

The City of

RICHMOND

California

Fiscal Year 2018-19

Budget-in-Brief

PARK

Budget Development

The advancement of the Fiscal Year 2019 Budget development was guided by the City Council's Strategic Goals, the City's Long-Term Financial Planning, legal mandates, and the Community Survey.

City Council's Strategic Goals:

Maintain and Enhance the Physical Environment by providing a clean and well-maintained environment for individuals who live, work and play within its boundaries. Richmond's public facilities and infrastructure play an essential role in the fabric of the community, and the City seeks to develop and maintain an infrastructure that is community-serving, resilient, high-performing, cost-effective, resource-efficient and environmentally friendly.

Promote a Safe and Secure Community by increasing the quality of life through the creation of life enrichment programs that focus on education, physical activity and community involvement.

Promote Economic Vitality by emphasizing the continued development of our diverse economic base by pursuing business sectors with the best potential to grow and prosper as well as increasing job training for Richmond residents.

Promote Sustainable Communities by maintaining a sustainable quality of life through a mix of land uses, a safe community with no visible signs of deterioration, an efficient circulation system that promotes alternative modes of transportation and abundant open space and recreational amenities. These attributes along with a strong economic base will preserve and build upon Richmond's sense of uniqueness, cultural and social diversity and a strong sense of community.

Promote Effective Government to efficiently serve the needs of the Richmond community. Effective government is central to the mission of the City. It impacts the Richmond community both through the provision of services and the quality of those services.

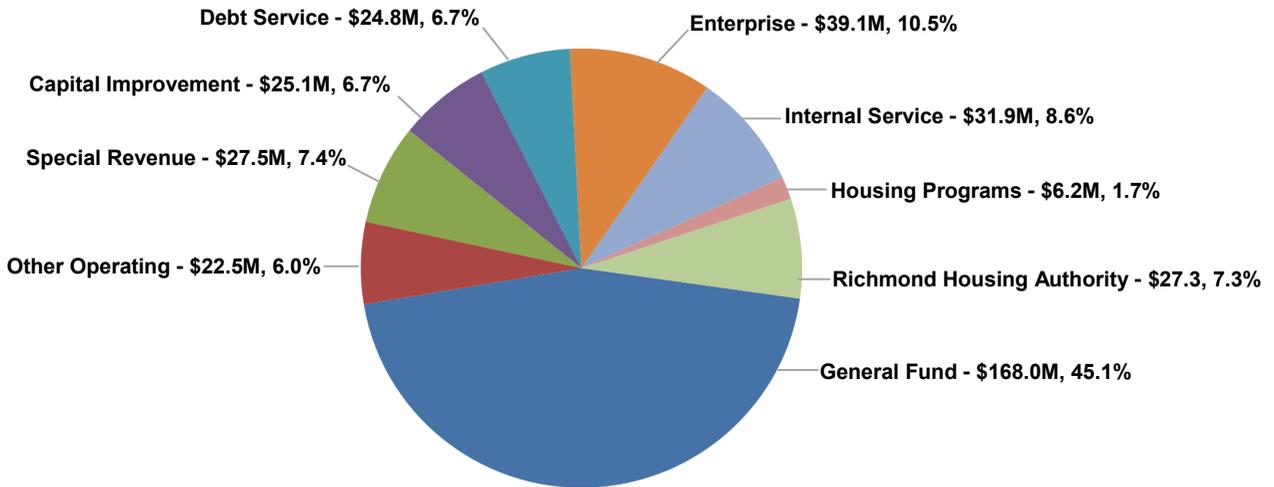
General Fund Budget

For Fiscal Year 2019, the General Fund Budget amounts to over \$168.0 million. The City's General Fund pays for various City services such as police, fire, libraries, parks and recreation, all of which contribute to the quality of life, as well as administrative support functions such as finance, human resources, and legal services.

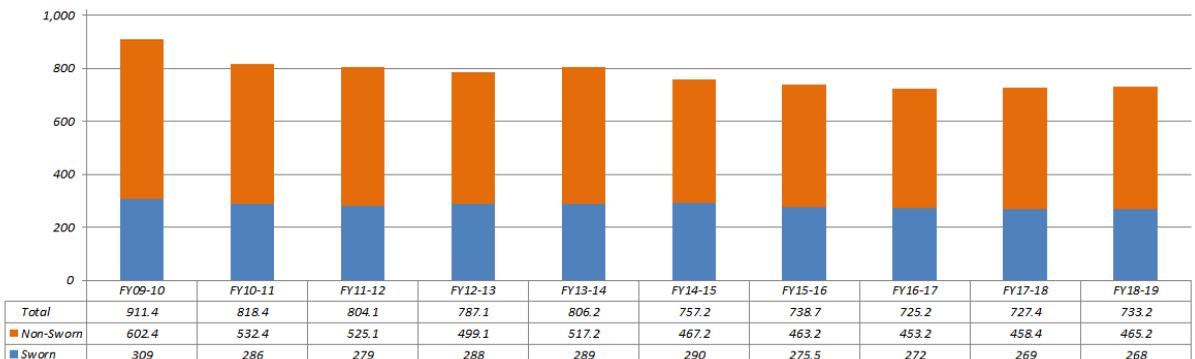
The Fiscal Year 2019 citywide expenditure budget amounts to \$372.3 million. As you can see below the majority of citywide expenditures come from the General Fund. The second largest expenditures are from other funds which primarily fund housing, debt service, and other city operations.

