

Fiscal Year 2022-2023 Mid-Year Budget Review

Finance Department, City of Richmond

March 7, 2023

Overview

- Recommended Action
- Background
- Mid-Year Budget Review
- General Fund Mid-Year Adjustments
- Options for City Council
- Non-General Fund Mid-Year Budget Review
- Pending Budget Adjustments
- Councilmember Questions
- Next Steps

Recommended Action

REVIEW the FY 2022-2023 mid-year budget which includes proposed budget adjustments increasing General Fund revenue by \$8,260,793 and expenditures by \$7,726,484 and increasing Non-General Fund revenue by \$4,179,075 and expenditures by \$1,358,660; and PROVIDE DIRECTION to staff.

State Audit Recommendations

- The City's top priority is to fulfill/implement all the State Auditor's recommendations. First update is due to the State Auditor by May, 2023
- There are total of 11 Recommendations

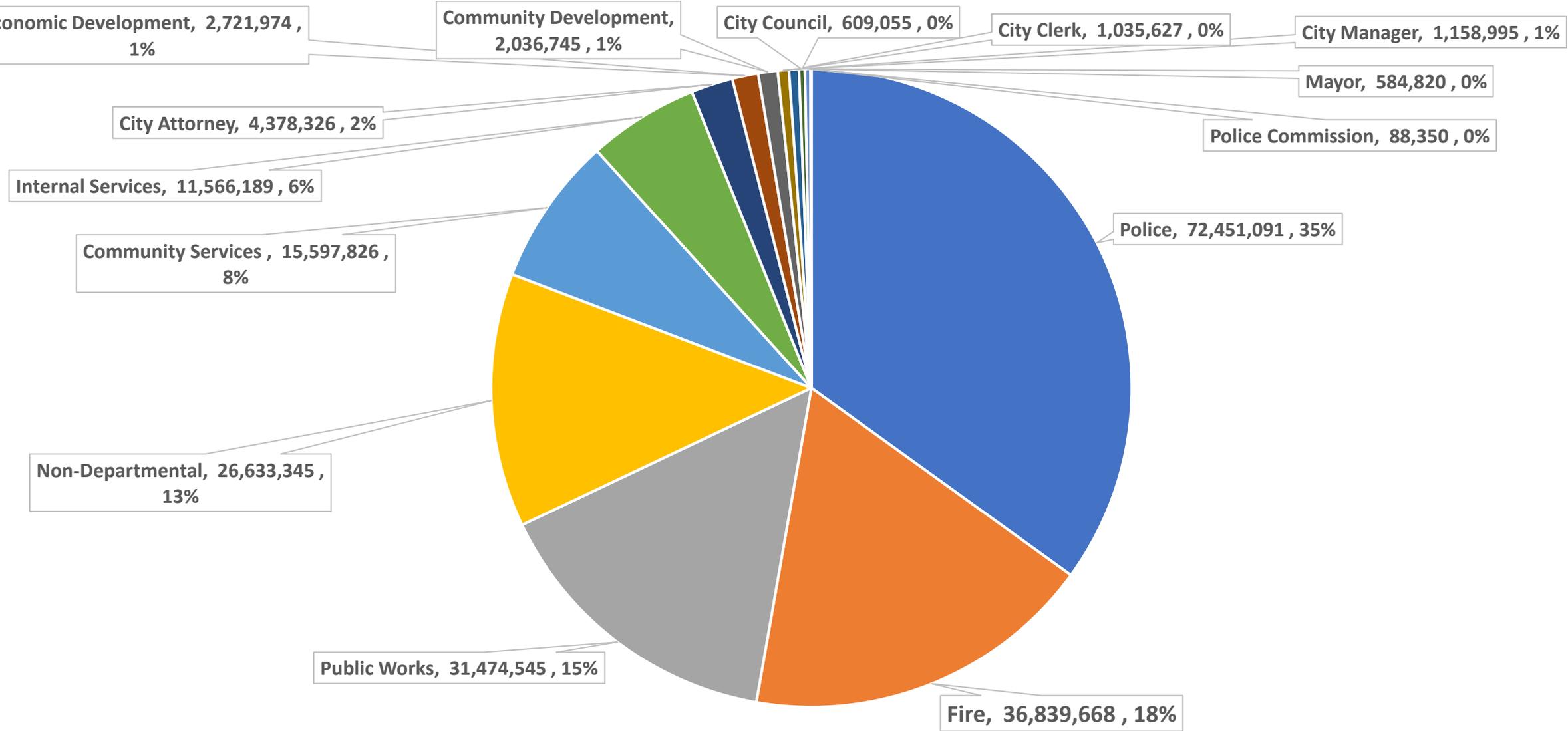
Background- Revenue (Adopted on June 21, 2022)

