



Glossary of Finance and Budget Terms

The City's Policy contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Policy Budget document in understanding these terms, a glossary of budgetary terminology is included as follows:

Accounting System	The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.
Accounts Payable	Amounts owing to private persons, firms, or corporation for goods and services received.
Accounts Receivable	Amounts owing from private persons, firms or corporation for goods and services furnished.
Accrual Basis	The basis of accounting whereby revenues are recognized when earned and measurable regardless of when collected; and expenses are recorded on a matching basis when incurred. All proprietary and fiduciary funds use the accrual basis of accounting.
Accrue	To record revenues and expenditures/expenses when they meet the recognition criteria of the fund type involved regardless of when the cash activity occurs.
Accrued Expenditures/ Expenses	Expenses or expenditures that meet the appropriate recognition criteria of the fund type involved but have not been paid. Accrued expenditures are expected to be paid in a subsequent accounting period.
Accrued Revenues	Revenues that meet the appropriate recognition criteria of the fund type invoiced, but are not realized during the accounting period. <i>Refer to Accrual basis, accrual and modified accrual basis.</i>
Actual	Actual refers to the expenditures and/or revenues realized in the past.
Adjusted Budget	The status of appropriations as of a specific date between July 1, at the beginning of the fiscal period and June 30, at the end of the fiscal period. Includes the adopted budget, budget amendments, prior year encumbrances, approved project carry forwards from prior years, and transfers between accounts, divisions and departments.
Adopted Budget	Revenues and appropriations approved by the City Council immediately preceding for the new fiscal period effective July 1.
Agency / Department	A major unit of the municipal organization which is managed by an Agency / Department Director and comprised of a number of divisions which are functionally related to one another.
Allocation	The practice of spreading costs among various cost centers on some predetermined reasonable basis (e.g. percentages based on allocation plan) as opposed to distribution of expenses on a unit charge or direct identification basis.



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Appropriation	An authorization made by the City Council that permits the officials to incur obligations against and to make expenditures of governmental resources.
Appropriation limit	Imposed by Proposition 4 and 111, creates a restriction on the amount of revenue which can be appropriated in any fiscal year. The limit is based on actual appropriations, and is increased each year using the growth of population and inflation. Not all revenue are restricted by the limit; only those which are referred to as "proceeds of taxes."
Appropriation Resolution	The official enactment by the City Council to establish legal authority for City officials to obligate and expend funds.
Assets	The entries on a balance sheet showing all properties and claims against others that may be used directly or indirectly to cover liabilities.
Audit	Prepared by an independent Certified Public Accountant (CPA), the primary objective of an audit is to determine if the City's financial statements present fairly the City's financial position and results of operations in conformity with general accepted accounting principals. In conjunction with their performance of an audit, it is customary for an independent auditor to issue a Management Letter stating the adequacy of the City's internal controls and as well as recommending improvements to the City's financial management practices.
Balance Sheet	A statement purporting to present the financial position of an entity by disclosing its assets, liabilities, and fund equities as of a specific date.
Base Line Budget	Previous year adopted budget with adjustments or current salaries, benefits, indirect, internal service rates.
Bond (Debt Instrument)	A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.
Budget	A financial plan for a specific period of time (fiscal period) that matches all planned revenues and expenditures with various municipal services.
Budget Adjustment	A legal procedure utilized by City staff to revise a budget appropriation. City staff has the prerogative to adjust expenditures within departmental budgets. Council approval is required for transfers between funds, and for additional appropriations from fund balance or new revenue sources.
Budget Calendar	The schedule of key dates or milestones that the City follows in the preparation, adoption and administration of the budget.
Budget Document	A financial and planning tool that reflects the proposed (and later adopted) revenues and appropriations for the City (including operating and capital), performance standards, targets, organizational structure and goals, along with historical financial information.



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Budgetary Amendments	The City Council has the sole responsibility for adopting the City's budget, and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve administrative adjustments to the budget as long as those changes are between objects within the same expenditure category.
Budgetary Basis	The process by which budgeted expenditures are adopted through the passage of a resolution. This resolution constitutes the maximum authorized expenditures for the fiscal year and cannot legally be exceeded except by subsequent amendments of the budget by the City Council.
Budgetary Control	The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available resources.
Capital Assets	Assets of significant value and having a useful life of more than one year. Capital assets are also called fixed assets.
Capital Budget	A plan of proposed capital expenditures and the means of financing them. The capital budget is enacted as part of the City's consolidated budget which includes both operating and capital outlays, and is based on a Capital Improvement Program (CIP).
Capital Improvement Plan or Capital Projects	A long-range plan for capital expenditures for the acquisition, expansion or rehabilitation of an element of the City's physical plant to be incurred within a fixed period of several future years.
Capital Outlay	Expenditures relating to the purchase of equipment, facility modifications, land, and other fixed assets.
Capital Project Fund	Used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).
Carry forward	Appropriations brought forward from a previous fiscal year to continue or complete a specific project, program or activity.
Capital Expenditure	An outlay that results in or contributes to the acquisition or construction of a capital asset.
Cash Basis	A basis of accounting in which transactions is recognized only when cash is increased or decreased.
Commitment	Planned expenditures from the general ledger details are rolled-up in a commitment line item. City Council approved budget is based on a commitment item.



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Consumer Price Index (CPI)	A statistical description of price levels provided by the U.S. Department of Labor. The change in the index from year to year is used to measure the cost of living and economic inflation.
Contingency (Reserve)	A budget reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for. Please see "Supplemental" portion of this Policy Budget for details on the City Council's reserve policies.
Contractual Services	Expenditures for services the City received from an outside company. Professional and technical services perform by non COR staff are consider contractual services.
Debt Service	Payment of interest and repayment of principal to holders of the City's debt instruments.
Debt Service Fund	This fund type is used to account for the payment and accumulation of resources related to general long-term debt principal and interest.
Deficit	1)The excess of entity's liabilities over its assets (See Fund Balance). 2)The excess of expenditures or expenses over revenues during a single accounting period.
Department / Agency	A major unit of the municipal organization which is managed by an Agency / Department Director and comprised of a number of divisions which are functionally related to one another.
Depreciation	1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements. 2) That portion of the cost of capital asset which is charged as an expense during a particular period.
Disbursement	The expenditure of monies from an account.
Division	A unit of the municipal organization which reports to a department or agency.
Documentary Transfer Tax	This is a 0.7% tax on the fair market value that is imposed on the transfer or sale of real property.
Encumbrance	Obligations in the form of purchase orders, contracts or salary commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.
Enterprise Fund	A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that the revenues are adequate to meet all necessary expenditures.
Expenditure	The outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure; an encumbrance reserves funds to be expended.



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Expenditure Category	A basis for distinguishing types of expenditures. The major expenditure categories used by the City of Richmond are personnel services; operations and maintenance; and capital outlay.
Expense	Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges.
Fiduciary Funds	Account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own program.
Financial Plan	A parent document for the budget, which establishes management policies, goals, and objectives for all programs within the City over a one-year period (see Budget).
Fines and Forfeitures	Fines and Forfeitures consist primarily of fines for parking violations on the City's streets, Municipal Court fines and Library fines.
Fiscal Year	A twelve-month time period signifying the beginning and ending period for recording financial transactions. The City of Richmond has specified July 1 through June 30 as its fiscal year.
Fixed Assets	Assets of long-term nature such as land, buildings, machinery, furniture, and other equipment. The City has defined such assets as those with an expected life in excess of one year and an acquisition cost in excess of \$5,000.
Fixed Charges	Are items of expenditures for services rendered by internal operations or the City. Rental of City equipment, computer services, building rental, indirect operating expenses, and depreciation are examples of fixed charges.
Franchise Fees	A .5% to 5% fee imposed on franchise revenue in accordance with franchise agreements with utility companies.
Fringe Benefits	These include employee retirement, social security, health, dental, life insurance, worker's compensation, uniforms, and deferred compensation plans.
FTE (Full-Time Equivalent)	An FTE or full-time equivalent is defined as a staff year. For example, two employees who work one-half time are considered one full-time equivalent.
Fund	An accounting entity that records all financial transactions for specific activities or government functions. The six generic fund types used by the City are: General Fund, Special Revenue, Debt Service, Capital Project, Enterprise, Internal Service and Trust & Agency Funds.
Fund Accounting	Governments use funds to account for activities within the entity.



