

INTRODUCED: June 10, 2024

AN ORDINANCE No. 2024-162

To amend Ord. No. 2023-071, adopted May 8, 2023, which adopted the Fiscal Year 2023-2024 General Fund Budget and made appropriations pursuant thereto, by (i) increasing revenues from estimated local sales and use, consumer utility, and admissions taxes and from permits and license fees by \$5,489,264.00, (ii) reducing total appropriations by \$8,069,133.00, and increasing total appropriations by \$13,558,397.00, (iii) transferring funds from various agencies and non-departmental programs and appropriating the increased revenues and transferred funds to various agencies and non-departmental programs, (iv) providing for certain assignments of fund balance for the Employee Compensation Reserve Fund, and (v) requiring that certain funds appropriated to the Department of Housing and Community Development for the Fiscal Year 2023-2024 shall be expended for affordable housing efforts.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUNE 24 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Article I, Section 1 of Ordinance No. 2023-071, adopted May 8, 2023, which adopted the General Fund Budget for the fiscal year commencing July 1, 2023, and ending June 30, 2024, is hereby amended by increasing revenues from estimated local sales and use, consumer utility, and admissions taxes and from permits and license fees by \$5,489,264.00.

AYES: 7 NOES: 0 ABSTAIN:

ADOPTED: JUN 24 2024 REJECTED: STRICKEN:

§ 2. That Ordinance No. 2023-071, adopted May 8, 2023, which adopted a General Fund Budget for the fiscal year commencing July 1, 2023, and ending June 30, 2024, and made appropriations pursuant thereto, is hereby amended by:

(a) Reducing total appropriations by \$8,069,133.00 and transferring funds from various agencies and non-departmental programs as shown on the attachment to this ordinance entitled “General Fund Amendments,” a copy of which is attached to and incorporated into this ordinance.

(b) Appropriating the estimated revenues referenced in section 1 of this ordinance and the funds transferred by subsection (a) of this section for the fiscal year commencing July 1, 2023, and ending June 30, 2024, in the total amount of \$13,558,397.00 to various agencies and non-departmental programs as shown on the attachment to this ordinance entitled “General Fund Amendments,” a copy of which is attached to and incorporated into this ordinance.

§ 3. That any unexpended amounts of the appropriations for the line items identified in section 2 of this ordinance shall not lapse at the close of the fiscal year commencing July 1, 2023, and ending June 30, 2024, and shall not revert to the general fund balance, as that term is defined by section 12-241 of the Code of the City of Richmond (2020), as amended, but shall remain in force until expended, revised, or repealed to the extent permitted by law. Any such unexpended amounts shall be accounted for by the Director of Finance in accordance with generally accepted accounting principles and shall be available for appropriation in the fiscal year commencing July 1, 2024, and ending June 30, 2025, for the purpose of funding the line items identified in section 2 of this ordinance.

§ 4. That, notwithstanding the provision of section 12-242 of the Code of the City of Richmond (2020), as amended, to the contrary, any unexpended and unencumbered portion of the appropriation to the Department of Finance pursuant to Ordinance No. 2023-071, adopted May 8, 2023, which adopted a General Fund Budget for the fiscal year commencing July 1, 2023, and ending June 30, 2024, and made appropriations pursuant thereto, remaining by June 30, 2024, shall not be

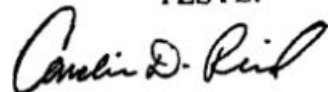
allocated pursuant to section 12-242 of the Code of the City of Richmond (2020), as amended, but shall instead be appropriated to the Employee Compensation Reserve Fund; provided, however, that the total appropriation of such funds shall not exceed \$2,000,000.00, and amounts in excess of \$2,000,000.00 shall be subject to the provisions of section 12-242 of the Code of the City of Richmond (2020), as amended.

§ 5. That, notwithstanding the provision of section 12-242 of the Code of the City of Richmond (2020), as amended, to the contrary, any unexpended and unencumbered portion of the appropriation to the Department of Human Resources pursuant to Ordinance No. 2023-071, adopted May 8, 2023, which adopted a General Fund Budget for the fiscal year commencing July 1, 2023, and ending June 30, 2024, and made appropriations pursuant thereto, remaining by June 30, 2024, shall not be allocated pursuant to section 12-242 of the Code of the City of Richmond (2020), as amended, but shall instead be appropriated to the Employee Compensation Reserve Fund; provided, however, that the total appropriation of such funds shall not exceed \$2,000,000.00, and amounts in excess of \$2,000,000.00 shall be subject to the provisions of section 12-242 of the Code of the City of Richmond (2020), as amended.