REVENUES	FY 2021-2022 REVISED BUDGET	FY 2022-2023 ADOPTED BUDGET	CHANGE
PROPERTY TAXES	45,233,561	46,056,962	1.80%
SALES & USE TAX	51,993,736	55,282,200	6.30%
UTILITY USERS TAX	46,522,663	49,963,589	7.40%
OTHER TAXES	20,953,343	21,638,449	3.30%
LICENSES, PERMITS & FEES	10,354,335	11,129,402	7.50%
FINES & FORFEITURES	468,897	475,275	1.40%
USE OF MONEY & PROPRTY	236,079	236,079	0.00%
CHARGES FOR SERVICES	3,424,459	3,571,292	4.30%
OTHER REVENUE	1,473,927	187,500	-87.30%
RENTAL INCOME	747,268	874,506	17.00%
INTERGOV STATE TAXES	90,000	125,000	38.90%
INTERGOV STATE GRANT	187,878	175,000	-6.90%
INTERGOV OTHER GRANT	153,569	253,569	65.10%
PROCEEDS FROM SALE OF PROPERTY	100,000	100,000	0.00%
LOAN/BOND PROCEEDS	36,400	-	-100.00%
OPERATING TRANSFERS - IN	10,204,224	16,563,424	62.30%
TOTAL GENERAL FUND REVENUE	192,180,338	206,632,248	7.50%

Background- Expenditure (Adopted on June 21, 2022)

EXPENDITURES	FY 2021-2022 REVISED BUDGET	FY 2022-2023 ADOPTED BUDGET	CHANGE
SALARIES AND WAGES	75,822,428	78,761,868	3.9%
PAYROLL/FRINGE BENEFITS	62,143,352	66,929,804	7.7%
PROFESSIONAL & ADMINISTRATIVE	16,248,412	16,977,138	4.5%
OTHER OPERATING	7,225,103	8,720,902	20.7%
UTILITIES	5,010,518	5,399,957	7.8%
EQUIPMENT & CONTRACT SERVICES	2,555,148	2,731,448	6.9%
PROVISION FOR INSURANCE LOSS	27,673	25,725	-7.0%
COST POOL	14,455,436	15,277,766	5.7%
ASSET/CAPITAL OUTLAY	1,416,551	2,422,136	71.0%
DEBT SERVICE EXPENDITURE	1,065,359	1,037,009	-2.7%
A87 COST PLAN REIMBURSEMENT	-3,516,104	-3,531,610	0.4%
GRANT EXPENDITURES	82,500	2,500	-97.0%
OPERATING TRANSFERS - OUT	12,801,419	11,877,605	-7.2%
TOTAL GENERAL FUND EXPENSE	195,337,796	206,632,248	5.8%

General Fund Expenditure Budget by Department



General Fund Expenditure Budget by Department (continued)

Department	Budget as of December	% of total Budget
Police	72,451,091	34.97%
Fire	36,839,668	17.78%
Public Works	31,474,545	15.19%
Non-Departmental	26,633,345	12.86%
Community Services	15,597,826	7.53%
Internal Services	11,566,189	5.58%
City Attorney	4,378,326	2.11%
Economic Development	2,721,974	1.31%
Community Development	2,036,745	0.98%
City Manager	1,158,995	0.56%
City Clerk	1,035,627	0.50%
City Council	609,055	0.29%
Mayor	584,820	0.28%
Police Commission	88,350	0.04%
Total	207,176,557	100.00%