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Fund Balance	The net effect of assets less liabilities at any given point in time. The total fund balance includes a designated / reserved portion, usually for encumbrances, projects, or other prior commitments, as well as an undesignated / unreserved (i.e. "available") portion.
Fund Group	A group of funds with similar restrictions and accounting treatment. The seven fund groups included in the City's budget are: general funds; special revenue funds; enterprise funds; internal service funds; capital projects funds; debt service funds; and trust and agency funds.
GAAP	Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.
General Fund	The fund supported by taxes, fees and other revenues that may be used for any lawful purpose. The general fund accounts for all financial resources except those required to be accounted for in another fund.
General Ledger Accounts	Accounting detailed list of accounts for revenue and expenditure where the departments/division earnings and expenditures are recorded.
Governmental Funds	Account for activities that are primarily tax-supported operations or other mandatory payments.
Grant	A contribution by a government, other organization, or a private individual, to support a particular function. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed the grantee. Grants may be competitive or based on allocation.
Inter-fund Transfers	The movement of monies between funds of the same governmental entity.
Internal Service Charges	The charges to user departments for internal service provided by another government agency, such as fleet maintenance or insurance funded from a central pool.
Investment	Securities and real estate purchased and held for the production of income in the form of interest, dividends, rental or base payments.
Letter of Transmittal	The opening section of the budget, which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the previous fiscal years, and the views and recommendations of the City Administrator.
Liability	Debt or other legal obligation arising out of transaction in the past which must be liquidated, renewed or refunded at some future date; financial obligations entered in the balance sheet. Note: The term doesn't include encumbrances.



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<p>Licenses and Permits</p>	<p>Revenues under this category are from fees for business licenses, building regulation and planning permits. In Richmond, the Business License Tax is charged annually at different rates depending on the Business Tax Category. Licenses and Permits revenue comes from construction permits from the construction of sidewalks, driveways, sewer, grading and excavating, encroachment and obstruction.</p>
<p>Line Item Budget</p>	<p>A budget that lists detailed expenditure categories (salary, material, telephone service, travel, etc) separately, along with the amount budgeted for each specified category. The City uses a line-item detail to maintain and record for financial reporting and control purpose. (See General Ledger Accounts & Commitment Item)</p>
<p>Local Agency Investment Fund (LAIF)</p>	<p>A program established by the state to enable treasurers to place idle funds in a pool for investment. Each agency is currently limited to LAIF of an investment of \$20 million plus any bond proceeds.</p>
<p>Maturities</p>	<p>The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.</p>
<p>Measure Q - City Sales Tax</p>	<p>A one-half of one percent (1/2%) sales tax increment approved by Richmond voters in the November 2004 election. This increased the Richmond tax from 8.25% to 8.75%.</p>
<p>Mission Statement</p>	<p>Provides policy guidance and direction for the highest priority objectives to be accomplish during the budget period. Over the last several years, the City Council has developed community goals and long-range vision for the City, which best summarize expectations of the community.</p>
<p>Modified Accrual Basis</p>	<p>The basis of accounting under which expenditures, whether paid or unpaid, are formally recognized when incurred against the account, but revenues are recognized only when they become both measurable and available to finance expenditures of the current accounting period. All governmental funds use the modified accrual basis of accounting.</p>
<p>Objectives</p>	<p>Departmental statements describing significant activities to be accomplished during the fiscal year.</p>
<p>Operating Budget</p>	<p>A financial plan for the provision of City services and basic governmental functions. The operating budget contains appropriations for such expenditures as personnel services, fringe benefits, commodities, services and minor capital expenses. It does not include Capital Improvement Project expenditures.</p>
<p>Operations and Maintenance</p>	<p>Expenditures related to operating costs including supplies, commodities, contract services, materials, utilities and educational services.</p>



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Ordinance	A formal legislative enactment by the governing board (City Council) of a municipality. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the municipality to which it applies.
Performance Measures	Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned). Also, a specific quantitative measure of results obtained through a program or activity (e.g., reduced incidence of vandalism due to new street lighting program).
Personnel Services	Expenditures related to employee compensation including wages and salaries, fringe benefits, retirement, premiums, allowances and special / supplemental pay such as shift differentials.
Program	An activity, or division, within a department which furthers the objectives of the City Council, by providing services or a product.
Program Budget	Programs, and associated program codes, are created to articulate the programmatic functions performed by the City organization. The budget (both revenues and expenditures) can be described in programmatic terms. This enables the Mayor and Council to view how much is being committed and/or spent to achieve their goals and objectives.
Property Tax	<p>A major portion of the revenues of the City is from property taxes. Property such as land, structures and improvements is subject to tax which is applied to a property's value. In 1978, Proposition 13 revised the calculation of the California property taxes by establishing a fixed rate of one percent of a property's value and thereby limiting the growth in assessed valuation to 2 percent per year. The exception to this is when property changes hands, in which case fair value becomes the basis of valuation. The City receives its share of property taxes during the months of December, April and June of each fiscal year at 55%, 40% and 5% of the total amount.</p> <p>Of the total property tax received, approximately 48% is General fund, 16% is Sewer, 24% is Pension Tax Override and 12% is from Assessment Districts.</p>
Proprietary Funds	Account for activities that are primarily funded by income from operations resulting from payments for goods and services provided to users.
Reimbursements	Payments remitted by another agency, department, or fund to help defray the costs of a particular service or activity for which some benefit was obtained by the reimbursing party. These amounts are recorded as expenditures, or expenses in the reimbursing fund and as a reduction of expenditures, or expenses, in the fund that is reimbursed.



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Reserved Fund Balance	A portion of a fund's balance that is legally restricted for a specific purpose and is, therefore, not available for general appropriation.
Resolution	A special order of the City Council which requires less legal formality than an Ordinance in terms of public notice and the number of public readings prior to approval. A Resolution has lower legal standing than an Ordinance. The adopted operating budget is approved by Resolution and requires a majority vote of the Council members present at the time of adoption.
Revenue	Funds that the City receives as income. It includes such items as taxes, licenses, user fees / charges for services, fines/penalties, grants, and internal revenue.
Revenue estimates	A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.
Salaries and benefits	An operating budget category which generally accounts for full-time and part-time salaries, overtime costs, and fringe benefits.
Sales and Use Tax	The current Sales Tax rate in Richmond is 8.75 percent. The City's share of this is 1% percent with the State getting 6.25%. Sales tax revenue is influenced by different factors such as the number of retail outlets, the interest rates, disposable income, and the rate of inflation. Richmond also has revenue sharing agreements with the City of El Cerrito.
SB 172 Sales Tax	This is the 0.05 % from the State's Public Safety Fund that was authorized by Proposition 172 and it is given to the city by the county.
Source of Revenue	Revenues are classified according to their source or point of origin.
Special Revenue Fund	Used to account for the proceeds of special revenue sources that are restricted by law (or administrative action) to expenditures for specific purposes.
Supplemental Appropriation	An act appropriating funds in addition to those in an annual appropriation act. Supplemental appropriations provide additional budget authority beyond the original estimates for programs or activities (including new programs authorized after the date of the original appropriation act) in cases where the need for funds is too urgent to be postponed until enactment of the next regular appropriation bill.
Supplies and Services	This budget category accounts for all no personnel, and no capital outlay expenses.



