



# City of Richmond

*The City of Pride & Purpose*

## Mid-Year Review of Revenue & Expenditures

FY 2006 - 2007



**UPDATED**

**FY 2006 - 2007  
Mid-Year Review  
Of  
Revenue & Expenditures**

For the



**City of Richmond**

March 6, 2007

***Prepared for:***

Gayle McLaughlin, Mayor

Nathaniel Bates, Vice-Mayor	Maria Viramontes, Councilmember
Tom Butt, Councilmember	Jim Rogers, Councilmember
John Marquez, Councilmember	Ludmyrna Lopez, Councilmember
Harpreet Sandhu, Councilmember	Tony K. Thurmond, Councilmember
Bill Lindsay, City Manager	

***Prepared by:***

Finance Department

## FY2006-2007 Mid-Year Review Table of Contents

	Page
Executive Summary .....	1
Revenue and Expenditure Summary.....	2
Adjusted Revenue/Expenditure Charts.....	3
Property Taxes.....	5
State Taxes.....	8
Sales and Use Tax .....	9
Local Taxes.....	12
Franchise Taxes.....	14
Licenses and Permits.....	15
Fees, Fines, & Forfeitures.....	16
Interest & Investment Income.....	17
Rentals and Concessions.....	18
Charges for Services.....	18
Grant Revenue.....	19
Proceeds: Land and Buildings.....	20
Other Revenues.....	21
Operating Transfers - In.....	22
Balance Sheet.....	23
Statement of Revenues/Expenditure.....	24
Salaries.....	25
New Positions/Classification Requests.....	26
Benefits.....	27
Operating Expenditures.....	28
Recommended Expenditure Adjustments:	
Mayor's Office.....	29
City Council.....	29
City Manager.....	29
City Clerk.....	29
City Attorney.....	30
Finance.....	30
Human Resources.....	30
Library and Community Services – Arts & Culture.....	30
Library and Community Services – Recreation/Administration.....	31
Library and Community Services – Convention Center.....	31
Planning – General Fund.....	31
Police Department.....	31
Fire Department.....	32
Public Works – Abatement.....	32
Public Works – Streets.....	32
Risk Management.....	32
Debt Service.....	33
Year-End Cash Transfers.....	34



**DATE:** March 6, 2007  
**TO:** Mayor McLaughlin and Members of the City Council  
**FROM:** James C. Goins, Finance Director/Treasurer  
**SUBJECT:** FY 2006-07 Mid-Year Budget Review

It is my pleasure to present the Fiscal Year (FY) 2006-07 Mid-Year Budget Review for the period of July-December 2006.

Revenue projections have been adjusted to reflect actual revenues received as of December 31, 2006. A detailed analysis of each revenue source is included within this report.

The local economy continues to generate additional revenues over the prior year in both Property Taxes and Sales & Use Taxes and will be bolstered with the opening of Wal-Mart at The Hilltop Mall in April 2007 and with the new Target Store scheduled to open in the fall.

Property and Sales Tax revenues are projected to increase to \$59.4 million in FY 2006-07 compared to \$54.5 million in FY 2005-06.

Recommended departmental expenditure reductions of \$725,306 will have no effect on current City Programs and Services. Requests for new positions and re-classifications will add \$158.4 thousand in personnel costs (page 32).

Additionally, staff recommends that the FY 2005-06 year-end surplus of \$16.6 million be used to eliminate outstanding prior year negative cash balances by \$9.4 million and carry forward \$4.6 million to balance the current budget.

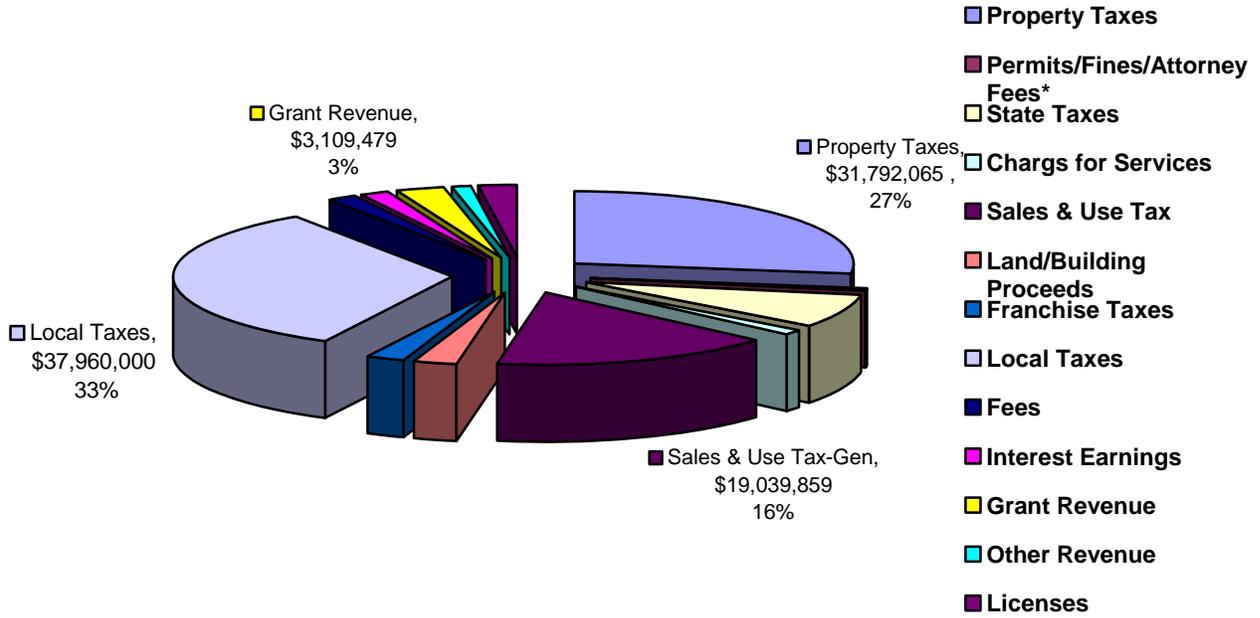
**GENERAL FUND REVENUE AND EXPENDITURES  
FY 2006-07 MIDYEAR BUDGET REVIEW**

3/1/2007

	A	B	C	D	E =C+D	F =(E-B)/B	G	H	I =(H-G)/G	J =E-H	
	FY05-06	FY05-06	FY06-07	Adjustments	FY06-07	Adjusted Budget as % Chg on Prior Year Actual	FY05-06 Actuals	FY06-07 Actuals	FY06-07 Actuals as % Chg on FY05-06 Actuals	3rd & 4th Quarter	
	Adopted Budget	Actual	Adopted Budget	FY06-07	Adjusted Budget		Jul-05 Thru Dec-05	Jul-06 Thru Dec-06		FY06-07 Projections	Explanation of Adjustments
<b>Revenue</b>											
1 Property Taxes	30,971,376	28,284,861	35,079,573	(3,287,508)	\$ 31,792,065	12%	15,147,187	17,314,866	14%	14,477,199	1 Revised Property Tax Estimate \$3.3m
2 State Taxes	6,113,729	7,587,566	8,620,000		\$ 8,620,000	14%	250,690	113,168	-55%	8,506,832	2 No Change
3 Sales & Use Tax	15,438,144	16,664,024	16,115,775	2,924,084	\$ 19,039,859	14%	7,005,613	7,093,646	1%	11,946,213	3 Revised Sales Tax Estimate \$2.9m
4 Local Taxes	39,668,330	41,591,484	42,980,000	(4,194,703)	\$ 38,785,297	-7%	19,489,612	13,167,078	-32%	25,618,219	4 Decrease UUT \$3.0m & Documentary Transfer Tax \$1.3m
5 Franchise Taxes	2,585,600	3,081,957	2,604,992		\$ 2,604,992	-15%	160,578	430,336	168%	2,174,656	5 No Change
6 Licenses	1,607,966	2,555,100	2,600,000		\$ 2,600,000	2%	1,458,617	1,229,944	-16%	1,370,056	6 No Change
7 Permits	593,568	196,180	142,110		\$ 142,110	-28%	80,067	87,874	10%	54,236	7 No Change
8 Fees	845,684	573,165	3,179,141	(1,260,760)	\$ 1,918,381	235%	181,195	1,661,602	817%	256,779	8 Decrease Recreation Fees \$1.3m
9 Fines & Forfeitures	550,000	372,951	550,000	(261,000)	\$ 289,000	-23%	205,975	81,439	-60%	207,561	9 Decrease Muni Fines \$0.3m
10 Interest & Investment Income	1,277,000	787,854	1,200,000	225,000	\$ 1,425,000	81%	455,381	709,106	56%	715,894	10 Increase Interest & Investment Income \$0.8m
11 Rental & Concession	-	161,382	339,600	-	\$ 339,600	110%	99,786	173,569	74%	166,031	11 No Change
12 Charges for Services	887,500	565,373	1,421,329	300,000	\$ 1,721,329	204%	54,872	1,676,361	2955%	44,968	12 Budget Reclassification
13 Grant Revenue	-	1,062,214	3,986,092	(876,613)	\$ 3,109,479	193%	177,249	694,878	292%	2,414,601	13 Budget Correction
14 Proceeds:Land, Bldg	2,000,000	869,880	3,001,587	-	\$ 3,001,587	245%	720	-	-100%	3,001,587	14 No Change
15 Other Revenues	910,196	1,743,742	961,810	458,536	\$ 1,420,346	-19%	1,250,588	219,550	-82%	1,200,796	15 Bond Refund \$0.5m
16 City Attorney Fees	-	69,621	110,000		\$ 110,000	58%	27,825	12,000	-57%	98,000	16 No Change
17 Operating Transfers-In	4,601,896	12,101,059	2,306,808	(2,306,808)	\$ -	-100%	-	-	-	-	17 Budget Reclassification
18 Total Funds Budgeted	\$ 108,050,989	\$ 118,268,414	\$ 125,198,817	\$ (8,279,772)	\$ 116,919,045	-1%	\$ 46,045,955	\$ 44,665,417	-3%	\$ 72,253,627	18
19 Operating Surplus FY05-06			-	4,635,879	4,635,879					4,635,879	19
20 Total Funds Available	\$ 108,050,989	\$ 118,268,414	\$ 125,198,817	\$ (3,643,893)	\$ 121,554,924	3%	\$ 46,045,955	\$ 44,665,417	-3%	\$ 76,889,506	20
<b>Expenditures</b>											
<b>Personnel Expenditures</b>											
21 Salaries	41,962,024	40,296,930	46,257,301	2,139,247	\$ 48,396,548	20%	20,005,808	23,033,615	15%	25,362,933	21 Increased Salary costs per MOU
22 Benefits	30,549,396	28,584,547	29,084,016	1,355,731	\$ 30,439,747	6%	13,491,491	11,814,717	-12%	18,625,030	22 Increased Benefits costs per MOU
23 Total Personnel Expenditures	\$ 72,511,421	\$ 68,881,477	\$ 75,341,317	\$ 3,494,978	\$ 78,836,295	14%	\$ 33,497,300	\$ 34,848,332	4%	\$ 43,987,964	23
<b>Operating Expenditures</b>											
24 Materials & Supplies	964,459	792,009	821,529	37,502	\$ 859,031	8%	283,641	359,907	27%	499,124	24 Recommended Savings
25 Travel & Training (membership)	483,853	398,266	661,197	(34,062)	\$ 627,135	57%	178,078	291,223	64%	335,912	25 Recommended Savings
26 Contractual Services	3,613,867	2,346,534	5,641,756	(6,837)	\$ 5,634,919	140%	1,254,136	1,856,990	48%	3,777,929	26 Recommended Savings
27 Maintenance Expense	1,112,968	933,164	754,395	(63,065)	\$ 691,330	-26%	537,911	197,328	-63%	494,002	27 Recommended Savings
28 Other Operating Exp	1,044,556	1,958,690	3,707,362	(3,057,017)	\$ 650,345	-67%	3,587,942	2,415,454	-33%	(1,765,109)	28 Budget Reclassification
29 Utilities Expenses	2,576,552	2,252,207	577,588	(1,500)	\$ 576,088	-74%	719,552	200,078	-72%	376,010	29 Recommended Savings
30 Internal Services	14,988,611	13,769,371	19,098,565	(227,000)	\$ 18,871,565	37%	3,825,633	3,428,668	-10%	15,442,897	30 Marina Way Rent Decrease \$0.2m
31 Property, Furniture & Fixtures	549,598	316,535	568,263	(8,500)	\$ 559,763	77%	42,318	106,487	152%	453,276	31 Recommended Savings
32 Grant Expenditures	11,250	11,250	127,641		\$ 127,641	1035%	11,250	-	-100%	127,641	32 No Change
33 Debt Service Expenditures	-	-	1,505,338	(1,505,338)	\$ -	na	-	-	-	-	33 Accounting Reclassification (Line 37)
34 Capital Outlays	279,766	21,750	1,289,413	(594,141)	\$ 695,272	3097%	14,449	-	-100%	695,272	34 Recommended Savings/Budget Adjustment
35 Special Dept Expense	1,281,014	737,282	4,137,888	(1,303,402)	\$ 2,834,486	284%	279,772	597,730	114%	2,236,756	35 Budget Reclassification
36 Operating Transfers Out	6,248,459	20,082,810	6,555,045	(1,014,322)	\$ 5,540,723	-72%	-	-	-	5,540,723	36 Budget Adjustment
37 Debt Service, Oprtng Trsfers Out	-	1,131,190	3,172,360	1,490,792	\$ 4,663,152	312%	1,848,356	2,986,708	62%	1,676,444	37 Accounting Reclassification (Line 33)
38 Total Operating Expenditures	33,154,953	44,751,057	48,618,340	(6,286,890)	\$ 42,331,450	-5%	12,583,039	12,440,573	-1%	29,890,878	38
39 Total Funds Required	105,666,374	113,632,534	123,959,657	(2,791,912)	121,167,745	7%	46,080,339	47,288,904	3%	73,878,841	39
40 General Fund Increase (Decrease)	2,384,615	4,635,879	1,239,160	(851,982)	387,178	-92%	(34,384)	(2,623,487)	7530%	3,010,665	40