Mid-Year Budget Review, General Fund Revenue

ACCOUNT DESCRIPTION	ORIGINAL APPROP	ADJSMTS	REVISED BUDGET	YTD ACTUAL	ENCUMB.	AVAILABLE BUDGET	W. ENUMB. % USED
30 PROPERTY TAXES	(46,056,962)	-	(46,056,962)	(22,393,586)	-	(23,663,376)	48.60%
31 SALES & USE TAX	(55,282,200)	-	(55,282,200)	(14,997,474)	-	(40,284,726)	27.10%
32 UTILITY USERS TAX	(49,963,589)	-	(49,963,589)	(28,763,607)	-	(21,199,982)	57.60%
33 OTHER TAXES	(21,638,449)	-	(21,638,449)	(5,994,224)	-	(15,644,225)	27.70%
34 LICENSES,PRMITS&FEES	(11,129,402)	-	(11,129,402)	(3,712,692)	-	(7,416,710)	33.40%
35 FINES & FORFEITURES	(475,275)	-	(475,275)	(85,022)	-	(390,253)	17.90%
36 USE OF MONEY&PROPRTY	(236,079)	-	(236,079)	(198,950)	-	(37,129)	84.30%
37 CHARGES FOR SERVICES	(3,571,292)	-	(3,571,292)	(1,964,022)	-	(1,607,270)	55.00%
38 OTHER REVENUE	(187,500)	-	(187,500)	(162,537)	-	(24,963)	86.70%
39 RENTAL INCOME	(874,506)	-	(874,506)	(536,066)	-	(338,440)	61.30%
3A INTERGOV STATE TAXES	(125,000)	-	(125,000)	-	-	(125,000)	0.00%
3C INTERGOV STATE GRANT	(175,000)	-	(175,000)	(97,988)	-	(77,012)	56.00%
3D INTERGOV OTHER GRANT	(253,569)	(10,000)	(263,569)	(157,631)	-	(105,938)	59.80%
60 PROC FR SLE PROP	(100,000)	-	(100,000)	(120)	-	(99,880)	0.10%
61 LOAN/BOND PROCEEDS	-	-	-	(39,400)	-	39,400	100.00%
90 OPER XFERS IN	(16,563,424)	-	(16,563,424)	(16,520,032)	-	(43,392)	99.70%
Revenue Total	(206,632,248)	(10,000)	(206,642,248)	(95,623,350)	-	(111,018,897)	46.27%

Mid-Year Budget Review, General Fund Expense

ACCOUNT DESCRIPTION	ORIGINAL APPROP	ADJSMTS	REVISED BUDGET	YTD ACTUAL	ENCUMB.	AVAILABLE BUDGET	W. ENUMB. % USED
40 SALARIES AND WAGES	78,761,868	(283,662)	78,478,206	33,953,034	-	44,525,172	43.30%
41 PYRL/FRINGE BENEFIT	66,929,804	(41,976)	66,887,828	28,575,517	-	38,312,311	42.70%
42 PROF & ADMIN	16,977,138	629,595	17,606,733	4,634,865	4,480,000	8,491,868	51.40%
43 OTHER OPERATING	7,970,902	(367,541)	7,603,361	2,558,095	1,958,724	3,086,542	59.40%
44 UTILITIES	5,399,957	3,565	5,403,522	2,075,143	771,078	2,557,301	52.70%
45 EQPT & CONTRACT SVCS	2,731,448	43,038	2,774,486	1,219,835	439,255	1,115,395	59.80%
46 PROVISN FOR INS LOSS	25,725	3,916	29,641	28,641	-	1,000	96.60%
47 COST POOL	15,277,766	-	15,277,766	7,638,878	-	7,638,888	50.00%
48 ASSET/CAPITAL OUTLAY	3,172,136	477,375	3,649,511	234,740	77,981	3,336,790	8.60%
49 DEBT SVC EXPENDITURE	1,037,009	-	1,037,009	530,970	-	506,038	51.20%
4A A87 COST PLAN REIMBS	(3,531,610)	-	(3,531,610)	(1,754,649)	-	(1,776,961)	49.70%
50 GRANT EXPENDITURES	2,500	80,000	82,500	(1,694)	8,000	76,194	7.60%
91 OPER XFERS OUT	11,877,605	-	11,877,605	5,165,386	-	6,712,219	43.50%
Expense Total	206,632,248	544,309	207,176,557	84,858,761	7,735,039	114,582,757	44.69%

