

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1153 Session of
1999

INTRODUCED BY BARD, ROSS, COY, HERMAN AND LESCOVITZ,
APRIL 7, 1999

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, APRIL 7, 1999

AN ACT

1 Amending the act of June 23, 1931 (P.L.932, No.317), entitled
2 "An act relating to cities of the third class; and amending,
3 revising, and consolidating the law relating thereto,"
4 further providing for annual budget, for filing, for uniform
5 forms and for annual reports.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Section 1809 of the act of June 23, 1931
9 (P.L.932, No.317), known as The Third Class City Code, reenacted
10 and amended June 28, 1951 (P.L.662, No.164) and amended October
11 5, 1967 (P.L.327, No.143), is amended to read:

12 Section 1809. Annual Budget; Presentation to Council;
13 Notice; Revision; Adoption.--The director of accounts and
14 finance shall, on behalf of council, at the last stated meeting
15 in November in each year present to council for first reading a
16 proposed budget ordinance for all funds showing the estimated
17 receipts, expenditures, and liabilities of every kind, for the
18 ensuing year, with the balance of unexpended appropriations, and
19 all other information of value as a basis for fixing the levy

1 and tax rate for the next fiscal year. [Such proposed budget
2 ordinance shall be prepared on forms furnished as provided in
3 section one thousand eight hundred twelve of this act.] Council
4 shall, upon passing the said proposed budget ordinance on first
5 reading, fix a date for adoption thereof, which shall be not
6 later than the thirty-first day of December of such year.

7 The several departments of the city government shall, before
8 the proposed budget ordinance is presented, as above provided,
9 furnish to the council an estimate of the probable receipts and
10 expenditures and of the amount required by each of said
11 departments for the public service during the ensuing fiscal
12 year as a basis for making the annual appropriations thereto.

13 When the proposed budget ordinance is submitted to council
14 and has passed first reading, the city clerk shall forthwith
15 make the same available for public inspection at his office in
16 the city hall, and shall thereupon publish a notice to that
17 effect once in at least one newspaper in accordance with the
18 provisions of section one hundred nine of this act. Such notice
19 shall state the date fixed by council for adoption of the
20 proposed budget ordinance, and such notice shall be published at
21 least twenty days prior to the time fixed by council for
22 adoption of the proposed budget ordinance. The proposed budget
23 ordinance shall be available for public inspection at the city
24 clerk's office for at least ten days after the aforesaid
25 newspaper notice thereof is published.

26 The council shall, after making such changes and
27 modifications therein as appear proper, adopt the budget and any
28 appropriation measures required to put it into effect upon the
29 date fixed for adoption thereof: Provided, That said budget
30 shall reflect as nearly as possible the estimated revenues and

1 expenditures of the city for the year for which the budget is
2 prepared. That should it appear upon any revision of the budget
3 that the estimated expenditures in the adopted budget would be
4 increased more than ten per cent in the aggregate or more than
5 twenty-five per cent in any individual item over the proposed
6 budget, such budget shall not be adopted with any such increases
7 therein unless the same be again made available for public
8 inspection and for protest of such increases for a period of at
9 least ten days after notice to that effect is published as
10 hereinbefore provided.

11 [Within thirty days after the adoption of a budget ordinance,
12 the director of accounts and finance shall file a copy of the
13 same in the office of the Department of Community Affairs.]

14 Section 2. Section 1810 of the act, amended October 5, 1967
15 (P.L.327, No.143) and December 14, 1967 (P.L.828, No.355), is
16 amended to read:

17 Section 1810. Amending Budget; Notice.--During the month of
18 January next following any municipal election, the council of
19 any city may amend the budget and the levy and tax rate to
20 conform with its amended budget ordinance. A period of ten days'
21 public inspection at the office of the city clerk of the
22 proposed amended budget ordinance after notice by the city clerk
23 to that effect is published once in a newspaper as provided in
24 section one hundred nine of this act shall intervene between
25 council's first reading of the proposed amended budget ordinance
26 and the adoption thereof. Any amended budget ordinance must be
27 adopted by council on or before the fifteenth day of February.

28 No such proposed amended budget ordinance shall after first
29 reading be revised upward in excess of ten percent in the
30 aggregate thereof or as to an individual item in excess of

1 twenty-five per cent of the amount of such individual item in
2 the proposed amended budget ordinance.

3 [Within fifteen days after the adoption of an amended budget
4 ordinance, the director of accounts and finance shall file a
5 copy thereof in the office of the Department of Community
6 Affairs.]