§ 6. That Ordinance No. 2023-071, adopted May 8, 2023, which adopted a General Fund Budget for the fiscal year commencing July 1, 2023, and ending June 30, 2024, and made appropriations pursuant thereto, is hereby amended by requiring that \$225,000.00 of the funds appropriated to the Department of Housing and Community Development for the fiscal year commencing July 1, 2023, and ending June 30, 2024, shall be expended for the purpose of funding affordable housing efforts.

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

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Camille D. Reed".

City Clerk



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Master

File Number: Admin-2024-0594

File ID: Admin-2024-0594

Type: Request for Ordinance or Resolution

Status: Regular Agenda

Version: 1

Reference:

In Control: City Clerk Waiting Room

Department:

Cost:

File Created: 06/07/2024

Subject:

Final Action:

Title:

Internal Notes:

Code Sections:

Agenda Date: 06/10/2024

Indexes:

Agenda Number:

Patron(s):

Enactment Date:

Attachments: Admin-2024-0594 Attachment.pdf, Admin-2024-0594 Ordinance AATF Reappropriation.pdf

Enactment Number:

Contact:

Introduction Date:

Drafter: Meghan.Brown@rva.gov

Effective Date:

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	6/7/2024	Cynthia Osborne - FYI	Notified - FYI	
1	2	6/7/2024	Sabrina Joy-Hogg	Approve	6/10/2024
1	3	6/7/2024	Caitlin Sedano - FYI	Notified - FYI	
1	4	6/7/2024	Jeff Gray - FYI	Notified - FYI	
1	5	6/7/2024	Lincoln Saunders	Approve	6/10/2024
1	6	6/7/2024	Mayor Stoney	Approve	6/10/2024

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File Admin-2024-0594

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: May 28, 2024

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Sabrina Joy-Hogg, Deputy Chief Administrative Officer

FROM: Meghan K. Brown, Director of Budget and Strategic Planning

RE: FY 2024 Reappropriation

ORD. OR RES. No.

PURPOSE: To amend the FY 2024 General Fund Budget (Ord. 2023-071) by appropriating a portion of projected increased revenue of \$5,489,264 in revenues resulting from increases within “Local Sales & Use,” “Consumer Utility,” “Admissions,” and “Permits and Licenses” taxes and fees, and amending various agencies’ budgets to reflect those agencies’ projected FY 2024 funding needs.

BACKGROUND: Administration is responsible for budget monitoring, execution, and reconciliation throughout the fiscal year. As part of the normal course of business, revenues and expenditures are monitored throughout the fiscal year. When variances require remediation, the Administration is responsible to bring those actions to City Council for approval. As such, this appropriations paper promotes the tenants of “Well-managed Government” to align agency and project budgets more closely with their projected expenditures. Some of the department variances are occurring due to the retirement system transition to the Virginia Retirement System and the costs associated with increase in the required employee contribution.

In previous years, similar re-appropriation papers were introduced and adopted to adjust various agencies’ budgets. Even after the adoption of this ordinance, it should be noted that there is still a possibility that changes in expenditure patterns or unforeseen events could result in additional variances.

(1) This ordinance seeks to appropriate a portion of the projected increased revenue of \$5,489,264. Projected increases are found withing the following revenue categories:

- \$3,032,967 - “Local Sales & Use”: increased consumer spending.
- \$753,450 - “Consumer Utility Taxes”: increased collections of gas and electric utility taxes.
- \$517,422 - “Admissions Taxes”: increased consumer spending.

- \$1,185,425 - “Permits and Licenses Taxes”: increased betting parlor fee collections, primarily from Colonial/Churchill Downs.
- (2) This ordinance seeks to increase appropriations by \$13,558,397, decrease appropriations by \$8,069,133, for a net increase of \$5,489,264, and to transfer that projected overall savings from various agencies to those that are projected to have a shortfall to be closer in line with projections and to cover remaining expenditure needs for FY 2024 as identified on the attached table, titled “General Fund Amendments.” A brief explanation of department shortfalls or savings is follows:

Animal Care & Control - \$329,607

Costs for contract personnel and veterinary animal care services.

