



CITY OF

Richmond CALIFORNIA

Fiscal Year 2020-21 First Quarter Budget Report and Overtime Report

Richmond City Council Meeting
Finance Department
October 27, 2020

Recommended Action:

RECEIVE the FY 2020-21 first quarter budget report and the overtime report for the period of July 1, 2020 through September 30, 2020.

Agenda

- FY 2020-21 First Quarter Budget Report
- Overtime Report

Budget Goals

- Structurally balanced budget
- Preserve services to the extent possible
- Consider impacts of COVID-19 on services
- Minimize staff reductions
- Increase cash reserves to policy level
 - Maintain bond ratings

FY 2020-21 Budget Update

- Current deficit = \$6 million
 - Budget adopted with \$3 million placeholder for accommodations
 - Deficit has increased by \$2 million due to unfunded liability portion of CalPERS being under-budget with removal of vacancies
 - Deficit increased another \$1 million for Richmond Housing Authority subsidy

General Fund Revenue Summary - First Quarter

ALL FUNDS	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	W/O ENCUMB. % USED	WITH ENCUMB. % USED
0001-General Fund							
PROPERTY TAXES	(43,928,806)	(43,928,806)	-	-	(43,928,806)	0%	0%
SALES & USE TAX	(40,995,626)	(40,995,626)	(3,086,636)	-	(37,908,990)	8%	8%
UTILITY USERS TAX	(44,506,312)	(44,506,312)	(12,557,649)	-	(31,948,663)	28%	28%
OTHER TAXES	(13,704,709)	(13,704,709)	(2,089,627)	-	(11,615,082)	15%	15%
LICENSES, PRMITS & FEES	(6,479,388)	(6,479,388)	(1,039,730)	-	(5,439,658)	16%	16%
FINES & FORFEITURES	(831,966)	(831,966)	(57,753)	-	(774,213)	7%	7%
USE OF MONEY & PROPRTY	(236,079)	(236,079)	-	-	(236,079)	0%	0%
CHARGES FOR SERVICES	(3,381,868)	(3,381,868)	(599,871)	-	(2,781,997)	18%	18%
OTHER REVENUE	(196,496)	(196,496)	(13,797)	-	(182,699)	7%	7%
RENTAL INCOME	(952,123)	(952,123)	(106,116)	-	(846,007)	11%	11%
INTERGOV STATE TAXES	(87,405)	(87,405)	-	-	(87,405)	0%	0%
INTERGOV STATE GRANT	(378,328)	(378,328)	(167,074)	-	(211,254)	44%	44%
INTERGOV OTHER GRANT	(167,856)	(167,856)	-	-	(167,856)	0%	0%
PROC FR SLE PROP	(55,000)	(55,000)	(124)	-	(54,876)	0%	0%
OPER XFERS IN	(9,258,229)	(9,258,229)	(9,214,849)	-	(43,380)	100%	100%
Total Revenue	(165,160,191)	(165,160,191)	(28,933,227)	-	(136,226,964)	18%	18%

General Fund Revenue Summary - First Quarter cont'd.

- Status Overall
 - So far, revenues trending as expected

- Property Tax
 - Staff estimated 2.7% growth
 - Assessed valuation indicates 4.27% growth (~\$500k additional)
 - 1st installment (55%) due in December

- Sales & Use Tax
 - Most impacted by COVID-19 and general economy
 - Currently on trend with budgeted amounts

- Utility Users Tax
 - Currently on trend with budgeted amounts

- Other Revenues
 - Large warehouse sale in September
 - Documentary transfer tax projected to exceed budget by \$3-\$5million

General Fund Expenditure Summary - First Quarter

ALL FUNDS	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	W/O ENCUMB. % USED	WITH ENCUMB. % USED
SALARIES AND WAGES	70,291,326	70,292,822	17,981,230	-	52,311,592	26%	26%
PYRLL/FRINGE BENEFIT	58,554,789	58,553,294	15,060,215	-	43,493,079	26%	26%
PROF & ADMIN	9,998,917	10,119,421	1,703,088	2,403,005	6,013,328	17%	41%
OTHER OPERATING	5,327,563	5,306,360	1,000,909	1,665,264	2,640,187	19%	50%
UTILITIES	4,548,320	4,538,320	1,093,300	776,635	2,668,385	24%	41%
EQPT & CONTRACT SVCS	2,113,661	2,019,135	550,261	571,413	897,462	27%	56%
PROVISN FOR INS LOSS	3,143	5,868	3,891	-	1,977	66%	66%
COST POOL	13,274,926	13,274,926	3,318,733	-	9,956,193	25%	25%
ASSET/CAPITAL OUTLAY	460,468	460,468	8,047	-	452,421	2%	2%
DEBT SVC EXPENDITURE	2,049,749	2,049,749	118,080	-	1,931,669	6%	6%
A87 COST PLAN REIMBS	(3,516,104)	(3,516,104)	(905,783)	-	(2,610,321)	26%	26%
GRANT EXPENDITURES	40,000	42,500	13,413	-	29,088	32%	32%
OPER XFERS OUT	4,961,206	4,961,206	1,474,660	-	3,486,546	30%	30%
Total Expenditures	168,107,966	168,107,966	41,420,044	5,416,317	121,271,605	25%	28%

