I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original Ordinance passed by the Council of the City of Reading, on the 11 day of April A. D. 20 11. Witness my hand and seal of the said City this 14 day of April A. D. 20 11.

CITY CLERK

ORDINANCE NO. 17-2011

AN ORDINANCE AMENDING THE CITY OF READING CODIFIED ORDINANCES CHAPTER 1 ADMINISTRATION AND GOVERNMENT, SECTION 186 FISCAL PROVISIONS BY PROVIDING CLARIFYING LANGUAGE REGARDING COUNCIL APPROVAL OF TRANSFERS TO AND FROM ALL CITY FUND ACCOUNTS.

THE COUNCIL OF THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION ONE. Amending The City Of Reading Codified Ordinances Chapter 1 Administration And Government, Section 186 Fiscal Provisions #3 Regulations Concerning Appropriations and Transfers by providing clarifying language regarding Council Approval Of Transfers To And From All City Fund Accounts.§1-186. Fiscal Provisions.

3. **Regulations Concerning Appropriations and Transfers.**

A. The authorization and expenditure of all funds and preparation of department budgets shall be in accordance with a policy adopted by the Council and a ***financial*** procedures manual to be prepared and periodically reviewed and updated by the Department of Finance. Expenditures shall be executed in a uniform manner for every City Department.

B. The Director of Finance shall prepare and submit a monthly report to the Mayor, the managing director, and Council. This monthly report shall include all Expenditures, borrowing, or any use for each City Department ***and each City Fund account***, and status reports comparing those expenditures with the adopted budget, as well as any Department justification of transfer, borrowing, or any use of funds within departments, between departments ***and within or between City Funds account.***

C. In order to allow flexibility in the administration of the City's business, departments may transfer money between line items within the department. A majority of Council, in response to any monthly report, may place a limit on the amount of additional excess expenditure allowed for any program or line item. This is not intended to restrict unduly the Mayor's ability to manage and administer the budget

D. Justification for transferring, borrowing or any use of funds between departments ***and/or City Fund accounts*** must be presented to and approved by Council. The ***financial*** procedures manual will stipulate the following:

(1) Expenditure procedures.
(2) Justification procedures for transferring money between line items.
(3) Justification procedures for transferring money between department.
(4) Administration of petty cash funds.
(5) Justification procedures for transferring, borrowing, or any use of ***money between City Fund accounts.***

E. Requiring an amendment to the City's annual Budget Ordinance authorizing the transfer, borrowing, or any use of all monies including, but not limited to, transfers, borrowing, or any use of funds between departments, and transfers, borrowing, or any use of funds in and out of any City Fund ***account***, account or line item either attached in part or unattached to a departmental budget. *The City Funds include all general, operating, capital and enterprise funds.* The request for a budget amendment must be submitted to City Council with an agenda memorandum explaining the justification for transfer, borrowing, or any use of funds and the proposed use for the funds transferred ***at least 2 weeks before the transfer is required.*** [*Ord. 36-2000*]

F. *Requiring an amendment to the City's annual Budget Ordinance to authorize any cumulative modification to any departmental overall budget or line item exceeds $10,000.* The request for a budget amendment must be submitted to City Council with an agenda memorandum explaining the justification for transfer and the proposed use for the funds transferred, borrowed or used at least 2 weeks before the transfer is required. [*Ord. 54-2009*]

G. Requiring City Council approval, via ordinance, for the following:
(1) Salary increases that were not approved in or included in the budget for the fiscal year and fall outside the labor contract for union employees.
(2) All expenditures not approved and listed in the operating or capital budgets for the fiscal year prior to those expenditures occurring. [*Ord. 36-2000*]
(3) All expenditures and allocations of $50,000 or more from and to any and all agency funds and any and all line-items falling in the Departmental: Non Departmental area of the General Fund. [*Ord. 4-2009*]

SECTION TWO. All other parts of the Ordinance remain unchanged.

SECTION THREE. This ordinance shall become effective ten (10) days after its adoption in accordance with Sections 219 and 221 of the City of Reading Home Rule Charter.

Enacted by Council April 11, 2011

President of Council

Attest:

City Clerk

(Waltman & Council Staff)

Submitted to Mayor: _____
Date: 4-12-11

Received by the Mayor's Office: _____
Date: 4-13-11

Approved by Mayor: DEPUTY _____
Date: 4/19/11

Vetoed by Mayor: _____
Date: _____