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<p>Transfer</p>	<p>A movement of budgetary or actual revenues or expenditures between organizational units, accounts, projects, programs or funds. Transfers between funds appear as an expenditure (“transfer out”) in one fund and revenue (“transfer in”) in the other. Transfers between fiscal years represent the carry forward of funds received in previous years to be expended in the new year and appear as a revenue in the new year. Transfers between departments, funds or from one fiscal year to another must be approved by City Council.</p>
<p>Transfers in/out</p>	<p>Payments from one fund to another fund, primarily for work or services provided.</p>
<p>Transient Occupancy Tax</p>	<p>The Transient Occupancy Tax at 10% is imposed on and paid by the hotel/motel lodgers who stay less than thirty days. The tax is collected and remitted by hotel/motel operators.</p>
<p>Triple Flip State</p>	<p>On July 1, 2004 the State began reducing the Sales Tax Allocation to Cities by .25%. The .25% reduction was used for security for the State’s “Economy Recovery Bonds”. This was replaced dollar for dollar by an allocation of local property tax from the County ERAF funds paid to the Cities in two payments in January and May.</p>
<p>Trust and Agency Funds</p>	<p>Also known as Fiduciary Fund Types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. The fiduciary funds used by the City include expendable trust and agency funds. Expendable trust funds are accounted for in the same manner as Governmental Funds (general, special revenues, debt service, and capital project funds). Agency funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.</p>
<p>Use of Money and Property</p>	<p>Under this category, we show the revenues earned by the City as interest income from the investment of the City’s available cash. The City’s investment policy limits the type of investments that can be made primarily to protect the safety of the taxpayers’ money. Funds are invested in a variety of instruments including US Treasury and agency instruments, other governmental securities, bankers’ acceptances, time deposits and commercial paper.</p>
<p>Utility Users Tax</p>	<p>A 10% tax imposed on utility (telecommunication, gas, electricity, water and video) revenue.</p>



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VLF Backfill	In FY2004, the State dropped the Motor Vehicle License Fee (VLF) from 2% to .67%. In the FY 2004 the State backfilled the fee reduction with other State funds. In FY 2005, the backfill was replaced with an allocation of local property tax from County ERAF funds that was paid to the Cities in two payments in January and May.
Working Capital	Also known as financial position in private sector accounting and in enterprise fund accounting in the public sector, working capital is the excess of current assets over current liabilities. For the enterprise funds, this term is used interchangeably with "fund balance", a comparable financial position concept in the governmental fund types.
Zero Base Budget	A process emphasizing management's responsibility to plan, budget, and evaluate. Zero-base budgeting provides for analysis of alternative methods of operation and various levels of effort. It places new programs on an equal footing with existing programs by requiring that program priorities be ranked, thereby providing a systematic basis for allocating resources.



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Abbreviation Guide

A/P	Accounts Payable
A/R	Accounts Receivable
BART	Bay Area Rapid Transit
BD	Budget Division
CAFR	Comprehensive Annual Financial Report
CaIPERS	Commission on Accreditation for Law Enforcement
CIP	Capital Improvement Program
CM	City Manager's Office
COR	City of Richmond
DHS	Department of Human Services
EEO	Equal Employment Opportunity
FD	Finance Department
FTE	Full-Time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Financial Officers Association
GL	General Ledger
MOU	Memorandum of Understanding
HR	Human Resources
HUD	Federal Department of Housing and Urban Development
IT	Information Technology
PAF	Personnel Action Form
PO	Purchase Order
PR	Purchase Requisition
RFP	Request for Proposal
RFQ	Request for Qualification
SAP	Systems, Applications, Products in Data Processing (Accounting System)
SAP- BW	SAP - Business Information Warehouse
TM1	Is a trademark of Applix, Inc. and are trademarks of Microsoft Corporation.

City of Richmond

FUND DESCRIPTIONS

Major funds include any fund whose revenues and expenditures, excluding other financing sources and uses, constitute more than 10 percent of the revenues or expenditures of the appropriated budget.

The City's fund structure is as follows: Governmental; Proprietary which include enterprise and internal service funds; and Fiduciary which include pension trust funds and agency funds.

MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

Redevelopment Agency Fund

The Redevelopment Agency Fund accounts for all activities of the Agency, including 1) tax increment allocations set aside for the purpose of increasing or improving housing for low-income residents; 2) the accumulation of property taxes for payment of interest and principal on the Agency's long-term debt; 3) capital projects connected with redevelopment funded by property tax increment revenues.

Joint Powers Financing Authority Debt Service Fund

The Joint Powers Financing Authority Debt Service Fund accounts for the accumulation of resources from lease payments and the payment of long-term debt on behalf of the City to finance various capital improvements within the City.

General Capital Improvement Fund

The General Capital Improvement Fund is used to account for monies designated for capital improvement projects.

MAJOR ENTERPRISE FUNDS

Richmond Housing Authority

This fund accounts for all funds provided by the Department of Housing and Urban Development (HUD) to assist low income families in obtaining decent, safe and sanitary housing.

RHA Properties

This fund accounts for all financial transactions relating to the acquisition, ownership and operation of rental properties in order to maintain and increase the long-term supply of affordable and/or publicly owned housing.

Port of Richmond

This fund accounts for all financial transactions relating to the City-owned marine terminal facilities and commercial property rentals.

Municipal Sewer

This fund accounts for all financial transactions relating to the City's Wastewater Collection and Treatment. Services are on a user charge basis to residents and business owners located in Richmond.

INTERNAL SERVICE FUNDS

Workers' Compensation Fund

Used to report activities related to employee's claims due to industrial injuries.

General Liability Fund

Used to report activities related to general claims against the City for damages incurred.

Information Technology Fund

Used to report activities related to computer maintenance services including networks, equipment leases and telephones.

Equipment Services and Replacement Fund

Used to report activities related to maintenance and replacement of City vehicles.

Police Telecommunications Fund

Used to report activities related to CAD dispatch, RMS records maintenance, and 800 MHz equipment expense.

TRUST FUNDS

Pension Reserve Fund

Used to record the receipt of Pension Tax override collected through property taxes for payment of pension contributions.

General Pension Fund

Used to record the activity of the General Pension Plan; a defined benefit pension plan that covers 41 former City employees not covered by PERS, all of whom have retired.

Police and Firemen's Pension Fund

Used to record the activity of the Police and Firemen's Pension Plan, a defined benefit pension plan that covers 109 police and fire personnel employed prior to October 1964.

Garfield Pension Fund

Used to record the activity of the Garfield Pension Plan; a defined contribution pension plan that was set up for a retired police chief.

AGENCY FUNDS

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The City's agency funds are: Special Assessment; General Agency Fund; Cafeteria Option Fund; Johnson Library Fund; Senior Center Fund; Shimada Sister City Fund; JPFA Reassessment Fund; and Payroll Benefits Fund.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

State Gas Tax Fund

Accounts for the subventions received from state gas taxes under the provision of the Streets and Highways Code. State gas taxes are restricted to uses for street construction activities including location of underground utilities, geotechnical work relating to identification of soil and groundwater contamination, materials sampling and testing.

General Purpose Fund

Accounts for other restricted monies that are to be used for the specific purpose for which the funds were set up.

Maintenance Fund

Established to account for maintenance services in the nature of landscaping, lighting, cleaning provided to the Hilltop parking lot area and the Marina Way Development area.

Paratransit Operations Fund

Accounts for monies used to provide subsidized, accessible transportation to the seniors and disabled residents of the City of Richmond and the adjacent unincorporated areas of West Contra Costa County.

Community Development Block Grant Fund

Record the receipt of grant monies and use of it. The grant is to be used to provide, within the City of Richmond, new affordable housing, improve existing housing conditions, assist homeless and disabled with housing, and to expand economic opportunities in business, and employment for low and moderate income residents.