For the 1st quarter, actuals should be at 25% of budget

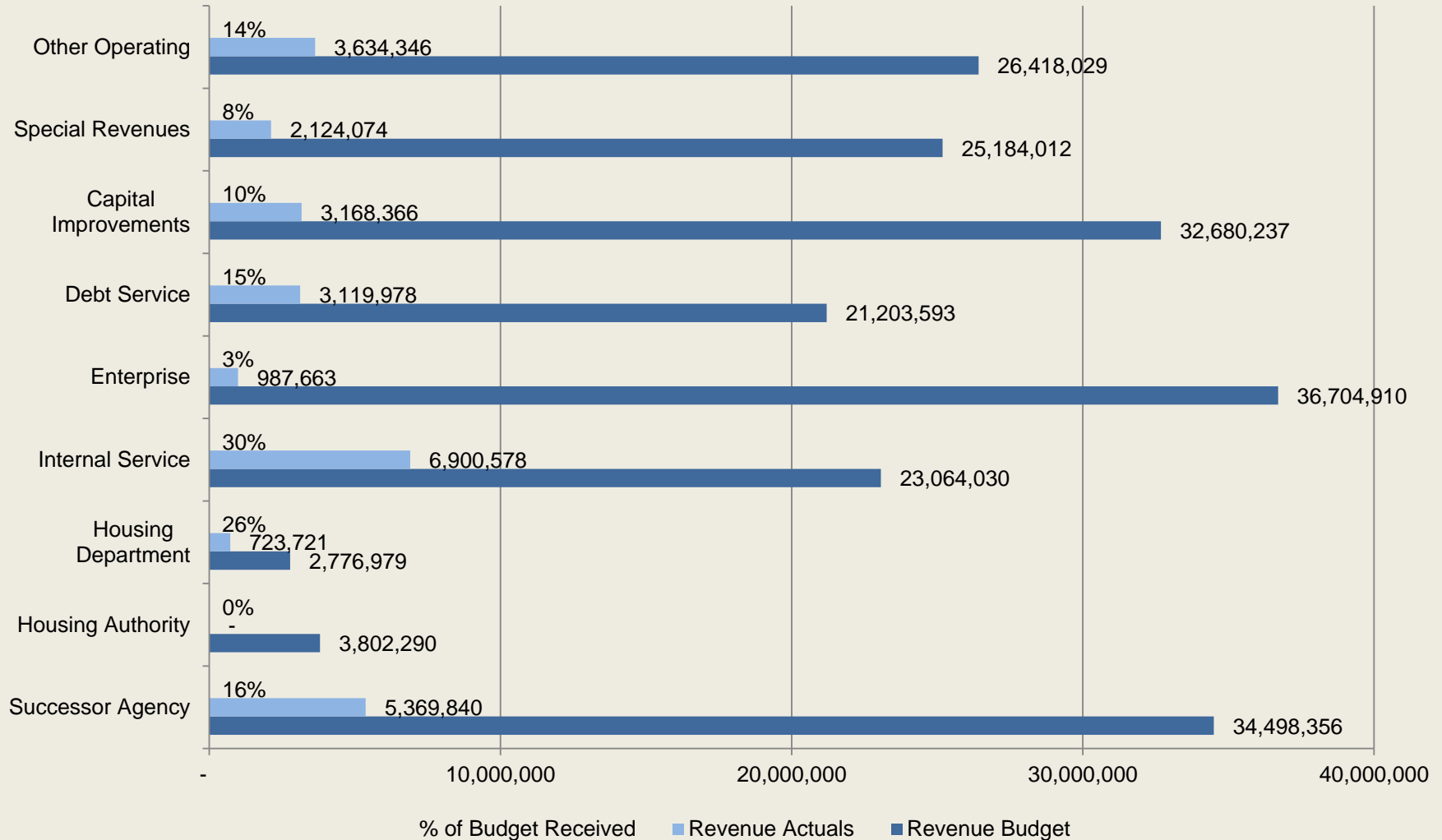
General Fund Expenditure Summary - First Quarter cont'd.