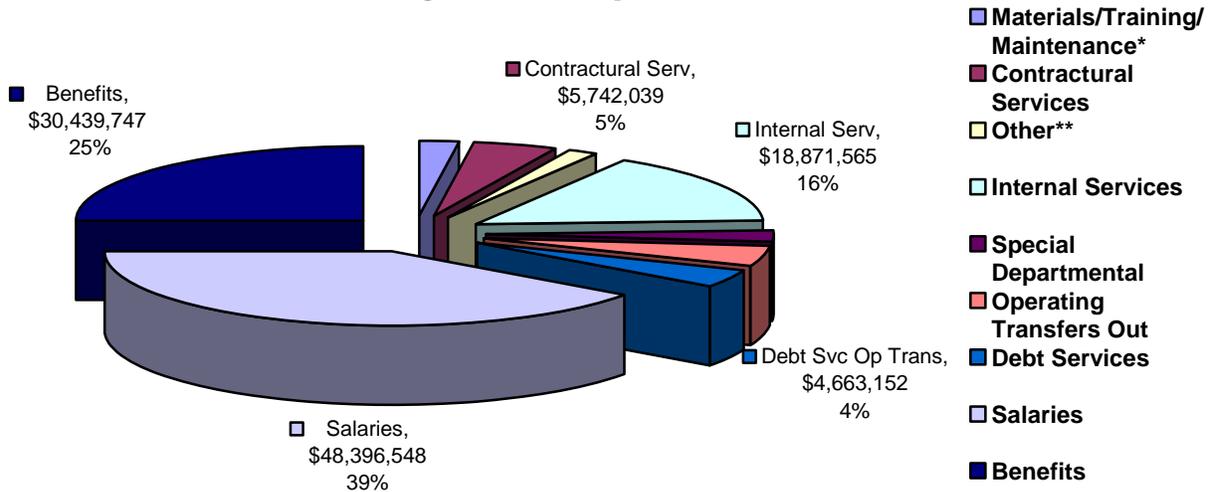
# FY 2006-2007 General Fund

## Adjusted Revenue



\*Permits/Fines/Attorney Fees – Permits, Fines & Forfeitures, Rental & Concession and City Attorney Fees

## Adjusted Expenditures

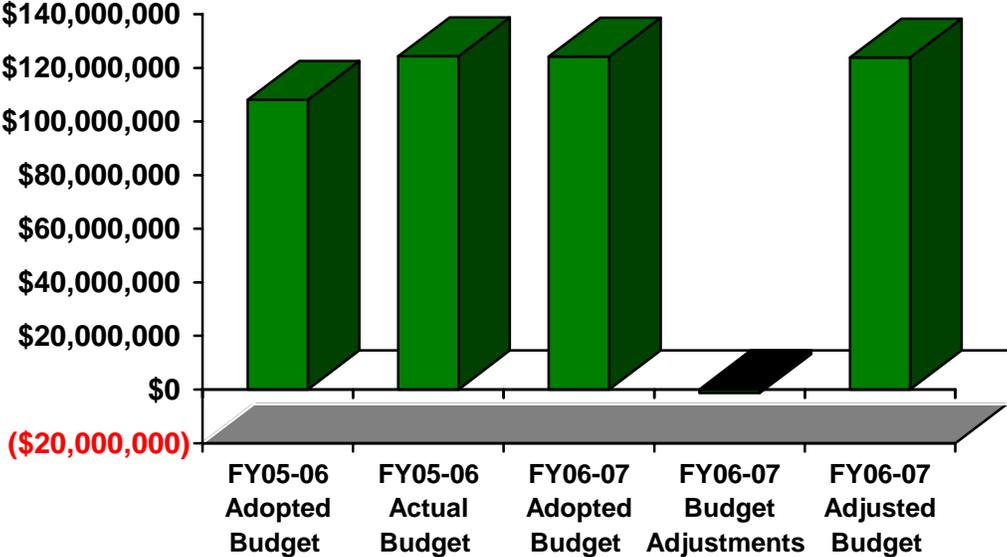


\*Materials/Training/Maintenance – Materials & Supplies, Travel & Training, Maintenance Expense and Property, Furniture & Fixtures

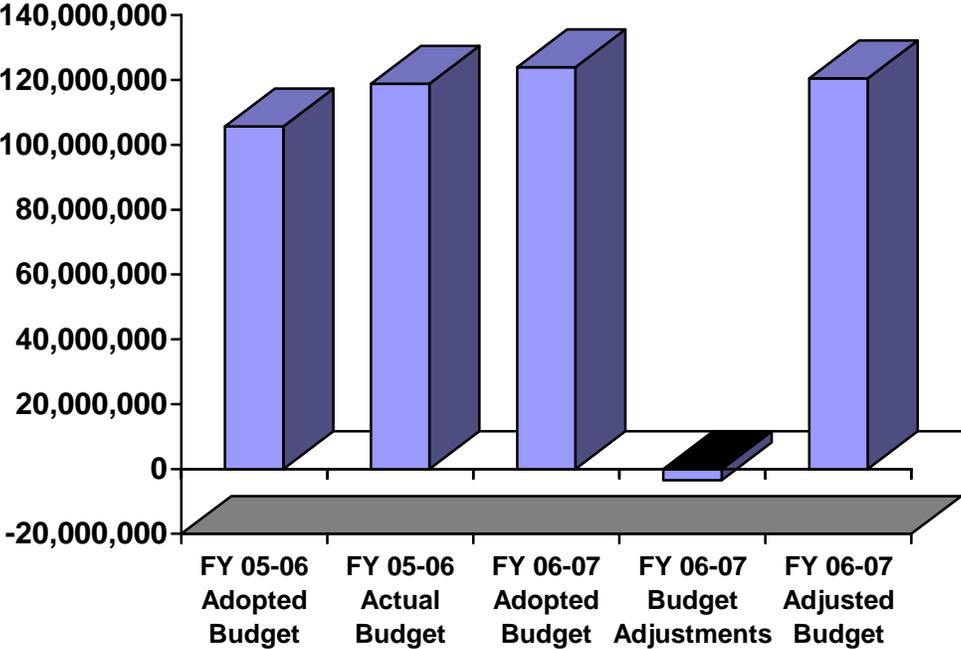
\*\*Other – Other Operating Expense, Utilities Expenses, Grant Expenditures, Capital Outlay and Capital Outlay Other Assets

## FY 2006-2007 Mid-Year Review Revenue and Expenditures Comparison

### Revenues



### Expenditures



**CITY OF RICHMOND  
FY2006-2007 MID-YEAR REVIEW**

**General Fund Revenue & Expenditure Narratives**

**REVENUES**

**1. Property Taxes**

Twenty-seven percent of General Fund Revenues are derived from Property Taxes. In 1978, Proposition 13 revised the calculation of California property taxes by establishing a fixed rate of one percent of a property's value and limiting the growth in assessed valuation to two percent per year, except that when property changes hands, the fair value becomes the basis of valuation. The City receives property taxes in December (55%), April (40%), and June (5%) each year.

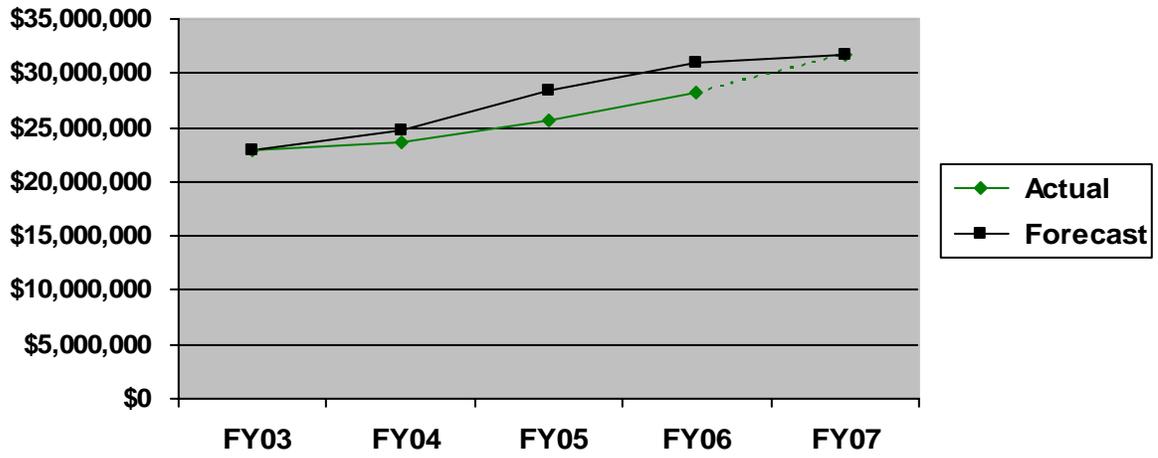
Over the last few years, The State of California government has imposed various transfers of revenues upon local governments. A review of these transfers are described on the following chart. These do not include the original ERAF I & II transfers to the County Education Revenue Augmentation Fund imposed during the 1990's that continue. This represents transfers of Property Tax Revenues that would have gone to the City, but were diverted to fund the State's obligation to fund local schools.

