



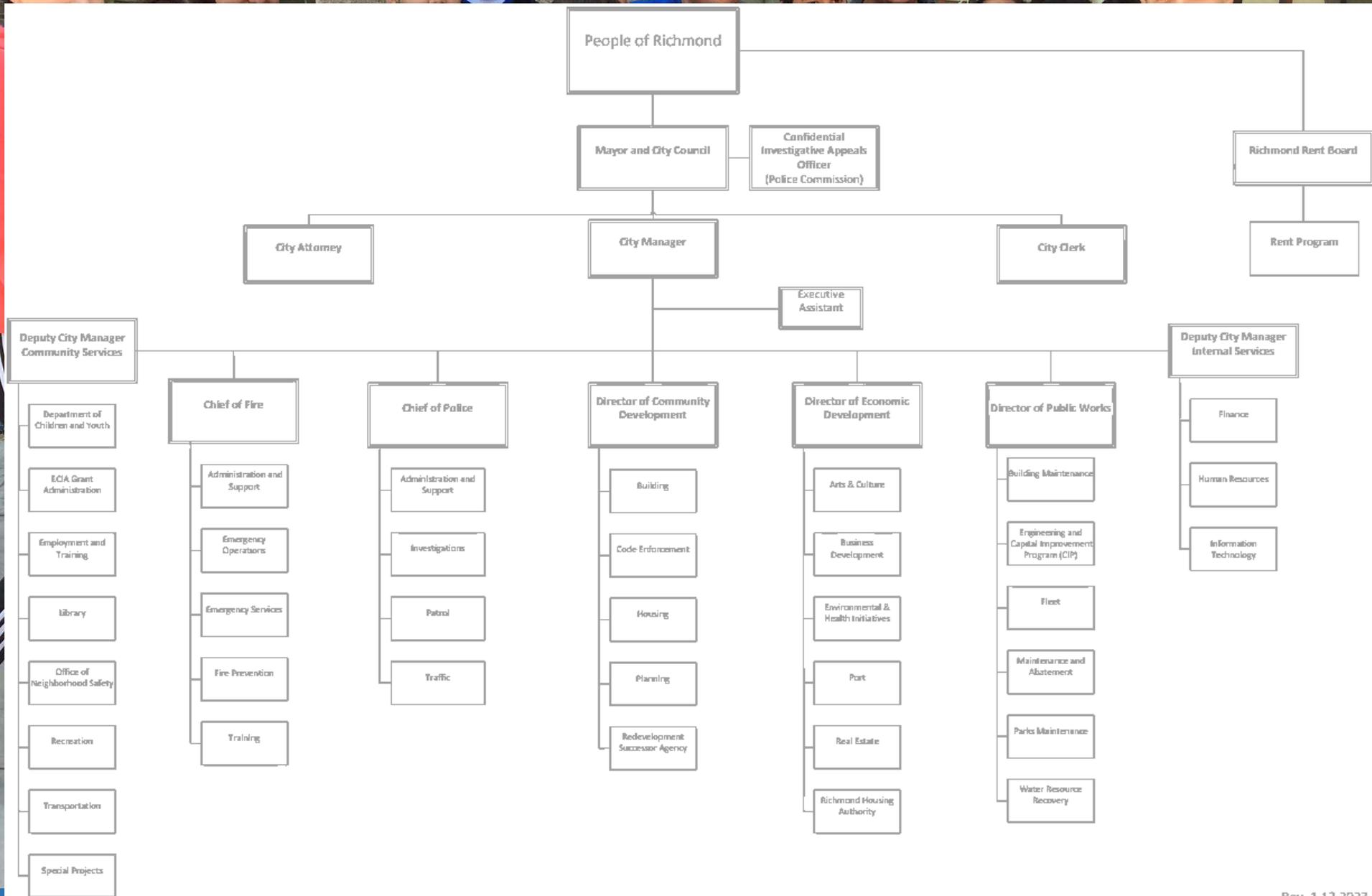
Community Budget Meeting

Finance Department, City of Richmond

April 17, 2023



Organizational Structure



Purpose of the Budget

- Policy Document
- Financial Plan
- Operations Guide
- Communications Device



Financial Highlights

- Improved Richmond's Moody's credit rating to A3
- Increased Unassigned General Fund Fund-Balance (Reserve) above the minimum required policy target level to 21.75%
- Adopted a balanced annual Operating Budget for Fiscal Year 2022-2023.
 - General Fund Mid-Year Budget \$215M
 - Non-General Fund Mid-Year Budget
- The City currently has over \$166 million in grants from various agencies.
- Refinanced Pension Obligation Bonds from Interest Swap to Fixed Interest Rate
- State Corrective Action Plan in process



Accomplishments

- Richmond Housing Authority, Hacienda rehabilitation completed and fully occupied (150 total units, 148 very low income, 2 above moderate-income units), Nevin Plaza has closed and ready for rehabilitation. Administration Building has been transferred ownership.
- Booker T. Anderson Community Center restoration in process
- Carlson Cross Town Connection construction in process
- City has several (95) boards, commissions, and committees
 - [Boards and Commissions | Richmond, CA - Official Website](#)
- Total 5 I Heart Richmond Neighborhood Clean-up Events in 2023.
- Total number of agenda items in FY 2022 including closed session, 917)



New Construction in Progress



Under Construction Residential Units Pipeline

- Country Club Subdivision @ 3900 Giant Rd, 94 above moderate-income units
- New SRO-Multifamily Building @ Barrett Ave, 17 very-low-income units
- Cherry Blossom @ 2301 Columbia Blvd, 100 total units (10 moderate-income units, 90 above moderate-income units)

