



# City of Pittsburgh

510 City-County Building  
414 Grant Street  
Pittsburgh, PA 15219

## Text File

**Introduced:** 6/8/2010

**Bill No:** 2010-0596, **Version:** 2

**Committee:** Committee on Finance and Law

**Status:** Passed Finally

Ordinance, entitled, "The Neighborhood First Capital Budget Reform Act" amending the Pittsburgh City Code to bring the City of Pittsburgh into compliance with the recommendations of the amended Act 47 Financial Recovery Plan relating to the Capital Budget, pursuant to Ordinance No. 16 of 2009, enacted by City Council on June 30, 2009, adopting the amended Act 47 Financial Recovery Plan for the City of Pittsburgh dated May 21, 2009.

**Be it resolved that the Council of the City of Pittsburgh hereby enacts as follows:**

**Section 1.** The Pittsburgh City Code is hereby amended by creating Title Two: Fiscal, Article II: Chapter 218: Capital Budget, which shall read:

### **CHAPTER 218 - Capital Budget**

#### **218.1 Purpose**

**To ensure the transparent, fair, and equitable distribution of capital funds throughout the City of Pittsburgh.**

#### **218.2 Definitions**

**The following definitions shall apply to all parts of this Chapter:**

**(a) Capital Budget. The annual budget of the City of Pittsburgh, as required by Article 5, Section 502 of the Home Rule Charter, comprised exclusively of capital expenditures.**

**(b) Capital Expenditure. City monies expended, or proposed to be expended, in the Capital Budget on a Capital Project.**

**(c) Capital Program. The proposed six year capital outlay plan, which shall be comprised of the immediately succeeding year's proposed Capital Budget, as well as the proposed Capital Expenditures for the following five (5) years. The Capital Program shall be organized by year, and shall include:**

**(1) An estimate of the aggregate size, in dollar figures, of the proposed Capital Budget for each fiscal year described in the Capital Program.**

**(2) A description of each proposed Capital Expenditure within a fiscal year, which shall include:**

**(A) A description of the geographic location of each proposed Capital Expenditure, including neighborhood census tract, and census block group. If the Capital Expenditure is for a general city-wide project, the Capital Program shall list anticipated locations, but note that the list may not be exhaustive.**

**(B) A description of the Capital Project related to each Capital Expenditure.**

**(C) An estimated timeline for completion of the Capital Project related to each Capital Expenditure.**

**(D) An estimated total budget for the Capital Project related to each Capital Expenditure.**

**(E) All funding sources for the Capital Project related to each Capital Expenditure, including funding allocated from other year's Capital Budgets or proposed to be allocated from the Capital Program.**

**(F) Any potential impact the Capital Project related to each Capital Expenditure may have on the City's operating budget.**

**(G) The estimated useful life of the Capital Project related to each Capital Expenditure.**

**(H) For Capital Expenditures related to the general maintenance of infrastructure, the total projected funds required to improve or rehabilitate the infrastructure type city-wide to an acceptable state of function of repair.**

**(I) An indication of the departmental or agency priority for each Capital Project related to a Capital Expenditure. A uniform system for indicating priority shall be designed by the Mayor and implemented across all departments.**

**(J) Any public safety or public health considerations or impacts for the Capital Project related to each Capital Expenditure.**

**(K) A report that details the distribution of funds in the Capital Program between CDBG eligible census tracts and activities and non-CDBG eligible census tracts and activities.**

**(L) A report that details the distribution of funds in the Capital Program between Council Districts.**

**(d) Capital Program Facilitation Committee, the CPFC. A committee that shall act in an advisory capacity to the Mayor and City Council to ensure that the Capital Budget is carried out and that all pre-encumbered capital funds are expended.**

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(1) Each department head/bureau chief shall report on the status of departmental capital expenditures, total and anticipated spending for each funding source, and information detailing significant variances between planned and current project milestones. The report shall be in writing and shall detail any impacts on current and six year capital outlays.

(2) The community representation on the Committee may update the Committee on progress on community development and economic development projects and ongoing community needs.

(3) The City Clerk, or his/her designee, shall keep the minutes and the records of this Committee. All departmental reports shall be transmitted to the Clerk no later than 3 days prior to the scheduled meetings.

(4) The City shall, in conjunction with the CPFC, produce and make public quarterly financial reports on the status of the Capital Program that shall include the following:

(A) An overall report of the Capital Program;

(B) The total amount of spending anticipated for each of the funding sources;

(C) A detailed explanation of any variances between planned and actual expenditures;

(D) The status of each project with descriptions of actual and projected expenditures compared to the budgeted expenditures;

(E) Project milestones for each project and any variance between the planned schedule(s) and the actual schedule(s).

