXECUTIVE
JANUARY 26, 2018**

Finance and Audit
Committee Amendment
January 16, 2018

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

AN ORDINANCE partially repealing Ordinance 5052 and transferring \$1,508,501.00 within the 2018 General Fund, \$149,366.00 within the 2018 Park Fund, \$226,697.00 within the 2018 Anti-Drug Sales Tax Fund, and \$300,425.00 within the 2018 Assessment Fund, to amend the adopted 2018 Jackson County budget.

ORDINANCE NO. 5069, January 9, 2018

INTRODUCED BY Scott Burnett, County Legislator

WHEREAS, by Ordinance 5052, dated November 20, 2017, the Legislature did adopt the 2018 Jackson County budget; and,

WHEREAS, the amendment to Ordinance 5052 provided funds for a two-percent merit increase and increases to salaries within the Department of Corrections to make those salaries more competitive in the marketplace; and,

WHEREAS, it is the intent of the Legislature that these funds shall not be used to replace defunded personal services budget lines for certain full-time associates; and,

WHEREAS, a transfer is needed to amend the 2018 adopted budget to protect certain personal services budget lines from being used in ways to circumvent the intent of the Legislature; and,

WHEREAS, said amendment to the 2018 budget is authorized under section 50.622(6)

of the Revised Statutes of Missouri and Article VIII, Section 2 of the Jackson County Charter; now therefore,

BE IT ORDAINED by the County Legislature of Jackson County, Missouri, that the following transfers within the 2018 General Fund, the 2018 Park Fund, the 2018 Anti-Drug Sales Tax Fund, and the 2018 Assessment Fund be and hereby are made:

<u>DEPARTMENT/DIVISION</u>	<u>CHARACTER/DESCRIPTION</u>	<u>FROM</u>	<u>TO</u>
General Fund Human Resources			
001-1202	55010 – Regular Salaries	\$57,000	
001-1202	55040 – FICA	\$ 4,361	
001-1202	55050 – Pension	\$ 8,111	
General Fund Economic Development			
001-1220	55010 –Regular Salaries	\$70,693	
001-1220	55040 – FICA	\$ 5,408	
001-1220	55050 – Pension	\$10,060	
General Fund Finance			
001-1404	55010 – Regular Salaries	\$110,000	
001-1404	55040 – FICA	\$ 8,415	
001-1404	55050 – Pension	\$ 15,653	
General Fund Corrections			
001-2701	55010 – Regular Salaries	\$1,000,000	
001-2701	55040 – FICA	\$ 76,500	
001-2701	55050 – Pension	\$ 142,300	
General Fund Non-Mandated Contingency			
001-8005	56830 - Contingency		\$1,508,501

Park Fund		
Park Operations		
003-1602	55010 – Regular Salaries	\$122,552
003-1602	55040 – FICA	\$ 9,375
003-1602	55050 – Pension	\$ 17,439
Park Fund		
Non-Mandated Contingency		
003-8005	56830 – Contingency	\$ 149,366
Anti-Drug Sales Tax Fund		
COMBAT Administration		
008-4401	55010 – Regular Salaries	\$186,000
008-4401	55040 – FICA	\$ 14,229
008-4401	55050 – Pension	\$ 26,468
Anti-Drug Sales Tax Fund		
Non-Mandated Contingency		
008-8005	56830 – Contingency	\$ 226,697
Assessment Fund		
Economic Development		
045-1220	55010 – Regular Salaries	\$37,492
045-1220	55040 – FICA	\$ 2,868
045-1220	55050 – Pension	\$ 5,335
Assessment Fund		
Assessment		
045-1902	55010 – Regular Salaries	\$209,000
045-1902	55040 – FICA	\$ 15,989
045-1902	55050 – Pension	\$ 29,741
Assessment Fund		
Non-Mandated Contingency		
045-8005 and,	56830 – Contingency	\$300,425

BE IT FURTHER ORDAINED by the County Legislature of Jackson County, Missouri that the portion of Ordinance 5052, dated November 20, 2017, as it relates to the designated budget accounts be and hereby is repealed and amended by the fiscal information indicated in this Ordinance; and,

BE IT FURTHER ORDAINED by the Legislature that the two-percent merit increase and increases to salaries within the Department of Corrections incorporated by the amendment to Ordinance 5052 shall not be used to replace defunded personal services budget lines for certain full-time associates as set forth in the Legislature's budget message dated December 15, 2017, and the Legislature's veto override of Ordinance 5052, dated December 28, 2017.

Effective Date: This ordinance shall be effective immediately upon its signature by the County Executive.

APPROVED AS TO FORM:

Jim D. Hake
Chief Deputy County Counselor

W. Hayes Myers
County Counselor

I hereby certify that the attached Ordinance, Ordinance No. 5069 introduced on January 9, 2018, was duly passed on January 16, 2018 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 9

Nays 0

Abstaining 0

Absent 0

VETOED - January 26, 2018

This Ordinance is hereby transmitted to the County Executive for his signature.

