

DECEMBER 2025

Richmond Budget Retreat



Weldon Cooper Center
for Public Service



Richmond Budget Retreat



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Mayor and Chief Admin Officer (5.05(c) and 5.06(a))

Mayor

- Oversee preparation and submission of budget to city council

Chief Admin Officer

- prepare budget and submit to city council

Chapter 6 – Budgets (6.01)

- Fiscal year July 1 – June 30, Tax year is Jan 1 – Dec 30
- Mayor shall hold hearings and review estimates
 - Specific limitations on school budget
- Submission of budget
 - Current expense budget for general operations (general and special fund and utility funds)
 - Budget message
 - Capital budget

This follows standard best practice in US municipal finance

Budget Scope (6.02)

- Utility budget
 - only the net amount available shall be budgeted and per generally accepted accounting principles
- Shall include
 - Complete financial plan
 - All estimated income, proposed property tax levy, all proposed expenditures including debt service and shall include comparisons

Key formulas (6.05)

- School Appropriations \geq cost apportioned to governing body for maintaining an educational as prescribed by law (Standard of Quality)
 - State plus local funds (minus federal funds)
- Balanced budget for each Fund
 - Income + fund balance \geq expenses

This follows standard best practice in US municipal finance

Budget hearing (6.09)

Public hearing shall be held on budget ordinances before passage by city council

Budget Adoption by Council Parameters (6.10 and 6.11)

- Council may insert new items or may increase/decrease expenditures
 - except no item of expenditure for debt service or charter/law required shall be reduced or stricken
- Council shall not alter estimates of income or receipts
- Can only increase total spending with a public hearing
- Balanced budget must be maintained unless council adopts new revenue stream

May 31
deadline



Mayoral Role in Adoption (6.11)

- Mayor can veto any particular item of budget ordinance within 14 days of council action
- Council may override veto within 14 days with 6 votes of currently filled seats

Utility Budget (6.13)

- Separate budgets for each utility and shall be submitted to Mayor at same time as other departments
- Separate ordinance regarding rate changes of utilities
- Same rules apply to utility budgets as to other budgets
- If council fails to act, utility budgets shall go into effect regardless with force of law

School Budget (6.14)

- School board shall submit its estimates to Mayor at same time as other departments
- Mayor and council may take action with regard to school budget as long as it consistent with state law or charter

Amendment after adoption (6.16)

- If sufficient funds are not available, council with six votes may appropriate from reserved funds
- If a deficit in a fund appears to be likely mayor shall take action and recommend further council actions
 - Council shall then act to address deficit and can reduce appropriations
- No debt service shall be reduced and no appropriation shall be reduced below legal requirement or below unencumbered balance

QUESTIONS?

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