(5) Compensation. Members of the CPFC shall serve without compensation.

(6) Terms and Filling of Vacancies. With the exception of the five seats appointed by the Mayor and Council, each member of the Committee shall serve for the duration of their tenure as head of major administrative unit, Bureau chief, term of elective office or Chairmanship.

(7) Membership. The membership of the CPFC shall consist of the following:

(A) Director of Finance, or his/her representative;

(B) Director of Operations, or his/her representative;

(C) Director of Public Works, or his/her representative;

(D) Director of Parks and Recreation, or his/her representative;

(E) Director of City Planning, or his/her representative;

(F) Chief of Police, or his/her representative;

(G) Chief of Fire, or his/her representative;

(H) Chief of EMS, or his/her representative;

(I) Chief of Building Inspection, or his/her representative;

(J) Executive Director of the Urban Redevelopment Authority, or his/her representative;

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(K) Two (2) Members of City Council, appointed by the President of City Council;

(L) The Budget Director of City Council, or his/her representative;

(M) City Controller, or his/her representative;

(N) Five (5) Community Representatives, Two (2) nominated by the Mayor, and three (3) nominated by the Mayor from a list of nine (9) recommended individuals provided by City Council.

(i) Residents appointed by the Mayor and Council shall be residents of the City of Pittsburgh at the time of their appointment, shall remain residents for the duration of their term on the board, and shall have a minimum of six (6) years of demonstrated service in the City in one of the following areas:

1. Community and economic development

2. Community and human services

3. Affordable housing and/or fair housing

4. Employment, labor and/or job creation

5. Environmental advocacy and/or environmental protection

(ii) City Council shall forward a list of nine (9) recommended nominees to the mayor via resolution.

(iii) Community Representatives shall serve for three year terms. Upon the original incorporation of the board, two (2) community representatives (one nominated by the Mayor, the other nominated by the Mayor from the City Council recommendation) shall serve for one (1) year, two (2) community representative (one nominated by the Mayor, the other nominated by the Mayor from the City Council recommendation) shall serve for two (2) years, and one (1) community representative shall serve for a full three (3) year term.

(iv) A vacancy shall have occurred upon the expiration of a term, ineligibility due to the failure to meet the residency requirement, a formally written resignation communicated concurrently to the Mayor and the City Council, or a vacancy from death. Upon a vacancy, the Mayor shall submit written communication to City Council informing them of the vacancy or vacancies and requesting a new recommendation of appointees upon which any and all new nominees must be based. If a vacancy exists for more than sixty (60) days without written notice from the Mayor, Council may forward a list of recommended nominees totaling one (1) nominee for each vacancy.

(v) The Mayor and Council shall work to fill all vacancies upon their occurrence and in a timely manner.

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**(9) All meetings, business, and written communication of the CPFC shall be subject to the Sunshine Act of the State of Pennsylvania. All meetings of the CPFC shall be cablecast and open to the public. All documents produced by the CPFC shall be made publicly available on the City's website within ten (10) days of their final publication.**

**(e) Capital Program Reconciliation Committee, the CPRC. A committee that shall act in an advisory capacity to the Mayor and City Council on matters relating to unexpended funds in the Capital Program.**

**(1) The CPRC shall prepare an annual reconciliation (the "annual reconciliation") of Capital Project accounts. The annual reconciliation shall be a written report and shall include:**

**(i) A complete list of all unexpended Capital Expenditures from previous capital budgets of at least three (3) years old or older with detailed information on account code numbers, grant numbers, account balances and project descriptions.**

**(ii) Project accounts, identified to be closed out and for what reason the identification has been made. An identification can only be made if it is agreed upon unanimously by the members of the CPRC.**

**(iii) A complete reconciliation of all unexpended Capital Expenditures against current bank balances.**

**(2) The completed annual reconciliation shall be delivered to City Council, the Mayor, and the Controller on or before the last Tuesday of the fifth month of each fiscal year. The CPRC shall communicate to each member of City Council any Capital Project accounts related to a Capital Project in the Councilmember's district that have been identified to be closed out on or before the last Tuesday of the fifth month of each fiscal year.**

**(3) If reconciliation results in a positive balance, funds shall be transferred to the capital budget reserve fund for reallocation in the succeeding year's capital budget.**

