

ORDINANCE NO.

CITY COUNCIL

BILL 54 - 2022

July 20, 2022

An Ordinance

Amending the Administrative Code, § 5-15 City Council action on budget, by changing the definitions of the Mayor's Proposed Budget to comply with current and amended provisions of Home Rule Charter - that the budget shall be submitted on or before 75 days prior to the ensuing fiscal year pursuant to the Charter rather than 60 days (housecleaning measure).

Section One: That § 5-15 City Council action on budget be amended to comply with the Charter provision that the budget shall be submitted on or before 75 days prior to the ensuing fiscal year and to read as follows:

§ 5-14 Budget.**[Added 6-8-1995 by Ord. No. 13337]**

- A. The budget shall be in such form as is required by Council for City budgets and shall, in addition, have appended thereto a detailed analysis of the various items of expenditures and revenue. Position classification titles, pay grades and salaries for each specific position shall be components of the program detail in the budget that is presented to and adopted by City Council.
- B. The budget submitted to Council and the public shall include budget detail sheets which list each and every program account with the items that justify the respective account expenditure. **[Added 6-7-2013 by Ord. No. 15076]**

§ 5-15 City Council action on budget.**[Amended 4-17-2003 by Ord. No. 14078]**

- A. The Mayor may propose amendments to the original proposed balanced budget. Any amendment which increases any tax rate or fee shall become part of the original budget, provided City Council approves each amendment by five votes. Other Mayoral amendments which do not increase any tax rate or fee shall become part of the original budget, provided City Council approves each amendment by four votes.
- B. The Mayor's original proposed balanced budget is that budget which was submitted on or before 75 at least 60 days prior to the ensuing fiscal year pursuant to the Charter.

§ 5-16 Amendments after adoption.

- A. Council may authorize by ordinance supplemental appropriations or revenue changes for any lawful purpose from funds on hand or estimated to be received within the fiscal year as follows: **[Amended**

10-20-1993 by Ord. No. 13221; 4-7-1994 by Ord. No. 13252; 7-17-1997 by Ord. No. 13592]

- (1) Council may authorize a transfer of the unexpended balance or portion thereof of any appropriation item.
 - (2) Council may authorize an appropriation from the unappropriated balance of any fund.
 - (3) Council may increase any revenue or income budget account to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
 - (4) Council must approve, by ordinance, any transfer of any funds which results in a change in salary for any City employee.
- B. Positions created by ordinance. No permanent or permanent part-time position not explicitly provided for in the Budget shall be created; nor shall any budgeted position be deleted or transferred from its budgeted program, unless City Council, by ordinance, authorizes the same position. **[Amended 3-16-1983 by Ord. No. 12548; 6-20-1990 by Ord. No. 12979]**
- C. Rules and regulations on transfers. **[Amended 6-20-1990 by Ord. No. 12979]**
- (1) Interfund transfers. City Council may, by ordinance, approve transfers between funds during a budget year.
 - (2) Budgeted transfers. The Administration shall issue a monthly report, no later than the 15th of each month, on the transfer of funds into the Risk Management Fund. **[Amended 9-16-2011 by Ord. No. 14922]**
 - (3) Intrafund transfers. Subject to the above limitation, the Director of Finance shall have the power within a given account to authorize the transfer of any unexpended balance or any portion thereof, provided such transfers do not exceed \$5,000. Transfers that exceed \$5,000 must be approved by a majority of Council by signing off on an appropriate form submitted to the Clerk's Office. After approval, the transfers shall be distributed to the public as an agenda item and be made part of the minutes of said meeting. **[Amended 10-7-2004 by Ord. No. 14215]**
 - (4) The Director of Finance must establish administrative procedures which require information on the request forms proving that such transfer requests comply with this section. **[Amended 6-22-1993 by Ord. No. 13205; 10-20-1993 by Ord. No. 13221; 10-20-1994 by Ord. No. 13284; 7-17-1997 by Ord. No. 13592]**

§ 5-17 Administration of budget and capital plan.
[Amended 6-3-2009 by Ord. No. 14721]

The Department of Finance shall submit a monthly financial report to City Council and the Controller showing the financial condition of the various funds of the City, inclusive of authorized, year-to-date and monthly expenditures and revenues of the current and previous fiscal years. The report shall be delivered to Council, and the Controller, no later than two weeks or the first business day thereafter at the close of the month. Should the report not be available within the time frame stated in this section, an explanation must be provided to City Council and the Controller by the first business day after the stated deadline.

§ 5-18 Capital projects.

