

INTRODUCED: November 12, 2019

AN ORDINANCE No. 2019-318

As Amended

To amend City Code § 12-11, concerning the form of the budget submitted to the Council, for the purpose of requiring, with some exceptions, that each capital project included in the Proposed or Adopted Capital Improvement Plan shall be listed individually and not grouped into one listed project with other, unrelated capital projects.

Patron – Ms. Larson

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: DEC 9 2019 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 12-11 of the Code of the City of Richmond (2015) be and is hereby **amended** and reordained as follows:

Sec. 12-11. Form of budget submitted to Council.

(a) Pursuant to section 6.04 of the Charter, the form of the budget submitted by the Mayor shall be as required by the Council in this section. The operating budget shall set forth (i) a description of the fund, agency, program, subprogram, and activity for all proposed expenditures for the fiscal year, (ii) the amounts of salaries, fringe benefits and other operating

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 13 2020 REJECTED: _____ STRICKEN: _____

expenses for each program and (iii) for all budget items in the Non-Departmental Budget, the information required by subsection (a) of section 12-12 of this Code. The operating budget shall include a summary of a zero-based budgeting analysis for each proposed budget item that includes, at a minimum, the work-load measures and cost factors used to arrive at the proposed appropriation for that proposed budget item. The operating budget shall identify each program and subprogram within each proposed budget item; however, identification of a subprogram is not required when the entire program of which a subprogram is a part is included in the proposed budget item.

(b) The operating budget also shall include the following information, for the entire City Administration, for the previous two fiscal years and for the current and proposed fiscal years:

- (1) A summary of the proposed budget by program and subprogram by agency;
- (2) A summary of expenditures by agency, program, and subprogram;
- (3) Target service level and performance measures for each program and subprogram; and
- (4) Total expenditures by agency by fund.

(c) ~~[The]~~ Both the capital budget~~[,shall include, in addition to]~~ and the capital improvement program for which section 6.19 of the Charter provides shall include all of the following:

- (1) A listing of all proposed capital projects by council district, provided that no capital project listed shall encompass more land than that associated with a single

parcel of real estate identified by a single tax parcel number, as reflected in the most current records of the City Assessor, except for a project involving:

a. Multiple abutting parcels on which facilities devoted to a single public use are constructed;

b. Utility infrastructure;

c. Alleys, bridges, roads, sidewalks, or streets;

d. Maintenance or repairs to existing City facilities; or

e. Improvements or renovations to an existing City facility with projected capital costs of less than ~~[\$100,000.00]~~ \$250,000.00.

(2) A listing, by major categories, of all capital projects for which funding has been made available in previous years but has not been fully expended;

(3) A description, effective at the time of submission, of the current status of all capital projects for which funding has been made available in previous years but has not been fully expended;

(4) A listing and brief description of all proposed school projects, provided that no school project listed shall encompass more land than that associated with a single parcel of real estate identified by a single tax parcel number, as reflected in the most current records of the City Assessor, except for a project involving:

a. Multiple abutting parcels on which a school may be constructed;

b. Maintenance or repairs to existing schools; or

e. Improvements or renovations to an existing school with projected capital costs of less than ~~[\$100,000.00]~~ \$250,000.00.

(5) For each capital project, (i) a description of the purpose of the project, (ii) an enumeration of the annual operating costs of the project once it is completed, (iii) an enumeration of future capital costs if an obligation to pay those capital costs is expected to be incurred during the period covered by the capital improvement program in which the project appears; and (iv) the plan for funding all capital costs and all operating costs identified pursuant to this subdivision and, if applicable, subdivision (6) showing the year in which an obligation to pay each such cost is expected to be incurred, the agency that will be required to pay that cost, the amount of that cost, and the expected source of funds to pay that cost, and (v) the identity, professional certifications, and licenses of the person who prepared the aforementioned enumerations; and

(6) For each capital project that involves the acquisition of improved land, (i) a description of the proposed use of the improved land so acquired, (ii) an evaluation of the suitability of the improved land for that proposed use, including any additions, alterations, modifications or renovations to the existing improvements that are reasonably necessary to make the improved land usable for that proposed use and estimates of all costs thereof, (iii) an evaluation of the mechanical condition and the structural condition of the improvements to be acquired, including any conditions that are likely to require remediation during the period covered by the current capital improvement program and estimates of all costs thereof, and (iv) the identity, professional certifications, and licenses of the person who prepared the aforementioned evaluations.

In addition, the information required by subdivisions (5) and (6) of this subsection shall be submitted to the City Council at the time any ordinance to adopt or amend the capital budget or the capital improvement program is introduced.