Parks, Recreation, and Environment Fund

Records receipt of developers' fees and Impact fees received by the City of Richmond.

Employment & Training Fund

Established to plan, administer and operate job training programs for the adult and youth residents of Richmond.

Police and Crime Prevention Fund

Record the receipt and use of grant monies under the Local Law Enforcements Block Grant Program, Office of Traffic Safety Grants, OES Grants, FEMA Grants and various other grants.

Cost Recovery Funds

Record the receipt and use of monies for services provided to the public and developers.

NON-MAJOR ENTERPRISE FUNDS**Richmond Marina Fund**

Records revenues collected from berth rentals and the use of the marina facilities. The fund also records expenses incurred for the operation of the facility

and for the payment of the loan from the California Department of Boating and Waterways.

Storm Sewer Fund

Record the revenues from storm water fees and transfers from operations reserves. It also records the expenses of maintaining a clean storm sewer system so that the City is in compliance with the federally mandated Storm Water Pollution Prevention Program.

Cable TV Fund

Used for the administration and enforcement of the franchise agreements with two cable television systems, management of municipal cable channel, departmental video services, media and public information, and telecommunications planning. The fund records revenue received from franchise fees and indirect charges to other funds and administration expenses incurred in operating the system.

Convention Center Fund

Records revenue received from the rental of the facility and the administrative and maintenance expenses incurred in the operation of the facility.

DEBT SERVICE FUND

General Debt Service Fund

Accounts for monies received in connection with Caltrans Homes, Viron Energy Debt Service, Hilltop Mall Exterior Renovation, 2001 Series A, 1995 Series A, and 1999 Series A General Obligation Bonds and the related payments on such debt. The Caltrans loan was for the purchase of 43 homes from them in order to provide housing to low income people. Viron Energy loan is for the purchase of energy efficient equipment, while the Hilltop Mall loan was to finance the City's share of capital improvement costs of the Hilltop Shopping Center. The 2001 Series A bonds were issued to finance improvements to City facilities including the street and storm water improvements, the 1995 Series A were to refinance the cost of public capital improvements, and the 1999 Series A bonds were issued to fund a portion of the unfunded accrued actuarial liability in the Pension Fund.

CAPITAL PROJECTS FUNDS

Atlas Road Improvements Fund

Record the City's share of the cost of acquisition of land and the construction of the interchange to connect the Richmond Parkway and Interstate 80.

Marina Westshore Fund

Records the acquisition and construction of certain public improvements to service property located in the Marina Westshore Development Projects District and complete certain soil remediation activities within the District.

Measure C Fund

Records Contra Costa County voter approved Measure C providing for the creation of the Contra Costa County Transportation Authority. The Authority collects one-half of one percent sales and use tax. Twenty percent of this tax is allocated to the City of Richmond to be used for the improvement of local transportation, including streets and roads in accordance with Measure C compliance.

Harbor Navigation Fund

Record the expenses relating to the construction of certain public improvements relating to the Port of Richmond consisting of dredging and deepening of the Richmond Harbor.

Port Remediation Fund

Records capital improvement expenses incurred to carry out repairs to the Port of Richmond.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Budgets and Budgetary Accounting

The City adopts a budget annually to be effective July 1, for the ensuing fiscal year. The budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP). Budgeted expenditures are adopted through the passage of a resolution. This resolution constitutes the maximum authorized expenditures for the fiscal year and cannot legally be exceeded except by subsequent amendments of the budget by the City Council.

The City uses an encumbrance system as an extension of normal budgetary accounting for the General Fund, special revenue funds, and capital projects funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are automatically re-appropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end.

An operating budget is adopted each fiscal year for the General Fund and certain special revenue funds. Public hearings are conducted on the proposed budgets to review all appropriations and sources of financing.

The City shall prepare an itemized budget for each fund and each program within the fund. The budget should be balanced with current revenues equal to or greater than current expenditures. Expenditures are controlled at the fund level for all budgeted departments within the City. This is the level at which expenditures may not legally exceed appropriations.

Any amendments or transfers of appropriations between object group levels within the same department must be authorized by the City Manager. Any amendments to the total level appropriations for a fund or transfers between funds must be approved by the City Council. Supplemental appropriations financed by unanticipated revenues during the year must be approved by the City Council.

Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses. City resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into three broad fund categories (governmental, proprietary, and fiduciary). A general description of each follows:

Governmental Funds – Accounts for governmental activities mostly supported by taxes and charges for services. All governmental funds are accounted for on the "*current financial resources*" measurement focus and the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The primary revenue sources which have been treated as susceptible to accrual by the City are property taxes, sales taxes, transient occupancy taxes, franchise taxes and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The City has seventeen (17) governmental funds, of which four (4) are considered major funds. The City's four major funds are the General Fund, Redevelopment Agency, Joint Powers Financing Authority (JPFA), and General Capital Improvement.

Proprietary Funds –Accounts for business-type activities whose functions are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting.

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of when cash changes hands.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

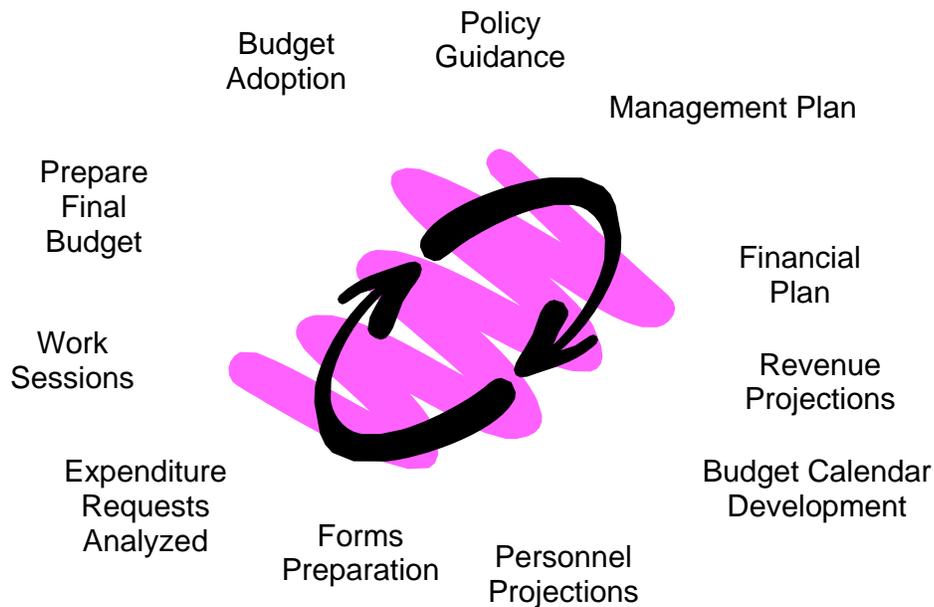
Proprietary funds of the City are two types: (1) enterprise funds; and (2) internal service funds. The City maintains twelve proprietary funds. The major enterprise funds consist of the Richmond Housing Authority, RHA Properties, Port of Richmond, and Municipal Sewer. The internal services fund consists of the Workers' Compensation, General Liability, Information Technology, and Equipment Services and Replacement Funds.

Fiduciary Funds - Used to account for resources held for the benefit of third parties outside the government. The City's Fiduciary funds represent Pension Trust Funds and Agency Funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Pension trust funds are accounted for on an economic resources measurement focus under the accrual basis of accounting.

A full description of each fund can be found in the appendix.

The Budget Development Process

The budget development process is the formal method through which the City establishes its program priorities, goals and service levels for the upcoming fiscal year. Through the budget development process, policy is set, programs are established, service levels are expressed, performance measures are articulated, and resources are identified. The budget development process is summarized in the following chart:



I. Purpose

To establish and recognize the City of Richmond’s approach in preparing the annual operating budget.