General Fund Mid-Year Revenue Adjustments

Proposed Mid-Year Adjustment	Description
(2,551,967)	Property Taxes, Successor Agency surplus and passthrough
(271,937)	Sales Tax is trending higher than expected
(897,690)	Utility Users Tax is trending higher than expected
(613,738)	Other Taxes, Documentary transfer tax trending higher than expected
(1,554)	Licenses Permits and fees, Business Tax revenue trending better than expected
(784,968)	Use of Money and Property Revenue trending better than expected
2,500	Charges for Services - Passport services revenue lower than expected
(4,565)	Miscellaneous revenue
(480)	Miscellaneous revenue
(39,400)	Loan/Bond Proceeds revenue
(2,946,531)	Operating Transfer In, Pension Tax Override transfer, part of the revenue will be used to pay Pension Obligation Bond refinancing costs
(210,463)	Operating Transfer In, Garfield pension trust fund close out
50,000	Licenses Permits and Fee, Revenue trending lower than expected due to delinquent cannabis businesses, and illegal/unpermitted operators
(150,000)	Fines and Forfeitures, parking enforcement revenue
160,000	Fines and Forfeitures, correction to adjust budget for a duplicate receipt.
(8,260,793)	General Fund Mid-Year Revenue Adjustments

General Fund Mid-Year Expenditure Adjustments

Proposed Mid-Year Adjustment	Description
1,500,000	Operating Transfer Out, Payoff Pension Obligation Bond refinancing costs through Pension Tax Override fund proceeds. These are left over costs that were not paid from the bond proceeds.
20,380	Salaries and benefits, Additional budget needed for overtime, Code Enforcement Officers need to conduct after hour inspections and attend community meetings
241,550	Professional Services, Mark43 Fire CAD upgrade and hardware cost were inadvertently not included in the original budget because the department was in the early stages of the intended upgrade
291,499	Salaries and benefits, the overtime for the fire academy cadets was not included in the original budget because the Fire Department was in the early stages of the recruitment process
12,058	Other Operating, Personal Protection Equipment cost for the firefighter recruits was not included in the original budget, because the Fire Department did not have the final number of personnel vacancies until December 2022
3,170	Salaries and benefits, reclass of an Office Specialist position changed to an Administrative Aide position in order to support some of the changes that have occurred within the Community Services Department and the Recreation Division
25,000	Salaries and benefits, An additional Recreation Program Specialist position is requested. This position will support the Recreation Program Coordinator at two sites: the Richmond Recreation Complex and Booker T. Anderson Community Center.
200,000	Professional services, The current IT Network and Systems Security Officer is managing the City's network and providing Cyber Security management and defense. An additional resource is needed to support the City's expanding infrastructure and to help manage and secure the City's systems against Cyber Security threats.
300,000	Asset, Capital Outlay, This additional funding is essential to upgrade and repair the critical security access system included in the City of Richmond Network Operating Systems.
265,000	Professional Services, Emergency Operations Center equipment upgrade including Radio Communication, Kray Cabling, Computers, Printers, Plotters, Cell Phones, Cellular hot spots, and Portable Radio.
147,828	Equipment and Contracts, contractual obligation for the City's ERP purchase of Software and support services needed for the upgrade, training, and an investment assessment that is essential ensuring City staff is operating at peak efficiency and has the knowledge to meet the evolving software needs of the City of Richmond.
12,195	Position Reclass of GIS Administrator to IT Manager job classification
6,000	Professional Services, City Council miscellaneous and travel related expenditures
11,530	Operating Transfer Out, transfer out to Marina district to reimburse for prior year maintenance costs, the City was determined to be responsible for the signage work that was paid from the district's fund. The adjustment is to reimburse the district for those expenditures