- Status Overall
 - Expenditures trending as expected
 - Most purchase order encumbrances have been created for the fiscal year

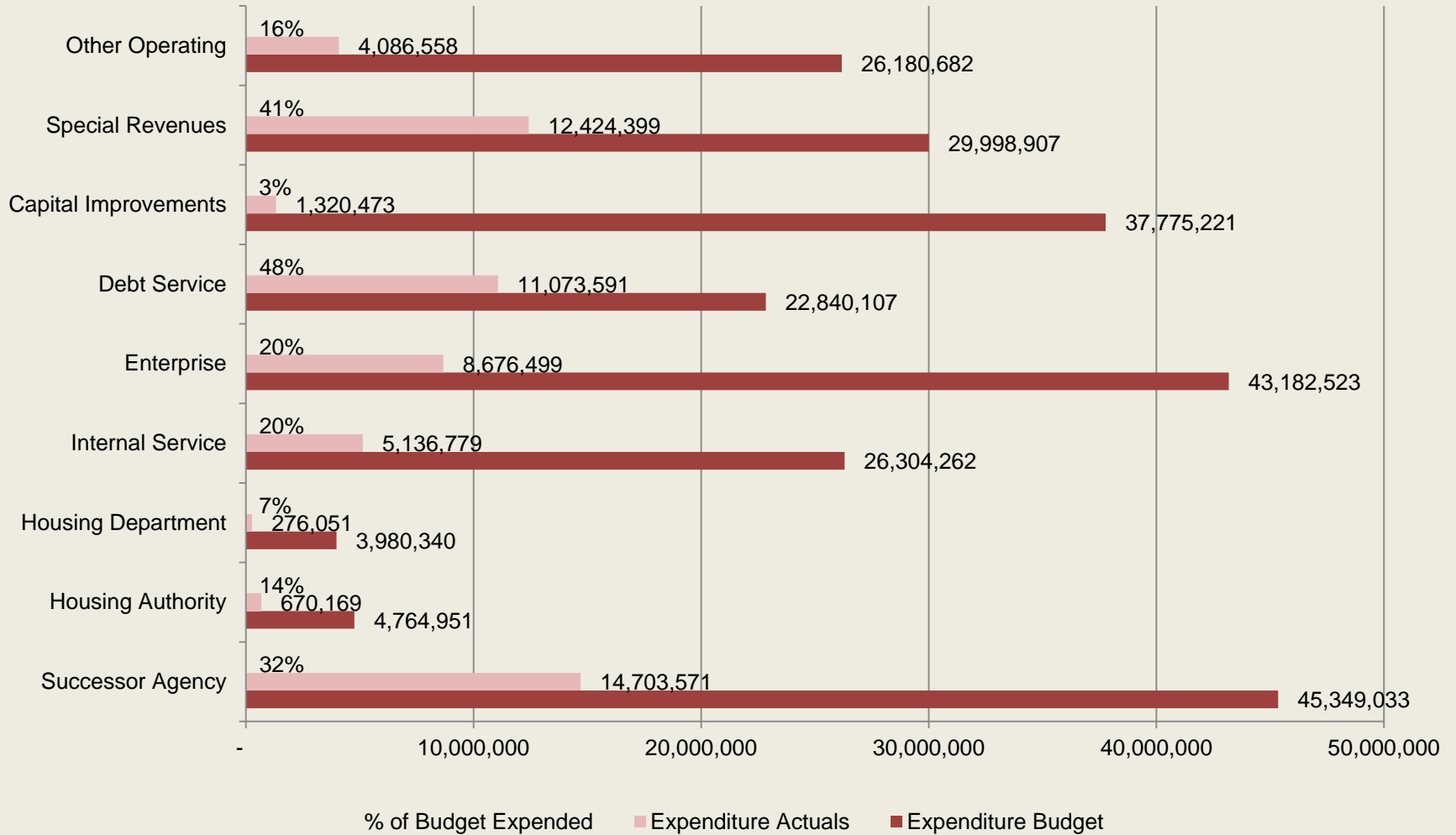
- Salaries
 - Overages in sworn and general overtime

- Benefits
 - Overages in CalPERS unfunded liability due to under-funding (captured in deficit amount)

Non-General Fund Revenue Summary - First Quarter



Non-General Fund Expenditure Summary - First Quarter



Overtime Report

General Fund	Adopted Budget	Actual Expenditures	% Expended
City Clerk	10,184	7,542	74%
Finance	4,365	295	7%
Human Resources	-	144	100%
Police - Non-Sworn	588,137	247,002	42%
Police - Sworn	2,497,290	818,799	33%
Fire - Sworn	1,993,165	1,196,942	60%
Public Works <i>(\$4,481 in CIP Dept. will be moved to PW)</i>	291,839	64,344	22%
Library	727	360	50%
Community Services	2,327	24	1%
Information Technology	2,910	-	0%
Total General Fund	5,390,944	2,335,452	43%

Overtime report represents September 2020 (Should be at 25% expended)

Next Steps

- City Council to receive updates on December 1, 2020:
 - FY 2020-21 Budget Update
 - Overtime Report - October 2020
 - Updated Financial Policies
 - Fiscal Sustainability Planning

Questions?