II. Policy

The City’s annual operating budget is an essential component of the City’s process for financial planning, management and control. The “budgetary” method of accounting is used for preparing the City’s budget. The budget is a plan of revenue and expense activities for the fiscal year and is intended to provide a clear, concise, and coordinated financial program to attain the City’s goals and objectives. Revenue estimates are derived using historical and economic data on the state and local levels.

III. Guidelines and Conditions

A. Responsibilities

1. The Director of Finance has the overall administrative responsibility for planning, coordinating, analyzing, preparing and issuing the budget.
2. Each Department Director is responsible for preparing and submitting the budget for the department and its subsidiary divisions in accordance with the budget instructions.
3. The City Manager, in close consultation with the division and department directors, is responsible for making the final determination of the proposed budget to be submitted for approval to the City Council.
4. The City Council is responsible for approving the annual operating budget.

B. Budget Cycle

1. The City's fiscal year begins each July 1.
2. The budget is adopted by the City Council annually.

IV. Procedures

A. Preparing the Budget

1. As a general rule, from October to December, the City Manager, Assistant City Manager, the Director of Finance, and Budget Division hold a series of planning meetings to analyze financial performance and determine preliminary budget guidelines for the upcoming fiscal year.
2. Following the planning meetings, the Director of Finance prepares strategy recommendations for the upcoming budget and presents them to the City Manager.
3. The City Manager, Assistant City Manager, and the Director of Finance make a final determination of the budget strategy and guidelines.
4. In January and February, the Budget Division drafts the budget guidelines, instructions, supporting materials, forms and worksheets, and distributes them to all departments and divisions responsible for budget preparation.

The budget guidelines are based on financial information that includes:

- a. New budget policies for the upcoming fiscal year.
 - b. Department worksheets with historical actual and proposed operating revenue and expenses.
 - c. Variance analysis (actual versus budgeted financial activity) and forecast analyses.
5. The Budget Division coordinates a series of workshops to provide

- technical assistance to staff who are involved in preparing budgets for their departments or divisions.
6. Under the direction of the department director, departments and divisions prepare their budgets.
 - a. Budgets are expected to conform to the standards set forth in the Budget Guidelines and Instructions manual.
 - b. Should the budget deviate from those standards, the department or division prepares a justification.
 - c. If a department's proposed budget includes new programs, the department includes information and justification on the programs including amounts that will be required to fund their implementation.
 7. When the division and department budgets are completed, the department director reviews them and forwards them to the Budget Division.
 8. The Budget Division compiles the divisional and departmental budgets into a draft for a single City-wide budget, analyzing all revenue and expenditure projections to ensure that they meet the City's goals and objectives, adhere to the budget guidelines and that no category has been overlooked.
 9. The Budget Division presents to the City Manager and the Director of Finance the completed draft budget and a master list of departments' proposed new programs.
 10. The City Manager, Director of Finance, and department directors meet between March and the end of April to review the draft budget, make necessary adjustments and determine which of the proposed new programs will be presented to the City Council for adoption. These meetings are an opportunity for each department and division to present their proposed budget and their justifications for new programs, and to enhance senior management's knowledge of operational needs.
 11. When the draft budget has been approved by the City Manager, Assistant City Manager, and the Director of Finance, the adjusted divisional and departmental budgets are returned to the department directors for their information and acknowledgement.
 12. In early May, the Budget Division compiles a brief summary of the draft budget and sends a copy to the City Council pursuant to the applicable City resolution.
 13. The Budget Division distributes the draft budget summary to the City Council. At the May City Council meeting, the department directors hold a work session to inform the City Council about the budget and the strategies and the financial data upon which it is based.
 14. Based upon the City Council's comments, the Budget Division may subsequently revise the draft budget.
 15. At its June meeting, the City Council formally adopts the budget. Once adopted, the budget is the City Council approved operational plan for the ensuing fiscal year.

B. Monitoring the Budget

1. Once in place, the adopted budget becomes the main internal control document used to monitor and manage the City's financial position.
2. Accounting provides a Monthly Revenue and Expenditures Report to department directors indicating revenue and expenditures for the month and year to date. These data are intended to help department directors control expenditures and maximize revenue.
3. Department directors review the reports and prepare written explanations of significant variances between actual revenues and expenditures and the budget projections.
4. After receiving the Monthly Revenue and Expenditures Report for the quarter ending month, department directors may submit new appropriation requests and adjustments to the adopted budget. The Budget Division prepares monthly Variance Reports for City Council and with approval of the City Manager, Assistant City Manager, and Finance Director, may include requested appropriation changes and/or adjustments for the approval of the City Council.
5. Throughout the year, department directors assist their divisions and departments in taking any necessary corrective action to control costs.

C. Budget Exception Review

1. When a situation arises that requires an expenditure not authorized in the budget, the appropriate department director must authorize a request for the expenditure in writing to ensure proper fiscal control. This applies to all out-of-budget requests for capital equipment, personnel, renovation projects, contractual services, or program changes that require the expenditure of City resources.
2. The request is submitted to the Budget Division for approval. The Budget Division works with the division or department to review expenditures to date to identify an appropriate source of funds. Approval of the request is contingent on funds being identified within the scope of the department's budget so as not to exceed the total departmental projected expenses for the year.

D. Budget Amendments

1. The budget is a flexible document that provides a comprehensive framework of resource allocations for implementation of the City's goals, priorities and program activities for the fiscal year.
2. Amendments to the budget may be made throughout the fiscal year. A mid-year budget review is conducted and presented to the City Council in January. Appropriations of new monies or transfers between funds require formal action through City Council resolution. Transfers

between division/accounts may be made at the administrative level. These transfers can be authorized by the City Manager, Finance Director, Budget Office or Department Directors, depending on the nature of the transfer.

CITY OF RICHMOND – BUDGET PREPARATION CALENDAR
FY 2007-08

<i>RESPONSIBLE DEPARTMENT / STAFF</i>	<i>ACTION / ACTIVITY</i>	<i>DATE</i>
Budget & CIP Division	GFOA Training - Preparing a More Effective Budget Document	September 13, 2006
Budget Division	GFOA Training - Introduction to Performance Measurements	September 18-19, 2006
Budget & CIP Division	Prepare Operating & CIP Budget Policies and Procedures; Prepare Budget Guidelines; Develop Budget Format.	October 2006
Budget/CIP & Grants Division /Department Heads & Designees	Performance Measurement meetings with department heads to get an update on FY2006-07 performance measures.	October 16, 2006- November 15, 2006
Budget & CIP Division/ City Manager/Department Heads	Presentation of budget process, budget schedule, and performance measures.	November 8, 2006
Budget/CIP & Grants Division /City Manager	Status report on department Performance Measures; proposed Budget Format; proposed Performance Measure reporting format.	November 17, 2006
Finance Department/ Department Heads & Budget Designees	GFOA Training - Logic Models: Setting the Stage for Performance Measurements	December 6, 2006 11:30am – 1:30pm
ERP/All Departments	Budget Process Map available to all departments.	December 15, 2006
Budget & CIP Division / All Departments	Mid-year adjustments and year-end projections due.	January 10, 2007
All Departments’ Accounting Staff	All journal entries due from each department.	January 12, 2007
General Ledger Division	Period 6 closing. All revenue and expense entries posted. Factual revenue and expense numbers available.	January 17, 2007
Budget & CIP Division	Review the baseline that will be distributed to departments; Develop Revenue Estimates; Update personnel benefit rates, payroll rates, and overhead costs; Update Internal Service Fund rates.	February 9, 2007
Finance Department/ Department Heads & Budget Designees	BUDGET TRAINING & KICK OFF PARTY	February 16, 2007
	<ul style="list-style-type: none"> ▪ Budget Guidelines and Policies & Procedures distributed; ▪ Discussion of budget changes and policies; ▪ Appropriate Budget Forms distributed; <ul style="list-style-type: none"> ▪ TM1 budget input training. 	
Finance Department/ City Manager/ City Council	Mid-Year Review - Workshop with the City Manager and City Council. Presentation of Baseline Budget completed and reviewed for all departments including Capital Projects, RCRA, Housing Authority, as well as the Operating Budget for the City.	February 20, 2007
All departments	TM1 budget input window	February 20, 2007- March 9, 2007

