

AN ORDINANCE *No 85-227-223*

ADOPTED SEP 11 1985

To authorize the issuance of notes not to exceed \$70,000,000 in amount in anticipation of the collection of revenue during the fiscal year 1985-86, pursuant to Section 7.02(b) and Section 7.04 of the Charter of the City of Richmond.

Patron - City Manager

Approved as to form and legality
by City Attorney

1. WHEREAS, paragraph (b) of Section 7.02 of the
2. Charter permits the issuance of notes, when authorized by
3. the Council, at any time during the fiscal year in antici-
4. pation of the collection of revenue of such year; and
5. WHEREAS, Section 7.04 of the Charter of the City of
6. Richmond provides, in part, as follows:
7. "* * * Notes in anticipation of revenue
8. shall be authorized by the council by
9. ordinance. They shall be authenticated by
10. the signature of the director of finance
11. and shall mature not later than twelve
12. months after the date of issue. If not
13. paid at maturity the amount of such unpaid
14. notes shall be included as an appropria-
15. tion in the general fund budget for the
16. ensuing fiscal year."
17. and
18. WHEREAS, it is the consensus of the Council of the
19. City of Richmond that the City should authorize the issuance

1. and marketing of notes not to exceed \$70,000,000 in amount
2. in anticipation of the revenue to be derived from the
3. collection of real estate taxes during the fiscal year
4. commencing July 1, 1985, and ending June 30, 1986, the City
5. of Richmond having in the general fund budget adopted for
6. the fiscal year beginning July 1, 1985, Ordinance No.
7. 85-98-117, adopted May 22, 1985, estimated the revenue to be
8. derived from real estate taxes to be collected in the fiscal
9. year at \$80,442,110, said real estate taxes to be due and
10. payable on or before June 15, 1986, be processed by the
11. Collections Division of the Department of Finance and
12. deposited to the credit of the City prior to June 30, 1986;
13. said note or notes, which shall not exceed in amount
14. \$70,000,000 (revenue anticipation notes to be so issued) to
15. bear date or dates during the period commencing September 1,
16. 1985, and terminating October 31, 1985, and have a maturity
17. date no later than June 30, 1986; NOW, THEREFORE,
18. THE CITY OF RICHMOND HEREBY ORDAINS:

19. § 1. That the City of Richmond shall issue not to exceed
20. \$70,000,000 in principal amount of notes in anticipation of
21. revenue to be derived from the collection of real estate
22. taxes during the fiscal year commencing July 1, 1985, and
23. ending June 30, 1986, such note or notes to be so issued to
24. bear date or dates not earlier than September 1, 1985, nor

1. later than October 31, 1985, and to have a maturity date no
2. later than June 30, 1986. Said note or notes shall be
3. authenticated by the signature of the Director of Finance.
4. The Director of Finance, with the approval of the City
5. Manager, may market such notes at either public or private
6. sale, shall issue same in such face amounts or denominations
7. as said Director of Finance may in his judgment determine
8. shall best promote marketability of said notes and shall
9. bear interest at such rate or rates as the Director of
10. Finance deems to be in the best interest of the City of
11. Richmond. Should said note or notes or any of said notes
12. not be paid at maturity, the amount of any unpaid note or
13. notes shall be included as an appropriation in the General
14. Fund Budget for the fiscal year commencing July 1, 1986, and
15. ending June 30, 1987.

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

ORDINANCE OR RESOLUTION SUMMARY
CITY OF RICHMOND, VIRGINIA

Resolution Ordinance No. 85-227	Subject
Requested by City Manager	To Issue Bonds.
Received City Manager's Office --	
Summarized 9/3/85	

SUMMARY

This Ordinance would authorize the issuance of up to \$70,000,000 of notes in the anticipation of revenue during the fiscal year 1985-86.

This will provide necessary Council action for the issuance and marketing of up to \$70,000,000 in Revenue Anticipation Notes at any time during the fiscal year said notes to mature on or before June 30, 1986.

Cash flow projections of the administration indicate that additional funds for operating costs (General Fund) will be required for Fiscal Year 1985-86. Real Estate Taxes of \$80,442,110 as budgeted for the 1985-86 fiscal year, will be payable on or before June 15, 1986. The Bureau of Collections will process and deposit these funds between June 15 and 30, 1986. The Revenue Anticipation Notes will be retired from these funds.

The estimated cost is 5.00% x \$70,000,000 x 287 days =

\$2,790,278	interest cost
150,000	administrative cost
<u>\$2,940,278</u>	total cost

Any additional appropriate requirement should be offset by additional revenues.

COUNCIL ACTION

On Docket 9/9/85
Amended
Adopted
Rejected