

Finance & Economic Development Standing Committee Update

Council Member Newbille

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- (b) It is the policy of the City that appropriations be made from the Budget and Revenue Stabilization Contingency Reserve only when catastrophic, unforeseen, or unavoidable events cause a reduction in revenue or an increase in expenditures, 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.

(Code 2015, § 12-263; Ord. No. 2017-215, § 1, 12-11-2017; Ord. No. 2019-208, § 1, 11-12-2019)

Sec. 12-264. Capital Maintenance Reserve.

There is created a Capital Maintenance Reserve. The City Council may make appropriations from the Capital Maintenance Reserve for the capital maintenance, as determined in accordance with generally accepted accounting principles, of (i) schools administered by the School Board of the City of Richmond, Virginia, (ii) streets and sidewalks as defined by Section 24-1, and (iii) buildings and other facilities owned by the City. The City Council does not intend that appropriations be made from the Capital Maintenance Reserve for the construction of new schools, streets, sidewalks, buildings, or other facilities or to add additional area or space to existing schools, streets, sidewalks, buildings, or other facilities.

(Code 2015, § 12-264; Ord. No. 2017-215, § 1, 12-11-2017)

Sec. 12-265. Special purpose reserves.

Assignments for a special purpose reserve must be only for one-time, non-recurring purposes and may not be for an installment or phase of a multi-installment or multi-phase project. No such assignments may be made other than in accordance with this section. The City Council may, by resolution adopted no later than November 1, make an assignment of all or any part of the portion of the calculated general fund surplus for the preceding fiscal year allocated for special purpose reserves pursuant to Section 12-242. If, by November 1, the Council makes no such assignment or does not make such an assignment of all of the portion of the calculated general fund surplus for the preceding fiscal year allocated for special purpose reserves pursuant to Section 12-242, the Mayor, in the Mayor's discretion, may make such an assignment in a writing to the City Council.

(Code 2015, § 12-265; Ord. No. 2017-215, § 1, 12-11-2017)

ARTICLE V. FUND BALANCES - REVIEW

Section	Current Language	Proposed Language	Comments
<p>Sec. 12-242. Disposition of calculated general fund surplus; reporting</p>	<p>(a) It is the policy of the City that each years calculated general fund surplus be allocated as follows:</p> <p>(1) Fifty percent to the "rainy day fund," with the exact allocation between the Budget and Revenue Stabilization Contingency Reserve and the unassigned fund balance determined by the Mayor in the Mayor's discretion.</p> <p>(2) Forty percent to the Capital Maintenance Reserve.</p> <p>(3) Ten percent to special purpose reserves as determined pursuant to Section 12-265.</p> <p>(b) No later than September 15 of each year, the Mayor shall furnish the City Council with a report on the general fund balance. The report must include all of the following:</p> <p>(1) The amount of the unaudited general fund balance from the fiscal year ending on the June 30 immediately preceding the date on which this report is due.</p> <p>(2) The unaudited calculated general fund surplus from the fiscal year ending on the June 30 immediately preceding the date on which this report is due.</p> <p>(3) The Mayor's proposals, if any, for the creation of any special purpose reserves pursuant to Section 12-265. (Code 2015, § 12-252; Ord. No. 2017-215, § 1, 12-11-2017)</p>	<p>No later than November 15 of each year, the Mayor shall furnish the City Council with a report on the general fund balance. The report must include all of the following:</p> <p>(Code 2015, § 12-252; Ord. No. 2017-215, § 1, 12-11-2017)</p>	

ARTICLE V. FUND BALANCES - REVIEW

<p>Sec. 12-261. "Rainy day" fund.</p>	<p>The "rainy day" fund consists of the Budget and Revenue Stabilization Contingency Reserve and the unassigned fund balance. It is the goal of the City that the total of the "rainy day" fund be equal to at least 16.67 percent of budgeted general fund operating expenses for the latest fiscal year for which the City Council has adopted a general fund budget. (Code 2015, § 12-261; Ord. No. 2017-215, § 1, 12-11-2017)</p>		
<p>Sec. 12-262. Unassigned fund balance.</p>	<p>(a) It is the goal of the City that the unassigned fund balance be equal to at least 13.67 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 (i) only in the event of unusual, unanticipated, and seemingly insurmountable hardship and (ii) only after all other reserves or contingency funds have been exhausted. (c) If funds are expended from the unassigned fund balance 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</p>		

ARTICLE V. FUND BALANCES - REVIEW

	<p>within three years after the date on which such funds were expended. (Code 2015, § 12-262; Ord. No. 2017-215, § 1, 12-11-2017)</p>		
<p>Sec. 12-263. Budget and Revenue Stabilization Contingency Reserve.</p>	<p>(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 Budget and Revenue Stabilization Contingency Reserve only when catastrophic, unforeseen, or unavoidable events cause a reduction in revenue or an increase in expenditures, 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. (Code 2015, § 12-263; Ord. No. 2017-215, § 1, 12-11-2017; Ord. No. 2019-208, § 1, 11-12-2019)</p>		

ARTICLE V. FUND BALANCES - REVIEW

<p>Sec. 12-264. Capital Maintenance Reserve.</p>	<p>There is created a Capital Maintenance Reserve. The City Council may make appropriations from the Capital Maintenance Reserve for the capital maintenance, as determined in accordance with generally accepted accounting principles, of (i) schools administered by the School Board of the City of Richmond, Virginia, (ii) streets and sidewalks as defined by Section 24-1, and (iii) buildings and other facilities owned by the City. The City Council does not intend that appropriations be made from the Capital Maintenance Reserve for the construction of new schools, streets, sidewalks, buildings, or other facilities or to add additional area or space to existing schools, streets, sidewalks, buildings, or other facilities. (Code 2015, § 12-264; Ord. No. 2017-215, § 1, 12-11-2017)</p>		
<p>Sec. 12-265. Special purpose reserves.</p>	<p>Assignments for a special purpose reserve must be only for one-time, non-recurring purposes and may not be for an installment or phase of a multi-installment or multi-phase project. No such assignments may be made other than in accordance with this section. The City Council may, by resolution adopted no later than November 1, make an assignment of all or any part of the portion of the calculated general fund surplus for the preceding fiscal year allocated for special purpose</p>	<p>The City Council may, by resolution adopted no later than December 15, make an assignment of all or any part of the portion of the calculated general fund surplus for the preceding fiscal year allocated for</p>	<p>In advance of the pending due dates during the months of September and October - Council Members shall begin discussions regarding select initiatives for funding consideration as well as estimated cost. Thereafter Council Members shall discuss select initiatives with</p>