General Fund Mid-Year Expenditure Adjustments

Proposed Mid-Year Adjustment	Description
*2,065,181	Asset Capital Outlay, additional funding for street paving activities. The City's paving index is poor and the current annual allocation of \$4M to \$5M is not sufficient to either maintain or enhance the index. This additional amount will be a step towards improving the streets and roads paving condition
*2,500,000	Transfer out to Risk Reserve towards targeted 80% Confidence Level, current Confidence Level is around 65%.
50,000	Professional Services, acquiring consulting services to pursue various grants available for Emergency Response and Public Safety. The current resources are not sufficient and the City can potentially bring additional funding sources through pursuing grants
37,388	Professional Services, Campus Bay litigation related expenditures, these expenditures are passthrough, developer fee was collected in prior year
50,000	Professional Services, Goinvest contract to address State Auditor Recommendations on financial projection, retirement costs, Other Post Employment Benefits funding, and labor cost projections.
(276,881)	Professional Services, carry forwarded encumbrances for legal services created a budget amendment in the City's financial system. The requested adjustment will reverse the budget amendment
7,641	Equipment and Contract Services, carry forwarded encumbrances for equipment and contract services created a budget amendment. The adjustment will reverse the amendment.
(25,989)	Professional Services, carry forwarded encumbrances for legal services created a budget amendment in the City's financial system. The requested adjustment will reverse the budget amendment
35,000	Professional Services, Strategic Planning Contract with Civic Makers
247,934	Operating Transfer Out due to Nevin Plaza revenue decrease
7,726,484	Total Expenditure Adjustments
(534,309)	Adjustments Net
295,229	Prior Year Encumbrances for Legal Services, Equipment Services and professional services created budget amendments
239,080	Recruitment Services and Segal contracts were appropriated by the City Council between July and December
0	General Fund Net

*City staff is proposing a \$2,065,181 allocation to support street paving, sidewalks and traffic calming activities, as well as \$2,500,000 to transfer out to the Risk Reserve to increase the confidence level. While these two entries, totaling \$4,565,181, reflect staff's recommendation for proposed expenditures, next slide provides two additional options for City Council consideration.

Options for City Council

City Council Options	
Option A (Staff's Recommendation: Included in Table 3)¹	
Risk Reserve	2,500,000
City-wide paving, sidewalks, and traffic calming	2,065,181
Total	4,565,181
Option B	
Risk Reserve	2,250,000
Remote meetings for boards, commissions, committees (additional staffing, equipment, and training, city-wide hybrid ~ June 1, 2026/1/23)	1,000,000
City-wide paving, sidewalks, and traffic calming	1,315,181
Total	4,565,181
Option C	
Risk Reserve	2,250,000
City Council Preference	2,315,181
Total	4,565,181

¹City staff is proposing a \$2,065,181 allocation to support street paving, sidewalks and traffic calming activities, as well as \$2,500,000 to transfer out to the Risk Reserve to increase the confidence level. While these two entries, totaling \$4,565,181, reflect staff's recommendation for proposed expenditures