The recent transfers resulted in shifts in the timing of cash revenues from the various sources, changes in the accruals of revenue during the year of transition and the requirement to create new accounts to reflect the revenue in the proper accounting group. Recent directives are that State revenues received in lieu of Property Taxes should be classified in a special "in lieu" account under Property Taxes rather than as a component of State Revenues. It was because of uncertainty in the implementation of these changes in the classification of revenues that original budget projections were askew, e.g. Property Taxes projected to be higher than actual largely offset by Sales Tax projected lower than actual receipts.

**Forecast:** FY2006-07 Property Taxes are projected to increase by \$3.5 million or 12.1% above FY2005-06 actual revenues, based on the Adjusted Budget.

	<b>FY 2002-03</b>	<b>FY 2003-04</b>	<b>FY 2004-05</b>	<b>FY 2005-06</b>	<b>FY 2006-07</b>
<b>Actual*</b>	\$22,955,743	\$23,640,305	\$25,740,931	\$28,284,861	\$31,792,065
<b>Budgeted</b>	\$22,955,742	\$24,781,218	\$28,350,262	\$30,971,376	\$31,792,065

### Actual vs. Projected Property Taxes



\* Includes projected amount for FY2006-07 for January through June 2007

## #1 - Property Taxes

### Fiscal Year Ending June 30 2007

Projections Based on Financial Information Through December 2006

Revenue Source	Dec '05	Dec '06	Total Actual		Projected 06-07
			05-06	06-07	
Secured Taxes	13,970,175	15,906,044	25,652,375	29,152,065	
Unsecured Taxes	1,042,896	869,365	1,136,751	1,140,000	
Supplemental Taxes	134,117	539,457	1,495,736	1,500,000	
<b>Total</b>	<b>15,147,187</b>	<b>17,314,866</b>	<b>28,284,862</b>	<b>31,792,065</b>	

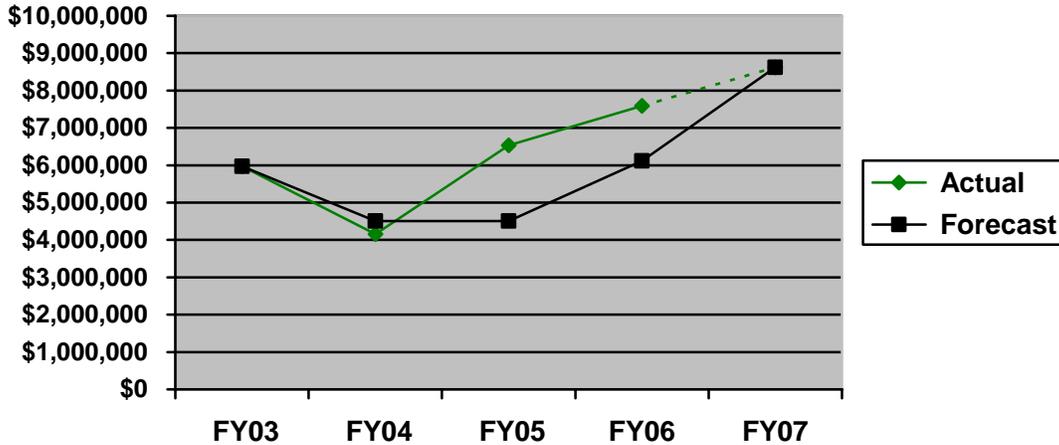
## 2. State Taxes

State Taxes are derived from Vehicle License Fees (VLF) and have increased annually since FY 2003-04.

**Forecast:** Revenue is projected to increase by \$1,032,434. State tax revenues from Vehicle License Fees (VLF) are received in January and May and are on target with budgeted projections.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$5,970,994	\$4,157,098	\$6,530,349	\$7,587,566	\$8,620,000
<b>Budgeted</b>	\$5,971,807	\$4,503,200	\$4,506,867	\$6,113,729	\$8,620,000

Actual vs. Projected  
State Taxes



\* Includes projected amount for FY2006-07 for January through June 2007

### 3. Sales & Use Tax

The City share of the 8.75% Sales and Use Tax collected is 1.5%, representing 17.1% of the total dollars raised. Sales and Use Taxes are collected from purchases of consumer goods and are distributed as follows:

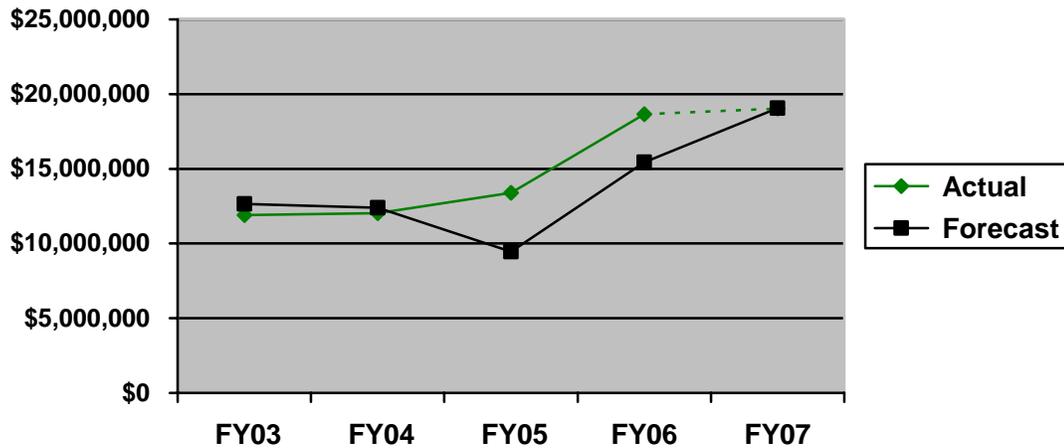
- 6.25% State Sales Tax
- 0.5% SB 172
- 0.5% Bart
- 1.5% City of Richmond
- 8.75%

**Forecast:** MBIA Muniservices projects Sales and Use Taxes to increase by \$2.9 million over last fiscal year resulting in a \$495,900 increase for Richmond.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$11,898,022	\$12,037,230	\$13,392,543	\$18,651,660	\$19,039,859
<b>Budgeted</b>	\$12,639,825	\$12,400,000	\$9,452,537	\$15,438,144	\$19,039,859**

\*\*Includes \$1 million from Proposition 172.

**Actual vs. Projected  
Sales and Use Taxes**



\* Includes projected amount for FY2006-07 for January through June 2007

<b>MUNICIPALITY</b>	<b>SALES TAX FORECAST SUMMARY</b>	<b>DATE</b>	<b>STARS QUARTER</b>
RICHMOND DISTRICT ADD-ON	MUNISERVICES, LLC	January 12, 2007	2006Q3
<b>TAX AREA CODE</b>			
77095			

<b>FY 2006-2007</b>	<b>BUDGET:</b>			
BASE		\$5,460,006		
NEW PERMITS		\$163,888		
OTHER NEW		\$0		
CLOSED PERMITS		(\$126,542)		
ONE-TIME ADJUSTMENTS		\$16,656		
ADJUSTED BASE		\$5,514,008		
	RATE	ANNUALIZED	FY 2006-2007	PRIOR PERIOD
PESSIMISTIC	2.00%	1.000%	\$5,569,148	0
MOST LIKELY	3.00%	1.500%	\$5,596,718	0
OPTIMISTIC	4.00%	2.000%	\$5,624,288	0

<b>FY 2007-2008</b>	<b>BUDGET:</b>			
	ADJUSTMENTS	PESSIMISTIC	MOST LIKELY	OPTIMISTIC
BASE		\$5,569,148	\$5,596,718	\$5,624,288
NEW PERMITS	\$34,424			
OTHER NEW	\$0			
CLOSED PERMITS	(\$126,531)			
ONE-TIME ADJUSTMENTS	(\$191)			
ADJUSTED BASE	(\$92,298)	\$5,476,850	\$5,504,420	\$5,531,990
	RATE	PESSIMISTIC	MOST LIKELY	OPTIMISTIC
PESSIMISTIC	2.50%	\$5,613,771	\$5,642,031	\$5,670,290
MOST LIKELY	4.00%	\$5,695,924	\$5,724,597	\$5,753,270
OPTIMISTIC	5.00%	\$5,750,693	\$5,779,641	\$5,808,590

<b>ADJUSTMENT DETAIL</b>					
BUSINESS NAME	NEW FY 2006-2007	NEW FY 2007-2008	OPEN DATE	PRIOR PERIOD	INITIAL PERIOD

<b>MUNICIPALITY</b>	<b>SALES TAX FORECAST SUMMARY</b>	<b>DATE</b>	<b>STARS QUARTER</b>
RICHMOND	MBIA MUNISERVICES COMPANY	December 7, 2006	2006Q2
<b>TAX AREA CODE</b>			
07038			

<b>FY 2006-2007</b>	<b>BUDGET:</b>				
BASE		\$12,378,558			
NEW PERMITS		\$92,773			
OTHER NEW		\$0			
CLOSED PERMITS		(\$71,399)			
ONE-TIME ADJUSTMENTS		(\$230,601)			
ADJUSTED BASE		\$12,169,331			
	RATE	ANNUALIZED	<b>FY 2006-2007</b>	PRIOR PERIOD	FY 2007-2008 BASE
PESSIMISTIC	2.00%	1.500%	\$12,351,871	0	12,351,871
MOST LIKELY	3.00%	2.250%	<b>\$12,443,141</b>	0	12,443,141
OPTIMISTIC	4.00%	3.000%	\$12,534,410	0	12,534,410

<b>FY 2007-2008</b>	<b>BUDGET:</b>			
	ADJUSTMENTS	PESSIMISTIC	MOST LIKELY	OPTIMISTIC
BASE		\$12,351,871	\$12,443,141	\$12,534,410
NEW PERMITS	\$1,600			
OTHER NEW	\$0			
CLOSED PERMITS	(\$19,065)			
ONE-TIME ADJUSTMENTS	(\$111,419)			
ADJUSTED BASE	(\$128,884)	\$12,222,987	\$12,314,257	\$12,405,526
	RATE	PESSIMISTIC	MOST LIKELY	OPTIMISTIC
PESSIMISTIC	2.50%	\$12,528,561	\$12,622,113	\$12,715,665
MOST LIKELY	4.00%	\$12,711,906	\$12,806,827	\$12,901,748
OPTIMISTIC	5.00%	\$12,834,136	\$12,929,969	\$13,025,803

