

INTRODUCED: February 13, 2017

AN ORDINANCE No. 2017-021

To amend City Code § 12-11, concerning the form of the budget submitted to Council, to require that budget submissions for capital projects include information concerning each capital project’s capital and operating costs and the suitability for its intended purpose of improved land to be acquired as part of a capital project.

Patrons – All Members of Council

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 27 2017 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 12-11 of the Code of the City of Richmond (2015) be and is hereby **amended** and reordained as follows:

Sec. 12-11. Form of budget submitted to Council.

(a) Pursuant to section 6.04 of the Charter, the form of the budget shall be as required by the Council in this section. The operating budget shall set forth (i) a description of the fund, agency, organization (i.e., program) and activity for all proposed expenditures for the fiscal year, (ii) the amounts of salaries, fringe benefits and other operating expenses for each program and (iii)

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: FEB 27 2017 REJECTED: _____ STRICKEN: _____

for all appropriation line items in the Non-Departmental Budget, the information required by subsection (a) of section 12-12 of this Code.

(b) The operating budget also shall include the following information, for the entire City Administration, for the previous two fiscal years and for the current and proposed fiscal years:

- (1) A summary of proposed budget by program by agency;
- (2) A summary of expenditures by object codes and by object category;
- (3) Target service level and performance measures for each program; and
- (4) Total expenditures by agency by fund.

(c) The capital budget, shall include, in addition to the capital improvement ~~[plan]~~ program:

- (1) A listing of all proposed capital projects by council district;
- (2) A listing, by major categories, of all capital projects for which funding has been made available in previous years but has not been fully expended;
- (3) A description, effective at the time of submission, of the current status of all capital projects for which funding has been made available in previous years but has not been fully expended; ~~[and]~~
- (4) A listing and brief description of all proposed school projects;
- (5) For each capital project, (i) a description of the purpose of the project, (ii) an enumeration of the annual operating costs of the project once it is completed, (iii) an enumeration of future capital costs if an obligation to pay those capital costs is expected to be incurred during the period covered by the capital improvement program in which the project appears; and (iv) the plan for funding all capital costs and all operating costs identified pursuant to this subdivision and, if applicable, subdivision (6) showing the year

in which an obligation to pay each such cost is expected to be incurred, the department that will be required to pay that cost, the amount of that cost, and the expected source of funds to pay that cost, and (v) the identity, professional certifications, and licenses of the person who prepared the aforementioned enumerations; and

(6) For each capital project that involves the acquisition of improved land, (i) a description of the proposed use of the improved land so acquired, (ii) an evaluation of the suitability of the improved land for that proposed use, including any additions, alterations, modifications or renovations to the existing improvements that are reasonably necessary to make the improved land usable for that proposed use and estimates of all costs thereof, (iii) an evaluation of the mechanical condition and the structural condition of the improvements to be acquired, including any conditions that are likely to require remediation during the period covered by the current capital improvement program and estimates of all costs thereof, and (iv) the identity, professional certifications, and licenses of the person who prepared the aforementioned evaluations.

In addition, the information required by subdivisions (5) and (6) of this subsection shall be submitted to the City Council at the time any ordinance to adopt or amend the capital budget or the capital improvement program is introduced.

(d) The budget shall include a per capita cost calculation for each budget expenditure listed therein.

(e) In addition to such other information as may be appropriate, the budget message required by section 6.06 of the Charter shall include a table for each department that sets out the total operating and capital budget expenditures and the per capita amount of each such total budget. The calculation of the per capita amounts shall be based on the most recent population estimates

available from the Weldon Cooper Center for Public Service at the University of Virginia.

(f) For budgets introduced in odd numbered years, the format of the table required by subsection (e) of this section shall be as follows:

(1) Columns arranged from left to right shall be: Prior Fiscal Year Actual, Current Fiscal Year Adopted, Next Fiscal Year Proposed, and The 2nd Following Fiscal Year Proposed.

(2) Rows arranged from top to bottom shall be: Personnel Services, Operating, Total General Fund, Special Fund, Capital Improvement, Total Agency Summary, Per Capita, and Total Staffing.

(3) In cases where the funding sources require it, the table may be altered to accurately display Non-General Fund sources.

(g) For budgets introduced in even numbered years, the format of the table required by subsection (e) of this section shall be as follows:

(1) Columns arranged from left to right shall be: 2nd Prior Fiscal Year Actual, Prior Fiscal Year Actual, Current Fiscal Year Adopted, and Next Fiscal Year Proposed.

