

INTRODUCED: May 26, 2015

AN ORDINANCE No. 2015-117-128

To repeal Ord. No. 2013-128-118, adopted Jun. 24, 2013, and Ord. No. 2013-129-119, adopted Jun. 24, 2013; and to amend Ord. No. 2014-62-99, adopted May 27, 2014, which adopts the Fiscal Year 2014-2015 General Fund Budget and appropriates the estimated revenues for such fiscal year, by re-appropriating \$250,000 from the fund balance excess for Fiscal Year 2012-2013 currently reflected as assigned fund balance in the City's accounting system, by increasing estimated revenues by \$250,000, and by appropriating \$250,000 to the Department of Planning and Development Review for disbursement to the Economic Development Authority pursuant to the Arts and Cultural District Façade Improvement Program Cooperation Agreement authorized by Ord. No. 2013-195-179, adopted Sept. 23, 2013.

\_\_\_\_\_  
Patron – Mayor Jones

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

PUBLIC HEARING: JUNE 8 2015 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2013-128-118, adopted June 24, 2013, and Ordinance No. 2013-129-119, adopted June 24, 2013, be and are hereby repealed.

§ 2. That Ordinance No. 2014-62-99, adopted May 27, 2014, which adopts the General Fund Budget for the fiscal year commencing July 1, 2014, and ending June 30, 2015, and appropriates the estimated revenues for such fiscal year, is hereby amended by re-

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

ADOPTED:    JUNE 8 2015    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

appropriating \$250,000 from the fund balance excess for the fiscal year commencing July 1, 2012, and ending June 30, 2013, currently reflected as assigned fund balance in the City's accounting system, by increasing estimated revenues by \$250,000, and by appropriating \$250,000 to the Department of Planning and Development Review for disbursement to the Economic Development Authority pursuant to the Arts and Cultural District Façade Improvement Program Cooperation Agreement authorized by Ordinance No. 2013-195-179, adopted September 23, 2013.

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

RECEIVED

O & R REQUEST



MAY 15 2015

CITY OF RICHMOND  
OFFICE OF CITY ATTORNEY  
INTRACITY CORRESPONDENCE

MAY 12 2015

4-3573  
Chief Administration Office  
City of Richmond

O&R REQUEST

DATE: May 11, 2015

EDITION: 2

TO: The Honorable Members of City Council

THROUGH: Dwight C. Jones, Mayor

THROUGH: Christopher L. Beschler, Interim Chief Administrative Officer

THROUGH: Norman Butts, DCAO for Finance & Administration

THROUGH: Mark A. Olinger, Director of Planning & Development Review

THROUGH: Douglas C. Dunlap, Interim Director of Economic & Community Development

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

THROUGH: Paul P. Jez, Director of Finance

FROM: Leon Glaster, Jr., Controller

SUBJECT: Economic Development Opportunity Fund and Façade Improvement Fund

ORD. OR RES. No:

**PURPOSE:** To repeal Ord. No. 2013-128-118, adopted Jun. 24, 2013, and Ord. No. 2013-129-119, adopted Jun. 24, 2013; and to amend Ord. No. 2014-62-99, adopted May 27, 2014, which adopts the Fiscal Year 2014-2015 General Fund Budget and appropriates the estimated revenues for such fiscal year, by re-appropriating \$250,000 from the fund balance excess for Fiscal Year 2012-2013 currently reflected as assigned fund balance in the City's accounting system, by increasing estimated revenues by \$250,000, and by appropriating \$250,000 to the Department of Planning and Development Review for disbursement to the Economic Development Authority pursuant to the Arts and Cultural District Façade Improvement Program Cooperation Agreement authorized by Ord. No. 2013-195-179, adopted Sept. 23, 2013.

**REASON:** To make available funding to be utilized for the specific purposes (Economic Development Opportunity Fund and Façade Improvement Program).

**RECOMMENDATION:** The Administration recommends adoption of this ordinance.

*[Handwritten signatures and initials: Jones, Beschler, Butts, Olinger, Dunlap, Brown, Jez, Glaster]*

*[Handwritten note: PMS for Douglas Dunlap]*

**BACKGROUND:** In June of 2013, the City Council created two special funds: an Economic Development Opportunity Fund and a Façade Improvement Fund. The funding source for these two special funds was the FY2013 general fund budget of Economic and Community Development. Subsequently, the City Council authorized the execution of the Arts and Cultural District Façade Improvement Program Cooperation Agreement with the Economic Development Authority for the administration of the Façade Improvement Program to be funded by the Façade Improvement Fund special fund.

These special funds were not reflected in the City's accounting system at the end of FY2013. Finance indicated that due to GASB regulations, the City would not be able to fund a special fund via a general fund expenditure transfer. After discussing at length with Finance staff alternatives to ensure that the funds remained isolated for the specific purposes of an Economic Opportunity Fund and a Façade Improvement Fund, it was recommended to earmark the funds within the Assignment portion of the City's Fund Balance at the end of fiscal year 2013 for future appropriation. This accounting of these funds can be found in the FY2013 City's Comprehensive Annual Financial Report on page 68.

To ensure the City's accounting practices reflect those recommended by GASB and under GAAP, Finance recommends repealing Ord. No. 2013-128-118, adopted Jun. 24, 2013, which created the Economic Development Opportunity Fund special fund, and Ord. No. 2013-129-119, adopted Jun. 24, 2013, which created the Façade Improvement Fund special fund. Upon repeal of these ordinances, the monies appropriated to these special funds will immediately lapse within the FY2013 general fund budget appropriation for the Department of Economic and Community Development, as the funds were not obligated or expended by June 30, 2013. Those funds will then become available for appropriation from the City's assigned fund balance.

**COST TO CITY:** N/A

**REVENUE TO CITY:** N/A

**FISCAL IMPACT:** Decrease the Assignment portion of the Fund Balance by \$500,000 (the funds are currently shown as assigned for the stated purposes as documented in the City's fund balance and listed in the City's FY2013 CAFR on page 68) and increase the FY2015 general fund budget by \$500,000, by increasing and appropriating \$250,000 to the Department of Economic and Community Development and increasing and appropriating \$250,000 to the Department of Planning and Development Review.

**BUDGET AMENDMENT NECESSARY:** Yes, amends 2014-62-99

**DESIRED EFFECTIVE DATE:** Upon adoption

**REQUESTED INTRODUCTION DATE:** May 26, 2015

**CITY COUNCIL PUBLIC HEARING DATE:** June 8, 2015

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Governmental Operations – May 28, 2015

**CONSIDERATION BY OTHER GOVERNMENTAL AGENCIES:** N/A

**AFFECTED AGENCIES:** Finance, Budget and Strategic Planning, Economic and Community Development, Planning and Development Review

**RELATIONSHIP TO EXISTING ORDINANCES:** 2013-128-118, 2013-129-119, and 2013-195-179

**REQUIRED CHANGES TO WORK PROGRAMS:** N/A

**ATTACHMENTS:** N/A

**STAFF:** Leon Glaster, Jr., Controller  
Jay A. Brown, Director of Budget & Strategic Planning  
Douglas C. Dunlap, Interim Director of Economic & Community Development  
Mark A. Olinger, Director of Planning & Development Review  
Muhammed K. Owusu, Business Management Officer  
Ed Mangold, Budget and Management Analyst

*DCD O&R No.*

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