1-16-18
Date

Mary Jo Spino
Mary Jo Spino, Clerk of Legislature

I hereby approve the attached Ordinance No. 5069.

January 26, 2018 - Veto message from the County Executive. (See attached)

Date

Frank White, Jr., County Executive

Funds sufficient for this transfer are available from the sources indicated below.

ACCOUNT NUMBER: 001 1202 55010
ACCOUNT TITLE: General Fund
Human Resources
Regular Salaries
NOT TO EXCEED: \$57,000.00

ACCOUNT NUMBER: 001 1202 55040
ACCOUNT TITLE: General Fund
Human Resources
FICA
NOT TO EXCEED: \$4,361.00

ACCOUNT NUMBER: 001 1202 55050
ACCOUNT TITLE: General Fund
Human Resources
Pension
NOT TO EXCEED: \$ 8,111.00

ACCOUNT NUMBER: 001 1220 55010
ACCOUNT TITLE: General Fund
Economic Development
Regular Salaries
NOT TO EXCEED: \$70,693.00

ACCOUNT NUMBER: 001 1220 55040
ACCOUNT TITLE: General Fund
Economic Development
FICA
NOT TO EXCEED: \$5,408.00

ACCOUNT NUMBER: 001 1220 55050
ACCOUNT TITLE: General Fund
Economic Development
Pension
NOT TO EXCEED: \$10,060.00

ACCOUNT NUMBER: 001 1404 55010
ACCOUNT TITLE: General Fund
Finance
Regular Salaries
NOT TO EXCEED: \$110,000.00

ACCOUNT NUMBER: 001 1404 55040
ACCOUNT TITLE: General Fund
Finance
FICA
NOT TO EXCEED: \$8,415.00

ACCOUNT NUMBER: 001 1404 55050
ACCOUNT TITLE: General Fund
Finance
Pension
NOT TO EXCEED: \$15,653.00

ACCOUNT NUMBER: 001 2701 55010
ACCOUNT TITLE: General Fund
Corrections
Regular Salaries
NOT TO EXCEED: \$1,000,000.00

ACCOUNT NUMBER: 001 2701 55040
ACCOUNT TITLE: General Fund
Corrections
FICA
NOT TO EXCEED: \$76,500.00

ACCOUNT NUMBER: 001 2701 55050
ACCOUNT TITLE: General Fund
Corrections
Pension
NOT TO EXCEED: \$142,300.00

ACCOUNT NUMBER: 003 1602 55010
ACCOUNT TITLE: Park Fund
Park Operations
Regular Salaries
NOT TO EXCEED: \$122,552.00

ACCOUNT NUMBER: 003 1602 55040
ACCOUNT TITLE: Park Fund
Park Operations
FICA
NOT TO EXCEED: \$9,375.00

ACCOUNT NUMBER: 003 1602 55050
ACCOUNT TITLE: Park Fund
Park Operations
Pension
NOT TO EXCEED: \$17,439.00

ACCOUNT NUMBER: 008 4401 55010
ACCOUNT TITLE: Anti-Drug Sales Tax Fund
COMBAT Administration
Regular Salaries
NOT TO EXCEED: \$186,000.00

ACCOUNT NUMBER: 008 4401 55040
ACCOUNT TITLE: Anti-Drug Sales Tax Fund
COMBAT Administration
FICA
NOT TO EXCEED: \$14,229.00

ACCOUNT NUMBER: 008 4401 55050
ACCOUNT TITLE: Anti-Drug Sales Tax Fund
COMBAT Administration
Pension
NOT TO EXCEED: \$26,468.00

ACCOUNT NUMBER: 045 1220 55010
ACCOUNT TITLE: Assessment Fund
Economic Development
Regular Salaries
NOT TO EXCEED: \$37,492.00

ACCOUNT NUMBER: 045 1220 55040
ACCOUNT TITLE: Assessment Fund
Economic Development
FICA
NOT TO EXCEED: \$2,868.00

ACCOUNT NUMBER: 045 1220 55050
ACCOUNT TITLE: Assessment Fund
Economic Development
Pension
NOT TO EXCEED: \$5,335.00

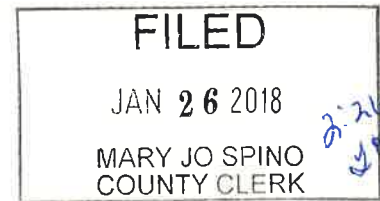
ACCOUNT NUMBER: 045 1902 55010
ACCOUNT TITLE: Assessment Fund
Assessment
Regular Salaries
NOT TO EXCEED: \$209,000.00

ACCOUNT NUMBER: 045 1902 55040
ACCOUNT TITLE: Assessment Fund
Assessment
FICA
NOT TO EXCEED: \$15,989.00

ACCOUNT NUMBER: 045 1902 55050
ACCOUNT TITLE: Assessment Fund
Assessment
Pension
NOT TO EXCEED: \$29,741.00

Date

Director of Finance and Purchasing



FRANK WHITE, JR.
Jackson County Executive

January 26, 2018

Veto Message from the County Executive

Ordinance 5069

TO THE JACKSON COUNTY LEGISLATURE

I am returning herewith without my approval Ordinance 5069, which, purports to partially repeal Ordinance 5052 by transferring \$2,184,989 in already appropriated and encumbered salaries line-items to contingency funds. While the Ordinance is likely unlawful and therefore void, the repercussions of a veto override will at best create further confusion, require extensive litigation and will further delay our joint efforts to move the County forward.