Approved Residential Units Pipeline

- Quarry Subdivision @ 1135 Canal Blvd., 76 total units (8 moderate-income units, 68 above moderate-income units).
- Villas at Renaissance Apts. @ Colusa Ave., 105 total units (7 very low-income units, 98 low-income units).
- Supportive and Family Apts., @ 100 38 St., 135 total units (95 very low-income units, 38 low-income units, 2 above moderate-income units)

FY 2023-2024 Budget Goals

- Structurally balanced budget
- Evaluate service levels
- Maintain Bond Ratings
- Invest in Built Environment and Facilities
- Emphasize on Fiscal Sustainability



Budget Process

- Annual budgets are initially developed with input from all departments
- Review, input and revisions made through series of internal and public meetings
- Community Feedback through Engagement
- City Council makes final decisions regarding budget allocations



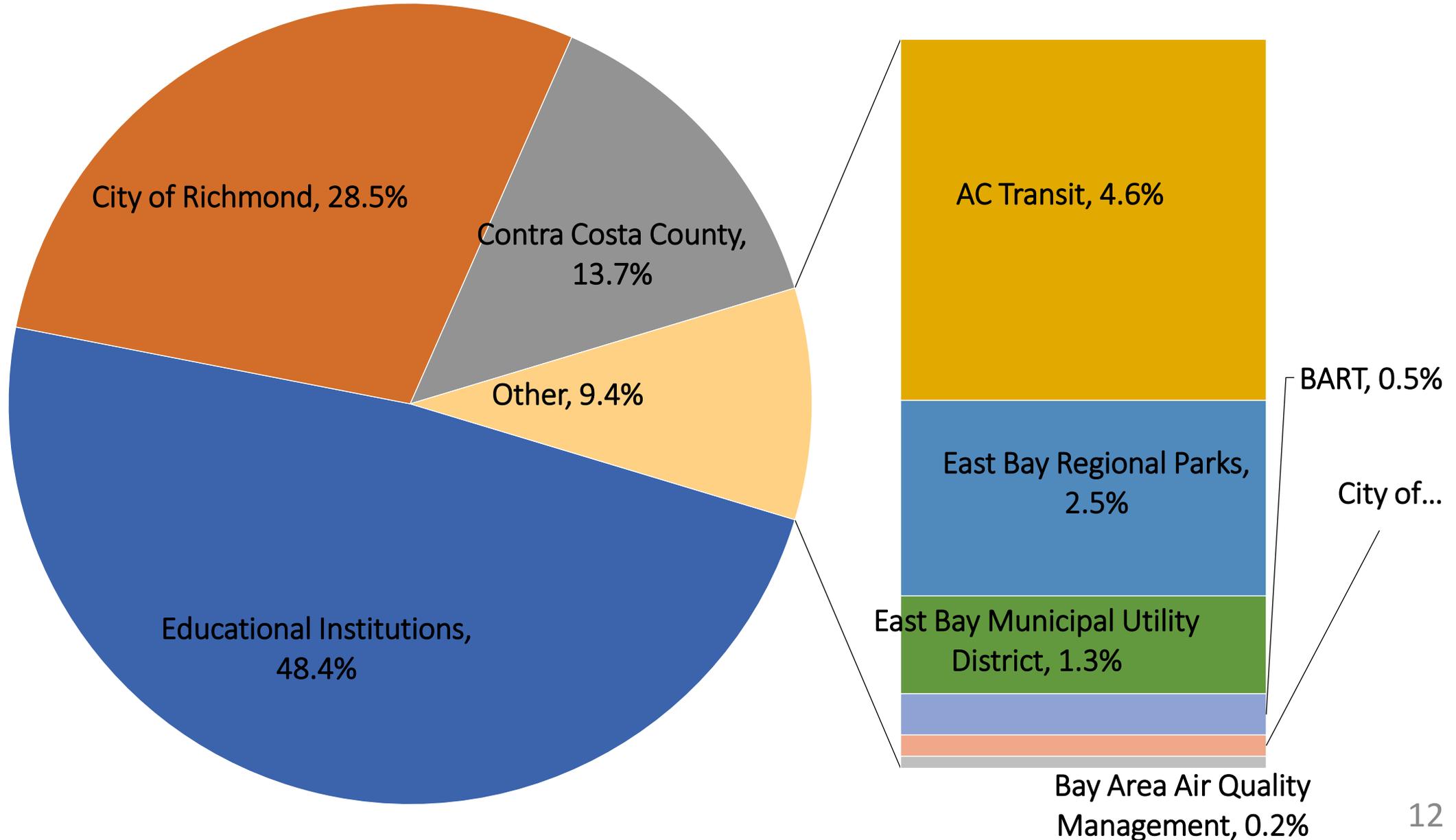
Budget Development Key Dates

Responsible Department	Action / Activity	Date
Finance Department	Budget Kick-off/Training	January 26
All Departments	Budget Input Window	January 30 thru February 26
Finance Department/City Manager/All Departments	Budget Hearings	March 13 thru March 23
Finance Department/City Manager	Community Budget Meetings	April 10, 17, & 20
Finance Department/City Manager	Budget Meeting with Unions	April 28
Finance Department/City Manager/City Council	Study Session: First Draft Budget	May 2
City Council	Approval of FY 2023 Budget and CIP Budget	By June 30