Enterprise funds make up over 10.5% of the citywide budget and funds port as well as cable tv activities.

In Fiscal Year 2019, the City is expected to fund approximately \$25.1 million in capital expenditures to rehabilitate roads, upgrade parks, complete Americans with Disabilities Act (ADA) requirements as well as replace the aging wastewater infrastructure.



In order to deliver services to its residents, the City is staffed with 733.2 full-time equivalent (FTEs) positions. Over the last 10 years Richmond's population increased by 5.0% while its employee base has decreased by 19.6%.



General Fund Revenues

Where does the City's revenues come from? Over 80% of the City's General Fund Revenues come from taxes such as Property Tax, Sales and Use Tax, and Utility Users Tax. The remaining revenue sources include, fees and charges, from residents and businesses, transfers in from other funds for services provided, and rental income.

Other Revenue - \$2.6M

Interest earned, sale of property, grants and miscellaneous one time items.

Charges for Services - \$3.6M

Fees collected by the Police Department and Public Works.

Business License Tax - \$4.5M

Business License tax rate is \$234.10 per business plus \$46.80 or \$40.10 per employee. Tax also applies to both residential and commercial rentals.

Transient Occupancy Tax - \$1.5M

Also called 'Hotel Tax', the current rate is 10% and applies to all stays in hotels and in short term rentals of less than 30 days.

Sales and Use Tax - \$46.1M

Current Sales Tax rate in Richmond is 9.25%. The bulk of the Sales Tax goes to the State. For every \$100 in taxable purchases, the customer pays \$9.25%. Of that, only \$2.00 is received by the City.

\$168.0M

**Total General Fund Revenues
for Fiscal Year 2019**



Operating Transfers-ins - \$8.4M

Excess funds collected in other funds besides the General Fund that are transferred to the General Fund.

Permits and Fees - \$3.6M

Fees collected by the Police, Fire, Code Enforcement and Community Services departments

Franchise Fees - \$4.4M

Includes franchise fees for gas, electricity, pipelines, garbage and transfer station.

Documentary Transfer Tax - \$6.0M

The sale of property is charged at the rate of \$7.00 per \$1,000 of the sale price.

