

AN ORDINANCE TO AMEND CHAPTER 2 OF THE CITY CODE TO REQUIRE THAT ALL LEGISLATION INCLUDE A FISCAL IMPACT STATEMENT PREPARED BY THE OFFICE OF MANAGEMENT AND BUDGET

#0138

Sponsor:

**Council
Member
Bracy**

WHEREAS, City Council recognizes the importance of transparency and accountability in the use of public funds; and

WHEREAS, City residents are best served when legislation is accompanied by clear and accurate information regarding its financial implications; and

WHEREAS, the City's Office of Management and Budget is the appropriate entity to provide nonpartisan fiscal analysis of proposed legislation; and

WHEREAS, it is in the public interest to require that all ordinances and substantive resolutions passed by City Council include fiscal impact statements outlining the projected costs or savings of the legislation, as well as certain other related information, for the current fiscal year and any subsequent affected fiscal years; and

WHEREAS, City Council deems it necessary and appropriate to amend Chapter 2 of the City Code to add a new Section 2-36 requiring every ordinance and substantive resolution passed by City Council to include such a fiscal impact statement.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Chapter 2 of the City Code is hereby amended by adding a new Section 2-36 thereto with the underlined language to read as follows:

2-36. Fiscal Impact Statements for Legislation.

(a) *Requirement of a Fiscal Impact Statement.*

- (1) All ordinances and substantive resolutions shall include either a fiscal impact statement prepared by the office of management and budget ("OMB") or a written statement from OMB explaining the reason(s) that no fiscal impact statement could be prepared. For purposes of this section,

a substantive resolution is a resolution that has a legal effect, such as one approving a disposition of real property, as opposed to a non-substantive resolution that does not have a legal effect, such as one requesting another governmental body to take certain action. The city law department shall determine whether a resolution is substantive or non-substantive for purposes of this section.

- (2) An ordinance may be introduced before city council and have a first and second reading without containing a fiscal impact statement so long as the city clerk or the clerk's designee notes on the record at the city council meeting that the ordinance does not contain a fiscal impact statement.
 - (3) No ordinance or substantive resolution shall be listed on a city council committee meeting agenda for discussion or a city council meeting agenda for third and final reading or consideration unless the requirements of subsection (a)(1) have been satisfied.
- (b) *Content of Fiscal Impact Statements.* Every fiscal impact statement shall include:
- (1) A statement of the estimated costs or savings to the city resulting from the legislation in the current fiscal year and any subsequent affected fiscal years for which such projections could reasonably be made;
 - (2) A statement of any potential impact of the legislation on revenues in the current fiscal year and any subsequent affected fiscal years for which such potential impact could reasonably be projected;
 - (3) A statement of any potential impact of the legislation on staffing, operations, and capital expenditures in the current fiscal year and any subsequent affected fiscal years for which such potential impact could reasonably be projected;
 - (4) A description of the assumptions used in preparing the estimates and potential impacts listed in subsections (b)(1) through (b)(3), if relevant; and
 - (5) Identification of the funding source(s) of the legislation, if applicable.

(c) *Request for and Preparation of Fiscal Impact Statements.*

- (1) A request for a fiscal impact statement shall be made to OMB by the city law department.
- (2) OMB shall prepare and transmit a fiscal impact statement to the city law department within fifteen (15) business days of receiving a written request for such a statement.
- (3) If OMB determines that additional time is required beyond the time period set forth in subsection (c)(2), it shall provide a written notice of delay to the city law department prior to the expiration of the time period set forth in subsection (c)(2) stating the reason for the delay and providing an estimated completion date.
- (4) A notice of delay under subsection (c)(3) shall extend the deadline for OMB to transmit the fiscal impact statement to the city law department until the estimated completion date listed in the notice. The estimated completion date shall not be later than thirty (30) calendar days after the date of the original request for a fiscal impact statement, which shall serve as the final deadline for the transmittal of the fiscal impact statement from OMB to the city law department, except for extraordinary circumstances or situations referenced in subsection (c)(5).
- (5) If OMB is waiting for information to complete a fiscal impact statement and the sponsor of the legislation would prefer to include a fiscal impact statement rather than a statement that a fiscal impact statement could not be prepared, OMB and the sponsor of the legislation may enter into a written agreement to extend the deadline for OMB to provide the fiscal impact statement beyond thirty (30) calendar days from date of the original request for a fiscal impact statement.

(d) *Situations in which a Fiscal Impact Statement Cannot Be Prepared.*

- (1) If OMB determines that a fiscal impact statement cannot be reasonably prepared, it shall provide a written statement to the city law department explaining the reason(s) that it could not be prepared.

(2) OMB may determine that a fiscal impact statement cannot be reasonably prepared if circumstances such as the following exist:

- (i) The legislation requires action by another governmental body or external authority outside the city's jurisdiction;
- (ii) The legislation lacks sufficient detail or specificity to permit accurate cost analysis;
- (iii) Reliable cost data, staffing information, or financial assumptions are unavailable at the time of the request; or
- (iv) The legislation is purely ceremonial, honorary, or has no measurable fiscal effect.

(3) The list set forth in subsection (d)(2) is demonstrative and not exhaustive.

(e) *Substitute Ordinances and Floor Amendments.*

(1) Any council member who intends to present a substitute ordinance or floor amendment shall make a good-faith effort to ask the city law department to contact OMB so that OMB has sufficient time prior to the applicable city council committee meeting or city council meeting to:

- (i) analyze whether the amendment to the original legislation affects the fiscal impact statement; and
- (ii) provide a revised fiscal impact statement to accompany the amendment, if warranted.

(2) If OMB is not contacted in sufficient time to analyze the fiscal impact of a substitute ordinance or floor amendment, the city clerk or the clerk's designee shall note on the record of any city council committee meeting or city council meeting at which the amended legislation is discussed or considered that OMB was not able to analyze the fiscal impact of the amended legislation.

SECTION 2. This Ordinance shall become effective thirty (30) days after its passage by City Council and approval by the Mayor.

First Reading..... November 6, 2025
Second Reading..... November 6, 2025
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2025.

Mayor

SYNOPSIS: This Ordinance amends Chapter 2 of the City Code to add a new Section 2-36 requiring all ordinances and substantive resolutions passed by City Council to contain either a fiscal impact statement prepared by the City's Office of Management and Budget ("OMB") or a written statement from OMB explaining the reason(s) that no fiscal impact statement could be prepared.

FISCAL IMPACT STATEMENT: This Ordinance has no anticipated negative fiscal impact.

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