General Fund Revenue

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	MID-YEAR ADJUSTMENTS	PROPOSED MID-YEAR BUDGET	Percentage of Total Budget
30 PROPERTY TAXES	(46,056,962)	(46,056,962)	(2,551,967)	(48,608,929)	22.60%
31 SALES & USE TAX	(55,282,200)	(55,282,200)	(271,937)	(55,554,137)	25.83%
32 UTILITY USERS TAX	(49,963,589)	(49,963,589)	(897,690)	(50,861,279)	23.65%
33 OTHER TAXES	(21,638,449)	(21,638,449)	(813,738)	(22,452,187)	10.44%
34 LICENSES,PRMITS&FEES	(11,129,402)	(11,129,402)	48,446	(11,080,956)	5.15%
35 FINES & FORFEITURES	(475,275)	(475,275)	10,000	(465,275)	0.22%
36 USE OF MONEY&PROPRTY	(236,079)	(236,079)	(784,968)	(1,021,047)	0.47%
37 CHARGES FOR SERVICES	(3,571,292)	(3,571,292)	2,500	(3,568,792)	1.66%
38 OTHER REVENUE	(187,500)	(187,500)	(5,045)	(192,545)	0.09%
39 RENTAL INCOME	(874,506)	(874,506)	-	(874,506)	0.41%
3A INTERGOV STATE TAXES	(125,000)	(125,000)	-	(125,000)	0.06%
3C INTERGOV STATE GRANT	(175,000)	(175,000)	-	(175,000)	0.08%
3D INTERGOV OTHER GRANT	(253,569)	(263,569)	-	(263,569)	0.12%
60 PROC FR SLE PROP	(100,000)	(100,000)	-	(100,000)	0.05%
61 LOAN/BOND PROCEEDS	-	-	(39,400)	(39,400)	0.02%
90 OPER XFERS IN	(16,563,424)	(16,563,424)	(3,156,994)	(19,720,418)	9.17%
Revenue Total	(206,632,248)	(206,642,248)	(8,460,793)	(215,103,040)	100.00%

1% Property Tax Distribution



Sales Tax Distribution



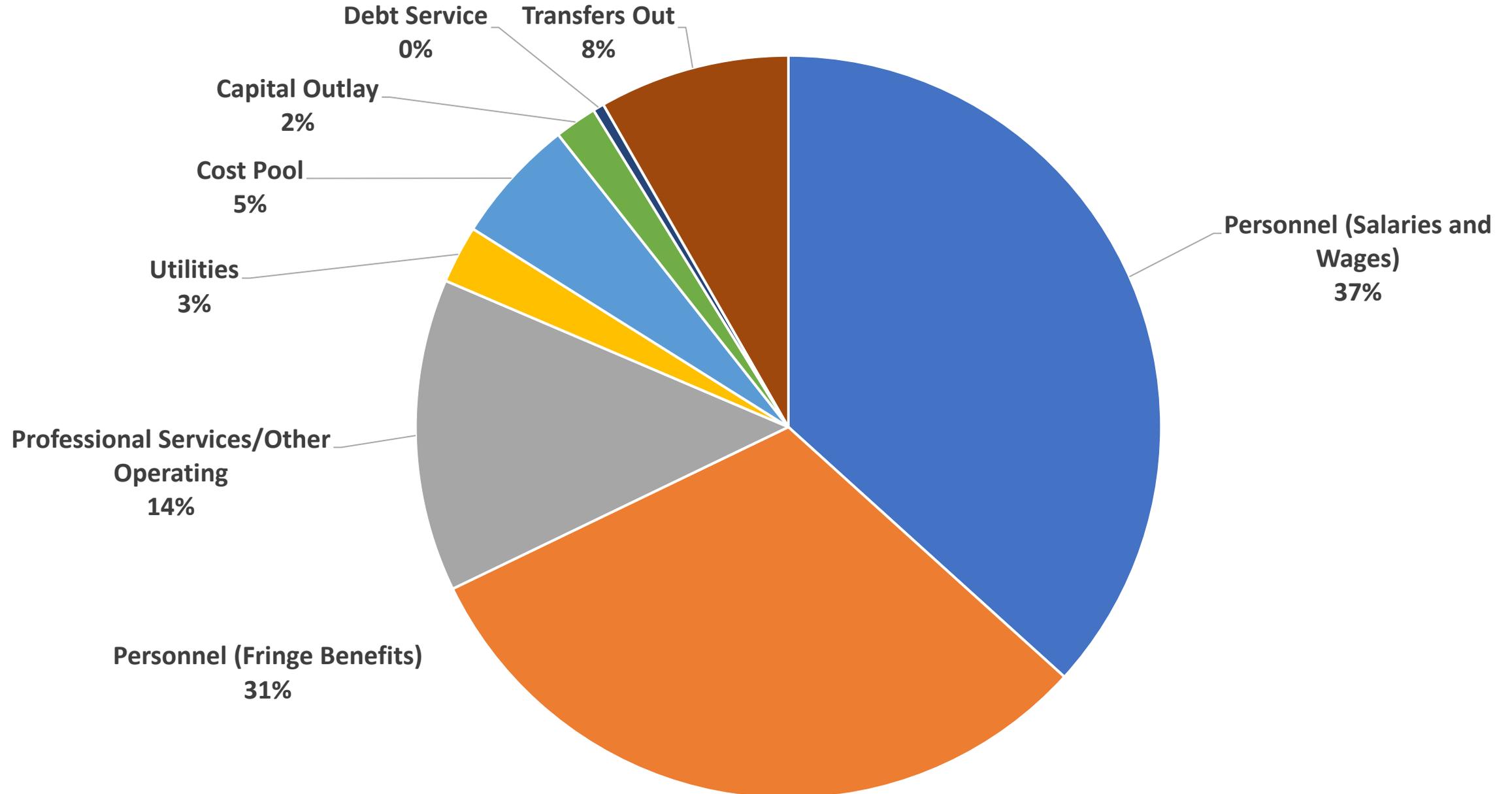
Rate	Jurisdiction	Purpose
3.69%	State	Goes to State's General Fund
0.25%	State	Goes to State's General Fund
0.50%	State	Goes to Local Public Safety Fund to support local criminal justice activities (1993)
0.50%	State	Goes to Local Revenue Fund to support local health and social services programs (1991 Realignment)
1.06%	State	Goes to Local Revenue Fund 2011
1.25%	Local	0.25% Goes to county transportation funds and 1.00% Goes to city or county operations
7.25%	State Base	Total Statewide Base Sales and Use Tax Rate
0.50%	Local	Measure U - Richmond (2005)
0.50%	Local	Measure Q - Richmond(2015)
0.50%	Regional	BART (1970)
0.50%	Regional	CCTA (1989)
0.50%	Regional	Measure X - Contra Costa County (2020)
2.50%	Richmond Rate	Richmond specific rate with local voter approved measure
9.75%	Total Rate	