Utility Users Tax - \$46.3M

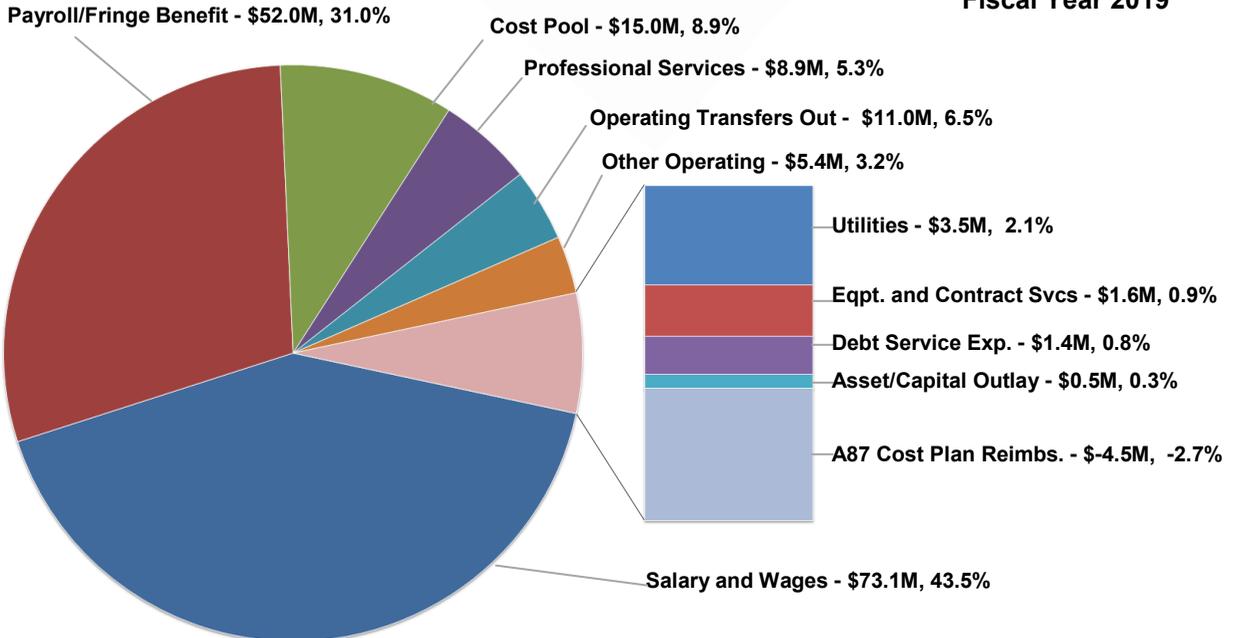
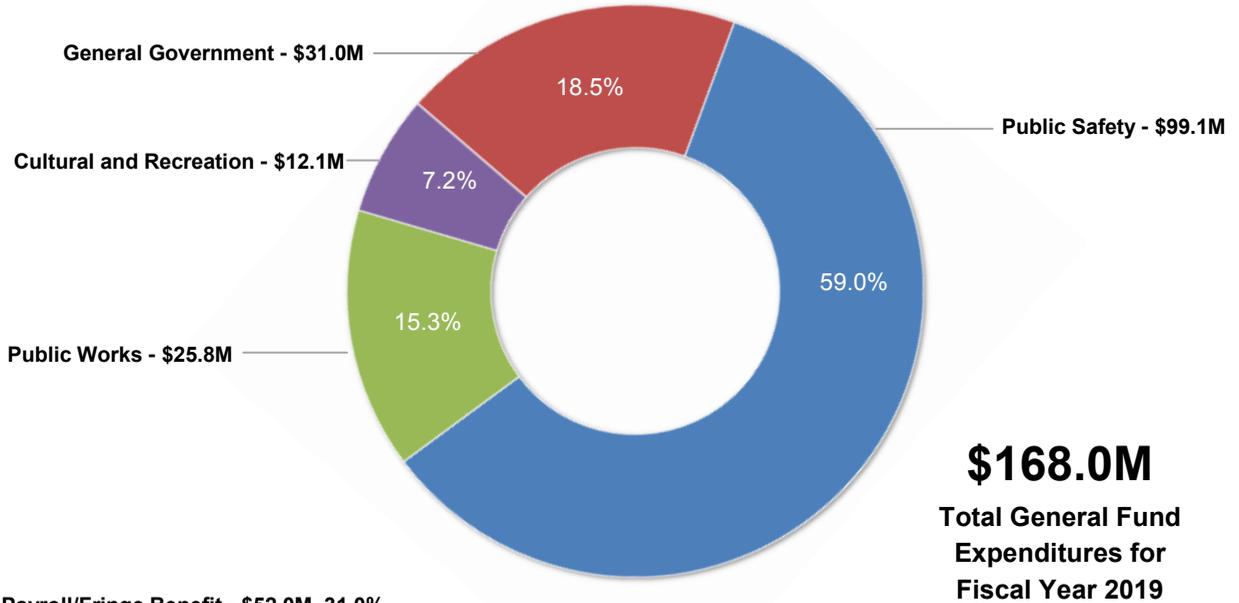
Current Utility Users Tax rate is 10% for both gas and electricity; 9.5% for telecommunications including cell phones and landlines; 5% for video; 9% for prepaid wireless.

Property Tax- \$41.0M

For every \$1,000 in property taxes paid by residents and businesses, the City receives \$305. The rest goes to the schools and various agencies including the County.