(2) Rows arranged from top to bottom shall be: Personnel Services, Operating, Total General Fund, Special Fund, Capital Improvement, Total Agency Summary, Per Capita, and Total Staffing.

(3) In cases where the funding sources require it, the table may be altered to accurately display Non-General Fund sources.

(h) Fifteen bound copies of the budget, in a format which includes the information specified in this section, shall be delivered to Room 305, Richmond City Hall, on the date and at the time specified in section 12-10 of this Code. One additional copy of the budget, in an electronic

spreadsheet form that can be manipulated by the recipient, shall be delivered at the same time.

§ 2. This ordinance shall be in force and effect upon adoption.



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Ordinance/Resolution Request

RECEIVED

FEB 07 2017

TO Allen Jackson, Richmond City Attorney
Richmond Office of the City Attorney

THROUGH Lou Brown Ali *LB*
Council Chief of Staff

FROM William E. Echelberger, Jr, Council Budget Analyst

COPY Members of Richmond City Council
Haskell Brown, Deputy City Attorney
Meghan K. Brown, Deputy Council Chief of Staff *MLB*
Council Liaisons

DATE February 7, 2017

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TITLE Capital Project Requirements

OFFICE OF CITY ATTORNEY

This is a request for the drafting of an Ordinance Resolution

REQUESTING COUNCILMEMBER/PATRON

Members of Richmond City Council

SUGGESTED STANDING COMMITTEE

Waived

ORDINANCE/RESOLUTION SUMMARY

The patrons request an ordinance to require certain supporting information, in addition to that which is currently provided, for any capital project proposed as part of the Capital Improvement Plan, an ordinance to amend the Capital Improvement Plan, or any other ordinance to provide an appropriation for a capital project:

1. Acquisition of an Existing Facility: Proposals for acquisition of an existing facility are to clearly identify the purpose for which the facility will be used by the City. Supporting documentation must include evaluations of:
 - a. The suitability of the facility for the proposed purpose. Such evaluation is to be performed by a qualified professional who possesses the relevant certifications, and is to include an assessment of any modifications, alterations, renovations, or additions to the facility that a prudent person would find necessary to make the facility usable for the proposed purpose. The required evaluation is to include an estimate of the costs of such modifications, alterations, renovations, or additions.
 - b. The structural and mechanical condition of the facility to be performed by a qualified professional. Such assessment is to identify conditions that a prudent person would find necessary to remediate, as well as those that, while adequate at the time of proposed acquisition, are likely to require remediation within the period covered by the current Capital Improvement Plan. The required evaluation is to include an estimate of the costs of such remediation.

- c. A plan that identifies the year in which funding will be required, likely funding sources, and the departments affected for the operating and capital costs identified in the required suitability and condition evaluations.
- 2. Capital Facilities Generally: Proposals for construction of a new facility; renovation, or expansion of an existing city facility; or acquisition of an existing facility are to clearly identify the purpose for which the facility will be used by the City. Supporting documentation must include an evaluation of the annual operating costs of the facility once it is completed, and future capital costs, if such costs will be incurred within the period covered by the current Capital Improvement Plan. Such evaluation is to be performed by a qualified professional who possesses the relevant certifications.
- 3. Funding Plan: In addition to the evaluations required for the Acquisition of an Existing Facility, or Capital Facilities Generally, a plan for funding of the identified capital and operating costs shall be provided for each capital proposal. This funding plan is to identify the cost, the year in which the cost is expected to be paid, the affected departments, and the potential fund sources.
- 4. The Funding Plan and the evaluations required for the Acquisition of an Existing Facility, or Capital Facilities Generally to be provided to City Council at the time of introduction of the Capital Improvement Plan, an ordinance to amend the Capital Improvement Plan, or any other ordinance to provide an appropriation for the capital project. A summary is to be included in the proposed Capital Improvement Program document for all applicable projects.

BACKGROUND

Summary:

City Council members have determined that they require certain additional supporting information about capital projects:

- 1. The suitability of a facility to be acquired for the intended purpose,
- 2. The potential capital costs of a proposed facility, whether acquired or constructed,
- 3. The estimated operating costs of a proposed facility, whether acquired or constructed,

FISCAL IMPACT STATEMENT

Fiscal Impact Yes No

Budget Amendment Required Yes No

Estimated Cost or Revenue Impact

The fiscal impact will vary based on the number and type of capital projects proposed in any given fiscal year.

Attachment/s Yes No