Utility Users Tax Breakdown

Utilities Subject to Tax	Rate
Telecommunications	9.5%
Prepaid Wireless	9.0%
Video	5.0%
Gas & Electricity	10.0%
Tax Settlement (flat dollar amount per agreement)	\$4M/fiscal year
Cap Provision	Varies based on CPI



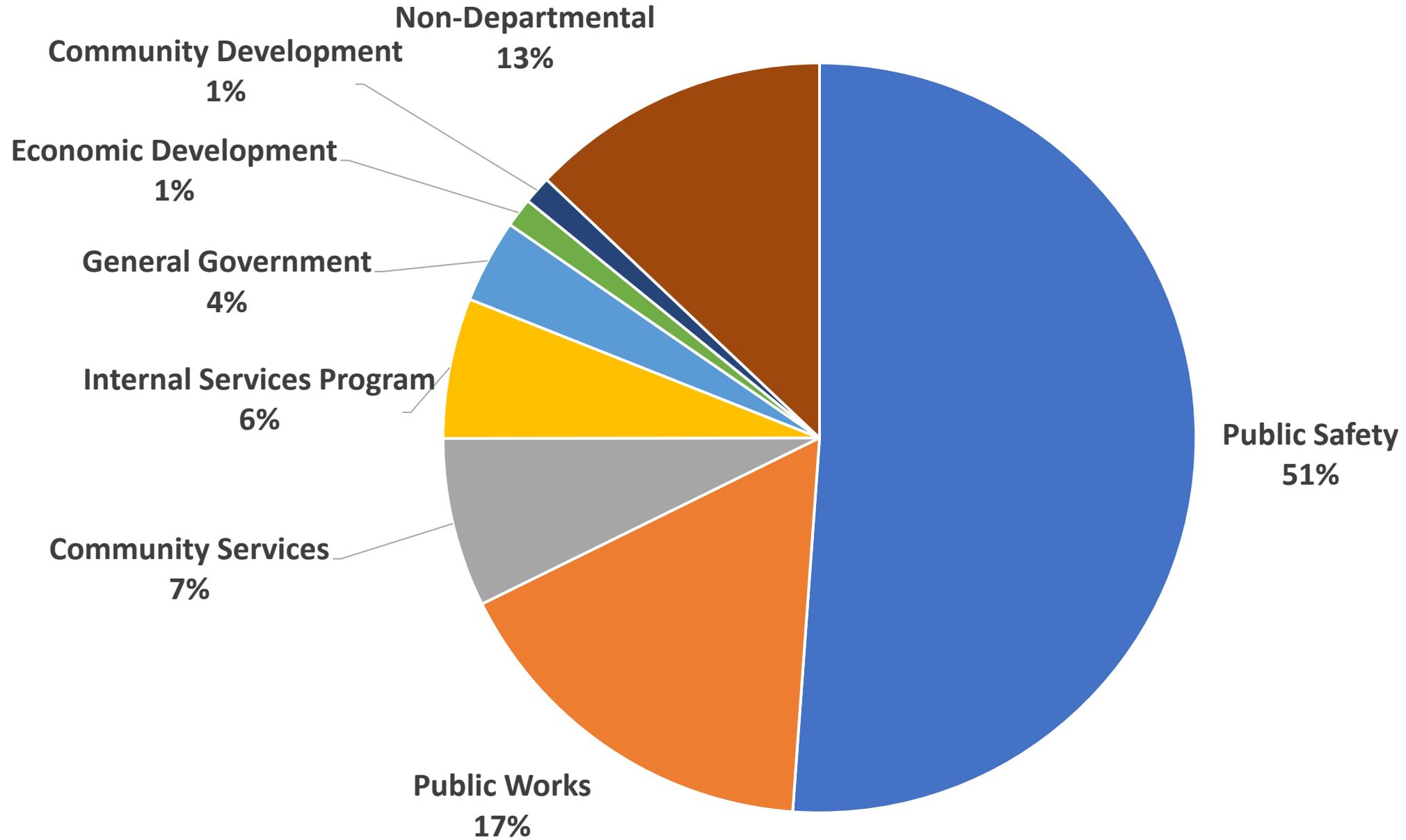
How the City Spends its General Fund Revenues, FY2022-23, \$215M (by type)