<b>ADJUSTMENT DETAIL</b>					
BUSINESS NAME	NEW FY 2006-2007	NEW FY 2007-2008	OPEN DATE	PRIOR PERIOD	INITIAL PERIOD

#### 4. Local Taxes

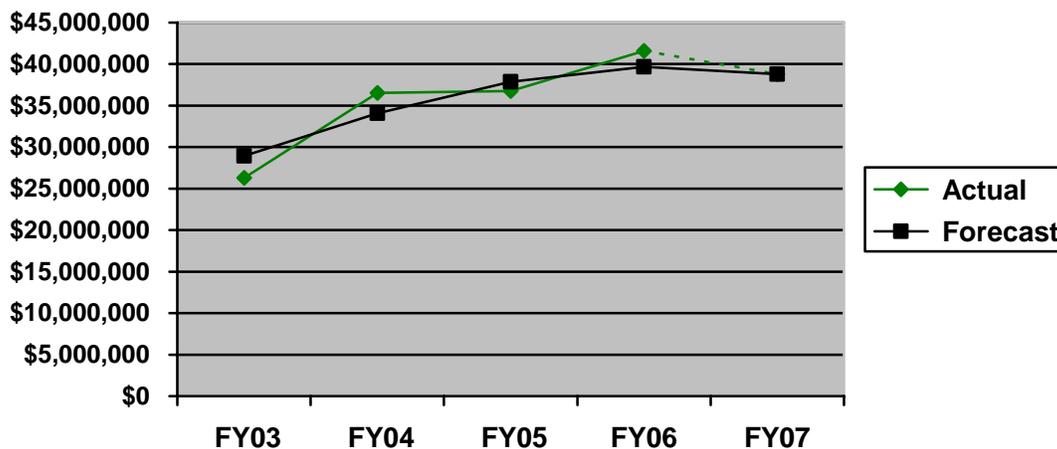
Local Taxes represent 33 percent of General Fund Revenues and include:

- Transient Occupancy Tax (hotel/motel tax)
- Utility Users Tax (10% tax on utility revenues)
- Documentary Transfer (from home purchases)

**Forecast:** Based on mid-year collections, revenues are anticipated to be down nearly \$5 million. Utility Users Tax revenues are reduced by \$3 million based on a major user's payment recalculation and Documentary Transfer Tax forecasts are lowered \$2 million because of a slowdown in the real estate market.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$26,285,319	\$36,542,706	\$36,743,917	\$41,590,300	\$38,785,297
<b>Budgeted</b>	\$28,953,003	\$34,060,202	\$37,854,344	\$39,668,330	\$38,785,297

Actual vs. Projected  
Local Taxes



\* Includes projected amount for FY2006-07 for January through June 2007

**REVENUE PROJECTIONS 2006-07  
#4 LOCAL TAXES**

Local Taxes (a)	GL Account (b)	Adopted Budget 2006-07 ©	Revisions/ Adjustments (d)	Adjusted Budget 2006-07 ©-(d)	Actuals 05-06 Actuals 06-07 Jul - Sep (f)	Actuals 05-06 Proj 06-07 Oct - Dec (g)	Actuals 05-06 Proj 06-07 Jan - Mar (h)	Actuals 05-06 Proj 06-07 Apr - Jun (i)	Total Actuals&Proj (f)+(g)+(h)+(i)
Transient Occupancy Tax 2005-06 2006-07	40410	835,000		835,000	3,509.04 44,337.40	216,184 252,482	208,534 208,750	409,831 329,431	838,058 835,000
Utility Users Tax 2005-06 2006-07	40415	32,145,000	(4,194,704)	27,950,296	5,846,030.00 4,203,581.38	7,921,794 6,764,251	6,809,574 6,987,574	9,505,159 9,994,890	30,082,557 27,950,296
Document Transfer Tax 2005-06 2006-07	40420	10,000,000		10,000,000	1,734,028.00 1,463,891.19	3,769,251 3,532,281	1,472,710 1,541,242	3,694,880 3,462,586	10,670,869 10,000,000
<b>Total Local Taxes</b> 2005-06 2006-07		42,980,000	(4,194,704)	38,785,296	7,583,567.04 5,711,809.97	11,907,229.00 10,549,014.00	8,490,818.00 8,737,566.00	13,609,870.00 13,786,907.00	41,591,484 <b>38,785,297</b>

	Transient Occupancy Tax 40410		UUT 40415		Doc Trnsf Tax 40420	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
Jul	0	0	1,830,510	1,930,770	832,551	650,290
Aug	0	0	2,481,290	2,142,161	901,478	966,666
Sep	219,693	226,820	1,533,046	2,165,598	910,559	772,735
Oct	0	0	2,542,718	2,012,054	960,468	644,360
Nov	0	0	2,934,251	2,366,704	1,898,224	552,295
Dec	208,534	190,864	2,444,825	2,549,792	904,092	638,046
Jan	0	0	3,337,939		568,618	
Feb	0	0	1,845,569		604,597	
Mar	195,293	0	1,626,067		832,926	
Apr	0	0	1,787,110		682,663	
May	0	0	2,740,730		764,264	
Jun	214,538	0	5,095,318		813,602	
	838,058	417,684	30,199,373	13,167,079	10,674,042	4,194,392

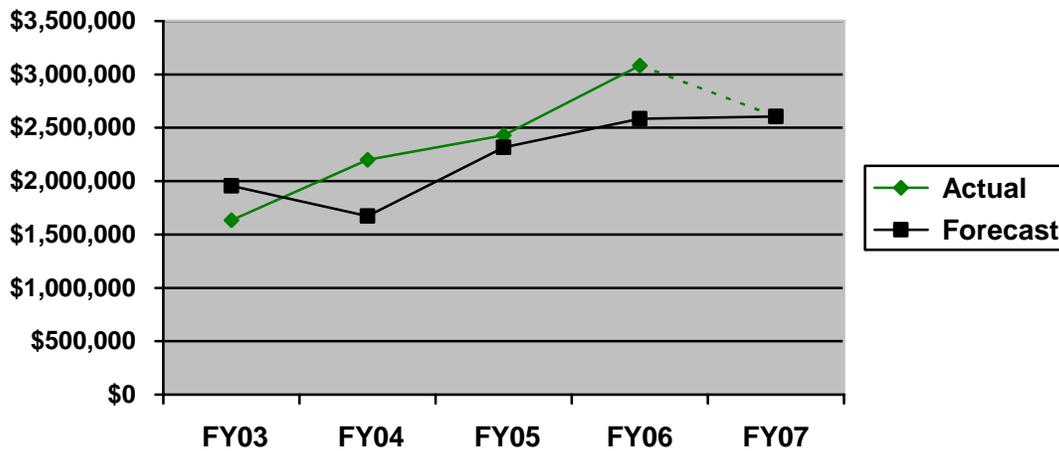
## 5. Franchise Taxes

Franchise Tax revenue is a .05% fee charged Utilities on electric, heat, gas and garbage bills. Franchise revenue is received from utility companies in accordance with franchise agreements.

**Forecast:** Franchise tax revenues are on target.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$1,633,347	\$2,201,076	\$2,430,539	\$3,081,957	\$2,604,992
<b>Budgeted</b>	\$1,956,964	\$1,673,217	\$2,317,585	\$2,585,600	\$2,604,992

Actual vs. Projected  
Franchise Taxes



\* Includes projected amount for FY2006-07 for January through June 2007

## 6. & 7. Licenses & Permits

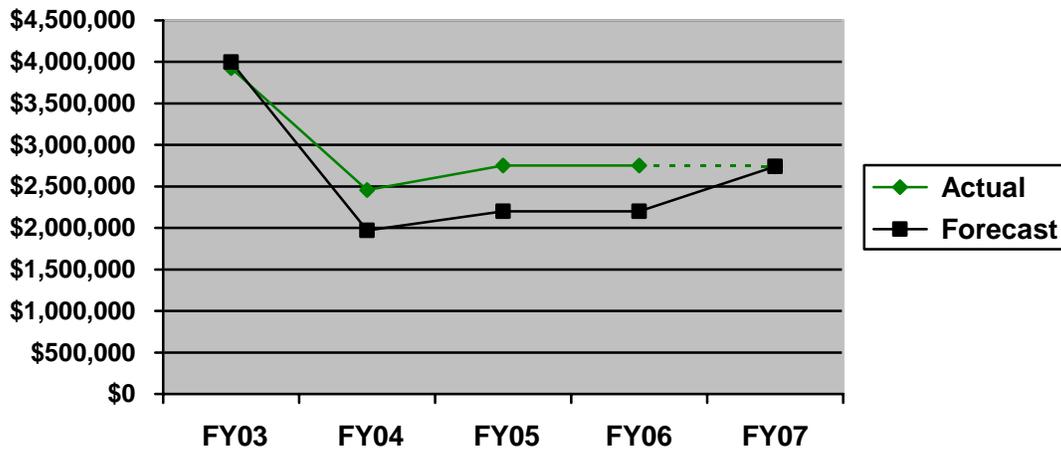
Licenses and Permit fees:

- Business Licenses
- Tow Truck Permits
- Conditional Use Permits
- General Permits

**Forecast:** Business License Fees are as projected to remain stable.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$3,924,871	\$2,458,767	\$2,153,871	\$2,751,280	\$2,742,110
<b>Budgeted</b>	\$3,999,591	\$1,969,433	\$2,452,000	\$2,201,534	\$2,742,110

Actual vs. Projected  
Licenses & Permits



\* Includes projected amount for FY2006-07 for January through June 2007

## 8. & 9. Fees, Fines & Forfeitures

### Fees

Fee revenue consists of:

- Fire Inspections
- Hazardous Materials Inspections
- Recreation Program Fees
- Fire Plan Reviews
- Abatement

**Forecast:** Fee revenues are anticipated to be \$1,260,760 lower than anticipated at the beginning of the fiscal year.

### Fines & Forfeitures

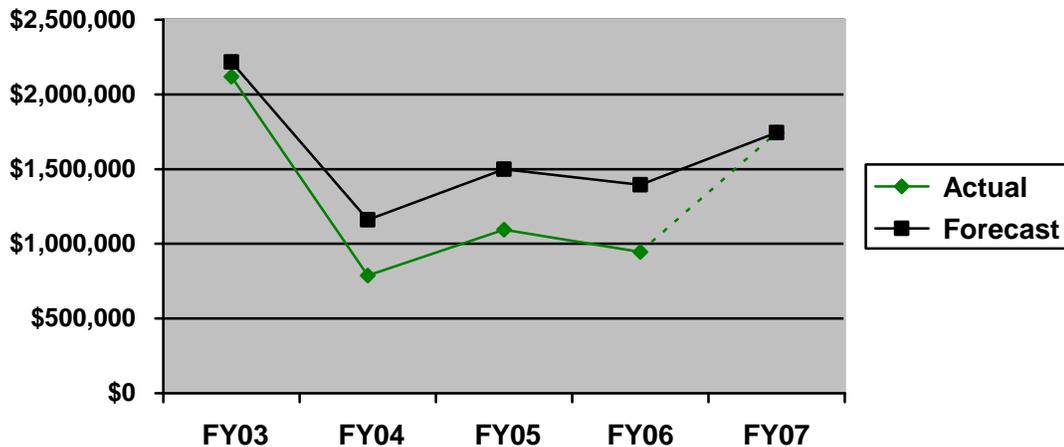
Fines and Forfeitures consist of fines for Parking Violations, Municipal Court and Library fines.