On January 16, 2018, the County Counselor informed the Legislature that Ordinance 5069, which had yet to be passed, was legally "questionable at best." In support of the Counselor's concerns, he cited state statutes, Missouri case law, an opinion of the Missouri Attorney General and the county's charter. Furthermore, the County Counselor requested that the Legislature take no further actions until he could conduct further research for their consideration. However the Legislature instead chose to pass Ordinance 5069 on January 16, 2018. I have asked the County Counselor to provide a legal opinion on this Ordinance and will make it available for the Legislature when it is completed.

In addition to the legal questions raised by this Ordinance, the practical implications should not be ignored. If my veto is overridden, and the courts ultimately determines that Ordinance 5069 is in fact lawful, the reality will be that every Jackson County Associate will only be one vote of the Legislature away from losing his or her job. I am confident that this is not what voters of Jackson County envisioned when they voted to include a separation of powers within our charter.

In addition, the Ordinance proposes the transfer of over one-million dollars from salaries for the Correction's Department. This is the second time in less than a month that the Legislature has reduced the funds available to the Department of Correction's to hire new staff and pay them a fair wage. I have asked the County's Chief of Operations to prepare a memorandum on the impact this transfer would have on the Department of Corrections, specifically related to our efforts to provide adequate pay for our corrections' staff.

While I fully expect the Legislature will vote to override this veto, I would respectfully ask that they at least provide sufficient time for the County Counselor, and their recently hired legal advisor, to fully research and draft legal opinions on this Ordinance. At which time, the Legislature could hold a hearing and question the attorneys involved before casting their vote.

For the foregoing reasons, Ordinance 5069 has earned my veto.

Respectfully submitted,

Frank White, Jr.
Jackson County Executive





OFFICE OF THE COUNTY COUNSELOR

JACKSON COUNTY COURTHOUSE

415 EAST 12TH STREET
KANSAS CITY, MISSOURI 64106

816-881-3355
Fax: 816-881-3398

MEMORANDUM

TO: MEMBERS OF THE COUNTY LEGISLATURE

FROM: W. STEPHEN NIXON *WSN*
COUNTY COUNSELOR

DATE: JANUARY 16, 2018

RE: ORDINANCE 5069

Ordinance 5069 was introduced before the county legislature as an "add-on" to the agenda at the legislature's meeting of January 8, 2018. It was not prepared by this office, and has not, as of yet, been approved as to form by this office, as is required by article V, section 7 of the Jackson County Charter. This ordinance, if adopted, would "amend the adopted 2018 Jackson County budget," contained in Ordinance 5052, by transferring nearly \$2 million among existing appropriated accounts in four spending funds.

I am writing to advise the legislature that its authority to amend the adopted budget, without the recommendation of the county executive or budget officer (in Jackson County, the chief administrative officer), is questionable at best. The Attorney General of Missouri, in construing the Missouri Constitution and County Budget Law, sections 50.525--745, RSMo, has concluded "there is no constitutional or statutory provision authorizing a first-class, non-charter county to enact a supplemental budget." See Op. Att'y Gen. 23-91 (Ehlmann, August 5, 1991). Ordinance 5069 cites as partial authority for its adoption section 50.622(6), RSMo. However, that section simply provides that "no charter county shall be restricted from amending its budget under and pursuant to the terms of its charter." The section does not provide any independent source of authority for a budget amendment. Under both the previously cited attorney general's opinion and section 50.662(6), any authority in Jackson County for an amended or supplemental budget must thus be found in the county charter. Ordinance 5069 also cites, as authority for a budget amendment, article VIII, section 2 of the charter. But that section merely grants the legislature authority to "enact further requirements concerning the budget and financial affairs of the county...." This would seem to provide authority for finance and budget rules and procedures such as are

contained in chapter 5 of the county code, but not for an amended or supplemental budget.

This having been said, I have no objection to the form of Ordinance 5069. Accordingly, I am this date approving it as to form only, as provided in the charter. However, I do request an additional two weeks to further research the complex issue of whether the legislature has authority to amend the county budget without the affirmative recommendation or consent of the county executive before the legislature takes action to vote regarding the adoption of this ordinance.

cc

Mary Jo Spino
Frank White, Jr.