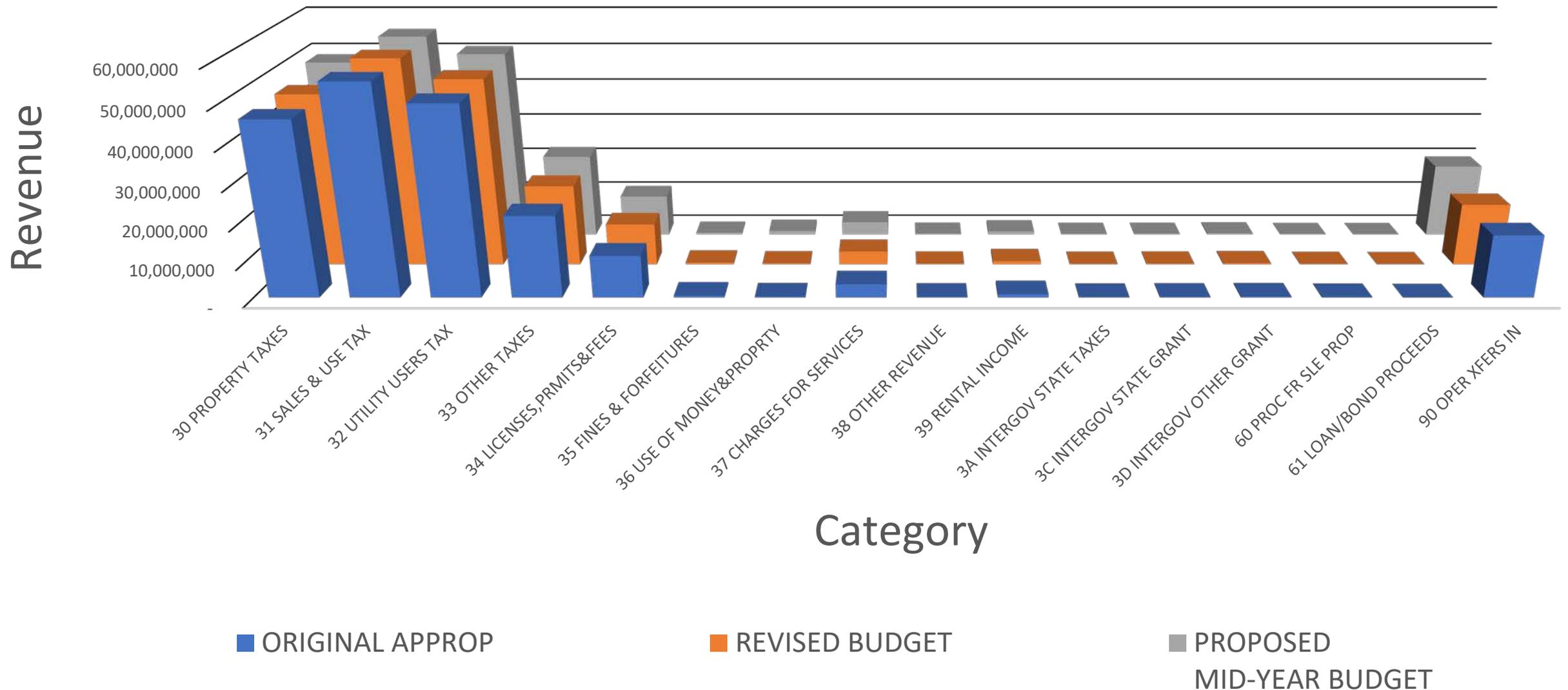
General Fund Expenditures

ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	MID-YEAR ADJUSTMENTS	PROPOSED MID-YEAR BUDGET	Percentage of Total Budget
40 SALARIES AND WAGES	78,761,868	78,478,206	540,367	79,018,572	36.74%
41 PYROLLFRINGE BENEFIT	66,929,804	66,887,828	-	66,887,828	31.10%
42 PROF & ADMIN	16,977,138	17,606,733	1,010,768	18,617,500	8.66%
43 OTHER OPERATING	7,970,902	7,603,361	12,058	7,615,419	3.54%
44 UTILITIES	5,399,957	5,403,522	-	5,403,522	2.51%
45 EQPT & CONTRACT SVCS	2,731,448	2,774,486	155,469	2,929,955	1.36%
46 PROVISN FOR INS LOSS	25,725	29,641	-	29,641	0.01%
47 COST POOL	15,277,766	15,277,766	-	15,277,766	7.10%
48 ASSET/CAPITAL OUTLAY	3,172,136	3,649,511	300,000	3,949,511	1.84%
49 DEBT SVC EXPENDITURE	1,037,009	1,037,009	-	1,037,009	0.48%
4A A87 COST PLAN REIMBS	(3,531,610)	(3,531,610)	-	(3,531,610)	-1.64%
50 GRANT EXPENDITURES	2,500	82,500	-	82,500	0.04%
91 OPER XFERS OUT	11,877,605	11,877,605	5,907,823	17,785,428	8.27%
Expense Total	206,632,248	207,176,557	7,926,484	215,103,041	100.00%