(d) The budget shall include a per capita cost calculation for each budget expenditure listed therein.

(e) In addition to such other information as may be appropriate, the budget message required by section 6.06 of the Charter shall include a table for each agency that sets out the total operating and capital budget expenditures and the per capita amount of each such total budget. The calculation of the per capita amounts shall be based on the most recent population estimates available from the Weldon Cooper Center for Public Service at the University of Virginia.

(f) When the Mayor proposes an annual budget that includes a plan for the second following fiscal year, the format of the table required by subsection (e) of this section shall be as follows:

(1) Columns arranged from left to right shall be: Prior Fiscal Year Actual, Current Fiscal Year Adopted, Next Fiscal Year Proposed, and The 2nd Following Fiscal Year Proposed.

(2) Rows arranged from top to bottom shall be: Personnel Services, Operating, Total General Fund, Special Fund, Capital Improvement, Total Agency Summary, Per Capita, and Total Staffing.

(3) In cases where the funding sources require it, the table may be altered to accurately display Non-General Fund sources.

(g) When the Mayor proposes an annual budget that does not include a plan for the second following fiscal year, the format of the table required by subsection (e) of this section shall be as follows:

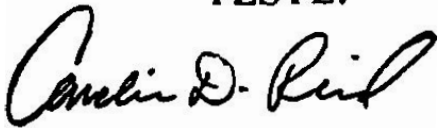
(1) Columns arranged from left to right shall be: 2nd Prior Fiscal Year Actual, Prior Fiscal Year Actual, Current Fiscal Year Adopted, and Next Fiscal Year Proposed.

(2) Rows arranged from top to bottom shall be: Personnel Services, Operating, Total General Fund, Special Fund, Capital Improvement, Total Agency Summary, Per Capita, and Total Staffing.

(3) In cases where the funding sources require it, the table may be altered to accurately display Non-General Fund sources.

(h) Fifteen bound copies of the budget, in a format which includes the information specified in this section, shall be delivered to Room 305, Richmond City Hall, on the date and at the time specified in section 12-10 of this Code. One additional copy of the budget, in an electronic spreadsheet form that can be manipulated by the recipient, shall be delivered at the same time.

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

A TRUE COPY:
TESTE:

Carolin D. Reed
City Clerk



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 Meghan K. Brown
Interim Council Chief of Staff *MKB*

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

COPY Kristen N. Larson, 4th District Representative
Haskell Brown, Deputy City Attorney
Aaron Bond, 4th District Liaison

DATE August 8, 2019

PAGE/s 1 of 2

TITLE Capital Improvement Plan

RECEIVED

AUG 13 2019

OFFICE OF THE CITY ATTORNEY

This is a request for the drafting of an Ordinance Resolution

REQUESTING COUNCILMEMBER/PATRON

Kristen N. Larson, 4th District Representative

SUGGESTED STANDING COMMITTEE

Finance and Economic Development

ORDINANCE/RESOLUTION SUMMARY

The Patron requests an ordinance to require that, with the following exceptions, all capital projects included in the Proposed or Adopted Capital Improvement Plan shall be individual, and separate; Exceptions shall include:

1. Utility Infrastructure,
2. Bridges, Streets, Roads, Alleys, and Sidewalks,
3. Routine Building Maintenance
4. Renovations, Repairs, and Improvements to any city facility other than the above when the total cost of any individual sub-project is less than \$100,000

Major projects that fall into one of the above four exempted categories shall also be set out separately, Except as required for Renovations, Repairs, and Improvements to a city facility, The mayor may propose a definition of a Major Project. Such definition shall be subject to approval by resolution of City Council.

BACKGROUND

Summary:

- Currently, the Capital Improvement Plan includes a number of "umbrella" capital projects that provide one appropriation to cover the costs of several individual capital projects. Examples include:

- o Community Center Enhancements,
- o School Modernization, and
- o Replacement of Fire Stations 5,6,12 & 21.
- The patron believes that the consolidation of multiple projects into one "umbrella" project has a number of disadvantages in that the practice:
 - o Obscures the amount budgeted for each individual project,
 - o Obscures the timing of each sub-project when the total is spread over multiple years,
 - o Impedes project oversight, and
 - o Can contribute to scope changes that have not been authorized by City Council, which may result in cost overruns.

FISCAL IMPACT STATEMENT

Fiscal Impact Yes No

Budget Amendment Required Yes No

Estimated Cost or Revenue Impact

There is no expenditure or revenue impact.

Attachment/s Yes No