

INTRODUCED: July 22, 2019

AN ORDINANCE No. 2019-208

As Amended

To amend City Code § 12-263, concerning the Budget and Revenue Stabilization Contingency Reserve, to set forth stipulations for the use of the reserve.

\_\_\_\_\_  
Patron – President Newbille

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: SEP 23 2019 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 12-263 of the Code of the City of Richmond (2015) be and is hereby amended and reordained as follows:

**Sec. 12-263. Budget and Revenue Stabilization Contingency Reserve.**

(a) There is created a Budget and Revenue Stabilization Contingency Reserve. It is the goal of the City that the Budget and Revenue Stabilization Contingency Reserve be equal to three percent of budgeted general fund operating expenses for the latest fiscal year for which the City Council has adopted a general fund budget.

(b) It is the policy of the City that appropriations be made from the [~~unassigned fund balance~~] Budget and Revenue Stabilization Contingency Reserve only when catastrophic,

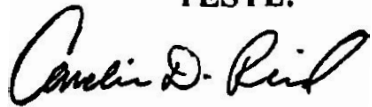
AYES:            9            NOES:            0            ABSTAIN: \_\_\_\_\_

ADOPTED: NOV 12 2019    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

unforeseen, or unavoidable events cause a reduction in revenue [~~of at least one half of one percent over the then current fiscal year's budgeted general fund revenues~~] or an increase in expenditures [~~of at least one half of one percent over the then current fiscal year's budgeted general fund operating expenses~~], either or both.

(c) If funds are expended from the Budget and Revenue Stabilization Contingency Reserve to cover appropriations, the Mayor shall submit to the City Council, within 90 days after the date on which such funds were expended, a plan to restore the amount of the unassigned fund balance so expended within three years after the date on which such funds were expended.

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

**A TRUE COPY:**  
**TESTE:**  
  
**City Clerk**



# Richmond City Council

The Voice of the People

Richmond, Virginia

Lou Brown All  
Council Chief of Staff

## Office of the Council Chief of Staff


RECEIVED

JUN 26 2019

### Ordinance/Resolution Request

TO Allen Jackson, City Attorney

THROUGH Meghan K. Brown, Interim Council Chief of Staff <sup>OFFICE OF THE CITY ATTORNEY</sup>

FROM William E. Echelberger, Council Budget Analyst 

COPY Cynthia I. Newbille, 7<sup>th</sup> District Council Member  
Haskell Brown, Deputy City Attorney  
Sam Patterson, 7<sup>th</sup> District Liaison

DATE June 21, 2019

PAGE/s 1 of 2

TITLE To Amend the Fund Balance Policy

This is a request for the drafting of an  Ordinance  Resolution

**REQUESTING COUNCILMEMBER/PATRON**

President Newbille

**SUGGESTED STANDING COMMITTEE**

Finance and Economic Development

**ORDINANCE/RESOLUTION SUMMARY**

To amend City Code §12-263(b) to correctly indicate that the section should refer to the Budget and Revenue Stabilization Reserve and not the unassigned fund balance.

**BACKGROUND**

During the discussion of Ord. 2019-125, adopted May 28, 2019, which at times is referred to as the 3<sup>rd</sup> quarter re-appropriation paper, it was noticed that part of the fund balance policy that relates to the Budget and Revenue Stabilization Reserve incorrectly references the unassigned fund balance.

This amendment is to make a technical correction to City Code §12-263(b) as follows:

(b) It is the policy of the City that appropriations be made from the ~~unassigned fund balance~~ Budget and Revenue Stabilization Reserve only when catastrophic, unforeseen, or unavoidable events cause a reduction in revenue of at least one-half of one percent over the then-current fiscal year's budgeted general fund revenues or an increase in expenditures of at least one-half of one percent over the then-current fiscal year's budgeted general fund operating expenses, either or both.

**FISCAL IMPACT STATEMENT**

Fiscal Impact Yes  No

Budget Amendment Required Yes  No

Estimated Cost or Revenue Impact: N/A

Fiscal Summary:

No fiscal impact.

Attachment/s Yes  No

## **MOTION**

To amend Ordinance No. 2019-208 as follows:

Page 1, Line 19

After the inserted conjunction “and” , insert the word “Revenue”

Page 2, Line 1

After the word “revenue”, strike the text “of at least one-half of one percent over the then-current fiscal year’s budgeted general fund revenues”

Page 2, Line 3

After the word “expenditures”, strike the text “of at least one-half of one percent over the then-current fiscal year’s budgeted general fund operating expenses”