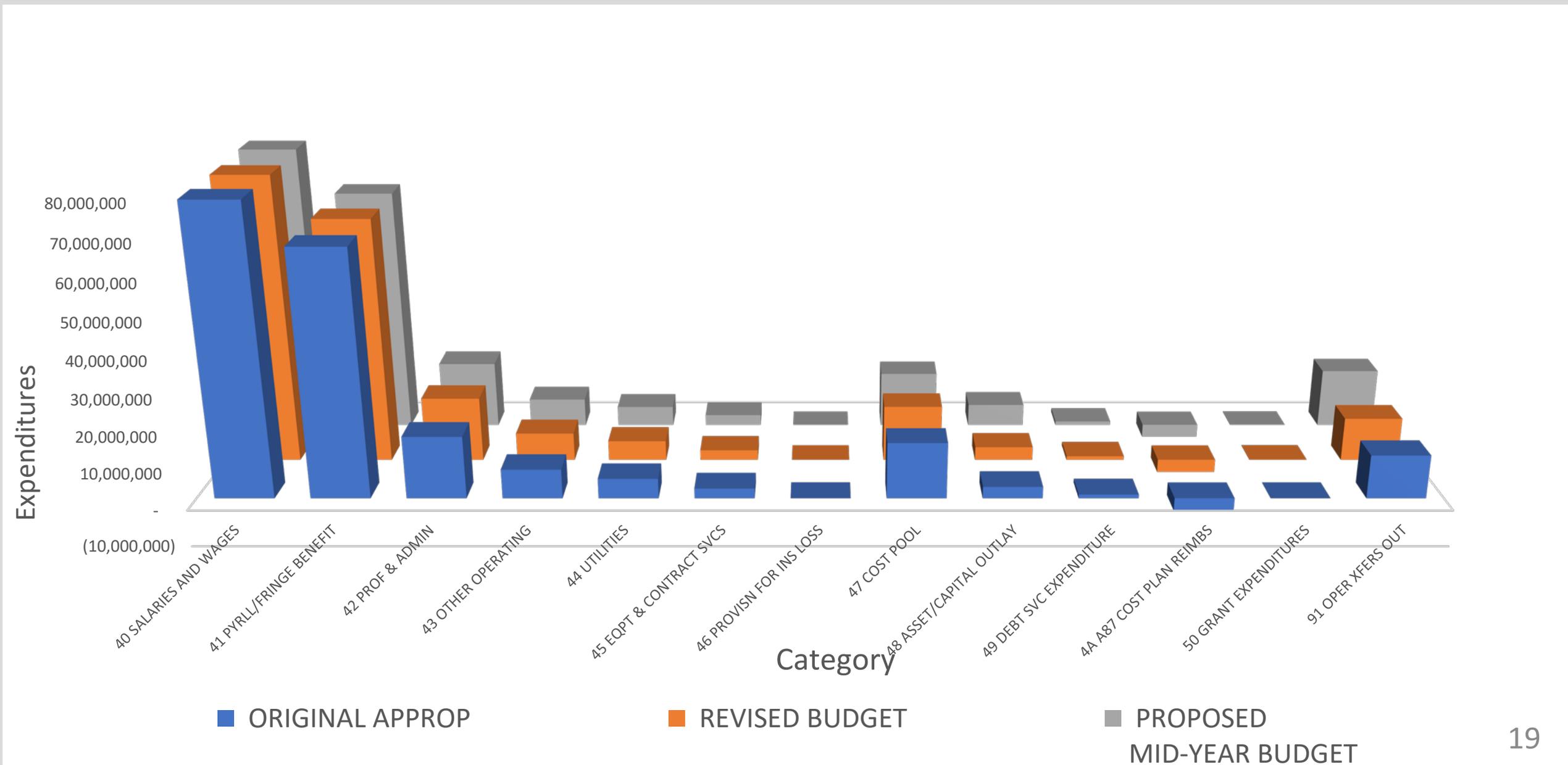
Uses of General Fund Revenues, FY2022-23, \$215M (by Function)