7 Section 3. Section 1812 of the act, amended December 18,
8 1996 (P.L.1063, No.157), is amended to read:

9 Section 1812. Annual Reports; Publication; Filing Report
10 with Department of Community [Affairs] and Economic Development;
11 Penalty.--(a) The director of accounts and finance shall make a
12 report, verified by oath or affirmation, to the council at a
13 stated meeting in [March] April in each year of the public
14 accounts of the city and of the trusts in its care for the
15 preceding fiscal year, exhibiting all of the expenditures
16 thereof, respectively, and the sources from which the revenue
17 and funds are derived and in what measures the same have been
18 disbursed. Each account shall be accompanied by a statement in
19 detail of the several appropriations made by council, the amount
20 drawn and encumbered on each appropriation, and the unencumbered
21 balance outstanding to the debit or credit of such appropriation
22 at the close of the fiscal year.

23 (b) Such report, accompanied by a concise financial
24 statement setting forth the balance in the treasury at the
25 beginning of the fiscal year, all revenues received during the
26 fiscal year, by major classifications, all expenditures made
27 during the fiscal year, by major functions, and the current
28 resources and liabilities of the city at the end of the fiscal
29 year, the gross liability and the net debt of the city, the
30 amount of the assessed valuation of the taxable property in the

1 city, the assets of the city and the character and value
2 thereof, the date of the last maturity of the respective forms
3 of funded debt, and the assets in each sinking fund, shall be
4 published once in not more than two newspapers printed or
5 circulated in such city, as required by section one hundred and
6 nine of this act. Before such report or statement is made or
7 published, the same shall be approved by the controller, who may
8 approve it subject to such exceptions as he may have thereto:
9 Provided, Council may cause such statement to be printed in
10 pamphlet form in addition to the publications made as aforesaid.

11 (c) The director of accounts and finance shall also,
12 annually, make report of the financial condition of the city in
13 the form above provided to the Department of Community [Affairs]
14 and Economic Development, within [sixty] ninety days after the
15 close of the fiscal year, signed and duly verified by the oath
16 of the director and approved by the city controller, as above
17 provided. Any director of accounts and finance refusing or
18 wilfully neglecting to file such report shall, upon conviction
19 thereof, in a summary proceeding brought at the instance of the
20 Department of Community Affairs, be sentenced to pay a fine of
21 five dollars for each day's delay beyond said sixty days, and
22 costs. All fines recovered shall be for the use of the
23 Commonwealth.

24 (d) The report to the Department of Community [Affairs] and
25 Economic Development shall be presented in a form as provided
26 for in section one thousand eight hundred and thirteen of this
27 act.

28 Section 4. Section 1813 of the act, amended October 5, 1967
29 (P.L.327, No.143), is amended to read:

30 Section 1813. Committee to Prepare Uniform Forms.--The

1 uniform [budget and] financial report forms, specified in the
2 foregoing sections of this act, shall be prepared by a committee
3 consisting of four representatives of the Pennsylvania League of
4 Cities and the Secretary of Community [Affairs] and Economic
5 Development, or his agent who shall be a person trained in the
6 field of municipal finance.

7 Such representatives shall be appointed by the president of
8 said organization within sixty days after the effective date of
9 this act. Such representatives shall be chosen from among
10 finance officers of third class cities or other officers of such
11 cities who have knowledge of their fiscal procedures. As far as
12 possible, they shall be chosen to represent cities in the
13 various population groups within the range of cities of the
14 third class. The president of the Pennsylvania League of Cities
15 shall supply to the Secretary of Community [Affairs] and
16 Economic Development the names and addresses of such
17 representatives immediately upon their appointment.

18 Said representatives shall serve without compensation, but
19 they shall be reimbursed by the Commonwealth for all necessary
20 expenses incurred in attending meetings of the committee. The
21 committee shall meet at the call of the Secretary of Community
22 [Affairs] and Economic Development, or his agent, who shall
23 serve as chairman of the committee.

24 [In preparing the uniform forms for both budgets and annual
25 reports, the committee shall give careful consideration to the
26 fiscal needs and procedures of cities of the various population
27 groups, producing separate forms, if necessary, to the end that
28 said forms shall not be inconsistent with the general
29 administrative practices of the cities of various sizes.]

30 It shall be the duty of the Secretary of Community [Affairs]

1 and Economic Development, or his agent, to see to it that the
2 forms required by this act are prepared in cooperation with said
3 committee. In the event that said committee should for any
4 reason fail to furnish such cooperation, the Secretary of
5 Community [Affairs] and Economic Development, or his agent,
6 shall complete the preparation of the forms. After their
7 preparation, he shall issue said forms and distribute them
8 annually, as needed, to the designated officers of each city of
9 the third class.

10 No change or alteration in the forms prescribed shall be made
11 by the Secretary of Community [Affairs] and Economic Development
12 or his agent except by a majority approval of the committee,
13 unless upon reasonable notice two or more representatives
14 thereof fail to attend the committee meetings. In voting upon
15 any change or alteration, each representative and the chairman
16 of the committee shall have one vote.

17 Section 5. This act shall take effect in 60 days.