**Forecast:** Fines and Forfeitures are projected to be \$261,000 lower than the original forecast.

#### Fees, Fines & Forfeitures

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	<b>\$2,118,994</b>	<b>\$786,933</b>	<b>\$1,094,666</b>	<b>\$946,116</b>	<b>\$1,743,381</b>
<b>Budgeted</b>	<b>\$2,217,393</b>	<b>\$1,160,276</b>	<b>\$1,498,694</b>	<b>\$1,395,684</b>	<b>\$1,743,381</b>

#### Actual vs. Projected Fees, Fines & Forfeitures



\* Includes projected amount for FY2006-07 for January through June 2007

## 10. Interest & Investment Income

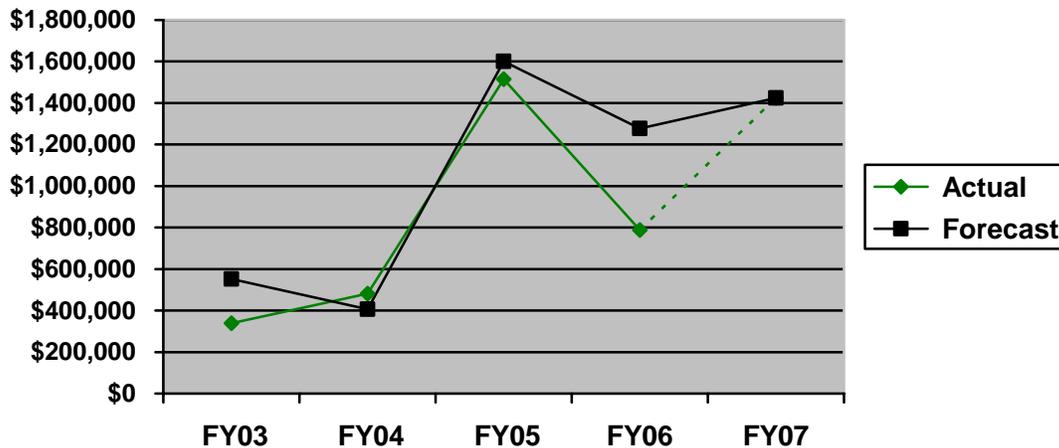
The City's investment portfolio is structured with short and long term securities to meet its annual and long term cash flow needs.

The City has a strict cash management program in order to ensure that all available funds are invested to earn a maximum yield while maintaining safety and liquidity. Invested money is pooled and each fund receives interest income based on its share of quarterly average cash balance.

**Forecast:** Interest and Investment income is now projected to exceed the original forecast by \$790,000.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$338,137	\$481,289	\$1,514,540	\$787,854	\$1,425,000
<b>Budgeted</b>	\$552,549	\$405,780	\$1,600,000	\$1,277,000	\$1,425,000

**Actual vs. Projected  
Interest & Investment Income**



\* Includes projected amount for FY2006-07 for January through June 2007

**11. Rentals & Concessions**  
**12. Charges for Services**

**Rentals & Concessions**

Rentals & Concession income and Charges for Services represent one percent of General Fund Revenues

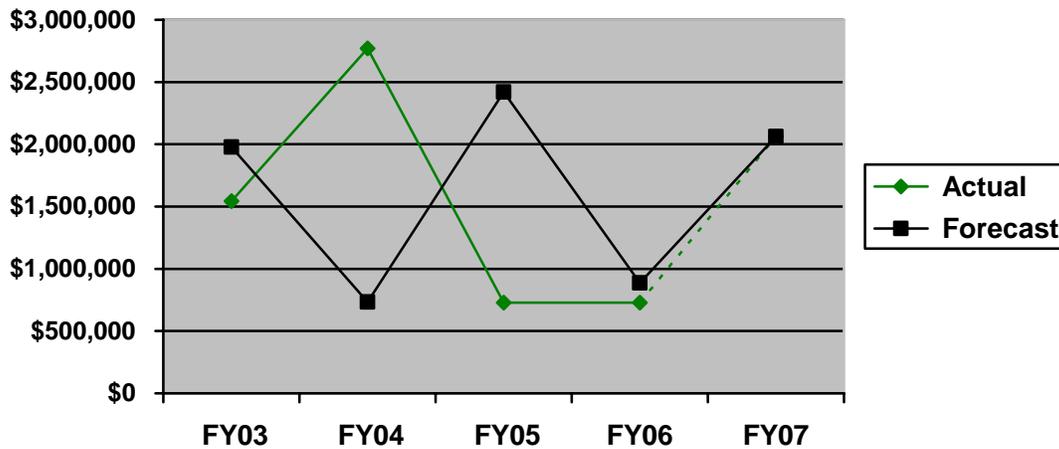
**Forecast:** Rental and concessions income forecast is unchanged.

**Charges for Services**

**Forecast:** Charges for Services revenues are projected above original estimates because charges for indirect costs are now included.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$1,544,513	\$2,770,660	\$727,059	\$726,755	\$2,060,929
<b>Budgeted</b>	\$1,978,153	\$734,416	\$2,419,000	\$887,500	\$2,060,929

**Actual vs. Projected  
 Rentals, Concessions & Charges for Services**



\* Includes projected amount for FY2006-07 for January through June 2007

### 13. Grant Revenue

Grant Revenue includes funding from Federal and State Governments and generally requires a local match. Programs include:

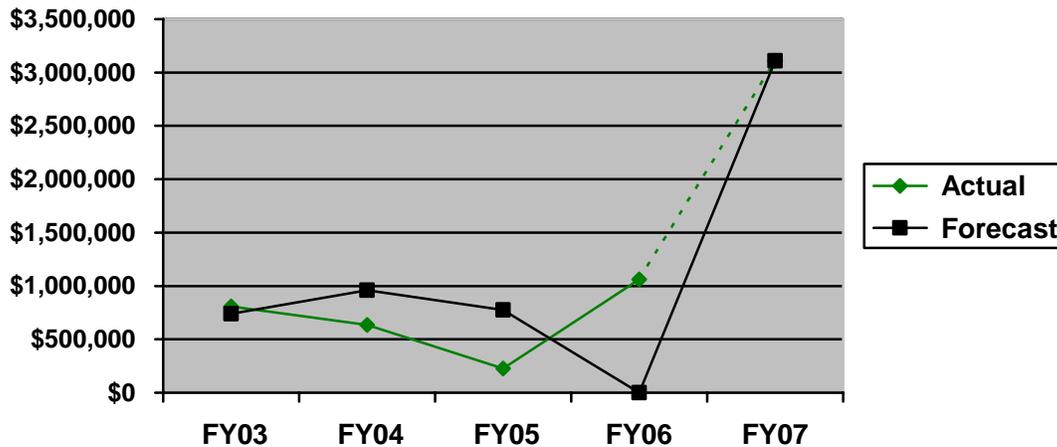
- After School and Youth Programs
- Homeland Security
- Housing
- Education and Employment Assistance
- Parks and Play Equipment
- Environmental Cleanup
- Infrastructure Needs

**Forecast:** The following programs were budgeted in both the General Fund and Capital Improvement Plan and are being removed from the General Fund:

Department of Conservation Recycling Grant	\$27,783
Robert Z'Berg Harris Grant	\$274,830
State Per Capita Bond Grant	\$445,000
Elm Play Lot State Grant	<u>\$129,000</u>
Total Reduction	\$876,613

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	<b>\$808,644</b>	<b>\$634,012</b>	<b>\$226,065</b>	<b>\$1,062,214</b>	<b>\$3,109,479</b>
<b>Budgeted</b>	<b>\$737,888</b>	<b>\$960,275</b>	<b>\$775,000</b>	<b>\$0</b>	<b>\$3,109,479</b>

**Actual vs. Budgeted  
Grant Revenue**



\* Includes projected amount for FY2006-07 for January through June 2007

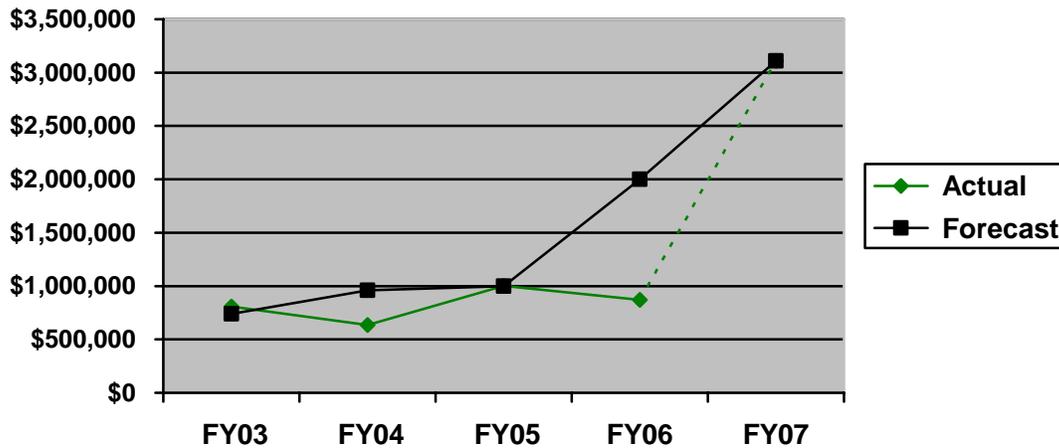
#### 14. Proceeds: Land & Buildings

Proceeds from the sale of City assets (land, buildings) are included in this category.

**Forecast:** Revenue of \$3 million was received from the Guidiville Indians for renewal on January 15, 2007. The remaining \$1,587 is attributed to miscellaneous sales of items within the Police Department. Projected year end revenues in this category are unchanged from the original budget forecast.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$808,644	\$634,012	\$1,000,613	\$869,880	\$3,001,587
<b>Budgeted</b>	\$737,888	\$960,275	\$1,000,000	\$2,000,000	\$3,001,587

**Actual vs. Projected  
Proceeds: Land & Buildings**



\* Includes projected amount for FY2006-07 for January through June 2007

## 15. Other Revenues

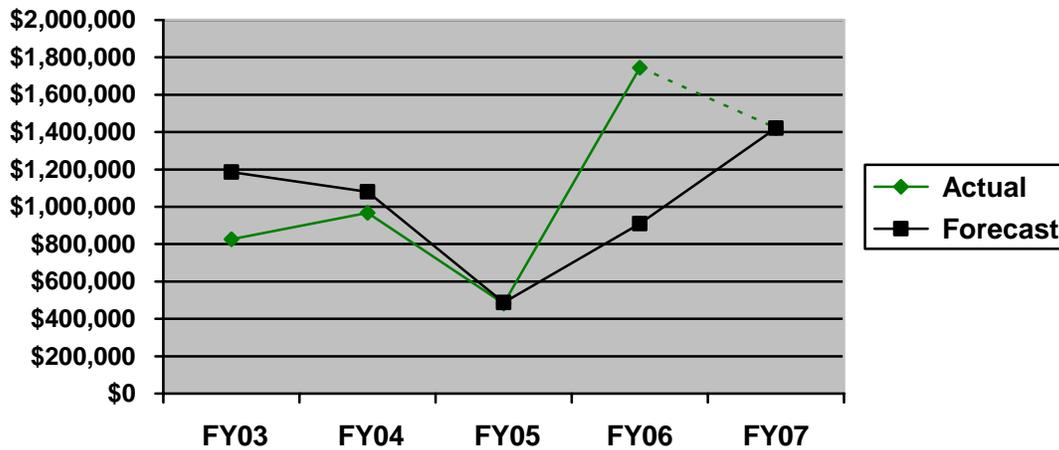
Other Revenues include:

- Police Repossession Fees
- Subpoenas
- Refunds & Reimbursements
- Jury Duty Reimbursements

**Forecast:** Other Revenues are projected to be above original appropriations as a result of a one-time arbitrage bond refund of \$458,536.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$825,526	\$967,650	\$481,802	\$1,743,742	\$1,420,346
<b>Budgeted</b>	\$1,185,631	\$1,080,091	\$487,332	\$910,196	\$1,420,346

Actual vs. Projected  
Other Revenues



\* Includes projected amount for FY2006-07 for January through June 2007

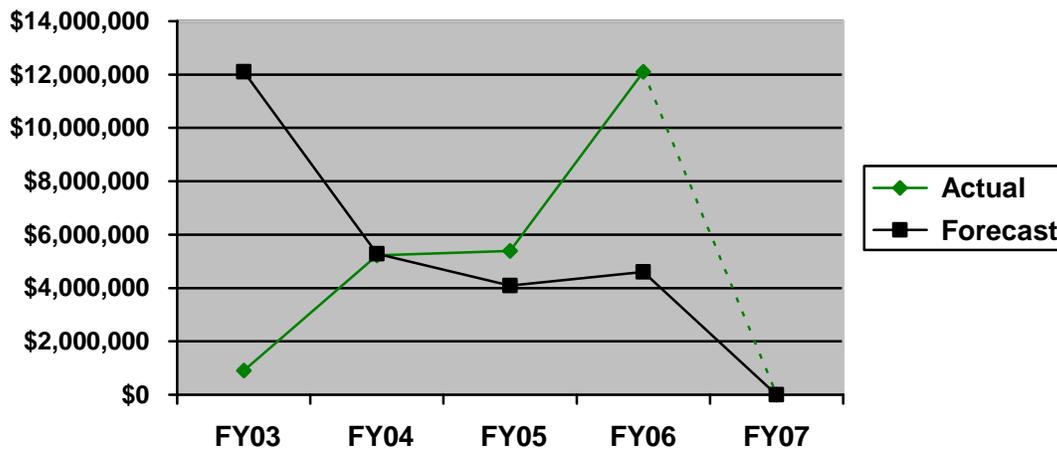
## 17. Operating Transfers-In

Operating Transfers-In include transfers of revenue from Non-General Fund Departments/Divisions to cover operating, debt service, and miscellaneous expenditures paid for by the General Fund.