CITY OF RICHMOND – BUDGET PREPARATION CALENDAR
FY 2007-08

Budget & CIP Division/City Manager/All Departments.	City Manager and Executive Budget Committee hold internal budget hearings with individual departments to review first draft of Projected FY2007-08 Budget.	March 14, 2007– April 24, 2007
Finance Department/ City Manager/ City Council	Workshop with City Council to review Strategic Goals.	March 27, 2007
Budget & CIP Division and All Departments	Update Master Fee Schedule. Project revenues for FY 2007/2008.	March 31 - May 31, 2007
Finance Department/City Manager/City Council	Southside Community Budget Meeting. Easter Hill Church 3911 Cutting Blvd.	April 16, 2007 7:00 PM
Finance Department/City Manager/City Council	North & East Community Budget Meeting. Senior Center 2525 MacDonald Ave.	April 19, 2007 7:00 PM
Finance Department/City Manager/City Council	May Valley Community Budget Meeting May Valley Community Center 3530 Morningside Dr.	April 26, 2007 7:15 PM
City Council	City Council Strategic Planning Retreat	May 8, 2007
Finance Department/City Manager/City Council	Richmond Neighborhood Coordinating Council Community Budget Meeting Community Services Building Conf. Rm. One 330 25 th St.	May 14, 2007 7:00 PM
Finance Department/City Manager/City Council	Fairmede Hilltop Community Budget Meeting Sojourner Truth Church 2621 Shane Dr.	May 24, 2007 7:00 PM
Finance Department/City Manager	Departmental review of final budget submissions.	June 5 – 6, 2007
Finance Department/City Manager/City Council	Proposed Budget to City Council. Checklist created.	June 19, 2007
Finance Department/City Manager/City Council	Council decision on checklist items. Council to adopt budget.	June 26, 2007
Budget & CIP Division	Adopted budget loaded into SAP.	June 30, 2007
Budget & CIP Division	Deadline to submit adopted budgets to GFOA & CSMFO for Distinguished Budget Awards Programs.	September 26, 2007

Debt Policy of the City of Richmond

Scope and Application

This Debt Policy, established by and for the Finance Department, pertains to financings under the jurisdiction of the City of Richmond Finance Department, the Richmond Housing Authority, the Richmond Community Redevelopment Agency, the Richmond Joint Powers Financing Authority and the City itself. This Policy is intended to guide the Finance Department in its debt issuance in the course of its customary practices. From time to time, certain circumstances arise which could cause the Finance Department to deviate from the policies herein.

This Policy and any subsequent amendments hereto shall be on file with Finance Department, contained on the City's website, with copies delivered to the City Clerk, the City Council and the Chair of the Finance Committee of the City Council.

Mission of the Finance Department Treasury Division

Issue and manage short and long-term financings (bonds, TRANS, etc), both for capital improvement and operating needs, by balancing market and credit risk with satisfactory economic benefits and proper fiscal controls.

I. Debt Management Objectives

- Maintain cost-effective access to the capital markets through prudent policies.
- Maintain moderate debt and debt service payments with effective planning and coordination with City departments.
- Meet significant capital demands through debt financing and alternate financing mechanisms such as public/private partnerships.
- Achieve the highest possible credit ratings within the context of the City's capital needs and financing capabilities.

II. Types and Purposes of Debt

The Finance Department may utilize several types of municipal debt obligations to finance long-term capital projects. Long-term debt is only issued to finance the acquisition and/or construction of capital improvements unless otherwise decreed by court order or adjudicated settlement. Long-term debt financing shall never be used to fund operating or maintenance costs.

Assessment Bonds Proceeds from Assessment Bonds may be used to finance local public improvements, provided that said improvements benefit the parcels of land to be assessed. Local streets, street lights,

landscaping, sidewalks and sanitary sewers are some examples of local improvements commonly financed by assessment bonds.

General Obligation Bonds General Obligation Bonds may only be issued with two-thirds approval of a popular vote. The California State Constitution (Article XVI, Section 18) limits the use of the proceeds from GO Bonds to “the acquisition or improvement of real property.” Libraries, parks and public safety facilities are all types of facilities that could be financed with GO Bonds.

Pension Obligation Bonds Pension Obligation Bonds are issued to finance all or part of the unfunded pension liabilities of the City. Typically, these bonds are issued at a lower rate of return than was being paid to the Pension System Administrator, and in this way, provide an economic benefit to the City.

Enterprise Revenue Bonds Enterprise Revenue Bonds finance facilities for a revenue producing enterprise, and are payable from revenue sources within that enterprise. The Convention Center, KCRT Cable Television and Municipal Sewer are examples of revenue producing enterprises within the City.

Lease Revenue Bonds Lease Revenue Bonds are typically issued by the Joint Powers Financing Authority (JPFA) of the City, on behalf of the City. The site on which the project is being built is least to the JPFA and then the capital project being financed along with the site is leased back to the City. Alternatively, a different asset is leased to the JPFA and leased back, with the proceeds of the bonds being used for some other capital improvements (this is known as an “asset transfer” financing). The lease payments from the City are subsequently collected by the JPFA and used to fund the debt service payments. Internally, costs of particular projects can be allocated to the budgets of one or more departments, but the City’s general fund is liable to pay lease payments. Some other agencies that may issue these type of bonds are the Redevelopment Agency and the Parking Authority.

Financing Leases The City may finance a capital asset by leasing it directly from the vendor or leasing company, with the lessor receiving a portion of each rental payment as tax-exempt interest.

Other JPFA Conduit Financings In addition to Lease Revenue Bonds, the JPFA can assist in financing a wide variety of projects by issuing bonds secured by loan agreements, installment sale agreements, underlying assessment or Mello-Roos obligations and similar instruments. Such instruments can also be used to pool various financing projects into one JPFA bond issue.

Mello-Roos Bonds The City may issue bonds through a Community Facilities District (CFD). These bonds must be approved by a two-thirds vote of the registered voters within the district (unless there are fewer than 12 registered voters, in which case the vote is by the landowners), and are secured by a special tax on the real property within the district. The bonds may be issued to finance facilities or provide services, although the facilities do not need to be physically located within the district.

Tax Allocation Bonds Using tax increment funds as a pledge for repayment, the Redevelopment Agency may issue Tax Allocation Bonds. Careful consideration must be taken by the Redevelopment Agency when issuing these bonds, to ensure that the revenue source is not already pledged to some other encumbrance, such as HUD loans.

Refunding Obligations Pursuant to the Government Code and various other financing statutes applicable in particular situations, the City Council is authorized to provide for the issuance of bonds for the purpose of refunding any long-term obligation of the City. Absent any significant non-economic factors, a refunding should produce minimum net debt service savings (net of reserve fund earnings and other offsets) of at least 3% of the par value of the refunded bonds on a net present value basis, using the refunding issue's True Interest Cost (TIC) as the discount rate, unless the Finance Director determines that a lower savings percentage is acceptable for issues or maturities with short maturity dates.

Tax and Revenue Participation Notes Tax and Revenue Anticipation Notes (TRANs) are routinely issued by the City to fund cash flow deficits in a fiscal year. TRAN proceeds may be used and expended for any purpose, including operating expenses, capital expenditure, repayment of indebtedness and investment and reinvestment.