General Fund Proposed Mid-Year Budget

ACCOUNT DESCRIPTION	ORIGINAL APPROP	ADJSMTS	REVISED BUDGET	YTD ACTUAL	MID-YEAR ADJUSTMENTS	PROPOSED MID-YEAR BUDGET	Percentage of Total Budget
30 PROPERTY TAXES	(46,056,962)	-	(46,056,962)	(22,393,586)	(2,551,967)	(48,608,929)	22.62%
31 SALES & USE TAX	(55,282,200)	-	(55,282,200)	(14,997,474)	(271,937)	(55,554,137)	25.85%
32 UTILITY USERS TAX	(49,963,589)	-	(49,963,589)	(28,763,607)	(897,690)	(50,861,279)	23.67%
33 OTHER TAXES	(21,638,449)	-	(21,638,449)	(5,994,224)	(613,738)	(22,252,187)	10.35%
34 LICENSES,PRMITS&FEES	(11,129,402)	-	(11,129,402)	(3,712,692)	48,446	(11,080,956)	5.16%
35 FINES & FORFEITURES	(475,275)	-	(475,275)	(85,022)	10,000	(465,275)	0.22%
36 USE OF MONEY&PROPRTY	(236,079)	-	(236,079)	(198,950)	(784,968)	(1,021,047)	0.48%
37 CHARGES FOR SERVICES	(3,571,292)	-	(3,571,292)	(1,964,022)	2,500	(3,568,792)	1.66%
38 OTHER REVENUE	(187,500)	-	(187,500)	(162,537)	(5,045)	(192,545)	0.09%
39 RENTAL INCOME	(874,506)	-	(874,506)	(536,066)	-	(874,506)	0.41%
3A INTERGOV STATE TAXES	(125,000)	-	(125,000)	-	-	(125,000)	0.06%
3C INTERGOV STATE GRANT	(175,000)	-	(175,000)	(97,988)	-	(175,000)	0.08%
3D INTERGOV OTHER GRANT	(253,569)	(10,000)	(263,569)	(157,631)	-	(263,569)	0.12%
60 PROC FR SLE PROP	(100,000)	-	(100,000)	(120)	-	(100,000)	0.05%
61 LOAN/BOND PROCEEDS	-	-	-	(39,400)	(39,400)	(39,400)	0.02%
90 OPER XFERS IN	(16,563,424)	-	(16,563,424)	(16,520,032)	(3,156,994)	(19,720,418)	9.18%
Revenue Total	(206,632,248)	(10,000)	(206,642,248)	(95,623,350)	(8,260,793)	(214,903,040)	100.00%
40 SALARIES AND WAGES	78,761,868	(283,662)	78,478,206	33,953,034	352,244	78,830,450	36.68%
41 PYRLLFRINGE BENEFIT	66,929,804	(41,976)	66,887,828	28,575,517	-	66,887,828	31.12%
42 PROF & ADMIN	16,977,138	629,595	17,606,733	4,634,865	582,068	18,188,800	8.46%
43 OTHER OPERATING	7,970,902	(367,541)	7,603,361	2,558,095	12,058	7,615,419	3.54%
44 UTILITIES	5,399,957	3,565	5,403,522	2,075,143	-	5,403,522	2.51%
45 EQPT & CONTRACT SVCS	2,731,448	43,038	2,774,486	1,219,835	155,469	2,929,955	1.36%
46 PROVISN FOR INS LOSS	25,725	3,916	29,641	28,641	-	29,641	0.01%
47 COST POOL	15,277,766	-	15,277,766	7,638,878	-	15,277,766	7.11%
48 ASSET/CAPITAL OUTLAY	3,172,136	477,375	3,649,511	234,740	2,365,181	6,014,692	2.80%
49 DEBT SVC EXPENDITURE	1,037,009	-	1,037,009	530,970	-	1,037,009	0.48%
4A A87 COST PLAN REIMBS	(3,531,610)	-	(3,531,610)	(1,754,649)	-	(3,531,610)	-1.64%
50 GRANT EXPENDITURES	2,500	80,000	82,500	(1,694)	-	82,500	0.04%
91 OPER XFERS OUT	11,877,605	-	11,877,605	5,165,386	4,259,464	16,137,069	7.51%
Expense Total	206,632,248	544,309	207,176,557	84,858,761	7,726,484	214,903,040	100.00%
Net Variance (+)/-	-	534,309	534,309	(10,764,589)	(534,309)	0	0

Non-General Fund Revenue

ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANFRS/ADJ SMTS	REVISED BUDGET	YTD ACTUAL	MID-YEAR ADJUSTMENTS	PROPOSED MID YEAR BUDGET
Total Capital Improvement Funds	(31,852,226)	(3,225,360)	(35,077,586)	(5,742,506)	-1,605,377	(36,682,963)
Total Other Operations Funds	(27,276,353)	(6,473,361)	(33,749,714)	(9,402,699)	-11,530	(33,761,244)
Total Special Revenues	(29,253,674)	(284,164)	(29,537,838)	(31,332,081)	0	(29,537,838)
Total Housing Funds	(2,161,415)	-	(2,161,415)	(1,196,982)	-62,168	(2,223,583)
Total Debt Service Funds	(20,629,090)	-	(20,629,090)	(4,287,851)	0	(20,629,090)
Total Enterprise Funds	(58,991,980)	-	(58,991,980)	(20,403,290)	0	(58,991,980)
Total RHA Funds	(4,880,044)	-	(4,880,044)	(1,142,758)	0	(4,880,044)
Total Internal Service Funds	(24,730,653)	-	(24,730,653)	(12,905,328)	-2,500,000	(27,230,653)
Total Trust Funds	-	(80,000)	(80,000)	(1,475,402)	0	(80,000)
Total Pension Funds	(165,305)	-	(165,305)	1,347,463	0	(165,305)
Total All Funds	(199,940,740)	(10,062,885)	(210,003,625)	(86,541,434)	(4,179,075)	(214,182,700)