**Recommendation:** The adopted revenue of \$2,306,808 represented the anticipated repayment from the Richmond Housing Authority. While this would represent new cash to the General Fund, the proper accounting treatment is to treat it as a pay down of receivables to the fund, and not as a revenue source. Therefore, staff recommends that it be designated as a receivable and be removed as a revenue source.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	<b>\$902,588</b>	<b>\$5,228,278</b>	<b>\$5,393,371</b>	<b>\$12,101,059</b>	<b>\$0</b>
<b>Budgeted</b>	<b>\$0</b>	<b>\$5,277,742</b>	<b>\$4,090,415</b>	<b>\$4,601,896</b>	<b>\$0</b>

**Actual vs. Projected  
Operating Transfers-In**



\* Includes projected amount for FY2006-07 for January through June 2007

CITY OF RICHMOND  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2006

	General	Redevelopment Agency	JPFA	General Capital Improvement	Secured Pension Override	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and investments	\$30,326,744	\$19,046,314	\$1,176,327	\$13,524,871	\$1,963,221	\$26,511,890	\$92,549,367
Restricted cash and investments	17,020	28,973,086	9,211,207	8,635,241		9,621,348	56,457,902
Receivables:							
Accounts, net	6,640,872	337,565		32,030		1,901,050	8,911,517
Interest	84,483	63,748	2,736	23,231	8,565	49,565	232,328
Grants						1,926,823	1,926,823
Loans	1,055,124	21,606,965				4,535,986	27,198,075
Due from other funds	5,263,031	26,661					5,289,692
Advances to other funds	17,139,855	312,110					17,451,965
Prepays, supplies and other assets	247,048	1,200,000					1,447,048
<b>Total Assets</b>	<b>\$60,774,177</b>	<b>\$71,566,449</b>	<b>\$10,390,270</b>	<b>\$22,215,373</b>	<b>\$1,971,786</b>	<b>\$44,546,662</b>	<b>\$211,464,717</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$1,046,498	\$2,130,593		\$133,842		\$1,208,807	\$4,519,740
Refundable deposits	1,504,483	379,527				1,306,521	3,190,531
Due to other funds			\$68,864			927,528	996,392
Advances from other funds	103,685		34,358				138,043
Deferred revenue	9,889,742	21,548,821				4,758,819	36,197,382
<b>Total Liabilities</b>	<b>12,544,408</b>	<b>24,058,941</b>	<b>103,222</b>	<b>133,842</b>		<b>8,201,675</b>	<b>45,042,088</b>
<b>FUND BALANCES</b>							
Fund balance							
Reserved for:							
Encumbrances	926,760	84,350		59,654		1,215,623	2,286,387
Prepays, supplies and other assets	247,048	1,200,000					1,447,048
Debt service		2,478,820	10,287,048				12,765,868
Advances to other funds	8,108,231	312,110					8,420,341
Loans receivable	356,804	232,211					589,015
Low and moderate income housing		4,020,442					4,020,442
Unreserved, designated for:							
Contingencies	10,000,000						10,000,000
Unreserved, Undesignated, Reported in:							
General Fund	28,590,926						28,590,926
Special Revenue Funds					1,971,786	20,295,145	22,266,931
Debt Service Funds						6,647,877	6,647,877
Capital Projects Funds		39,179,575		22,021,877		8,186,342	69,387,794
<b>Total Fund Balances</b>	<b>48,229,769</b>	<b>47,507,508</b>	<b>10,287,048</b>	<b>22,081,531</b>	<b>1,971,786</b>	<b>36,344,987</b>	<b>166,422,629</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$60,774,177</b>	<b>\$71,566,449</b>	<b>\$10,390,270</b>	<b>\$22,215,373</b>	<b>\$1,971,786</b>	<b>\$44,546,662</b>	<b>\$211,464,717</b>

See accompanying notes to financial statements

CITY OF RICHMOND  
 GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2006

	General	Redevelopment Agency	JPFA	General Capital Improvement	Secured Pension Override	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Property taxes:							
Current collections	\$28,284,861	\$15,925,961			\$14,426,274	\$478,800	\$59,115,896
Released from Pension Reserve Fund					17,315,525		17,315,525
Sales taxes	25,402,253						25,402,253
Utility user taxes	30,199,388						30,199,388
Other taxes	14,590,884					\$99,150	14,690,034
Licenses, permits and fees	3,028,837	3,145,300		\$46,260		8,052,406	14,272,803
Developer revenue sharing		3,254,620					3,254,620
Fines, forfeitures and penalties	372,951					23,306	396,257
Use of money and property	693,463	2,111,633	\$700,358	656,826	306,564	680,874	5,149,718
Intergovernmental	1,854,613	2,336,589		953,485		11,158,501	16,303,188
Charges for services	1,153,341					3,268,462	4,421,803
Pension stabilization revenue						4,175,381	4,175,381
Settlement reimbursement		4,226,289					4,226,289
Other	726,503	373,521		30,000	296,702	2,069,381	3,496,107
Rent	161,382	232,383				20,951	414,716
<b>Total Revenues</b>	<b>106,468,476</b>	<b>31,606,296</b>	<b>700,358</b>	<b>1,686,571</b>	<b>32,345,065</b>	<b>30,027,212</b>	<b>202,833,978</b>
<b>EXPENDITURES</b>							
Current:							
General government	12,686,072				148,186	6,152,465	18,986,723
Public safety	59,834,214				2,215,648	1,956,608	64,006,470
Public works	10,927,180			5,082,081		4,362,457	20,371,718
Community development	849,369					5,456,974	6,306,343
Cultural and recreational	9,270,951					1,029,505	10,300,456
Housing and redevelopment		17,184,758				3,593,536	20,778,294
Capital outlay	21,750	15,983,121		1,233,976		240,443	17,479,290
Debt service:							
Principal		2,280,000				4,235,045	6,515,045
Interest and fiscal charges		4,575,151	1,396,624			5,286,000	11,257,775
<b>Total Expenditures</b>	<b>93,589,536</b>	<b>40,023,030</b>	<b>1,396,624</b>	<b>6,316,057</b>	<b>2,363,834</b>	<b>32,313,033</b>	<b>176,002,114</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>12,878,940</b>	<b>(8,416,734)</b>	<b>(696,266)</b>	<b>(4,629,486)</b>	<b>29,981,231</b>	<b>(2,285,821)</b>	<b>26,831,864</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of debt		9,116,676				114,995,133	124,111,809
Proceeds from sale of property	869,880	200,571				2,097,234	3,167,685
Payment to retirement plan						(113,877,017)	(113,877,017)
Transfers in	12,101,059	7,672,968	145,612	13,454,412		19,718,896	53,092,947
Transfers (out)	(21,214,000)		(1,001,369)	(1,654,609)	(28,009,445)	(2,252,547)	(54,131,970)
<b>Total Other Financing Sources (Uses)</b>	<b>(8,243,061)</b>	<b>16,990,215</b>	<b>(855,757)</b>	<b>11,799,803</b>	<b>(28,009,445)</b>	<b>20,681,699</b>	<b>12,363,454</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>4,635,879</b>	<b>8,573,481</b>	<b>(1,552,023)</b>	<b>7,170,317</b>	<b>1,971,786</b>	<b>18,395,878</b>	<b>39,195,318</b>
<b>BEGINNING FUND BALANCES</b>	<b>43,593,890</b>	<b>38,934,027</b>	<b>11,839,071</b>	<b>14,911,214</b>		<b>17,949,109</b>	<b>127,227,311</b>
<b>ENDING FUND BALANCES</b>	<b>\$48,229,769</b>	<b>\$47,507,508</b>	<b>\$10,287,048</b>	<b>\$22,081,531</b>	<b>\$1,971,786</b>	<b>\$36,344,987</b>	<b>\$166,422,629</b>

See accompanying notes to financial statements

# EXPENDITURES

## Personnel Expenditures

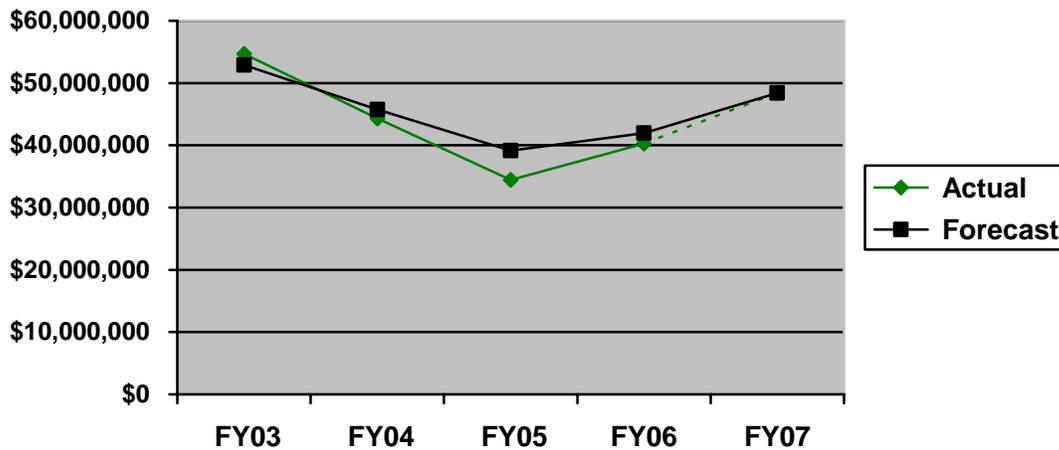
### 21. Salaries

Salary Expenditures include payroll for full-time sworn and non-sworn, part-time, provisional and temporary employees. The City Council approved new labor contracts resulting in an increase of \$3,380,598 in labor costs.