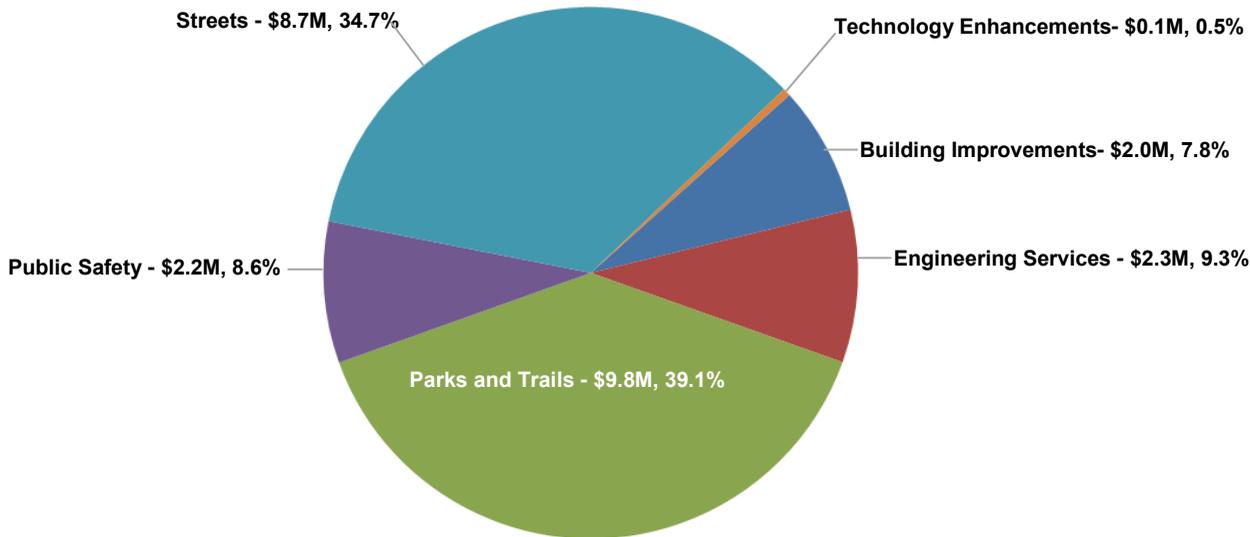
General Fund Expenditures

How does the City spend its revenue? For Fiscal Year 2019, the General Fund Budget amounts to over \$168.0 million. The City's General Fund pays for various City services such as police, fire, libraries, parks and recreation, all of which contribute to the quality of life, as well as administrative support functions such as finance, human resources, and legal services.



Capital Budget

The Capital Improvement Plan (CIP) is a five-year outlook of the City's capital improvement projects. The FY2019 CIP budget is approximately \$25.1 million. The main sources of funding for CIP projects are, State Gas Tax, Measure J, and Grants. State Gas Tax Revenue is received from the State under the provision of the Streets and Highway Code and are restricted to street construction activities. Measure J revenue comes from the Contra Costa County Transportation Authority. Grants, which are monies received from various external agencies to fund specific projects.



Major Capital Fund Budget Projects

- Yellow Brick Road - \$5.3 Million
- Street Paving - \$4.7 Million
- Cutting Carlson, Hoffman Sewer Capacity - \$3.9 Million
- I-80 Central Interchange Phase II - \$2.3 Million
- Miraflores Creek - \$1.9 Million
- Housing Related Park Programs - \$1.7 Million
- Sanitary Sewer Pipeline Replacement - \$1.5 Million

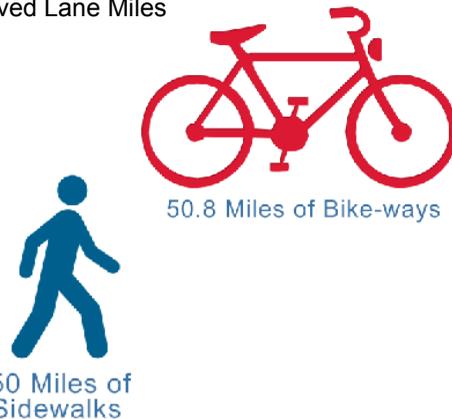
RECREATION

- 336 - City parks acreage
- 510 - Open Space & Public Landscapes acreage
- 1 - Lawn bowling
- 8 - Recreation centers
- 1 - Auditorium/Theater
- 3 - Gymnasiums
- 2 - Senior centers
- 6 - Headstart centers/daycares
- 1 - Putting green
- 28 - Basketball courts
- 2 - Swimming pools
- 20 - Tennis courts
- 26 - Baseball/softball diamonds
- 17 - Soccer/football fields
- 2 - Cricket fields



TRANSPORTATION

- 5 - Charging Stations
- 1 - Transit Station
- 2 - Interstate Freeways 80 & 580
- 280 - Paved Lane Miles



EDUCATION

- 18 - Elementary Schools
- 1 - Middle School
- 5 - High Schools
- 2 - Adult School
- 3 - Libraries
- 2 - Museums
- 1 - Bookmobile

COMMUNICATION

- 1 - Public Broadcasting Channel (KCRT Cable Channel 28)
- 1 - Emergency Communications Center



Two Active Social Media Accounts



200 Computers for Public Access



Annual Budget Process

Annual Budget Calendar

February	Budget Kick Off Meeting: Budget Message from City Manager and Finance Director; Budget Guidelines and Procedures distributed to Departments
March-April	Departmental Budget Hearings: City Manager, Finance Director, and Budget Unit hold internal budget hearings with departments to review proposed Operating & Capital Improvement Budgets
May	Study Session with City Manager and City Council & Community Budget Meetings
June	Budget is adopted by City Council before the end of the month
July	July 1 - The start of the new fiscal year (July 1 through June 30)
January	Mid-Year Budget Review: City Manager and Finance Director review the first half of the fiscal year (July 1 through December 31) and request to make adjustments if necessary