Chief Administrative Offices - \$68,200

Costs associated with the VRS transition and increase in the mandatory employee contribution for retirement.

City Attorney - \$44,140

Costs associated with the VRS transition and increase in the mandatory employee contribution for retirement.

City Treasurer - \$32,000

Costs associated with jury pay due to an increase in the number of cases.

Emergency Communications - \$1,740,938

Correct overages in two of the department’s special funds. The tower lease special fund must be closed out per Audit recommendation Audit 2022-11. Finance used \$589,981 from this special fund to help with 2022 ACFR reconciliation, as a result this special fund will be in the negative by a projected \$528,263.89. The remaining \$1.1 million shortfall in the Emergency Communications Special fund is due to a combination of salary increases while Communications and Sales Tax revenue decreases.

Finance - \$2,068,563

For increased workload and new activities related to customer service and community engagement, \$1,000,000 will be appropriated. For costs associated with the June election (5/3 - 6/15) within the General Registrar’s office, \$1,068,563 will be appropriated.

Fire & Emergency Services - \$2,930,170

Costs associated with retirement and healthcare, as well as the amount of overtime need to cover daily shifts.

Housing & Community Development - \$240,967

Costs associated with the VRS transition, increase in the mandatory employee contribution for retirement, additional personnel, and to continue the partnership for affordable housing activities

previously committed to.

Human Resources - (\$663,350)

Transfer savings from a longer than anticipated startup of various new citywide initiatives, such as the tuition reimbursement program and alternative employee transportation.

Judiciary - Adult Drug Court - \$11,531

Costs for a clinical supervisor, drug testing analyzer, and sober living housing. These expenses were originally funded by a Federal SAMSHA grant that expired 9/29/23.

Judiciary - Circuit Court - \$50,863

Costs due to an increase in hiring.

Justice Services - (\$556,532)

Transfer savings in personnel from vacant positions, as well as difficulty finding vendors to fulfill contracts.

Mayor's Office - \$194,978

Address overage resulting from personnel, benefits, including retirement and healthcare.

Non-Departmental - (\$4,239,165)

Transfer \$4,292,165 of savings in economic incentive payments for closed projects, of which the City will not receive further funds, for Stone Brewery Lease Hold Tax Payment, Stone Brewery Development Grant, CoStar incentive payment, as well as savings from the language incentive program. For regional workforce efforts, through partner Capital Region Workforce Partnership, \$53,000 will be appropriated.

Office of Community Wealth Building - (\$33,209)

Transfer savings in contractual and professional services.

Office of Sustainability - \$17,186

Costs associated with the VRS transition and increase in the mandatory employee contribution for retirement.

Office of Strategic Communications & Civic Engagement - (\$126,731)

Transfer savings in personnel due to vacancies.

Parks & Recreation - \$914,665

Offset overages resulting security at the Broad Rock Sports Complex, portable toilets throughout various Parks' facilities, and the Juneteenth celebration.

Planning & Development Review - (\$180,421)

Transfer savings due to lower costs for management services and auto expenses expenditures.

Police Department - \$4,561,129

Costs associated with reconciling payouts in accordance with administrative regulations 4.7 On Call Duty Pay and 4.5 Compensatory Time Payout, and higher than anticipated costs related to contracted temps, promotional assessment center and additional fleet costs.

Procurement Services - \$80,411

Costs associated with additional personnel as well as the VRS transition and the increase in the mandatory employee contribution for retirement.

Public Works - \$220,050

Costs associated with dewatering, debris removal and disposal, and basement oil removal at the Public Safety building.

Social Services - (\$2,216,825)

Transfer funds due to lower adoption placements, delayed maintenance projects in anticipation of relocation, reduced fleet size, and centralized office supply purchasing, as such lower revenue collections are also expected.

COMMUNITY ENGAGEMENT: This reappropriation includes support of community agencies who have a history of and are to continue providing necessary services to the citizens of the City of Richmond.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: This reappropriation includes funding to ensure departments can perform mandated personnel functions, such as on-call pay, and support of affordable housing services.

