



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST
4-8362
NOV 19 2018
Office of the Chief Administrative Officer

O&R REQUEST

DATE: November 13, 2018 EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor [Signature] 11/30/18

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer [Signature] for SCG

THROUGH: Lenora Reid, Deputy Chief Administrative Officer for Finance & Administration [Signature]

THROUGH: John Wack, Director of Finance [Signature]

THROUGH: Jay A. Brown, Director of Budget & Strategic Planning [Signature]

FROM: Betty J. Burrell, Director of Procurement Services [Signature]

RE: Procurement Services Department Budget Amendments Submitted to Council

ORD. OR RES. No. _____

PURPOSE: To amend council ordinance #2018-057, adopted May 14, 2018, which adopted the Fiscal Year 2018-2019 General Fund Budget and made appropriations pursuant thereto, by appropriating \$125,000 in current personal property tax revenue above the adopted budget amount to the Department of Procurement Services budget line item 98.

REASON: The appropriation of these funds will allow DPS to recruit for and fill authorized but unfunded full-time permanent positions.

RECOMMENDATION: The city administration recommends adoption of this ordinance.

BACKGROUND: Between July 2017 and April 2018 Procurement Services failed to retain all but two employees with more than one year of experience with the department. This vast void of institutional knowledge along with the inability to hire replacement staff has resulted in significant delays in procuring essential goods and services for city departments and agencies. The source of the \$125,000 is additional personal property taxes above the amount adopted by City Council in the FY2019 budget.

SOURCE:

New/increased revenue

Existing general fund

Fund Balance/Reserve/Contingency/Other Funding Source

FISCAL IMPACT/COST (current FY):

- **If Adopted:** The Department of Procurement Services will be able to hire contract specialist with the requisite knowledge, skills, and abilities to provide procurement services in a more timely basis for city departments and agencies.
- **If Not Adopted:** Certain federal and state grants and funding could be jeopardized if solicitations are not posted and contracts are not executed within the required timeline. City departments and agencies will endure extended periods of time between requisition, solicitation, and procurement of goods and services. This is particularly problematic as it pertains to purchases that support life, health, safety, transportation, and other mission-critical projects.

FISCAL IMPLICATIONS: DPS staff hired in FY19 would be needed also in FY20 and beyond.

BUDGET AMENDMENT NECESSARY: Yes, to amend the FY19 general fund budget ordinance # 2018-057 as an appropriation of additional general fund revenue.

REVENUE TO CITY: The Director of Finance has confirmed that the additional revenue is available for appropriation.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: December 10, 2018

CITY COUNCIL PUBLIC HEARING DATE: January 14, 2019

REQUESTED AGENDA: Consent.

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Department of Procurement Services in support of all City departments and agencies.

RELATIONSHIP TO EXISTING ORD. OR RES.: 2018-057

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: None

STAFF: Lenora Reid, Deputy CAO, (804-6446-0485), Betty J. Burrell, Director of Procurement Services, (804) 646-5798

GENERAL FUND TRANSFER BUDGET ITEM DETAIL:

Existing Item – You must show the total appropriation/s for each budget item for your agency EXCEPT the budget item to receive funds

| <u>FROM</u> | | | | | |
|---------------|--------------|--|--|----------------------------------|---|
| <u>Item #</u> | <u>Title</u> | <u>Program</u> <small>(cost center #)</small> | <u>Subprogram</u> <small>(service code #)</small> | <u>Transfer</u> <u>Amount</u> | <u>New Appropriation</u> <u>Amount</u> |
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Existing Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

OR

New Item – You must show the total appropriation for each modified budget item to receive funds, for your agency

*for a new item you must reference the next corresponding item # with a (.) decimal point, see ordinance #2018-057, FY2019 Program Level Budget)

| <u>TO</u> | | | | | |
|---------------------------|---------------------|--|--|---|---|
| <u>Item #</u> | <u>Title</u> | <u>Program</u> <small>(cost center #)</small> | <u>Subprogram</u> <small>(service code #)</small> | <u>Transfer</u> <u>Amount/New</u> <u>Amount</u> | <u>New Appropriation</u> <u>Amount</u> |
| 98 | DPS Op- erations | 08402 | SV0907 | \$125,000 | \$1,260,025 |
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| <u>Grand Total</u> | | | | | \$1,260,025 |

*****Grand total for the New Appropriation Amount MUST match the TOTAL AGENCY budget requested as a result of this ordinance*****