OFFICE OF THE COUNTY COUNSELOR

JACKSON COUNTY COURTHOUSE
415 EAST 12TH STREET
KANSAS CITY, MISSOURI 64106

816-881-3355
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MEMORANDUM

TO: MEMBERS OF THE COUNTY LEGISLATURE

FROM: W. STEPHEN NIXON
COUNTY COUNSELOR *WSN*

DATE: FEBRUARY 2, 2018

RE: ORDINANCE 5069

RECEIVED

FEB 02 2018

MARY JO SPINO
COUNTY CLERK

*JMK
9:53AM*

This memorandum will supplement our previous memorandum of January 16, 2018, relating to the same topic. Ordinance 5069 was adopted by the county legislature on January 16, 2018. It was thereafter vetoed by the county executive and is now pending the legislature's decision on a possible override. This ordinance, if finally adopted, would "amend the adopted 2018 Jackson County budget," contained in Ordinance 5052, by transferring nearly \$2 million among existing appropriated accounts in four spending funds.

Upon further research, we must conclude that the legislature lacks authority to amend the 2018 Jackson County Budget, in the manner contemplated by Ordinance 5069, without the recommendation of the county executive or budget officer (in Jackson County, the chief administrative officer). While Missouri caselaw on this topic is sparse to nonexistent, the Attorney General, in construing the Missouri Constitution and County Budget Law, sections 50.525--745, RSMo, has concluded "there is no constitutional or statutory provision authorizing a first-class, non-charter county to enact a supplemental budget." See Op. Att'y Gen. 23-91 (Ehlmann, August 5, 1991), a copy of which is attached as Exhibit A. Further, Missouri statutes provide no separate authority for a home rule charter county, such as Jackson County, to do so. Ordinance 5069 cites as partial authority for its adoption section 50.622(6), RSMo. However, that section simply provides that "no charter county shall be restricted from amending its budget under and pursuant to the terms of its charter." The section does not provide any independent authority for a budget amendment. The remaining portion of section 50.622 does provide some, albeit very limited, authority for the amendment of a county budget during the fiscal year, either upon the receipt of unanticipated funds or if a decline in anticipated revenues is experienced. Neither of these circumstances is present to provide authority for the adoption of Ordinance 5069. Under both the previously cited attorney general's opinion and section 50.622(6), any authority in Jackson County for an

amended or supplemental budget, such as is proposed in Ordinance 5069, must thus be found in the county charter. Ordinance 5069 also cites, as authority for a budget amendment, article VIII, section 2 of the charter. But that section merely grants the legislature authority to "enact further requirements concerning the budget and financial affairs of the county..." This section provides authority for finance and budget rules and procedures such as are contained in chapter 5 of the county code, but not for an amended or supplemental budget.

I have attached to this memorandum, as Exhibits B, C, and D, copies of the budget provisions contained in the home rule charters of St. Louis, St. Charles, and Jefferson Counties, which are the only other home rule charter counties in Missouri. These charters provide examples of specific authority for budget amendments and supplemental appropriations in these counties, both prior to and after the budget's adoption, under certain limited circumstances. See St. Louis County Charter, Ex. B, sections 8.040 and 8.050; St. Charles County Charter, Ex. C, Sections 6.204.2, and 6.206; and Jefferson County Charter, Ex. D, sections 7.2.7, 7.2.10, 7.2.11, and 7.2.12. The Jackson County Charter, on the other hand, is completely lacking in any comparable authority for the adoption of an amended or supplemental budget. Absent any such authority under either Missouri law or the Jackson County charter, Ordinance 5069, if finally adopted, would violate the requirement of section 50.550, RSMo, that "the annual budget shall present a complete financial plan for the ensuing budget year."

cc
Mary Jo Spino
Frank White, Jr.

ATTORNEY GENERAL OF MISSOURI

WILLIAM L. WEBSTER
ATTORNEY GENERAL

JEFFERSON CITY
65102

P. O. Box 899
(314) 751-3321

August 5, 1991

OPINION LETTER NO. 23-91

The Honorable Steve Ehlmann
Representative, District 19
State Capitol Building, Room 201E
Jefferson City, Missouri 65101

Dear Representative Ehlmann:

This opinion letter is in response to your question asking:

Is there any constitutional or
statutory authority authorizing
first-class, non-charter counties to enact
a supplemental budget?

Article VI, Section 24, Missouri Constitution provides:

Section 24. Annual budgets and
reports of local government and municipally
owned utilities - audits. As prescribed
by law all counties . . . shall have an
annual budget. . . .

The County Budget Law is found in Sections 50.525 through 50.745, RSMo 1986. Section 50.540.1, RSMo 1986, requires "each department, office, institution, commission, or court of the county" in first-class counties to submit to the county budget office by September 1 of each year estimates of its expenditures and estimated revenues for the next budget year. Section 50.540.4, RSMo 1986, requires the budget officer of a first-class county to transmit the budget document to the county commission by November 15. Section 50.550, RSMo 1986, requires: "The annual budget shall present a complete financial plan for the ensuing budget year." Section 50.610, RSMo 1986, allows the county commission to revise the budget; however, the final budget shall be adopted and an appropriation order made

Exhibit

A

The Honorable Steve Ehlmann

"at least ten days after the beginning of the fiscal year" with certain exceptions not applicable to your question.