**(4) The Committee shall be comprised of three (3) voting members:**

**(A) The Director of Finance, or his/her representative;**

**(B) The Budget Director of City Council, or his/her representative;**

**(C) The Controller, or his/her representative.**

**(5) All documents produced by the CPRC shall be made publicly available on the City's website within ten (10) days of their final publication.**

**(6) The powers of the CPRC shall in no way supercede, override, or otherwise interfere with the budgetary authority vested in the Mayor or the City Council of the City of Pittsburgh.**

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**(f) Capital Project. Any project funded by public monies, or proposed to be funded by public monies, to build, restore, retain, or purchase any equipment, property, facilities, programs or other items, including buildings, park facilities, infrastructure, information technology systems, or other equipment, that is funded on a necessarily non-repeating, or non-indefinite, basis and that is to be used as a public asset, or for the public benefit. Any and all funds used for a Capital Project shall be used in accordance with the rules and regulations of the fund source.**

### **218.3 Timeline and Approval of Capital Program**

**(a) In accordance with the time frame allowed in Article 5, Section 508 of the Home Rule Charter, the Mayor must submit the Capital Program to City Council on or before the last Tuesday of the sixth month of each fiscal year. A finalized version of The Capital Program shall also be submitted to City Council concurrently with the Capital Budget.**

### **218.4 Capital Program Facilitation Committee**

**(a) The CPFC shall meet no less than four (4) times annually, at regular intervals. In the year of the passage of this ordinance, the Committee shall hold its first meeting not more than thirty (30) days after the date of final passage of this ordinance.**

### **218.5 Capital Program Reconciliation Committee**

**(a) The Capital Program Reconciliation Committee shall meet at least three (3) times annually and shall hold its first meeting on or before the first day of the second month of each fiscal year. In the year of the passage of this ordinance, the Committee shall hold its first meeting not more than twenty one (21) days after the date of final passage of this ordinance.**

### **218.6 Capital Expenditures for related City of Pittsburgh agency, department or authority as well as any unrelated public body**

**(a) Capital Expenditures proposed on behalf of any related City of Pittsburgh agency, department or authority as well as any unrelated public body shall be ineligible for consideration by City Council unless they are submitted with the following information:**

**(1) A detailed, line-item budget proposal for all proposed Capital Expenditures related to this section. This information shall be communicated to City Council no later than the second Monday of the eleventh month of the City of Pittsburgh's fiscal year.**

**(2) A detailed, line-item account of all Capital Expenditures allocated to the related City of Pittsburgh agency, department, authority or unrelated public body in the most recently completed fiscal year that shall include a detailed account of expenditures, descriptions of the activities, programs, or projects on which the funds were expended, and any left over or unexpended funds from the allocation. This information shall be communicated to City Council no later than the**

second Monday of the eleventh month of the City of Pittsburgh's fiscal year.

### 218.7 Public Participation in the Budget Process

(a) The Mayor and the CPFC shall hold at least four (4) public meetings to obtain the advice of public officials and citizens in preparation of the annual budget. These meetings shall be held in disparate locations throughout the City, at times that are conducive to participation by low- and moderate-income people (at or after 6:00 p.m.), no later than thirty (30) days prior to the deadline for submitting the Capital Program to City Council as provided in Section 218.3 of this Chapter. Additionally, the CPFC shall solicit written public comments concerning capital needs and priorities for inclusion in the annual budget, during the months of April and May of each year.

(i) In addition to obtaining the advice of public officials and citizens in preparation of the annual budget, the agenda for the meetings required in the previous paragraph shall include an opportunity for public comment on the information contained in the quarterly financial reports required under Section 218(f)(4) of this Chapter.

(ii) All public meetings and solicitation of public comments required herein shall be publicized in all available media, including press releases, television announcements, flyers, letters and electronic communication to community-based organizations, posting to the City's website, and such other methods as shall be designed to reach the widest possible audience of City residents.

(b) The City's federally mandated Community Development Block Grant public hearings or public meetings shall be held separately from either the Mayor's or City Council's public budget hearings. This section shall be interpreted to mean that the Mayor's and City Council's public budget meetings shall be an addition to the City's federally mandated Community Development Block Grant public hearing or public meetings, not held in concurrence with them.

(c) The Mayor and members of City Council shall make every effort to personally attend all public budget hearings and meetings.

I do hereby certify that the foregoing resolution duly engrossed and certified, was delivered by me to the Mayor for his approval or disapproval and that the Mayor failed to approve or disapprove the same, whereupon it became a law without his approval under the provisions of the Act of Assembly in such case made and provided. Linda M. Johnson-Wasler, City Clerk