

INTRODUCED: May 9, 2016

AN ORDINANCE No. 2016-142

To amend Ord. No. 2015-73-84, adopted May 15, 2016, which adopted a General Fund Budget for Fiscal Year 2015-2016 and made appropriations pursuant thereto, to transfer funds in the amount of \$2,960,000 from that portion of the fund balance committed to the Revenue Stabilization and Contingency Policy as identified in the City's 2014 Comprehensive Annual Financial Report, to appropriate \$2,760,000 to the Finance agency, Risk Management program for the purpose of consummating the proposed resolution of the *Cephas v. City of Richmond* case by mutual agreement authorized by Res. No. 2016-R034, adopted May 23, 2016, and paying costs incidental thereto, and to appropriate \$200,000 to the Human Resources agency for the purpose of conducting a Citywide review and revision of the City's job classification and compensation programs.

\_\_\_\_\_  
Patron – Mayor Jones

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: MAY 23 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2015-73-84, adopted May 15, 2015, which adopted a General Fund Budget for the fiscal year commencing July 1, 2015, and ending June 30, 2016, and made appropriations pursuant thereto, is hereby amended by transferring funds in the total amount of \$2,960,000 from that portion of the fund balance committed to the Revenue Stabilization and

AYES:            9            NOES:            0            ABSTAIN: \_\_\_\_\_

ADOPTED:    MAY 23 2016    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

Contingency Policy as identified in the City's 2014 Comprehensive Annual Financial Report appropriating funds in the total amount of \$2,760,000 to the Finance agency, Risk Management program for the purpose of consummating the proposed resolution of the *Cephas v. City of Richmond* case by mutual agreement authorized by Resolution No. 2016-R034, adopted May 23, 2016, and paying costs incidental thereto, and appropriating funds in the total amount of \$200,000 to the Human Resources agency for the purpose of conducting a Citywide review and revision of the City's job classification and compensation programs.

§ 2. This ordinance shall be in force and effect upon adoption.



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST

MAY 4 2016
4-5136
Chief Administration Office
City of Richmond

O&R REQUEST

DATE: May 2, 2016

EDITION: 1

TO: The Honorable Members of City Council

RECEIVED

THROUGH: Dwight C. Jones, Mayor [Signature]

MAY 09 2016

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

OFFICE OF CITY ATTORNEY

THROUGH: Debra Gardner, Deputy Chief Administrative Officer for Health and Human Services and Lenora Reid, Deputy Chief Administrative Officer for Finance and Administration [Signature]

FROM: Shunda T. Giles, Director of Richmond Department of Social Services [Signature]

RE: Fiscal Year 2015-2016 General Fund budget amendment to consummate proposed Cephas v. City of Richmond settlement

ORD. OR RES. No. \_\_\_\_\_

PURPOSE: To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted General Fund Budget for the Fiscal Year 2015-2016 and made appropriations thereto, to transfer funds in the amount of \$2,960,000 from that portion of the General Fund balance committed to the Revenue Stabilization and Contingency Policy as identified in the City's most recent Comprehensive Annual Financial Report, to re-appropriate \$2,760,000 to the Department of Finance, Risk Management program for the purpose of consummating the proposed resolution of the Cephas v. City of Richmond case by mutual agreement and paying costs incidental to that resolution, and to re-appropriate \$200,000 to the Department of Human Resources for the purpose of conducting a Citywide review and revision of the City's job classification and compensation programs.

REASON: The requested budget amendment ordinance is needed to appropriate funds to consummate the proposed settlement of the pending Cephas v. City of Richmond case.

RECOMMENDATION: The Administration recommends adoption of the requested ordinance.

**BACKGROUND:** Kimberly Cephas and numerous other current and former City Family Services Specialists, Family Services Workers, Social Work Specialists, Social Workers, and Benefit Program Specialists filed the collective action and class action lawsuit *Cephas v. City of Richmond*, Civil Action 3:15CV332 in the U.S. District Court for the Eastern District of Virginia on June 2, 2015. The case alleged the City's failure to pay overtime compensation as required by the Fair Labor Standards Act and Va. Code §§ 9.1-701 through 9.1-703. On April 25, 2016, Council held a closed meeting pursuant to Va. Code §2.2-3711 (A) (7) and received a briefing from the City Attorney on a proposed settlement of the *Cephas* case. A separate requested Council resolution is pending, which would constitute the City's approval of that proposed settlement. This requested budget amendment would appropriate funds to pay the City's obligation under that settlement as well as other payments relating to overtime compensation for City social workers, to pay for services necessary to consummate the proposed settlement, and to conduct a Citywide review and revision of the City's job classification and compensation programs to reduce the risk of similar lawsuits in the future.

**FISCAL IMPACT / COST:** The amount of cost to the City will be 2,960,000 in the Fiscal Year 2015-2016 budget. No revenue will be lost.

**FISCAL IMPLICATIONS:** The cost of the settlement is being taken from the Revenue Stabilization Fund as appropriated by the City Council. The use of these funds is consistent with the defined uses of the Revenue Stabilization Fund. The cost of the proposed settlement is anticipated to have no impact on the City's debt capacity, bond rating, and revenue generating capability or long-term expenditures.

**BUDGET AMENDMENT NECESSARY:** Yes

**REVENUE TO CITY:** None.

**DESIRED EFFECTIVE DATE:** Upon adoption.

**REQUESTED INTRODUCTION DATE:** May 9, 2016

**CITY COUNCIL PUBLIC HEARING DATE:** May 23, 2016

**REQUESTED AGENDA:** Consent.

**RECOMMENDED COUNCIL COMMITTEE:** Committee referral waiver pursuant to Council Rules VI (B) (2) requested.

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None.

**AFFECTED AGENCIES:** Office of the Chief Administrative Officer, Office of the City Attorney, Office of the Mayor, Department of Budget and Strategic Planning, Department of Finance, and Department of Social Services.

**RELATIONSHIP TO EXISTING ORD. OR RES.:** A separate resolution request seeking approval of the proposed settlement is pending concurrently to this request.

**REQUIRED CHANGES TO WORK PROGRAM(S):** None.

**ATTACHMENTS:** None.

**STAFF:**

Selena Cuffee-Glenn, Chief Administrative Officer

Lenora Reid, Deputy Chief Administrative Officer for Finance and Administration

Debra Gardner, Deputy Chief Administrative Officer for Health and Human Services

Shunda T. Giles, Director, Richmond Department of Social Services