Based upon a review of these provisions, there is no express constitutional or statutory authority for the preparation of a supplemental budget by a first-class, non-charter county. Section 50.610, RSMo 1986, provides: "Any cash surplus at the end of any fiscal year shall be carried forward and merged with the revenues of the succeeding year. Payment of any legal unpaid obligations of any prior year, however, shall be a first charge in the budget against the revenues of the budget year."

As we observed in Attorney General Opinion No. 4, Baker, August 8, 1957, a copy of which is enclosed, the legislative intent behind the County Budget Law is to require county business to operate on a cash basis for the fiscal year January 1 to December 31.

Once the final budget is adopted, a statutory provision for transferring funds is found in Section 50.630, RSMo 1986:

50.630. County commissions shall have power to authorize the transfer of any unencumbered appropriation balance.--The county commission may authorize the transfer within the same fund of any unencumbered appropriation balance or any portion thereof from one spending agency under its jurisdiction to another; but this action shall be taken only on the recommendation of the budget officer and only during the last two months of the fiscal year, except that transfers from the emergency fund may be made at any time in the manner herein provided.

In State ex rel. Strong v. Cribb, 364 Mo. 1122, 273 S.W.2d 246 (1954), while maintaining that the County Budget Law should be strictly enforced, the court observed "[i]t is common knowledge that unforeseen events often occur which require expenditures in excess of the amount assigned" Id., at 250. The court concluded that certain moneys could be used for unforeseen expenses in a particular fund. Following this decision, this office has issued several opinions relating to unforeseen expenses and unanticipated revenues. See, e.g. Attorney General Opinion No. 4, Baker, August 8, 1957; Attorney General Opinion Letter No. 74, Reinhard, July 26, 1961; Attorney General Opinion Letter No. 376, Winchell, 1963; Attorney General

The Honorable Steve Ehlmann

Opinion Letter No. 221, Eiser, 1963; Attorney General Opinion Letter No. 181, Ashcroft, 1974; copies of which are enclosed.

In Attorney General Opinion No. 302, Kiser, 1964, a copy of which is enclosed, the question presented involved whether revenues exceeding the anticipated and budgeted amount could be used in the current budget year. There, we concluded that because the County Budget Law does not provide for amending or altering the budget once it is established, the obvious legislative intent is that it should not be amended. Therefore, funds received from a special tax levy in excess of the amount budgeted could not be used to change or amend the budgeted amount for the fund.

In direct answer to your question, there is no constitutional or statutory provision authorizing a first-class, non-charter county to enact a supplemental budget. However, in the event of special unforeseen circumstances as discussed in the prior opinions enclosed, it may be possible to amend the budget in response to the special unforeseen circumstance.

Very truly yours,



WILLIAM L. WEBSTER
Attorney General

Enclosures: Opinion No. 4, Baker, August 8, 1957
Opinion Letter No. 74, Reinhard, July 26, 1961
Opinion Letter No. 376, Winchell, 1963
Opinion Letter No. 221, Eiser, 1963
Opinion Letter No. 181, Ashcroft, 1974
Opinion No. 302, Kiser, 1964

ARTICLE VIII.

THE BUDGET

Section 8.010. The budget and financial affairs of the county shall be governed by this charter and ordinances enacted pursuant thereto except as otherwise provided by the constitution. The fiscal year of the county shall be as established by ordinance from time to time.

Section 8.020. 1. Not later than sixty days prior to the beginning of each fiscal year, the county executive shall submit to the council a balanced current expense budget for the ensuing fiscal year, a capital program and an accompanying message. The proposed budget document shall present for each fund: (a) the estimated income and revenue of the fund for the budget year and (b) the estimated income and revenue of the fund during the fiscal year immediately preceding the budget year. The total expenditure proposed in the budget for each fund shall be no greater than the lesser of (a) and (b), plus any unencumbered cash balance in the fund at the end of the fiscal year immediately preceding the budget year. The county executive may propose additional expenditures if he also proposes additional income and revenue, but such additional expenditures may not exceed ninety percent of the estimated additional income and revenue to be received from taxes plus the total estimated additional income and revenue to be received from any other source.

2. The budget shall provide a complete financial plan for all county funds and activities and for all funds for county purposes, whatever their source, for the ensuing fiscal year. It shall be in such form as the county executive deems desirable or as may be required by ordinance. It shall include proposed tax rates, all estimated income and revenue, all proposed expenditures for current operations, debt service, and capital improvement during the ensuing fiscal year and such other subjects required by ordinance or by the county executive.

3. The capital program shall contain at least (1) a clear, general summary of the program, (2) the capital improvements pending and proposed to be undertaken during the five fiscal years next ensuing, together with the estimated cost of each improvement and the pending or proposed method of financing it, and (3) the estimated annual cost of operating and maintaining the facilities to be constructed or acquired. The program may be reviewed and extended each year.

Section 8.030. Copies of the budget shall be available for public inspection. The council shall hold at least one public hearing on the proposed budget before it takes final action. At least five (5) days' notice of the hearing shall be given and the hearing shall not be held within ten days after the budget is submitted to the council by the county executive.