Pursuant to Treasury Regulations, TRAN proceeds may be invested at an unrestricted yield if TRANs are issued in an amount not to exceed the maximum anticipated cumulative cash flow deficit over 13 months plus the lesser of either (i) a reasonable working capital reserve or (ii) 5% of the prior fiscal year's expenditures paid out of current revenues. The policy of the Finance Department is that TRANs shall only be issued in such amount as to satisfy said Treasury Regulations.

Other Obligations There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to non-enterprise revenue bonds, bond anticipation notes, grant anticipation notes and judgment or settlement obligation bonds.

III. Debt Approval Procedures

A. Reviewed by City Council Finance Committee All long-term financing proposed transactions for capital improvements shall be reviewed by the City Council Finance Committee (CCFC). For matters related to the CCFC, “long-term financing” means financing which constitutes an obligation beyond one fiscal year.

1. The City Council should not authorize the issuance of any long-term financing until the CCFC completes its review of the proposed transaction and submits its recommendation to the City Council.
2. Proposed transactions to the CCFC should be reviewed prior to submission by the Finance Director, City Manager and City Attorney.
3. Upon approval of the CCFC, the proposed transaction shall then be presented to the full City Council.
4. In the absence of a quorum of the Finance Committee, the Finance Director has the authority to present the proposed transaction to the City Council without prior review of the CCFC.

B. Approval by the City Council All long-term financing transactions shall be adopted by the City Council and approved by the City Manager (in the case of City or City agency financings) or the Executive Director of the Redevelopment Agency (in the case of Redevelopment Agency financings). The City Council shall comply with all public hearing requirements applicable to the specific type of bond being approved.

IV. Debt Limitations

There is no statutory restriction on the amount of Lease Revenue Bonds or COPs that can be outstanding at any given time. However, it is the policy of the City of Richmond that aggregate debt service payments funded from General Fund sources shall be no greater than 10% of current General Fund revenues. Payments on bonds that are tied to a specified revenue stream other than General Fund sources (e.g. enterprise revenue bonds, tax allocation bonds and assessment bonds) are not subject to this 10% limit. Each proposed financing will be individually assessed by the Finance Department and subject to the approval policies contained herein.

V. Methods of Sale

The Finance Director shall review each transaction on a case-by-case basis to determine the most appropriate method of sale.

A. Competitive Sale In a competitive sale, bids for the purchase of the bonds are opened at a specified place and time and are awarded to

the underwriter (or syndicate) whose conforming bid represents the lowest true interest cost to the City (TIC). The City may take bids in person, by facsimile, or by electronic means.

1. Bond sales shall be advertised as broadly as possible, including advertising in an industry newspaper. The financial advisors for each transaction shall undertake to market the bonds to prospective bidders and investors as relevant.
2. Terms of the bonds shall be amendable as late as possible and ideally until at least 1:00 p.m. Pacific Time the day prior to the day bids are to be received.
3. Bond sales shall be cancelable at any time prior to the time bids are to be received.
4. Upon award to the bidder whose conforming bid represents the lowest true interest cost, the City may restructure the bonds in accordance with the Official Notice of Sale.
 - i. The City shall reserve the unfettered right to reject all bids or waive bid irregularities.
 - ii. The Finance Director, or his designee shall award any bonds sold via competitive sale.

B. Negotiated Sale In a negotiated sale, the City chooses the initial buyer of the bonds in advance of the sale date. The initial buyer is usually an investment banking firm, or a syndicate of investment banking firms interested in reoffering the bonds to investors through an underwriting process. This type of sale allows the City to discuss different financing techniques with the underwriter in advance of the sale date, and is particularly appropriate for complex bond structures, difficult credit situations (such as non-rated assessment or Mello-Roos Bonds, and refundings).

C. Private Placement Also referred to as a direct placement, private placement is a variation of a negotiated sale. Instead of retaining the services of an investment banking firm to underwrite the securities, the City will sell the bonds directly to a limited number of investors. The City may use a placement agent to assist it in identifying likely investors.

VI. Debt Structuring Practices

A. Standard Terms The following terms shall be applied to the City's transactions as appropriate. Individual terms may change as dictated by the marketplace or the unique qualities of the transaction.

1. All Bonds
 - i. Term 30 years is standard, but up to 35 years may

		be acceptable, depending on cash flow assumptions, construction timeline and remaining useful life of the asset being financed.
	ii. Maximum Yield financings	not to exceed 12% for tax-exempt
Financial	iii. Maximum Premium	case by case, as recommended by
		Advisor.
Financial	iv. Maximum Discount	case by case, as recommended by
		Advisor.
	v. Payment Dates - Fixed	After considering cash flow needs, the Finance Director will determine the occurrence of all new debt service payments.
	vi. Coupons	August and February.
	vii. Call Provisions	fixed rate or variable
	viii. Structure of Debt	shortest possible optional call consistent with optimal pricing.
be		prefer level debt service, but shall
	ix. Debt Service Reserve	determined on a case-by-case basis, at the discretion of the Finance Director.
		lesser of 10% principal amount, 125% average annual debt service, 100% maximum annual debt service or surety bond.
plus a	x. Capitalized Interest	sized through substantial completion
assets		minimum of six months unless other
		are available to be pledged, unless otherwise limited under Federal Tax Law. Liquidated damages of construction contract must
	xi. Net Funding	include amount of daily debt service. the project and capitalized interest funds may be net funded if investments are secured upon issuance of bonds.
	xii. Reimbursement Resolution	Must be adopted by the City Council if
	the	the project hard costs are advanced by
	the	the General Fund prior to the bond sale.

xiii. Good Faith Deposit determined on a case-by-case basis by the Finance Director.

xiv. Budgeting Debt Service budget shall be for gross debt service.

2. Variable Rate Bonds The City may elect to issue any bonds as variable rate bonds, which are broadly defined to mean daily, weekly, monthly, semi-annual or auction rate.

i. Purpose reduction of net borrowing cost; match assets and liabilities.

ii. Max Portfolio Allocation no more than 20% of the City's outstanding debt portfolio shall be in unhedged short-term paper consistent with policies for underlying debt types.

iii. Term consistent with policies for underlying debt types

iv. Maximum Yield not to exceed 12%

v. Monitoring the Finance Department shall monitor all variable rate bonds on a monthly basis and shall determine, from time to time, whether to change modes and/or replace a broker/dealer or remarketing agent.

vi. Budgeting the Finance Department will recommend that annual debt service on any variable rate bonds be budgeted at 1.5 times the rolling 3-year average of the Bond Market Association index, or another relevant index of time frame.

viii. Liquidity a liquidity facility shall be obtained, either externally or internally, for all short-term indebtedness containing a put feature.

ix. Mode all bonds issued as variable rate bonds shall be issued as "multi-modal" bonds.

- the
- x. Good Faith Deposit determined on a case-by-case basis by Finance Director.
 - xi. Budgeting Debt Service budget shall be 3-year BMA rolling average times 1.5 as well as ongoing fees associated with floating rate bonds.

VII. Derivatives Policy

Derivative products and other financial instruments can be beneficial interest rate management tools that can assist the City as part of its overall debt and investment management program, but need to be monitored very closely. Derivative products may be used by the City to reduce risk exposures or reduce interest costs, but may not be used for speculative purposes. The City maintains a separate policy regarding its use of derivative products.

VIII. Permitted Investments

All investments of bond proceeds shall adhere to the City's Investment Policy, approved periodically by the City Council, as outlined in Appendix A. With the exception of guaranteed investment contracts, investments shall not allow security types or credit standards less than those of the City's Investment Policy.