**Recommendation:** Transfer money from budgeted Special Department Expense (line 35) and Operating Transfers Out (line 37) to cover increases.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	<b>\$54,679,611</b>	<b>\$44,323,557</b>	<b>\$34,451,117</b>	<b>\$40,296,930</b>	<b>\$48,396,548</b>
<b>Budgeted</b>	<b>\$52,917,064</b>	<b>\$45,761,816</b>	<b>\$39,171,673</b>	<b>\$41,962,024</b>	<b>\$48,396,548</b>

Actual vs. Projected Salaries



\* Includes projected amount for FY2006-07 for January through June 2007



## 22. Benefits

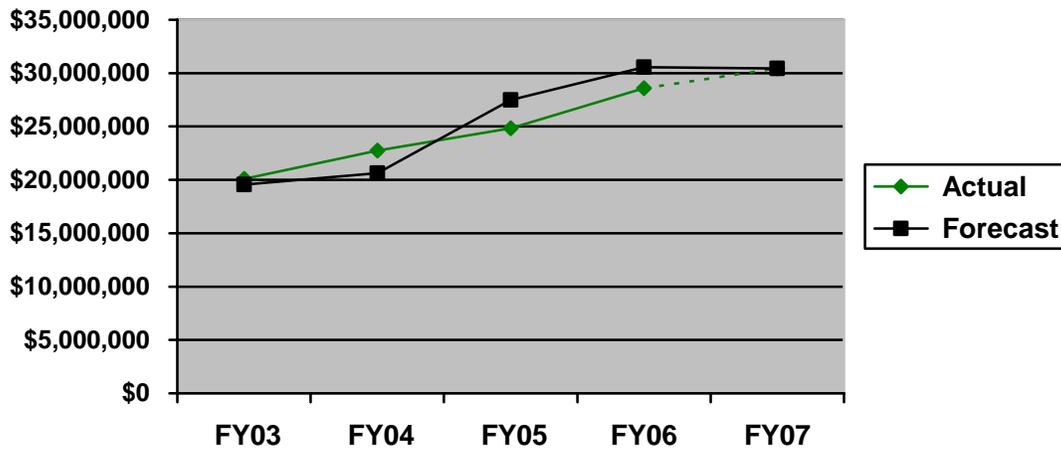
Benefits represent 25 percent of General Fund expenditures. They include:

- Retirement
- Vision
- Social Security
- Medicare and Medicaid
- Personal and Professional Benefit Payments
- Health
- Unemployment Insurance
- Life Insurance
- Vacation Pay-Out

**Recommendation:** The adopted budget did not include benefit increases of \$1 million approved in the new labor contracts. Actual expenses for Retiree Health Benefits for the period July-December 2006 require a \$200,000 increase.

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$20,107,795	\$22,759,153	\$24,826,414	\$28,584,547	\$30,439,747
<b>Budgeted</b>	\$19,571,635	\$20,626,716	\$27,485,116	\$30,549,396	\$30,439,747

Actual vs. Projected  
Benefits



\* Includes projected amount for FY2006-07 for January through June 2007

## 24 - 37. Operating Expenditures

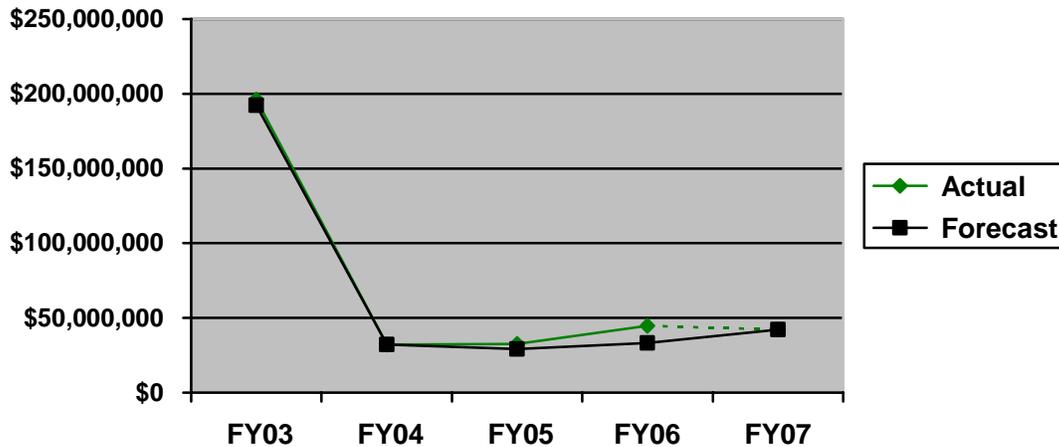
Operating Expenditures include materials and supplies, contractual services, utilities educational services, transfers-in/out, internal services, special department expenses, etc.

**Recommendation:** Detailed recommendations and analyses of Lines 24 through 37 can be found in the Expenditure Adjustment Report, pages 27 through 31.

### Operating Expenditures

	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
<b>Actual*</b>	\$196,886,987	\$32,169,025	\$32,586,631	\$44,751,057	\$42,515,570
<b>Budgeted</b>	\$192,243,816	\$32,083,215	\$29,111,549	\$33,154,953	\$42,515,570

### Actual vs. Projected Operating Expenditures



\* Includes projected amount for FY2006-07 for January through June 2007

**General Fund Recommended Budget Adjustments  
FY 2006-07 Mid-Year Budget Review**

Dept - Cost Center	Commitment/Item	FY2006 Budget	Dec-06 Actual	% Used	FY2007 Budget	Dec-07 Actual	Dec-07 % Used	Balance Remaining	Adjustments	Comments
<b>Mayor's Office</b>	Salary Bonus	\$ 4,793	\$ 2,673	56%	\$ 3,968	\$ 50	1%	\$ 3,918	\$ 3,918	Per MOU no longer applies eff. 7/1/06
	Special Dept Exp	\$ 3,468	\$ 2,564	98%	\$ 19,000	\$ 1,651	9%	\$ 17,346	\$ 8,673	50% reduction
	Maintenance Exp	\$ 977	\$ -	0%	\$ 977	\$ -	0%	\$ 977	\$ 977	Never used
	<b>Recommended Adjustment</b>							<b>\$ 13,568</b>		
	<i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends. Salary adjustments based on current MOU agreements. Adjustments were reviewed with Department. Analyst: Andrea Miller</i>									
<b>City Council</b>	Salary Bonus	\$ 5,267	\$ 1,456	28%	\$ 1,606	\$ (485)	-30%	\$ 2,091	\$ 2,091	Per MOU no longer applies eff. 7/1/06
	Travel & Training	\$ 21,067	\$ 18,201	86%	\$ 94,608	\$ 11,540	12%	\$ 81,068	\$ 16,214	Includes prior year carryforwards
	<b>Recommended Adjustment</b>							<b>\$ 18,305</b>		
	<i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends. Salary adjustments based on current MOU agreements. Adjustments were reviewed with Department. Analyst: Andrea Miller</i>									
<b>City Manager</b> <i>*incl Office of Violence Prv</i>	Salaries & Benefits	\$ 14,178	\$ 12,756	90%	\$ 20,000	\$ 930	5%	\$ 19,070	\$ (3,274.00)	Reclass OAll to Comm. Services Tech.
	Membership Dues	\$ 92,409	\$ 82,596	90%	\$ 379,167	\$ 30,492	8%	\$ 348,675	\$ 4,768	25% reduction
	Other Operating Exp	\$ 3,005	\$ 3,000	100%	\$ 10,000	\$ -	0%	\$ 10,000	\$ 87,169	25% reduction
	Property,Furn <\$5K	\$ -	\$ -	0%	\$ 50,000	\$ -	0%	\$ 50,000	\$ 7,500	75% reduction
	Capital Outlay >\$5K	\$ 19,700	\$ (2,381)	-12%	\$ 25,000	\$ 253	1%	\$ 24,747	\$ 25,000	50% reduction
	Special Dept Exp	\$ -	\$ -	0%	\$ 25,000	\$ -	0%	\$ 25,000	\$ 18,560	75% reduction
	<b>Recommended Adjustment</b>							<b>\$ 139,723</b>		
	<i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends. Adjustments were reviewed with Department. Analyst: Andrea Miller</i>									
<b>City Clerk</b>	Salary Bonus	\$ 3,899	\$ 4,822	124%	\$ 3,879	\$ 1,041	27%	\$ 2,838	\$ 2,838	Per MOU no longer applies eff. 7/1/06
	<b>Recommended Adjustment</b>							<b>\$ 2,838</b>		
	<i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends. Salary adjustments based on current MOU agreements. Adjustments were reviewed with Department. Analyst: Andrea Miller</i>									

**General Fund Recommended Budget Adjustments  
FY 2006-07 Mid-Year Budget Review**

Dept - Cost Center	Commitment/Item	FY2006 Budget	Dec-06 Actual	% Used	FY2007 Budget	Dec-07 Actual	Dec-07 % Used	Balance Remaining	Adjustments	Comments
City Attorney	Membership Dues	\$ 3,591	\$ 2,577	72%	\$ 5,600	\$ 2,226	40%	\$ 3,374	\$ 675	20% reduction
	Contractual Services	\$ 323,160	\$ 278,645	87%	\$ 330,000	\$ 101,427	31%	\$ 228,573	\$ 22,857	10% reduction
<b>Recommended Adjustment</b>									<b>\$ 23,532</b>	
<p><i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends. Adjustments were reviewed with Department.</i>  <b>Analyst: Andrea Miller</b></p>										
Finance	Salary & Benefits									(6,050.00) Reclass Acctg. Asst. to Collect. Spec.
	Salary Bonus	\$ 49,749	\$ 46,927	94%	\$ 103,433	\$ 724	0%	\$ 102,709	\$ 102,709	Per MOU no longer applies eff. 7/1/06
	Materials & Supplies	\$ 69,909	\$ 54,749	79%	\$ 108,629	\$ 28,641	26%	\$ 79,988	\$ 19,997	25% reduction
	Membership Dues	\$ 5,122	\$ 1,312	26%	\$ 7,750	\$ 1,661	21%	\$ 6,089	\$ 2,131	35% reduction
	Mileage Reimbursement	\$ 3,621	\$ 203	6%	\$ 6,000	\$ 90	2%	\$ 5,910	\$ 2,955	50% reduction
Maintenance Exp	\$ 14,388	\$ 5,671	39%	\$ 31,700	\$ 6,313	20%	\$ 25,387	\$ 6,347	25% reduction	
<b>Recommended Adjustment</b>									<b>\$ 128,089</b>	
<p><i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends. Salary adjustments based on current MOU agreements. Adjustments were reviewed with Department.</i>  <b>Analyst: Andrea Miller</b></p>										
Human Resources	Salaries & Benefits									\$ (15,748)
<b>Recommended Adjustment</b>									<b>\$ (15,748)</b>	
<p><i>Department is requesting additional staff (HR Technician III and Employee Benefits Analyst).</i>  <b>Analyst: Stacie Plummer</b></p>										
Library/Arts & Culture	Special Department Expen:	\$246	\$0	0%	\$60,000	\$60,475	101%	\$0	\$ (883)	Tent City T-shirts
	Contractual Services	\$0	\$0	0%	\$62,870	\$20,760	33%	\$42,110	\$ (20,750)	Grant to Richmond Art Center
<b>Recommended Adjustment</b>									<b>\$ (20,750)</b>	
<p><i>Department is requesting an increase in operating expenses due to receipt of donations and grants, as well as carryforwards from prior year that were not included during the budget process.</i>  <b>Analyst: Stacie Plummer</b></p>										