Section 8.040. 1. After the public hearing, the council may adopt the budget with or without amendment. The council shall not increase the total expenditures from any fund to an amount greater than the lesser of the income and revenue estimates presented in the budget proposed by the county executive plus any unencumbered cash balance in the fund at the end of the fiscal year immediately preceding the budget year; but if the county executive proposes and the council provides additional income and revenue the council may appropriate such funds but not more than ninety percent of the estimated additional income and revenue to be received from taxes plus the total estimated additional income and revenue to be received from any other sources.

2. The council shall adopt the budget on or before the last day of the fiscal year currently ending. If it fails to adopt the budget by that date, the amounts appropriated for current operation for the current fiscal year shall be deemed appropriated for the ensuing fiscal year on a month to month basis, with all items in it prorated accordingly, until such time as the council does adopt a budget. Adoption of the budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the taxes therein proposed.

Section 8.050. If recommended by the county executive the council may by ordinance during any fiscal year make supplemental or emergency appropriations from available income and may reduce or transfer appropriations. The county executive may by executive order contemporaneously filed with the council transfer appropriations within any department during any fiscal year.

Section 8.060. Every appropriation, except an appropriation from general obligation bonds of the county, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. Any cash surplus in any fund at the end of any fiscal year shall be carried forward and merged with the income of such fund for the succeeding year. Payment of any legal unpaid obligations of any fund for any prior year, however, shall be a first charge in the budget against the income of such fund for the budget year.

St. Charles County, MO
Thursday, February 1, 2018

Chapter C. The Charter

Article VI. Finances

Section 6.200. Budget.

Except as otherwise provided in this Charter, the preparation and adoption of the County budget shall be accomplished in a manner as prescribed by applicable law. The County Executive is designated as the Budget Officer. Prior to January 1, 1993, the County Commission shall perform the budgetary duties assigned to the County Council.

6.201. On or before the fifth (5th) day of November, or the first working day after the fifth (5th) of each fiscal year, the County Executive shall submit to the County Council a budget for the ensuing fiscal year, and an accompanying message. ^[1]

[1] *Editor's Note—In November, 2012, the voters agreed to amend these provisions.*

6.202. *Budget Message.* The County Executive's message shall explain the budget, both in fiscal terms and in terms of the work programs. It shall outline the proposed financial policies of the County for the ensuing fiscal year and describe the important features of the budget. It shall indicate any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for such changes. It shall summarize the County's debt position and include such other material as the County Executive deems desirable.

6.203. *Budget Contents.* The budget shall provide a complete financial plan of all County funds and activities for the ensuing fiscal year, and shall be in such form as the County Executive deems desirable or the County Council may require. The budget shall begin with a clear general summary of its contents. It shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures, including debt service, for the ensuing fiscal year. It shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. It shall indicate in separate sections:

6.203.1. The proposed goals and objectives and expenditures for current operations during the ensuing fiscal year, detailed for each fund by organization unit, and program, purpose or activity, and the method of financing such expenditures; and

6.203.2. Proposed capital expenditures during the ensuing fiscal year, detailed for each fund by organization unit when practicable, and the proposed method of financing each such capital expenditure; and

6.203.3. The anticipated income and expense and profit and loss for the ensuing year for each utility or other enterprise fund operated by the County; and

6.203.4. For any fund, the total of proposed expenditures shall not exceed the total of estimated income plus carried forward fund balance, exclusive of reserves.

6.204. *County Council Action On Budget.*

6.204.1. *Notice and Hearing.* The County Council shall publish in a legal publication, or in a newspaper of general circulation in the County, and posted in six (6) public places including a summary on the St. Charles County Government Internet Home Page if any, the general summary of the budget and a notice stating:

6.204.1.1. The times and places where copies of the message and budget are available for inspection by the public; and

6.204.1.2. The time and place, not less than ten (10) days after such publication, for a public hearing on the budget.

6.204.2. *Amendment Before Adoption.* After the public hearing, the County Council may adopt the budget with or without amendment. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for an estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total estimated income and the beginning fund balance.

6.204.3. *Adoption.* The County Council shall adopt the budget by ordinance on or before the last day of the calendar year. Should the Council fail to adopt the budget by this date, the budget proposed by the County Executive shall be deemed approved.

6.205. *Appropriation and Revenue Ordinances.* To implement the adopted budget, the County Council shall adopt in accordance with applicable law:

6.205.1. An appropriation ordinance making appropriations by department or major organizational unit and authorizing a single appropriation for each program or activity; and

6.205.2. A tax levy ordinance authorizing the property tax levy or levies and setting the tax rate or rates; and

6.205.3. Any other ordinances required to authorize new revenues or to amend the rates or other features of existing taxes or other revenue sources.

6.206. *Amendments After Adoption.*

6.206.1. *Supplemental Appropriations.* If during the fiscal year, the County Executive certifies that there are available for appropriation, revenues in excess of those estimated in the budget, the County Council by ordinance may make supplemental appropriations for the year up to the amount of such excess.

