



Text File

Introduced: 9/24/2021

Bill No: 2021-1941, Version: 1

Committee: Committee on Finance and Law

Status: Passed Finally

Ordinance amending the City Code at Title Two: Fiscal, Article I: Administration, in order to make technical corrections in Chapters 218 and 219, related to past events that no longer exist.

The Council of the City of Pittsburgh hereby enacts as follows:

Section 1. The City Code is hereby amended and supplemented at Title Two: Fiscal, Article I: Administration, Chapter 219: Operating Budget, Section 219.02: Five-Year Plan, as follows to remove the temporary fund balance minimums that were established by Ordinance 42 of 2020:

§ 219.02 - FIVE-YEAR PLAN.

In addition to the requirements of Chapter 503 of the Home Rule Charter, the annual operating budget approved by Council shall also include a five-year plan.

(a) The five-year plan shall consist of the proposed budgetary year and a projection for revenues, expenditures, operating result and fund balance for the following four (4) years utilizing generally accepted forecasting methodology.

(b) **[There shall be a minimum projected fund balance in each year of the five-year plan, that should be calculated by dividing the fund balance by the total general fund expenditures for that fiscal year.] The projected fund balance shall be minimally maintained at ten (10) percent through each year of the five-year plan with a target goal of between twelve and one-half (12.5) percent and sixteen and seven-tenths (16.7) percent with an optimum goal of sixteen and seven-tenths (16.7) percent. The percentage should be calculated by dividing the fund balance by total general fund expenditures for that fiscal year.**

[(1) Effective for the 2021 fiscal year, the minimum projected fund balance shall be seven (7) percent.

(2) Effective for the 2022 fiscal year, the minimum projected fund balance shall be eight (8) percent.

(3) Effective for the 2023 fiscal year, the minimum projected fund balance shall be nine (9) percent.

(4) Effective for the 2024 fiscal year, and for each fiscal year thereafter, the minimum projected fund balance shall be minimally maintained at ten (10) percent through each year of the five-year plan.

(5) The target goal of the projected fund balance of each year of the five-year plan should be between twelve and one-half (12.5) percent and sixteen and seven-tenths (16.7) percent, with an optimum goal of sixteen and seven-tenths (16.7) percent.]

Section 2. The City Code is hereby amended and supplemented at Title Two: Fiscal, Article I: Administration, Chapter 219: Operating Budget, Section 219.03: Collaborative Budgeting Process, as follows to remove the temporary waiver of the preliminary budget authorized by Ordinance 30 of 2020, and to remove references to the ICA:

§ 219.03 - COLLABORATIVE BUDGETING PROCESS.

[So long as the Pittsburgh Intergovernmental Cooperation Authority (ICA), pursuant to State Act 11 of 2004, is in existence, then the Mayor shall concurrently submit the budget presented to the ICA to City Council. After termination of the ICA, the] The Mayor shall present a preliminary operating and capital budget to City Council on or prior to September 30 of each calendar year. The proposed budgets shall continue to be presented on the second Monday of the eleventh month of each fiscal year, pursuant to Chapter 505 of the Home Rule Charter.

- (a) The Office of Management and Budget, the Council Budget Office and the Controller shall meet by August 31 each calendar year to review and agree on revenue forecasts for the formulation of the proposed budget and five-year plan.
- (b) The City Controller shall certify the agreed upon revenues within thirty (30) days of said meeting and file the certification with the City Clerk's Office.
- (c) Changes to revenue after certification must receive written approval by one (1) other branch.
- (d) As a general rule, changes to the September preliminary operating budget and five-year plan shall not exceed two (2) percent of the total budgeted amount in the November proposed budget
- (e) As a general rule, the final budget passed by Council shall not exceed two (2) percent of the November proposed budget.

[Due to the COVID-19 pandemic, the requirements set forth in the initial paragraph of this Section relating to the presentation of a preliminary operating and capital budget to City Council by September 30 shall be waived for Fiscal Year 2021. In addition, subsection (d) of this Section shall be waived for Fiscal Year 2021. Notwithstanding the foregoing, all such provisions shall be reinstated for Fiscal Year 2022 and following years.]

Section 3. The City Code is hereby amended and supplemented at Title Two: Fiscal, Article I: Administration, Chapter 218: Capital Budget and Capital Improvement Plan, Section 218.05: Project Authorization, as follows to remove the reference to the ICA, and to align 218.05 with 219.03:

§ 218.05 - PROJECT AUTHORIZATION.

(a) *Proposed CIP and capital budget.* Following the publication of the CPFC's report to the Mayor, the Office of Management and Budget will make a recommendation to the Mayor on the level of funding through all sources for the capital budget in the coming fiscal year and projected availability of funding for the next six (6) fiscal years. On the basis of the projected availability of funding and the CPFC Report, the Mayor will propose a CIP and capital budget to City Council by the second Monday of the eleventh month each year and simultaneously post it online for public review.

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(b) [*Intergovernmental cooperation authority*] Collaborative budget process. [So long as the Pittsburgh Intergovernmental Cooperation Authority (ICA), pursuant to State Act 11 of 2004, is in existence, then the Mayor shall concurrently submit the Capital Budget and Capital Improvement Plan to the ICA and City Council one hundred (100) days before the end of the calendar year.] The Mayor shall present a preliminary operating and capital budget to City Council on or prior to September 30 of each calendar year. The proposed Capital Budget and Capital Improvement Plan shall continue to be presented on the second Monday of the eleventh month of each fiscal year, pursuant to Chapter 505 of the Home Rule Charter.

(c) *Review by the CPFC*. CPFC shall also evaluate the six-year CIP in November to ensure that the plan is consistent with the City's capital needs.

(d) Approval of the capital budget in accordance with the authority granted under Article 5 of the Home Rule Charter, City Council shall consider, modify, and approve the Capital Improvement Plan and the annual Capital Budget each year.