**General Fund Recommended Budget Adjustments  
FY 2006-07 Mid-Year Budget Review**

Dept - Cost Center	Commitment/Item	FY2006 Budget	Dec-06 Actual	% Used	FY2007 Budget	Dec-07 Actual	% Used	Balance Dec-07	Adjustments	Comments
Recreation	Salary & Benefits	\$ -	\$ -	0%	\$ -	\$0	0%	\$ -	-(39,525)	
	Cap Out-Otr Asset	\$ -	\$ -	0%	\$ 500,000	\$0	0%	\$ 500,000	500,000	Included in CIP Plan.
	<b>Recommended Adjustment</b>							<b>\$ 460,475</b>		
<p><i>Operating adjustments based on outlay being included as part of CIP plan. Duplicate entry is being removed from operating budget. Adjustments were reviewed with Department.</i>  <b>Analyst: Stacie Plummer</b></p>										
Library/Convention Ctr	Cap Outlay >\$4999	\$ 10,000	0	0%	\$ 10,000	\$0	0%	\$ 10,000	10,000	Savings based on Civic Center Project
	Maintenance Expense	N/A	N/A		\$ 1,500	\$0	0%	\$ 1,500	1,500	Savings based on Civic Center Project
	<b>Recommended Adjustment</b>							<b>\$ 11,500</b>		
<p><i>Operating adjustments based on review of FY2006 and FY2007 in addition to the activities related to the Civic Center Project. Adjustments were reviewed with Department.</i>  <b>Analyst: Stacie Plummer</b></p>										
Planning - Gen. Fund	Salary Bonus	\$8,642	\$9,809	114%	\$4,398	\$131	3%	\$4,267	4,250	Per MOU no longer applies eff. 7/1/06
	Travel & Training	\$4,000	\$2,011	50%	\$2,000	\$0	0%	\$2,000	1,000	50% Reduction
	Property, Furniture <\$5k	\$4,000	\$0	0%	\$2,000	\$0	0%	\$2,000	1,000	50% Reduction
	Capital Outlay, > \$5k	\$3,000	\$0	0%	\$1,500	\$0	0%	\$1,500	700	47% Reduction
	<b>Recommended Adjustment</b>							<b>\$ 6,950</b>		
<p><i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends.</i>  <i>Salary adjustments based on current MOU agreements. Adjustments were reviewed with Department.</i>  <b>Analyst: Jim Richman</b></p>										
Police Department	Salaries & Benefits								-(93,810.00)	
	Cap Outlay ->\$4,999	\$ -	\$ -		\$ 314,413	\$ -	0%	\$ 314,413	31,441.30	10% reduction
	Maintenance Expenses	\$ 281,651	\$ 281,230	100%	\$ 442,409	\$ 119,230	27%	\$ 323,179	44,240.90	10% reduction
Special Dept. Exp	\$ 5,000	\$ 4,231	85%	\$ 391,108	\$ 57	0%	\$ 391,051	39,110.80	10% reduction	
<b>Recommended Adjustment</b>								<b>\$ 20,983.00</b>		
<p><i>Operating adjustments are based on a review of FY2006 and FY2007 budget, actual spending trends and department projections. Adjustments were reviewed with Department.</i>  <b>Analyst: Delmy Cuellar</b></p>										

**General Fund Recommended Budget Adjustments  
FY 2006-07 Mid-Year Budget Review**

Dept - Cost Center	Commitment/Item	FY2006 Budget	Dec-06 Actual	% Used	FY2007 Budget	Dec-07 Actual	Dec-07 % Used	Balance Remaining	Adjustments	Comments
Fire Department	Supplies	\$ 177,523	\$ 156,865	88%	\$ 111,974	\$ 60,076	54%	\$ 51,898	\$ (60,000.00)	
	Contractual Services	\$ 157,500	\$ 113,013	72%	\$ 128,545	\$ 68,181	53%	\$ 60,364	\$ (50,000.00)	
<b>Recommended Adjustment</b>									<b>\$ (110,000.00)</b>	
<p><i>Department is requesting additional funds for equipment and new recruitment as part of their strategic plan.</i>  <b>Analyst: Delmy Cuellar</b></p>										
Public Works Abatement	Salary Bonus	\$14,010	\$11,144	80%	\$18,855	\$106	1%	\$18,749	\$ 18,749.00	Per MOU no longer applies eff. 7/1/06
	Materials & Supplies	\$5,000	\$2,258	45%	\$5,000	\$86	2%	\$4,914	\$ 2,501.00	50% Reduction
	Travel & Training	\$1,000	\$815	81%	\$5,000	\$0	0%	\$5,000	\$ 2,500.00	50% Reduction
	Contractual Services	\$12,000	\$11,888	99%	\$11,380	\$477	4%	\$10,903	\$ 5,000.00	44% Reduction
	Maintenance Expense	\$1	\$0	0%	\$20,000	\$0	0%	\$20,000	\$ 10,000.00	50% Reduction
<b>Recommended Adjustment</b>									<b>\$ 38,750.00</b>	
<p><i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends.  Salary adjustments based on current MOU agreements. Adjustments were reviewed with Department.</i>  <b>Analyst: Jim Richman</b></p>										
Public Works Streets	Salary & Benefits	\$879,803	\$333,842	79%	\$1,121,402	\$393,041	69%	\$728,362	\$ (13,019)	Overtime/Acting due to inclement weather
	Travel & Training	\$500	\$407	81%	\$5,000	\$0	10%	\$5,000	\$ 2,519	50% Reduction
	Special Dept Exp	\$14,000	\$0	0%	\$15,000	\$1,112	4%	\$13,888	\$ 7,500	50% Reduction
<b>Recommended Adjustment</b>									<b>\$ (3,000)</b>	
<p><i>Department is requesting an increase in acting/overtime pay due to inclement weather which results in overtime. Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends. Salary adjustments based on current MOU agreements will be applied. Adjustments were reviewed with Department.</i>  <b>Analyst: Jim Richman</b></p>										
Risk Management	Travel & Training	N/A	N/A		\$ 9,500	\$1,131	12%	\$ 8,369	\$ 1,300	Savings based on use last year.
	Other Operating Exp	N/A	N/A		\$ 7,500	\$209	3%	\$ 7,291	\$ 7,291	Savings based on use last year.
	Utilities Expenses	N/A	N/A		\$ 1,500	\$1	0%	\$ 1,499	\$ 1,500	Savings based on use last year.
<b>Recommended Adjustment</b>									<b>\$ 10,091</b>	
<p><i>Operating adjustments based on a review of FY2006 and FY2007 budget and actual spending trends.  Adjustments were reviewed with Department.</i>  <b>Analyst: Stacie Plummer</b></p>										
<b>GRAND TOTAL - RECOMMENDED ADJUSTMENTS</b>									<b>\$ 725,306</b>	

**CITY OF RICHMOND**  
**DEBT SERVICE REQUIREMENTS**  
**FY 2006-07**

Division/Issue Name	FY	Comments
<b>General Debt Service</b>	<b>2006-07</b>	
Hilltop Mall Renovation/Taubman	130,096	Proceeds used for Hilltop Mall Renovations
Suntrust Lease #3	128,473	Police 911 System
Suntrust Lease #4	598,027	IT Equipment
Taxable Pension Funding Bonds Series 2005	384,757	General Fund Portion of Debt Service
JPFA Series 1995A (Lease Revenue)	1,088,914	Public Capital improvements
JPFA Lease Revenue Bonds Series 2001-A	1,824,875	Proceeds used to fund various capital projects
Municipal Finance Corp. Lease (Viron-Energy)	508,010	Energy Savings Upgrades
<b>General Debt Service Total</b>	<b><u>4,663,151</u></b>	
<b>Gas Tax Debt Service</b>		
23rd St. Grade Separation (Gas Tax Revenue)	<b>424,156</b>	23rd Street Grade Improvement
<b>Enterprise Fund Debt Service</b>		
Wastewater Revenue Refunding Bonds 2006 A & B	3,661,094	Capital Improvement Projects
State Revolving Fund Loan	458,411	Improvements to Treatment Plant
JPFA Port Terminal Lease Rev. Bds. 1996	576,716	Navigation Improvements, Berth Deepening
JPFA Port Term. Lease Rev. Ref. Bds. 1999	1,398,413	Refund 1994 Port Lease Bonds
Marina Debt - DBAW Loan #'s 6,7,8,9	206,816	Proceeds used to build Marina boat ramp
<b>Enterprise Fund Debt Service Total</b>	<b><u>6,301,448</u></b>	
<b>Trust &amp; Agency Fund Debt Service</b>		
Reassessment Revenue Bds. Series 2003-1	2,867	Refund prior bonds
Pension Obligation Bonds Series 2005	2,430,195	Funded by Pension Tax Override Revenues (PTORS)
Pension Obligation Bonds 1999 Series A	3,443,742	Funded by Pension Tax Override Revenues (PTORS)
<b>Trust &amp; Agency Fund Debt Service Total</b>	<b><u>5,876,804</u></b>	
<b>Total Debt Service</b>	<b><u><u>17,265,560</u></u></b>	

**GENERAL FUND  
FY 2005-2006 YEAR-END CASH TRANSFERS**

FUND TITLE	AMOUNT	NOTES	STATUS of Non-GF fund
Cost Recovery--Fire Prevention	(1,244,386)	Inability to recover full costs	Closed out to General Fund
Cost Recovery--Code Enforcement	(1,005,251)	Inability to recover full costs	Closed out to General Fund
Cost Recovery--Engineering	(1,112,367)	Inability to recover full costs	Closed out to General Fund
Solid Waste Management	(43,501)	No activity since 2001	Closed out to General Fund
Public Art	(99,754)	Offset prior years' errors	Closed out to General Fund
<b>Paratransit</b>	<b>(1,137,018)</b>	<b>Reductions in funding</b>	<b>Remains Open</b>
<b>Kids First</b>	<b>(157,286)</b>	<b>Reduction in State funding</b>	<b>Remains Open</b>
<b>Employment &amp; Training</b>	<b>(2,268,213)</b>	<b>Reductions in grant funding</b>	<b>Remains Open</b>
Office Traffic & Safety Grant/Police	(14,449)	Closed Grant	Closed out to General Fund
Boating State Grant	(54,512)	No activity since 2001	Closed out to General Fund
COPS in Schools	(11,733)	Rev ceased but payroll cont'd	Closed out to General Fund
<b>Richmond Children Foundation</b>	<b>(108,366)</b>	<b>Rev ceased but payroll cont'd</b>	<b>Remains Open</b>
Bridge Toll--Measure One Parkway	(360,175)	No activity since 2001	Closed out to General Fund
SB300--State & Local Partnership	(142,063)	No activity since 2001	Closed out to General Fund
Building Services--Overall	(187,033)	Negative since Mar '02	Closed out to General Fund
<b>Cafeteria Option</b>	<b>(33,847)</b>	<b>No activity since 2001</b>	<b>Remains Open</b>
Planning--3rd Party Review	(72,233)	Negative since Nov '03	Closed out to General Fund
Banc One Capital Lease Debt	(29,166)	Negative Cash in Debt Svc fund	Remains Open*
Pension Obligation Debt	(4,659)	Negative Cash in Debt Svc fund	Remains Open*
Refunding 95A Revenue Bonds	(684,007)	Negative Cash in Debt Svc fund	Remains Open*
Viron Energy--Debt Service	(525,474)	Negative Cash in Debt Svc fund	Remains Open*
JPFA Series 1999A	(23,165)	Negative Cash in Debt Svc fund	Remains Open*
JPFA Revenue 2001A	(86,565)	Negative Cash in Debt Svc fund	Remains Open*
<b>TOTAL TRANSFERS OF CASH FROM GENERAL FUND</b>	<b>(9,405,223)</b>		

**\*GENERAL FUND DEBT SERVICE**