General Fund Revenue Budget Comparison



General Fund Expenditure Budget Comparison



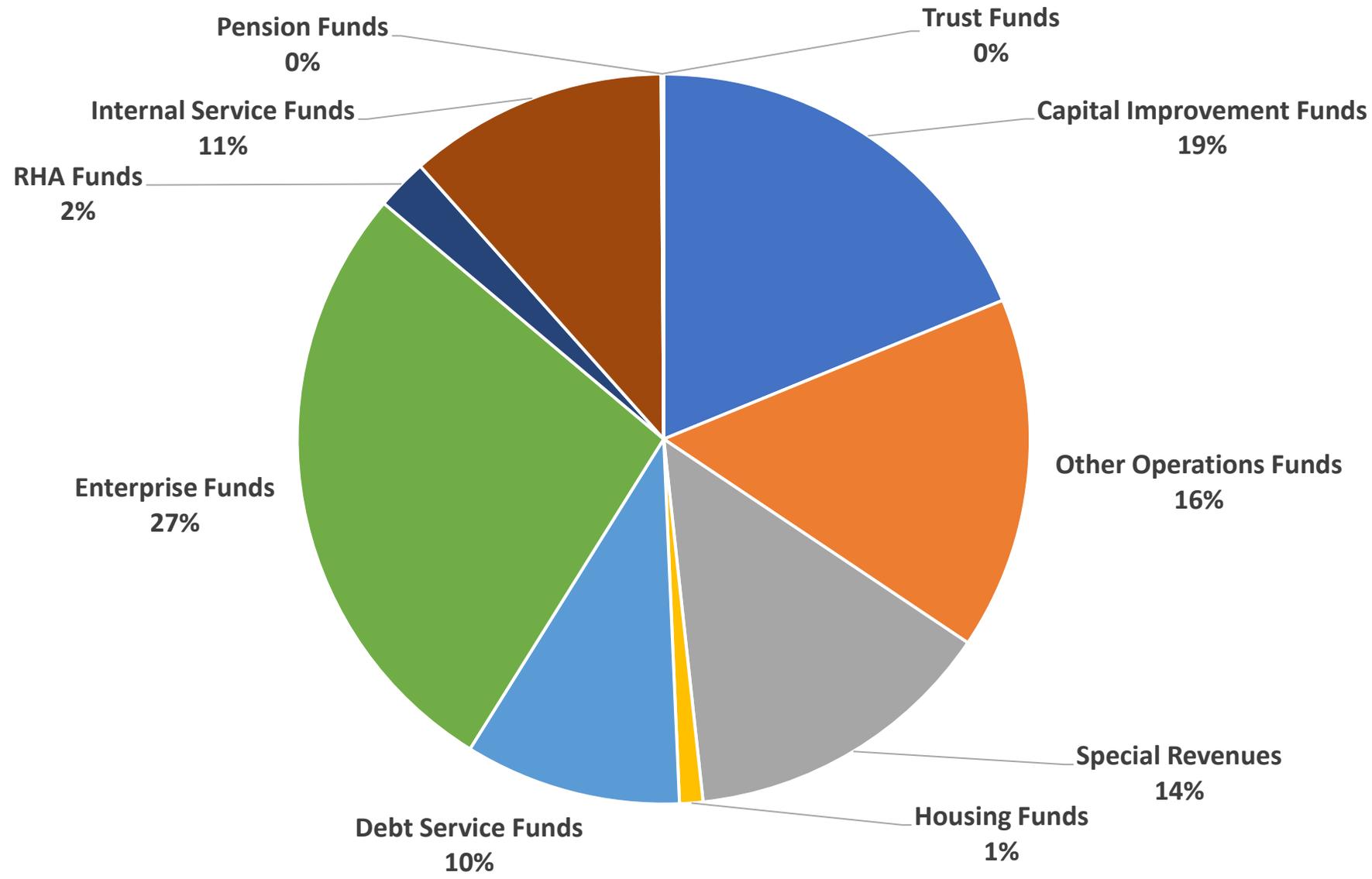
General Fund Mid-Year Budget



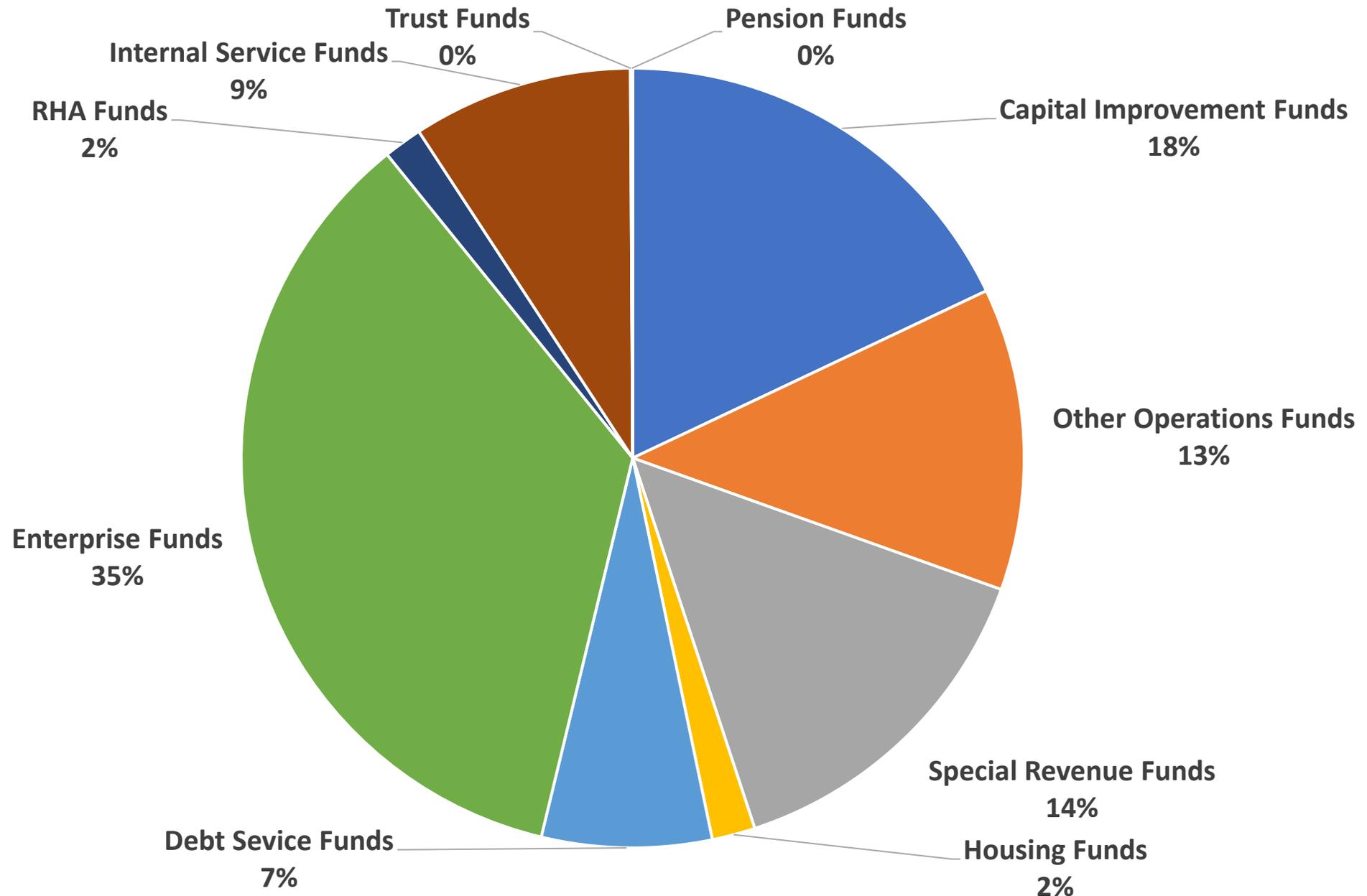
ACCOUNT DESCRIPTION	ORIGINAL APPROP	ADJSMTS	REVISED BUDGET	YTD ACTUAL	MID-YEAR ADJUSTMENTS	PROPOSED MID-YEAR BUDGET	Percentage of Total Budget
30 PROPERTY TAXES	(46,056,962)	-	(46,056,962)	(22,393,586)	(2,551,967)	(48,608,929)	22.60%
31 SALES & USE TAX	(55,282,200)	-	(55,282,200)	(14,997,474)	(271,937)	(55,554,137)	25.83%
32 UTILITY USERS TAX	(49,963,589)	-	(49,963,589)	(28,763,607)	(897,690)	(50,861,279)	23.65%
33 OTHER TAXES	(21,638,449)	-	(21,638,449)	(5,994,224)	(813,738)	(22,452,187)	10.44%
34 LICENSES,PRMITS&FEES	(11,129,402)	-	(11,129,402)	(3,712,692)	48,446	(11,080,956)	5.15%
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)	0.47%
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)	9.17%
Revenue Total	(206,632,248)	(10,000)	(206,642,248)	(95,623,350)	(8,460,793)	(215,103,040)	100.00%
40 SALARIES AND WAGES	78,761,868	(283,662)	78,478,206	33,953,034	540,367	79,018,572	36.74%
41 PYRLL/FRINGE BENEFIT	66,929,804	(41,976)	66,887,828	28,575,517	-	66,887,828	31.10%
42 PROF & ADMIN	16,977,138	629,595	17,606,733	4,634,865	610,768	18,217,500	8.47%
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	7.10%
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	4,242,642	16,120,247	7.49%
Expense Total	206,632,248	544,309	207,176,557	84,858,761	7,926,484	215,103,041	100.00%
Net Variance (+/-)	-	534,309	534,309	(10,764,589)	(534,309)	0	0