Non-General Fund Expenditures

ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANFRS/ ADJSMTS	REVISED BUDGET	YTD EXPENDED	ENCUMB.	AVAILABLE BUDGET	% USED	MID-YEAR ADJUSTMENTS	PROPOSED MID YEAR BUDGET
Total Capital Improvement Funds	37,256,854	13,833,087	51,089,941	3,991,113	15,337,028	31,761,800	38%	245,000	51,334,941
Total Other Operations Funds	27,075,053	11,433,784	38,508,836	9,655,270	6,596,192	22,257,374	42%	72,544	38,581,380
Total Special Revenue Funds	39,674,849	4,488,345	44,163,193	19,752,838	4,380,242	20,030,112	55%	0	44,163,193
Total Housing Funds	5,458,047	38,814	5,496,861	398,829	566,558	4,531,474	18%	0	5,496,861
Total Debt Sevice Funds	21,612,086	-	21,612,086	19,656,716	11,050	1,944,320	91%	0	21,612,086
Total Enterprise Funds	70,579,794	38,320,945	108,900,738	29,848,738	22,036,579	57,015,421	48%	236,261	109,136,999
Total RHA Funds	4,880,044	-	4,880,044	1,246,618	327,945	3,305,481	32%	20,000	4,900,044
Total Internal Service Funds	25,169,925	2,289,355	27,459,280	9,695,092	7,626,580	10,137,609	63%	574,392	28,033,672
Total Trust Funds	-	80,000	80,000	311,274	1,628	(232,902)	391%	0	80,000
Total Pension Funds	-	-	-	655,324	-	(655,324)	100%	210,463	210,463
Total All Funds	231,706,650	70,484,330	302,190,979	95,211,814	56,883,801	150,095,365	50%	1,358,660	308,549,639

Pending Budget Requests

Amount	Pending Budget Request
15,000,000	Investment in Paving Index improvement
TBD	Fire Training Center Predevelopment Costs
10,000,000	Library renovation
1,500,000	Measure U loss due to pending litigations
5,000,000	Terminal 1 cleanup costs
31,500,000	Total Pending Budget Requests

Councilmember Questions

1. Fund Balance sheet that includes all the city's funds

Response: [MUNIS Balance Sheet report for all funds is attached.](#)

2. Transfers in and out of the General fund

Operating Transfers Out	FY 2022-2023 Adopted Budget
Debt Service	1,744,390
Hilltop Lighting and Landscaping District	229,115
Marina Bay Lighting and Landscaping District	462,436
Employment and Training	743,201
Information Technology Equipment Replacement	100,000
Department of Children and Youth	3,936,896
Richmond Housing Authority	1,261,082
Pension Fund	100,485
Reimagining Public Safety - Unhoused Intervention	1,320,000
Reimagining Public Safety - Youthworks	1,980,000
Total	11,877,605

Councilmember Questions (Continued)

Operating Transfers In	FY 2022-2023 Adopted Budget
Marina Fund 4005 (staff time reimbursement)	86,778
Secured Pension Tax Override -1001	16,476,646
Total	16,563,424

3. Attached is the historical cash flow of the cost recovery funds. Please update that excel sheet with year 2022 and 2023

Response: see attached cost recovery historical data based on audited financials through FY2022 and unaudited for FY2023.

4. List of current negative funds today

Response: FY2021-22, yearend transactions are not fully incorporated in the financials as of December 2022, therefore, the list of negative cash funds is not ready until the Fiscal Year 2021-2022 is fully closed.

5. How does the city calculate the risk reserve? and how much money does that equate to?

Response: The City hires an actuarial services consultant to calculate the risk reserve confidence level. 20

Councilmember Questions (Continued)

6. What data were issued to drive the revenues and expenditures 5-year forecast? How were the projections made? Please provide actual calculations and numbers

Response: Per the state Auditor's recommendation, the City is working to bring a consultant on board to prepare a five year forecast with multiple scenarios. Once the forecast is ready for the City Council presentation, the assumptions will be presented. The Staff expect to present a draft version to the City Council during the FY2023-24 Budget development process.

7. On the agenda report it is mentioned that the city adopted Resolution No 69-08 on May 17, 2022, is this the one. <https://www.ci.richmond.ca.us/ArchiveCenter/ViewFile/Item/12040> if so, can you let me know where in this document the Risk level is mentioned. if this is not the resolution, can you email the right document?

