

INTRODUCED: March 6, 2020

AN ORDINANCE No. 2020-054

To adopt the Debt Service Fund Budget for the fiscal year commencing Jul. 1, 2020, and ending Jun. 30, 2021, and to appropriate the estimated expenditures from the Debt Service Fund for the said fiscal year.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: APR 13 2020 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the designated Debt Service Fund Budget for the fiscal year commencing July 1, 2020, and ending June 30, 2021, attached to this ordinance, is hereby adopted and made part of this ordinance.

§ 2. That the sum of \$85,624,191 is hereby appropriated from the receipts of the Debt Service Fund to pay the estimated debt service costs.

§ 3. This ordinance shall be in force and effect as of July 1, 2020.

AYES: 5 NOES: 4 ABSTAIN: _____

ADOPTED: MAY 11 2020 REJECTED: _____ STRICKEN: _____

AGENCY FISCAL SUMMARY – DEBT SERVICE

Budget Summary	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Proposed
Operating	\$63,410,622	\$72,052,726	\$85,056,971	\$85,624,191
Total Agency Summary	\$63,410,622	\$72,052,726	\$85,056,971	\$85,624,191
Total Debt Revenue	\$63,410,662	\$72,052,726	\$85,056,971	\$85,624,191
Per Capita	\$279.44	\$317.53	\$374.83	\$371.12

BUDGET HIGHLIGHTS

Identified above, where applicable, are departmental workload measures that summarize past, current, and proposed performance levels. Identified throughout is a summary of all cost factors that make up this department's proposed budget.

As in prior years, in 2021 the City anticipates receiving Federal interest reimbursement on two Build America bonds which financed schools construction in 2010- 2012. The City also has budgeted to receive reimbursement from the Economic Development Authority (EDA) to be applied toward curtailing debt issued to finance the Stone Brewing Project. Debt issued as a HUD Section 108 Note is repaid from an allocation of CDBG funds. More information on the City's CIP and debt policies can be found in the Capital Improvement Plan section of the budget.

REVENUE SUMMARY*

Debt Service Fund Revenue Summary	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Proposed
Transfer from the General Fund*	\$59,414,793	\$68,232,503	\$81,452,709	\$82,209,221
Interest Cost Reimbursement from Federal Government **	1,225,929	1,030,252	1,023,647	990,626
Interest On Investments	49,659	569,918	—	—
Transfer in from the EDA - Stone Brewing Project ***	1,433,463	1,434,201	1,438,363	1,436,963
Transfer in from the EDA - Leigh Street Project ***	500,000	—	—	—
Transfer in from CDGB - HUD Note ****	786,818	785,852	1,142,252	987,381
Other Revenue	—	—	—	—
Total Debt Service Revenue	\$63,410,662	\$72,052,726	\$85,056,971	\$85,624,191

* Includes debt service paid on New Schools Construction from the 1.5% meals tax increase

**The City issued two taxable Build America bonds for Public School construction in which all or a portion of the interest costs paid on the bonds are reimbursable by the Federal Government.

*** The Economic Development Authority reimburses the City's Debt Service Fund for various projects.

**** CDGB allocation to pay HUD Section 108 debt service

DEBT SERVICE FUND

DEBT SERVICE
FUND

DEBT SERVICE FUND BUDGET

Program	Services	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Proposed
Long-Term Debt: Principal & Interest	General Obligation Bonds and Notes Payable	\$62,511,650	\$69,917,954	\$80,617,466	\$81,940,770
Short Term Debt: Bond Anticipation Notes/ Line of Credit	General Obligation Bond Anticipation Notes providing interim financing for Capital Improvement Plan Projects	426,877	360,633	3,296,084	2,540,000
Payments to Bond Sinking Funds	Required Annual Deposits to Bond Sinking Funds	1,143,421	1,143,421	1,143,421	1,143,421
	Total Debt Service Fund Program	\$64,081,948	\$71,422,008	\$85,056,971	\$85,624,191