

INTRODUCED: January 10, 2022

AN ORDINANCE No. 2022-002

To amend Ord. No. 2021-040, adopted May 24, 2021, which adopted the Fiscal Year 2021-2022 General Fund Budget and made appropriations thereto, by transferring \$12,200,000.00 from certain reserves for contingencies in the Non-Departmental agency to certain new programs within the Department of Finance for the purpose of implementing the City’s spending plan for American Recovery Plan Act of 2021 funds.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 24 2022 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Ordinance No. 2021-040, adopted May 24, 2021, which adopted the General Fund Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, and made appropriations thereto, is hereby amended by transferring funds in the total amount of \$12,200,000.00 from the Non-Departmental agency in the following amounts from the following reserves for contingencies:

- (a) Health Equity Trust Fund (ARPA) \$2,500,000.00.
- (b) Family Crisis Funding (ARPA).\$1,000,000.00.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 24 2022 REJECTED: _____ STRICKEN: _____

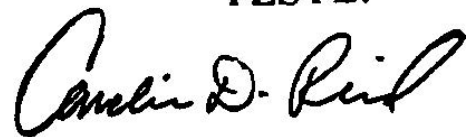
- (c) CDFI Revolving Loan Fund (ARPA)..... \$3,000,000.00.
- (d) Healthy Homes (ARPA).\$4,200,000.00.
- (e) Gun Violence Prevention (ARPA)..... \$1,500,000.00.

§ 2. That Ordinance No. 2021-040, adopted May 24, 2021, which adopted the General Fund Budget for the fiscal year commencing July 1, 2021, and ending June 30, 2022, and made appropriations thereto, is hereby amended by appropriating the funds in the total amount of \$12,200,000.00 transferred pursuant to section 1 of this ordinance to the following new programs, with new program numbers to be assigned in accordance with the City’s chart of accounts, within the Department of Finance in the following amounts for the purpose of implementing the City’s spending plan for American Recovery Plan Act of 2021 funds:

- (a) Health Equity Trust Fund (ARPA)..... \$2,500,000.00.
- (b) Family Crisis Funding (ARPA).\$1,000,000.00.
- (c) CDFI Revolving Loan Fund (ARPA)..... \$3,000,000.00.
- (d) Healthy Homes (ARPA).\$4,200,000.00.
- (e) Gun Violence Prevention (ARPA)..... \$1,500,000.00.

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

**A TRUE COPY:
TESTE:**



City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: December 15, 2021 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

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

THROUGH: Sheila D. White, Director of Finance

FROM: Jason P. May, Director of Budget & Strategic Planning *MKB on behalf*

RE: Re-Appropriation of American Rescue Plan Act (ARPA) Funds

ORD. OR RES. No. _____

PURPOSE: To amend Ordinance Number 2021-291 which appropriated the first half of the American Recovery Plan Act (ARPA), by transferring \$12,200,000 from several Non-Departmental Reserve for Contingency line items to the Department of Finance for the purpose of implementing the ARPA spend plan. Below provides the details of the proposed amendments:

| FY2022 Budget Amendment | | | | |
|---|-----------------------|---------------------|--------------------|----------------------|
| GENERAL FUND BUDGET | | | | |
| Agency | FY2022 Adopted Budget | Ord. 2021-291 | Proposed Amendment | Modified FY22 Budget |
| Finance | \$10,273,687 | 1,139,914 | 12,200,000 | \$23,613,601 |
| Non-Departmental Adopted | \$90,307,456 | - | - | \$90,307,456 |
| New Line Item - Reserve for Contingencies - Health Equity Trust Fund (ARPA) | - | 2,500,000 | (2,500,000) | \$0 |
| New Line Item - Reserve for Contingencies - Family Crisis Funding (ARPA) | - | 1,000,000 | (1,000,000) | \$0 |
| New Line Item - Reserve for Contingencies - CDFI Revolving Loan Fund (ARPA) | - | 3,000,000 | (3,000,000) | \$0 |
| New Line Item - Reserve for Contingencies - Healthy Homes (ARPA) | - | 4,200,000 | (4,200,000) | \$0 |
| New Line Item - Reserve for Contingencies - Gun Violence Prevention (ARPA) | - | 1,500,000 | (1,500,000) | \$0 |
| Total General Fund Expenditures | \$100,581,143 | \$13,339,914 | \$0 | \$113,921,057 |

REASON: On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. The ARPA is a \$1.9 trillion coronavirus rescue package designed to facilitate the