- A. No expenditure for any capital project shall take place unless a specific authorization has been approved by Council that contains a specific revenue source except in the case of a declared emergency by the Mayor and or his designee. **[Amended 9-3-2014 by Ord. No. 15146]**
- B. Capital project reporting. Status reports to Council: **[Amended 6-7-1996 by Ord. No. 13401; 9-3-2014 by Ord. No. 15145]**

- (1) Biweekly report. A biweekly report of the active capital improvement projects shall be distributed to the City Controller and City Council upon their request.
 - (2) Report to Council. In addition, the Administration shall provide quarterly reports (March, June, September and December) to City Council. The report shall be delivered to Council, and the Controller, no later than two weeks or the first business day thereafter at the close of the month. The report shall include the project number, name, start date, funding source, authorizing legislation, initial authorization, adjustments to the original authorization, encumbrances, remaining balance, and projected completion date.
 - (3) No later than 45 days after the completion of a capital project, the Administration shall prepare and submit to City Council and the Controller, a report on the completed capital project. The report shall include the project number, name, start date, funding source, authorizing legislation, initial authorization, adjustments to the original authorization, encumbrances, remaining balance, and completion date. The report shall include a review of the estimated cost of the project with the final cost, and explain any deviation between the actual and estimated costs. The report shall be submitted with the monthly financial reports.
- C. Capital project transfers. Once a capital project is completed, the authorization for that capital project shall cease and the "appropriate surplus" shall not apply to any other project. There shall be no transfer of funds from any capital projects unless specifically approved by Council as an amendment to the capital budget. **[Amended 6-7-1996 by Ord. No. 13401]**

SECTION TWO: That this Ordinance will take effect ten (10) days after final passage.

SECTION THREE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

Charter Provisions:

The following Code does not display images or complicated formatting. Codes should be viewed online. This tool is only meant for editing.

SECTION 802 Submission of balanced budget and capital program. [Amended 11-5-2019 (6-20-2019 by Ord. No. 15543)]

On or before 90 days prior to the ensuing fiscal year, the Department Heads will submit Proposed Budget and Capital Program to the Mayor. On or before 75 days prior to the ensuing fiscal year, the Mayor will submit to the City Council a balanced budget, Capital Program and an accompanying message. The Proposed Balanced Budget and Capital Program shall be in such form as the Mayor deems desirable, unless otherwise required by Council.

SECTION 803 Budget message.

The Budget shall be accompanied by a message which shall include:

- A. An explanation of the expenditures and revenues in the proposed budget, indicating and explaining major changes from the current year and the prior year.
- B. An outline of proposed programs and an explanation of new, expanded or abolished programs or functions.
- C. A summary of the City's debt position.
- D. Such other material, as required by Council that will inform the Council and the public of municipal goals.

SECTION 804 Budget.

The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year in accordance with all Generally Accepted Accounting Principles and, except as required by this Charter, shall be in such form as the Mayor deems desirable or the Council may require. In organizing the budget, the Mayor shall utilize the most feasible combination of expenditure classification by fund, organization unit, program, purpose or activity, and object. The Budget shall contain, among other things, the following:

- A. It shall begin with a general summary of its contents.
- B. It shall show, in detail, all estimated income, indicating the existing and proposed tax levies, as well as other assessments, fees and charges.
- C. It shall show all proposed expenditures, including debt service, for the ensuing fiscal year.
- D. It shall show the number of proposed employees in every job classification.
- E. It shall be so arranged as to show comparative figures for actual and estimated income and expenditures for the current fiscal year and actual income and expenditures of the preceding four fiscal years.
- F. It shall indicate proposed expenditures during the ensuing fiscal year, detailed by offices, departments and agencies, in terms of their respective work programs and the methods of financing such expenditures.
- G. It shall indicate proposed capital expenditures during the ensuing fiscal year, detailed by office, departments and agencies when practicable, and the proposed method of financing each such capital expenditure. The Mayor will include this separate Capital Program section in the annual Budget and submit to Council with appropriate supporting information as to the necessity for such programs.

- H. It shall indicate anticipated net surplus or deficit for the ensuing fiscal year of each utility, i.e., water, sewer and enterprise funds, owned or operated by the City and the proposed method of its disposition; subsidiary budgets for each such utility giving detailed income and expenditure information shall be attached as appendices to the budget.

The total of proposed expenditures shall not exceed the total of estimated income.

SECTION 805 City Council action on budget.

- A. Public access to budget. The proposed budget shall be available for public inspection at City Hall and at the Allentown Public Library and the Lehigh County Law Library, and copies shall be available for the public at a reasonable fee to be set by the Council. **[Amended 11-6-2001]**
- B. Amendment before adoption. After the public hearing, the City Council may adopt the budget with or without amendments. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for an estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than total estimated income and thereby allowing for line item changes by the City Council.

If the amended Budget increases, decreases or readjusts funding requirements by more than 5%, or adds or deletes a program, the Budget shall be returned to the Mayor immediately for comment and resubmission to the Council within three normal City work days.

Council shall provide for another public hearing to be held within five days after the Mayor has resubmitted the Budget.

- C. Adoption. Council and the Administration must adopt an annual budget by no later than December 31st of the fiscal year currently ending. See this Charter, Sections 219 and 221 for discussion of effective dates. **[Amended 11-5-2019 (6-20-2019 by Ord. No. 15544)]**