

Chapter 9

**Finance**

Article I      Financial Reserves

    Section 9-1      Permits and Fees

    Section 9-2      Violations

History: Chapter 9 Article I was Ordinance 12-0410-01 (adopted May 21, 2012).

## Article I Financial Reserves

### Section 9-1 Capital Reserve Account

There is hereby established a special account to be known, maintained, and designated as the Capital Reserve Account within the General Account of the City of Delaware City. The Capital Reserve Account shall be cumulative in nature.

**(a) Funding Limitations.** Each fiscal year that the Capital Reserve Account contains less than five hundred thousand dollars (\$500,000), five percent (5%) of the anticipated annual revenues for each fiscal year shall be paid to the Capital Reserve Account, thereby placing a limit on The City of Delaware City's Operating Budget spending at ninety-five percent (95%).

**(b) Using Capital Reserve Account.** The City of Delaware City Council by adoption of a Capital Expenditure Budget may appropriate from the Capital Reserve Account as may be necessary to fund any major capital project or minor capital improvement project required during any given fiscal year.

**(c) Changing Allocation Percentage.** Any changes to the percentage allocation to the Capital Reserve Account shall be approved by The City of Delaware City Council by a four-fifths vote of its elected members.

### Section 9-2 Budget Reserve Fund

There is hereby established a special fund to be known, maintained, and designated as the Budget Reserve Fund of The City of Delaware City. The Budget Reserve Fund shall be cumulative in nature.

**(a) Funding Limitations.** On or before September 1 of each year, the excess of any unencumbered funds remaining from the prior fiscal year shall be paid into the Budget Reserve Fund, provided however, that no such payment shall be made that increases the total of the Budget Reserve Fund to more than five hundred thousand dollars (\$500,000).

**(b) Calculating Budget Reserve Contribution Amount.** The excess of any unencumbered funds shall be determined by subtracting the actual unencumbered funds at the end of any fiscal year from an estimated amount necessary to fund all payments and liabilities attributable to the prior fiscal year's expenses.

**(c) Using Budget Reserve Fund.** The City of Delaware City Council by a four-fifths vote of its elected members may appropriate from the Budget Reserve Fund such additional sums as may be necessary to fund any actual or unanticipated deficit during any given fiscal year.

**(d) Changing Allocation Amount.** Any changes to the Budget Reserve Fund shall be approved by The City of Delaware City Council by a four-fifths vote of its elected members.