United States' recovery from the economic and health effects of the COVID-19 pandemic. Of the \$1.9 trillion, \$350 billion has been allocated to aid states, cities, tribal governments, and U.S. territories in their recovery efforts. The \$350 million in State & Local Recovery Funds, an amount of approximately \$155 million has been allocated to the City. This ordinance is to transfer some of the ARPA funding, originally appropriated by way of Ord. 2021-291, and consolidate the funding within the Department of Finance. The purpose for transferring the funds to the Department of Finance is to provide the following benefits and to better execute the implementation of the ARPA spend plan:

1. All remaining Non-Departmental Reserve for Contingency ARPA-approved programming will be placed under the Finance Department cost center. This will be done so the City can allocate the funds as soon as there is Memorandum of Understanding (MOU), any agreement, or plan identified or in place that is in compliance with ARPA Funding Expenditures, per City Council.
2. There are three benefits associated with this classification:
 - a) Projects and programs can be expedited as adopted by Council through the ARPA funding ordinance.
 - b) If these programs are placed under the Finance Department account, City and City Council shall have better mechanisms in place for tracking and auditing ARPA dollars for compliance.
 - c) Future budget document creation can more easily reflect General Fund appropriations and ARPA funding appropriations, as to not conflate the separate revenue sources.
3. The City will continue to update Council on ARPA programs and expenses per Res No. 2021-R081

RECOMMENDATION: The City Administration recommends adoption.

BACKGROUND: On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. The ARPA is a \$1.9 trillion coronavirus rescue package designed to facilitate the United States' recovery from the economic and health effects of the COVID-19 pandemic. Of the \$1.9 trillion, \$350 billion has been allocated to aid states, cities, tribal governments, and U.S. territories in their recovery efforts.

In May 2021, the Treasury Department released its Interim Final Guidance on the State and Local Government funding from the ARPA to provide guidance on the eligible uses. This funding is to aid localities in their recovery efforts over a four year period. The funding can be used within four areas: (i) public health and economic impacts; (ii) premium pay; (iii) revenue loss; and (iv) investments in infrastructure.

The ARPA Spending Plan consists of six priority area categories, which are: (i) Building Back Affordable and Healthy Homes; (ii) Building Back Healthier; (iii) Investing in our Future – Children and Families; (iv) Building Back Stronger; (v) Building Back Greener and more Resilient; (vi) Building Back Safer.

FISCAL IMPACT / COST:

- **If Adopted:** The City will be in a better position to expedite the implementation of the ARPA spend plan.
- **If Not Adopted:** There will be continued delays in implementation as there will be a need for several subsequent ordinances.

FISCAL IMPLICATIONS: None

BUDGET AMENDMENT NECESSARY: Yes

REVENUE TO CITY: No new revenue other than what has already been received

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: January 10, 2021

CITY COUNCIL PUBLIC HEARING DATE: January 24, 2021

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: N/A

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: N/A

AFFECTED AGENCIES: Department of Finance and Non-Departmental

RELATIONSHIP TO EXISTING ORD. OR RES.: 2021-291

REQUIRED CHANGES TO WORK PROGRAM(S): Eligible expenditures incurred by City agencies will be tracked.