Response: There was a typo in the staff report, the actual resolution number is 69-05, adopted on May 17, 2005. Attached is a copy of the resolution.

Councilmember Questions (Continued)

8. In the description of expenditures page. 5 and 6 these items were not explained. Can we get the detailed explanation? (a) Provision for in loss, (b) Cost Pool, (c) Debt SVC, (d) A87 Cost plan and (e) Grants

Response:

- Provision for Ins Loss: the category tracks insurance premiums, such as police drone insurance and fire apparatus insurance premiums.
- Cost Pool:

FOR 2023 06								
	ORIGINAL APPROP	TRANFRS/ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED	
0001 GENERAL FUND								
400571 COST POOL/(ISF)-Veh Replacem	3,025,000	0	3,025,000	1,512,496.00	.00	1,512,504.00	50.0%	
400574 COST POOL/(ISF)-Gen Liabilit	8,073,533	0	8,073,533	4,036,763.00	.00	4,036,770.00	50.0%	
400591 COST POOL/(IND)Civic Ctr All	4,179,233	0	4,179,233	2,089,619.00	.00	2,089,614.00	50.0%	
TOTAL GENERAL FUND	15,277,766	0	15,277,766	7,638,878.00	.00	7,638,888.00	50.0%	
GRAND TOTAL	15,277,766	0	15,277,766	7,638,878.00	.00	7,638,888.00	50.0%	

Councilmember Questions (Continued)

- Debt Service: payments for debts/loans per the schedule.

FOR 2023 06								
	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED	
0001 GENERAL FUND								
400671 CAP LEASES/Lease Pymnt Prin	632,851	0	632,851	326,587.93	.00	306,263.45	51.6%	
400672 CAP LEASES/Lease Pymnt Int	51,430	0	51,430	27,974.96	.00	23,454.80	54.4%	
400751 DEBT SERV EXP/Principal Pymn	318,352	0	318,352	158,134.16	.00	160,218.11	49.7%	
400752 DEBT SERV EXP/Interest Payme	55,750	0	55,750	29,681.78	.00	26,068.06	53.2%	
400772 DEBT SERV EXP/Fed Subsidy	-21,375	0	-21,375	-11,408.56	.00	-9,965.94	53.4%	
TOTAL GENERAL FUND	1,037,009	0	1,037,009	530,970.27	.00	506,038.48	51.2%	
GRAND TOTAL	1,037,009	0	1,037,009	530,970.27	.00	506,038.48	51.2%	
** END OF REPORT - Generated by MUBEEN QADER **								

- A87 Cost Plan: Credit for City's overhead charge to non-General fund departments.

FOR 2023 06								
	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED	
0001 GENERAL FUND								
400592 COST POOL/(CON)-Admin Charge	-3,531,610	0	-3,531,610	-1,754,649.00	.00	-1,776,961.00	49.7%	
TOTAL GENERAL FUND	-3,531,610	0	-3,531,610	-1,754,649.00	.00	-1,776,961.00	49.7%	
GRAND TOTAL	-3,531,610	0	-3,531,610	-1,754,649.00	.00	-1,776,961.00	49.7%	
** END OF REPORT - Generated by MUBEEN QADER **								

Councilmember Questions (Continued)

9. Can you provide city wide vacancy rate including employees currently on all types of leave

Response: The vacancy rate using vacant positions + absences = 23.5% (168/714). The vacant position only rate would be 19% (136/714).

Attachment 1: All funds Balance Sheet Report

Attachment 2: Cost Recovery Funds Historical Data

Attachment 3: Actuarial Studies

Attachment 4: Resolution 69-05

Recommended Action

REVIEW the FY 2022-2023 mid-year budget which includes proposed budget adjustments increasing General Fund revenue by \$8,260,793 and expenditures by \$7,726,484 and increasing Non-General Fund revenue by \$4,179,075 and expenditures by \$1,358,660; and **PROVIDE DIRECTION** to staff.

Next Steps

Based on City Council direction, City staff will return to the next meeting in March 2023 for City Council's approval of the Mid-Year budget agenda item.

City staff will **continue** to closely monitor the revenue and expenditure trends in the current fiscal year to determine if adjustments are needed during the Quarter 3 budget review.

Thank You!