Non-General Fund Revenues FY2022-23 Budget, \$216M



Non-General Fund Expenditure FY2022-23 Budget, \$308M



American Rescue Plan Act (ARPA)

- Richmond's Allocation Is \$27.74 Million
- Funds Received In Two Equal Installments One Year Apart
 - First: ~AUGUST 2021
 - Final: ~AUGUST 2022
- Funds Encumbered By 12/2024 & Spent By 12/2026
- Guidance From & Periodic Reports To The Treasury Department

AMERICAN RESCUE PLAN ACT BUDGET

REVENUE

TOTAL	\$	(27,740,723)
--------------	-----------	---------------------

EXPENDITURES

MAIN LIBRARY - HEATING, VENTILATION, AND AIR CONDITIONING (HVAC) SYSTEM IMPROVEMENTS	\$	500,000
NEVIN COMMUNITY CENTER - HVAC IMPROVEMENTS	\$	500,000
RECREATION CENTER ADMINISTRATION - HVAC IMPROVEMENTS	\$	500,000
RICHMOND MUSEUM - HVAC IMPROVEMENTS	\$	500,000
COMMUNITY BEAUTIFICATION	\$	1,000,000
ARPA COMMUNITY NEEDS ASSESSMENT	\$	250,000
ENVIRONMENTAL PLANNING CONSULTANT - BLUE/GREEN NEW DEAL	\$	300,000
RICHMOND RAPID RESPONSE FUND (DIRECT DISBURSEMENTS, RENT RELIEF, GUARANTEED INCOME)	\$	1,000,000
RECOVERY OF LOST REVENUE (FY2020-21) APPLIED TO BALANCE FY2021-22 GF BUDGET	\$	4,000,000
NORTH RICHMOND PUMP STATION	\$	1,800,000
MARTIN LUTHER KING, JR PARK TURF FIELD PROJECT	\$	150,000
UNHOUSED FLEX FUNDS	\$	50,000
LIBRARY INFRASTRUCTURE GRANT MATCH	\$	3,656,490
NEVIN HOUSING PROJECT (RICHMOND HOUSING AUTHORITY)	\$	1,750,000
TOTAL: CITY COUNCIL-APPROVED ARPA ALLOCATIONS	\$	15,956,490

REMAINING ARPA REVENUE	\$	(11,784,233)
-------------------------------	-----------	---------------------

ARPA Dollars At Work in Richmond



Pending/Unfunded Budget Requests

Amount	Pending/Unfunded Budget Request
15,000,000	Investment in Paving Index improvement
TBD	Fire Training Center Predevelopment Costs
15,000,000	Library renovation
1,500,000	Measure U loss due to pending litigations
5,000,000	Terminal 1 cleanup costs
36,500,000	Total Pending/Unfunded Budget Requests



Thank You!