ATTACHMENTS: Yes

STAFF: Meghan Brown

FY2022 Budget Amendment

GENERAL FUND BUDGET

| Agency | FY2022 Adopted Budget | Ord. 2021-291 | Proposed Amendment | Modified FY22 Budget |
|--------------------------------------|-----------------------------|------------------|-----------------------|-------------------------|
| General Government | | - | | |
| Budget and Strategic Planning | \$1,358,789 | - | - | \$1,358,789 |
| Chief Administrative Office | \$904,437 | - | - | \$904,437 |
| Citizen Service & Response | \$2,479,071 | - | - | \$2,479,071 |
| City Assessor | \$4,126,549 | - | - | \$4,126,549 |
| City Attorney | \$4,298,801 | - | - | \$4,298,801 |
| City Auditor | \$2,248,018 | - | - | \$2,248,018 |
| City Clerk | \$947,892 | - | - | \$947,892 |
| City Council | \$1,347,845 | - | - | \$1,347,845 |
| City Treasurer | \$229,039 | - | - | \$229,039 |
| Council Chief of Staff | \$1,131,416 | - | - | \$1,131,416 |
| Finance | \$10,273,687 | 1,139,914 | 12,200,000 | \$23,613,601 |
| General Registrar | \$3,872,008 | - | - | \$3,872,008 |
| Human Resources | \$4,784,088 | - | - | \$4,784,088 |
| Inspector General | \$582,755 | - | - | \$582,755 |
| Mayor's Office | \$1,143,469 | - | - | \$1,143,469 |
| Minority Business Development | \$836,001 | - | - | \$836,001 |
| Procurement Services | \$1,557,585 | - | - | \$1,557,585 |
| Subtotal:General Government | \$42,121,450 | 1,139,914 | 12,200,000 | \$55,461,364 |
| Judicial | | | | |
| 13th District Court Services Unit | \$242,134 | - | - | \$242,134 |
| Adult Drug Court | \$674,899 | - | - | \$674,899 |
| Circuit Court | \$4,045,029 | - | - | \$4,045,029 |
| Judiciary - Commonwealth Attorney | \$7,325,514 | - | - | \$7,325,514 |
| Juvenile & Domestic Relations Court | \$231,775 | - | - | \$231,775 |
| Subtotal:Judicial | \$12,519,351 | - | - | \$12,519,351 |
| Public Safety | | | | |
| Animal Care & Control | \$1,932,887 | - | - | \$1,932,887 |
| Dept. of Emergency Communications | \$6,587,923 | - | - | \$6,587,923 |
| Fire & Emergency Management | \$54,761,361 | - | - | \$54,761,361 |
| Richmond Police Department | \$95,816,200 | - | - | \$95,816,200 |
| Richmond Sheriffs Office | \$41,429,890 | - | - | \$41,429,890 |
| Subtotal:Public Safety | \$200,528,261 | - | - | \$200,528,261 |
| Public Works | | | | |
| Public Works | \$43,408,521 | 2,800,000 | - | \$46,208,521 |
| Subtotal:Public Works | \$43,408,521 | 2,800,000 | - | \$46,208,521 |
| Health & Welfare | | | | |
| Human Services | \$1,882,381 | 2,000,000 | - | \$3,882,381 |
| Justice Services | \$9,613,244 | - | - | \$9,613,244 |
| Office of Community Wealth Building | \$2,191,589 | 1,500,000 | - | \$3,691,589 |
| Richmond City Health District | \$4,633,490 | - | - | \$4,633,490 |
| Social Services | \$53,226,215 | - | - | \$53,226,215 |
| Subtotal:Health & Welfare | \$71,546,919 | 3,500,000 | - | \$75,046,919 |
| Education | | | | |
| Education | \$187,142,096 | - | - | \$187,142,096 |
| Subtotal:Education | \$187,142,096 | - | - | \$187,142,096 |

FY2022 Budget Amendment

GENERAL FUND BUDGET

| Agency | FY2022 Adopted Budget | Ord. 2021-291 | Proposed Amendment | Modified FY22 Budget |
|---|-----------------------------|-------------------|-----------------------|-------------------------|
| Recreation & Cultural | | | | |
| Parks, Rec.,& Community Facilities | \$18,805,233 | - | - | \$18,805,233 |
| Richmond Public Libraries | \$5,656,459 | - | - | \$5,656,459 |
| Subtotal:Recreation & Cultural | \$24,461,692 | - | - | \$24,461,692 |
| Community Development | | | | |
| Economic Development | \$3,095,149 | 1,000,000 | - | \$4,095,149 |
| Housing and Community Development | \$1,619,229 | 10,000,000 | - | \$11,619,229 |
| Planning & Development Review | \$11,659,414 | - | - | \$11,659,414 |
| Subtotal:Community Development | \$16,373,792 | 11,000,000 | - | \$27,373,792 |
| Other Public Services | | | | |
| Non-Departmental Adopted | \$90,307,456 | - | - | \$90,307,456 |
| New Line Item - Reserve for Contingencies - Health Equity Trust Fund (ARPA) | - | 2,500,000 | (2,500,000) | \$0 |
| New Line Item - Reserve for Contingencies - Family Crisis Funding (ARPA) | - | 1,000,000 | (1,000,000) | \$0 |
| New Line Item - Reserve for Contingencies - CDFI Revolving Loan Fund (ARPA) | - | 3,000,000 | (3,000,000) | \$0 |
| New Line Item - Reserve for Contingencies - Healthy Homes (ARPA) | - | 4,200,000 | (4,200,000) | \$0 |
| New Line Item - Reserve for Contingencies - Gun Violence Prevention (ARPA) | - | 1,500,000 | (1,500,000) | \$0 |
| New Line Item - Reserve for Contingencies - First Responder Hazard Pay (ARPA) | - | 5,000,000 | - | \$5,000,000 |
| Non-Department Amended | \$90,307,456 | 17,200,000 | (12,200,000) | \$95,307,456 |
| General Fund Transfer to Debt Service | \$84,422,421 | - | - | \$84,422,421 |
| Subtotal:Other Public Services | \$174,729,877 | 17,200,000 | (12,200,000) | \$179,729,877 |
| Total General Fund Expenditures | \$772,831,959 | 35,639,914 | - | \$808,471,873 |