



Press Release

Monroe County Democratic Caucus

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For Immediate Release

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County Budget Savings Proposal Blocked

Republican Majority Kills Discussion on Cash Capital Fund

Rochester, New York – July 11, 2006: Tonight, in an effort to push their budget-balancing “Blueprint for Progress,” Democrats in the Monroe County Legislature proposed an amendment urging implementation of a cash capital budget beginning in 2007. The cash capital fund would be used for relatively small and/or recurring county purchases instead of using borrowed funds to cover costs, thereby reducing overall finance charges incurred by the county.

In his amendment, Monroe County Legislator Paul Haney, a former county finance director, stated, “The resolution of the County's current financial problems should include the initiation of a Cash Capital Budget and that such a process would begin with a \$1 million Cash Capital Budget in 2007, which would result in savings of \$180,000 a year in interest. Furthermore, in future Capital Improvement Programs, the County Planning Board should identify specific items for cash capital financing rather than bonding.”

Republican Leader Bill Smith swiftly moved to table Haney’s motion, killing discussion on the matter.

The proposal to reduce county finance charges was met with Republican resistance for a second time when Legislator Carrie Andrews, D-21 offered the plan for a cash capital budget as an amendment to a bonding resolution.

“We must begin to explore new policies and stop the recurring “business as usual” approach. Monroe County currently funds all capital expenditures by borrowing the money (bonding), even on small projects and items such as trucks and equipment. This results in hefty finance charges. Monroe County should consider a new approach to funding small capital improvements by establishing a Cash Capital Budget,” said Andrews.

According to the Administration, Monroe County is facing a combined budget deficit of approximately \$100 million for fiscal years 2007 and 2008.

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