

INTRODUCED: November 6, 2017

Expedited Consideration

A RESOLUTION No. 2017-R080

As Amended

To create a new reservation of fund balance called the School Maintenance – Lead Abatement [~~and Water Fountain Replacement~~] Reserve intended to be categorized as an assigned fund balance and used for the [~~replacement of water fountains and connecting service lines~~] abatement of lead in the water supply first and then other issues related to health and safety in public schools administered by the School Board of the City of Richmond, Virginia.

Patrons – Mr. Jones and Vice President Newbille

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: NOV 6 2017 AT 6 P.M.

WHEREAS, it is the desire of the Council of the City of Richmond that a reservation of fund balance be created with the intent that up to \$1,000,000 be used for the [~~replacement of water fountains and connecting service lines~~] abatement of lead in the water supply first and then other issues related to health and safety in public schools administered by the School Board of the City of Richmond, Virginia; and

WHEREAS, the City Council desires that the reservation of fund balance for which this resolution provides be used to [~~replace water fountains and connecting service lines~~] abate lead in the water supply first and then other issues related to health and safety in public schools

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: NOV 6 2017 REJECTED: _____ STRICKEN: _____

administered by the School Board of the City of Richmond, Virginia, as necessary, [~~with lead free water fountains and service lines,~~] to maintain compliance with the Lead and Copper Rule promulgated by the United States Environmental Protection Agency and to ensure the safest possible drinking water for the children in public schools in the city;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That, effective upon the adoption of this resolution:

(a) A new reservation of fund balance called the School Maintenance – Lead Abatement and Water Fountain Replacement Reserve (the “Reserve”) is hereby created.

(b) It is the intent of this resolution that (i) all amounts assigned to the Reserve be appropriated for the [~~replacement of water fountains and connecting service lines~~] abatement of lead in the water supply first and then other issues related to health and safety in public schools administered by the School Board of the City of Richmond, Virginia and (ii) the Reserve be categorized as an assigned fund balance for purposes of generally accepted accounting principles.

(c) Up to \$1,000,000.00 from any year-end General Fund surplus remaining after the Unassigned General Fund Balance for the fiscal year commencing July 1, 2016, and ending June 30, 2017, reaches an amount equal to ten percent of Total Budget Expenditures as defined in the Unassigned Fund Balance Policy of the City of Richmond adopted by Resolution No. 2012-R42-72, adopted April 23, 2012, and after all other reserves adopted prior to this resolution for the fiscal year commencing July 1, 2016, and ending June 30, 2017, have been satisfied, shall be assigned to the Reserve.



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Ordinance/Resolution Request

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

THROUGH Lou Brown Ali *[Signature]*
Council Chief of Staff

FROM William E. Echelberger, Jr, Council Budget Analyst *[Signature]*

COPY Michael J. Jones, 9th District Representative
Cynthia I Newbille, 7th District Representative
Haskell Brown, Deputy City Attorney
Meghan K. Brown, Deputy Council Chief of Staff *MLB*
Sam Patterson, 7th District Liaison
Hope M. Elliott, 9th District Liaison

DATE October 16, 2017

PAGE/s 1 of 2

TITLE Assign Fund Balance for School Maintenance - Lead Abatement/Water Fountain Replacement

RECEIVED

OCT 19 2017

OFFICE OF CITY ATTORNEY

This is a request for the drafting of an Ordinance ☐ Resolution ☒

REQUESTING COUNCILMEMBER/PATRON

Michael J. Jones, 9th District Representative
Cynthia I Newbille, 7th District Representative

SUGGESTED STANDING COMMITTEE

Expedited Consideration

ORDINANCE/RESOLUTION SUMMARY

The patron requests a resolution to request that:

1. Upon achieving an Unassigned General Fund Balance equal to ten percent (10.0%) of Total Budgeted Expenditures, as defined in Resolution No. 2012-R042; and
2. After all other reserves adopted for FY2017 prior to this resolution have been satisfied, including:
 - a. \$2,000,000 specified for reduction of the unfunded liability of the Richmond Retirement System in Ordinance No. 2017-095,
 - b. The amount needed to pay a one-time bonus of 2.5% to each employee of the City, other than sworn police and fire employees, as specified in Resolution No. 2017-R070, if adopted,

- c. \$2,000,000 specified for improvements to roads and sidewalks in Resolution No, 2017-R078, if adopted.
3. Any remaining General Fund surplus for FY17, not to exceed \$1,000,000, shall be reserved as an assignment of fund balance for the purpose of School Maintenance – Lead Abatement/Water Fountain Replacement.
4. If more than one reservation of fund balance is approved on the same day, precedence is to be given to the Ordinance or Resolution with the lower number in the Clerk's system.

BACKGROUND

- In the Fiscal Year 2017 Third Quarter Revenue & Expenditure Projection Report the Administration indicated that the FY17 projected budgetary surplus was \$12,239. On August 15, 2017, the Administration provided the Fiscal Year 2017 Fourth Quarter Revenue & Expenditure Projection Report that projects the FY17 budgetary surplus to be \$7,430,834. With this significant change in the year-end projected surplus, the patrons would like to reserve a portion of the remaining surplus funds as an assignment of fund balance in order to provide funding for School Maintenance – Lead Abatement/Water Fountain Replacement.
- The patrons believe that due to the factors listed above that the City should continue to reserve funding to address these issues.
- During the 2016-2017 legislative session the Virginia General Assembly adopted a requirement that all public schools are required to test all portable water stations, i.e. water fountains, for lead starting FY2018. Richmond Public Schools estimates the unfunded mandate to conduct the tests will be \$150,000 on an annual basis.
- Richmond Public Schools estimates the cost to replace the water fountains in all schools constructed on or before 1986 to be \$1,000,000.

FISCAL IMPACT STATEMENT

Fiscal Impact Yes ☒ No ☐

Budget Amendment Required Yes ☐ No ☒

Estimated Cost or Revenue Impact

There will be no revenue or expenditure impact in FY2018, however, the assignment of fund balance will be reflected in the City's financial statements. Subsequent action will be required to amend the budget to appropriate and expend funds for the designated purposes.

Attachment/s Yes ☐ No ☒

Richmond City Council Ordinance/Resolution Request Form/updated 10.5.2012 /js

MOTION

To amend the pending resolution as follows:

Page 1, Line 6

At the beginning of the line, strike the words "and Water Fountain Replacement"

Page 1, Line 7

After the article "the", strike the words "replacement of water fountains and connecting service lines" and insert the text "abatement of lead in the water supply first and then other issues related to health and safety"

Page 1, Line 15

After the words "for the", strike the words "replacement of water fountains and connecting service lines" and insert the text "abatement of lead in the water supply first and then other issues related to health and safety"

Page 1, Line 20

After the preposition "to", strike the words "replace water fountains and connecting service lines" and insert the text "abate lead in the water supply first and then other issues related to health and safety"

Page 2, Line 1

After the comma following the word "necessary", strike the words "with lead free water fountains and service lines" and the comma

Page 2, Line 11

After the article "the", strike the words "replacement of water fountains and connecting service lines" and insert the text "abatement of lead in the water supply first and then other issues related to health and safety"