FISCAL IMPACT: The City will receive \$5,489,264 in anticipated increased revenue.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: June 10, 2024

CITY COUNCIL PUBLIC HEARING DATE: June 24, 2024

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

AFFECTED AGENCIES: Finance, Budget and Strategic Planning, Various Departments (please see attachment)

RELATIONSHIP TO EXISTING ORD. OR RES.: 2023-071

ATTACHMENTS: Yes

- Attachment 1: General Fund Amendments

STAFF: Kiara Jordan, Senior Manager

Lauren Kirk, Senior Manager

General Fund Amendments

Agency	FY 2024 Current Budget	FY 2024 Year-End Projection	Variance: Current vs Projection surplus/(shortfall)	Amendment	FY 2024 Amended Budget
13th District Court Services Unit	212,872	208,382	4,490	-	212,872
Animal Control	2,604,735	2,934,342	(329,607)	329,607	2,934,342
Assessor	6,192,251	6,078,414	113,837	-	6,192,251
Auditor	2,309,950	2,296,189	13,761	-	2,309,950
Budget	2,905,661	2,866,100	39,561	-	2,905,661
Chief Admin Officer	3,381,318	3,449,517	(68,200)	68,200	3,449,518
Citizen Service & Response	2,300,571	2,253,108	47,463	-	2,300,571
City Attorney	5,932,120	5,976,260	(44,140)	44,140	5,976,260
City Clerk	1,308,664	1,302,376	6,288	-	1,308,664
City Council	2,123,493	1,954,801	168,692	-	2,123,493
City Treasurer	360,183	352,749	7,434	32,000	392,183
Council Chief of Staff	2,450,282	2,241,715	208,567	-	2,450,282
Debt	138,276,992	138,276,992	-	-	138,276,992
Econ Dev	8,833,041	8,827,887	5,153	-	8,833,041
Emergency Communications	9,612,084	11,353,022	(1,740,938)	1,740,938	11,353,022
Finance	27,793,750	28,688,017	(894,267)	2,068,563	29,862,313
Fire & Emer Svcs	66,115,571	69,045,741	(2,930,170)	2,930,170	69,045,741
General Registrar	4,827,163	5,895,726	(1,068,563)	-	4,827,163
Housing & Comm Development	19,302,036	19,318,003	(15,967)	240,967	19,543,003
Human Resources	12,031,787	11,368,437	663,350	(663,350)	11,368,437
Inspector General	1,111,562	931,603	179,959	-	1,111,562
J & DR Court	261,536	259,153	2,383	-	261,536
Jail/Sheriff	49,170,152	49,279,526	(109,374)	-	49,170,152
Judiciary - Adult Drug Ct	802,788	814,319	(11,531)	11,531	814,319
Judiciary - Cir Ct	4,549,147	4,600,010	(50,863)	50,863	4,600,010
Judiciary - CW Atty	8,361,815	8,256,519	105,296	-	8,361,815
Judiciary - Other	239,591	213,792	25,799	-	239,591
Justice Services	11,585,045	11,028,613	556,432	(556,432)	11,028,613
Library	8,370,125	8,364,343	5,782	-	8,370,125
Mayor's Office	1,531,487	1,726,465	(194,978)	194,978	1,726,465
Minority Business Development	1,075,004	989,234	85,770	-	1,075,004
Non-Departmental	114,475,693	109,992,505	4,483,188	(4,239,165)	110,236,528
Office of Community Wealth Building	6,351,937	6,244,682	107,255	(33,210)	6,318,727
Office of DCAO/HS	5,410,001	5,387,106	22,895	-	5,410,001
Office of Intergovernmental Affairs	463,965	385,766	78,199	-	463,965
Office of Strategic Communications & Civic Engage	2,953,247	2,826,516	126,731	(126,731)	2,826,516
Office of Sustainability	2,342,756	2,359,941	(17,185)	17,186	2,359,942
Parks Rec	27,390,920	28,305,586	(914,666)	914,665	28,305,585
Planning & Dev Review	17,925,481	17,745,060	180,421	(180,421)	17,745,060
Police	118,253,411	122,814,541	(4,561,129)	4,561,129	122,814,540
Procurement Serv.	2,707,836	2,788,247	(80,411)	80,411	2,788,247
Public Works	52,790,089	52,965,841	(175,752)	220,050	53,010,139
RCHI - Health	4,633,490	4,633,490	-	-	4,633,490
RPS	221,460,106	221,460,106	-	-	221,460,106
Social Services	59,568,404	57,351,579	2,216,825	(2,216,825)	57,351,579
Grand Total	1,042,660,112	1,046,412,319	(3,752,208)	5,489,264	1,048,149,376