6.206.2. *Emergency Appropriations.* To meet a public emergency affecting life, health, property or the public peace, the County Council may make emergency appropriations. Such appropriations may be made by emergency ordinance in accordance with the provisions of Paragraph 2.605. To the extent that there are not available, unappropriated revenues nor a sufficient fund balance to meet such appropriations, the County Council may, by such emergency ordinance, authorize the issuance of emergency notes. These may be renewed from time to time, but the emergency notes and renewals of any fiscal year shall be paid not later than the last day of the fiscal year next succeeding that in which the emergency appropriation was made.

6.206.3. *Reduction of Appropriations.* If at any time during the fiscal year it appears probable to the County Executive that the revenues or fund balances available will be insufficient to finance the expenditures for which appropriations have been authorized, the Executive shall report to the County Council without delay, indicating the estimated amount of the

deficit, any remedial action taken by the County Executive and recommendations as to any other steps to be taken. The County Council shall then take such further action as it deems necessary to prevent or reduce any deficit and for that purpose it may by ordinance reduce one (1) or more appropriations.

- 6.206.4. *Transfer of Appropriations.* At any time during the fiscal year, the County Council by ordinance may transfer within a department all or any part of any unencumbered appropriation balance. At any time during the fiscal year, a department may within its department transfer all or any part of any unencumbered line item authorization to another line item within the same category with the written approval of the Director of Administration. At any time during the fiscal year, the County Council by ordinance may transfer all or any part of any unencumbered appropriation balance from one department or fund to another department or fund. At any time during the fiscal year, the County Council by ordinance may transfer all or any part of any unencumbered appropriation balance to a new line item in the budget.
- 6.206.5. *Line Item Veto of County Executive.* The County Executive shall be able to veto any line item appropriation. Such line item appropriation vetoed may be resubmitted by the County Executive to the County Council for reconsideration pursuant to the provisions for veto override.
- 6.206.6. *Limitations and Effective Date.* No appropriation debt service may be reduced or transferred and no appropriation may be reduced below any amount required by State and/or Federal law to be appropriated or by more than the amount of the unencumbered balance thereof. The supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this Subparagraph may be made effective immediately upon adoption.
- 6.207. *Lapse of Appropriations.* Every appropriation, except an encumbered appropriation for a capital expenditure, shall lapse at the close of the fiscal year.
- 6.208. *Administration of The Budget.* The County Council shall provide by ordinance any and all procedures for administering the budget that are necessary and that do not conflict with the language contained in this Charter.
- 6.209. *Overspending of Appropriations Prohibited.* No payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made. Any authorization of payment or incurring of obligation in violation of the provisions of this Charter shall be void and any payment so made illegal. A violation of this provision shall be cause for removal of any officer who knowingly authorized or made such payment or incurred such obligation. Such officer may also be liable to the County for any amount so paid. Except where prohibited by law, however, nothing in this Charter shall be construed to prevent the making or authorizing of payments or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, or in any other manner, but only if such action is made or approved by ordinance.

Jefferson County, MO
Thursday, February 1, 2018

Chapter C. Home Rule Charter Of Jefferson County, Missouri

Article VII. County Finances

Section 7.2. Annual Budget.

- 7.2.1. An annual budget for the County must be prepared and adopted as required by this Charter and, to the extent not inconsistent with this Charter, in accordance with Missouri Law. The County Executive is designated as the Budget Officer.
- 7.2.2. On or before the first day of the eleventh month of each fiscal year, the County Executive must submit to the County Council a proposed budget for the ensuing fiscal year and an accompanying message. The County Auditor is to assist the County Executive in preparing the proposed budget. In preparing the proposed budget, the County Executive must review the proposed budgets for the Departments submitted to the County Executive and the Auditor by County Officers who are heads of Departments as required by this Charter.
- 7.2.3. The County Executive's message must explain the fiscal aspects of the proposed budget and the impact of the proposed budget on the programs it supports. It must describe the proposed financial policies of the County for the ensuing fiscal year and describe the important features of the budget. It must identify any major changes from the current year in financial policies, expenditures, and revenues together with the reasons for the changes. It must summarize the County's debt position and include other material that the County Executive deems desirable.
- 7.2.4. The proposed budget is to be in such form as the County Executive deems desirable or the County Council may require but must provide a complete financial plan for all County funds and activities for the ensuing fiscal year. The proposed budget is to begin with a clear general summary of its contents. It must show in detail all estimated revenues, proposed tax levies, and all proposed expenditures, including debt service, for the ensuing fiscal year. It must be so arranged as to show comparative figures for actual and estimated revenues and expenditures for the current fiscal year and actual revenues and expenditures for the preceding fiscal year. It must describe in separate sections:
- 7.2.4.1. Proposed goals, objectives and expenditures for current operations during the ensuing fiscal year, detailed for each fund by organizational unit and program, purpose or activity, and the method of financing those expenditures;
- 7.2.4.2. Proposed capital expenditures during the ensuing fiscal year, detailed for each fund by organizational unit when practicable, and the proposed method of financing each capital expenditure; and
- 7.2.4.3. The anticipated income and expense and profit and loss for the ensuing year for each utility or other enterprise fund operated by the County.

Exhibit

D

- 7.2.5. The proposed budget must provide that, for any fund, the total of proposed expenditures must not exceed the total of estimated revenues plus fund balances carried forward, exclusive of reserves.
- 7.2.6. The County Council must schedule a public hearing on the proposed budget. At least ten days before the date of the hearing, the County Executive must publish a notice of the public hearing and a summary of the proposed budget in a newspaper of general circulation in the County, and post the summary at a public place in each of the Council Districts and on a County sponsored web page on the internet in Electronic Form. The following information must be included in the notice of the public hearing:
- 7.2.6.1. The times and places where copies of the County Executive's message and the proposed budget are available for inspection by the public; and
- 7.2.6.2. The time and place for the public hearing.
- 7.2.7. After the public hearing on the proposed budget, the County Council may adopt the proposed budget with or without amendment. In amending the proposed budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by Missouri Law or for debt service or for any estimated cash deficit, provided that no amendment to the proposed budget may increase the authorized expenditures from any fund to an amount greater than the total estimated revenues of the fund plus the fund balances carried forward.
- 7.2.8. No later than the last day of the fiscal year, the County Council by Ordinance must adopt the proposed budget as the County budget for the ensuing fiscal year. If the Council fails to adopt a budget by this date, the budget proposed by the County Executive is to be deemed approved.
- 7.2.9. To implement the adopted budget, the County Council must adopt in accordance with Missouri Law:
- 7.2.9.1. An appropriation Ordinance making appropriations by Department, Division or other organizational unit and authorizing a single appropriation for each program or activity; and
- 7.2.9.2. A tax levy Ordinance authorizing the tax levies and setting the tax rates; and
- 7.2.9.3. Any other Ordinances required to authorize new revenues or to amend the rates or other features of existing taxes or other revenue sources.
- 7.2.10. If during the fiscal year the County Executive certifies that there are revenues available for appropriation in excess of those estimated in the budget, the County Council by Ordinance may make supplemental appropriations for the year up to the amount of such excess.
- 7.2.11. To meet a public emergency affecting life, the public peace, health, property, safety or welfare, the County Council may make emergency appropriations by emergency Ordinance as provided in this Charter. To the extent un-appropriated revenues are not available nor are there sufficient fund balances to meet emergency appropriations, the County Council may by the emergency Ordinance authorize the issuance of emergency notes. These may be renewed from time to time, but emergency notes issued in any fiscal year must be paid not later than the last day of the next succeeding fiscal year.
- 7.2.12. If at any time during a fiscal year it appears probable to the County Executive that the revenues and fund balances available will be insufficient to finance the expenditures for which appropriations have been authorized, the County Executive must report to the County Council, without delay, the estimated amount of the deficit, any remedial action taken by the County Executive and recommendations for other steps to be taken. The County Council must then take

such further action as it deems necessary to prevent or reduce any deficit and for that purpose it may by Ordinance reduce appropriations.

7.2.13. Except as otherwise provided in 7.2.14:

7.2.13.1. At any time during a fiscal year, the County Council by Ordinance may transfer within a department all or any part of any unencumbered appropriation balance;

7.2.13.2. At any time during a fiscal year, a Department may transfer all or any part of any unencumbered line item authorization to another line item within the same Department with the written approval of the County Executive;

7.2.13.3. At any time during a fiscal year, the County Council by Ordinance may transfer all or any part of any unencumbered appropriation balance from one Department or fund to another Department or fund; and

7.2.13.4. At any time during a fiscal year, the County Council by Ordinance may transfer all or any part of any unencumbered appropriation balance to a new line item in the budget.

7.2.14. No appropriation for debt service and no appropriation of funds designated by law for a specified purpose may be reduced or transferred and no appropriation may be reduced below any amount required by Law to be appropriated or by more than the amount of its unencumbered balance. Supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this Section may be made effective immediately upon adoption.

7.2.15. Every appropriation, except an encumbered appropriation for a capital expenditure, must lapse at the close of the fiscal year.

7.2.16. The County Council must provide by Ordinance procedures for administering the budget that are necessary and do not conflict with this Charter.

7.2.17. No payment is to be made or an obligation incurred against any allotment or appropriation except in accordance with appropriations duly made. Any authorization of payment or incurring of an obligation in violation of this Charter is void. A violation of this provision is cause for removal of any County Officer who knowingly authorized or made the payment or incurred the obligation. The offending County Officer is also liable to the County for any amount so paid. Except where prohibited by Law, however, nothing in this Charter is to be construed to prevent the making or authorizing of payments or making of contracts for capital improvements to be financed wholly or partly by the issuance of bonds or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, or in any other manner, if they are made or approved by Ordinance.