1. City of Richmond Investment Policy: attached hereto in Appendix A.
2. Investment Agreements (IAs)
 - i. Purpose a) maximize interest earnings, thereby reducing net borrowing cost, b) match of assets and liabilities and/or c) hedging.
 - ii. Counterparty minimum rating of AA- from S&P or Aa3 from Moody's.
 - iii. Mandatory Termination limited to credit-related events and non-payment.
 - iv. Cure Provisions timeliness on City's obligations to cure must provide for appropriate legislative action.
 - v. City's Priority of Payment termination payments – subordinate to related debt payments.
 - vi. Procurement/Award bid award based on best bid as defined in form after limited negotiation of terms.
 - vii. Term not in excess of the term of the bonds.

IX. Professional Assistance

- A. Financial Advisors** The City shall utilize the services of independent financial advisor(s) on debt financing when deemed prudent by the Finance Director. The City may utilize an RFP-selected pool of such financial advisors to mitigate time constraints and reduce overhead costs of the City in procuring such services. Services shall be documented by contract and compensation shall be capped.
- B. Underwriters** In the case of a competitive sale, the City will award the bonds to the underwriting firm whose bid results in the lowest True Interest Cost. In the case of a negotiated sale, the Finance Director will determine the best method of selection, taking into consideration all factors involved in each particular sale.
- C. Bond Counsel** The Finance Department, in consultation with the City Attorney's Office, shall select bond counsel for each transaction.
- D. Broker-Dealers and Remarketing Agents** For all variable rate bonds, the Finance Director shall select broker-dealers or remarketing agents for each transaction. The City shall monitor performance on a monthly basis. The City may replace a remarketing agent or broker-dealer with notice at any time.
- E. Trustees** Selected for each transaction by RFP, unless use of current trustee is deemed practical by the Finance Director. The Trustee (or applicable holding company) shall have a combined capital and surplus of at least \$50,000,000 and be subject to supervision or examination by federal or state authority.
- F. Rebate Consultant** Selected by RFP for all bonds for a set term with 1-year extensions.
- G. Financial Printer** Selected for each issue by RFP.
- H. Auction Agents** Selected for each relevant issue by RFP issued by the Finance Department or its agent and subject to negotiation of terms.
- I. Liquidity Providers** Selected for each relevant issue by RFP issued by the Finance Department or its agent and subject to negotiation of terms.

J. Investment Agreement Counterparties Selected by bid in compliance with Federal Tax Law Requirements in accordance with relevant bond documents and the City's Investment Policy.

1. In general, uncollateralized Investment Agreements shall be executed with counterparties rated at least AAA with collateral required upon downgrade below AAA.
2. Repurchase Agreements or Forward Delivery Agreements shall be executed with counterparties rated at least AA (by at least one of the major rating agencies) with downgrade provisions requiring assignment or collateral should the rating fall below A- or A3 by Standard and Poor's or Moody's Investor Services respectively.

X. Ongoing Debt Administration

A. Continuing Disclosure It is the goal of the Finance Department to be as transparent as possible.

1. Annual Report The City will covenant to provide its annual disclosure report no later than 270 days following the end of the fiscal year. However, the City will use its best efforts to issue the Annual Report as soon as practical following the issuance of the City's annual Comprehensive Annual Financial Report (CAFR). The City use its best efforts to issue the Annual Report electronically and to post the Annual Report on its web site. The Annual Report will also be on file with the City Clerk.
2. Material Event The City will issue a material event notice in accordance with the provisions of SEC Rule 15c2-12. Prior to the issuance of any material event, the Finance Director will convene a meeting of the Mayor, City Manager, City Attorney and policymakers or outside professionals as appropriate, to discuss the materiality of any event and the process for equal, timely and appropriate disclosure to the marketplace.

Upon recommendation of the Finance Director, the City may retain a firm to assist it in maintaining compliance with all continuing disclosure requirements.

B. Arbitrage Rebate Compliance The City shall calculate arbitrage annually in each year that the related construction fund (or equivalent) has had an outstanding balance. Thereafter, the City shall calculate arbitrage on the fifth anniversary of the bond issuance in accordance with IRS recommended practices.

C. Insurance Certifications the City (through its Risk Manager) shall provide annual insurance certification to the Trustee and Bond Insurer, if required under the legal documents for each issue.

D. Ratings The policy of the Finance Department is to secure underlying ratings on all newly issued obligations from at least one national rating agency.

1. **Annual Meeting** The Finance Department shall meet with each rating agency that rates City debt issues at least annually unless such meeting is declined by the respective rating agency.
2. **Reporting** The Finance Department shall ensure prompt delivery to each of the rating agencies of the following public documents:
 - i. Annual CAFRs
 - ii. Annual proposed budgets
3. **Other Reporting** Certificates of Substantial Completion on projects financed with long term obligations shall be delivered to the rating agencies and Bond Insurer, as relevant.
4. **Citywide Ratings Notification** Any changes in ratings will be promptly noticed to the Mayor, the Chair of the Finance Committee, and the City Council.

**CITY OF RICHMOND
CASH MANAGEMENT PROGRAM
INVESTMENT POLICY STATEMENT**

Policy, Authority and Purpose

The City of Richmond's Charter and Section 53601 of the State of California Code authorize the City to invest its idle cash (i.e., City funds not required for immediate expenditures) in various investment vehicles allowed for public agencies under current legislation. The purpose of this Statement is to provide guidelines for prudent investment of this idle cash to the officers of the City charged with the investment responsibility and to outline the investment policy of the City's cash management program. The Director of Finance is responsible for administering the City's investments.

This Statement addresses the investment policy for the City's pooled funds. The investment policy for bond and note proceeds is contained in the bond documents approved by the City Council at the time of the issuance of the debt; provided, that to the extent not inconsistent with such bond documents, bond or note proceeds and in accordance with the Government Code, sections 53601(1) and 5922(d), may be invested in (i) Guaranteed Investment Contracts or other debt issuance proceeds with an investment provider rated in a category of "A" or better and with downgrade protection or (ii) Investment instruments described herein. The investment policy for the Police and Fire Pension Fund and the General Pension Fund are contained in the City Charter.

Investment Objectives and Criteria

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues in order to:

1. Invest up to 100% of all idle funds.
2. Guarantee that funds are always available when needed.
3. Manage the portfolio in order to take advantage of changing economic conditions that can aid in increasing the total return on the City's portfolio.

The criteria for selecting specific investment vehicles are:

1. Safety. The primary duty and responsibility of the Treasurer is to protect, preserve and maintain cash and investments placed in his/her trust on behalf of the citizens of the community.

2. Liquidity. An adequate percentage of the portfolio should be maintained in liquid short-term securities that can be converted to cash if necessary to meet disbursement

requirements. Since all cost requirements cannot be anticipated, investment in securities with active secondary or resale markets is highly recommended. Emphasis should be on marketable securities with low sensitivity market risks.

3. Yield. Yield, sometimes referred to as “rate of return,” is the potential dollar earnings an investment can provide. Yield should become a consideration only after the basic requirements of safety and liquidity have been met.

Policy Guidelines

1. The City adheres to the guidance provided by the “prudent investor standard”.¹

“A standard of conduct where a person acts with care, skill, prudence, and diligence when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing funds. The test of whether the standard is being met is if a prudent person acting in a similar situation would engage in similar conduct to ensure that investments safeguard principal and maintain liquidity.”

2. All participants in the investment process shall act as custodians of public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. In a diversified portfolio it must be recognized that occasional measured losses are inevitable and must be considered within the context of the overall portfolio investment return provided that adequate diversification has been implemented. Each issuer shall be limited in terms of their percentage of the portfolio, to minimize risk exposure.
3. The Director of Finance shall report monthly on the City’s pooled and Bond funds to the City Manager and City Council and shall report quarterly on other investments, such as, pension funds. The following elements will be part of the investment report:
 - a) Type of investment
 - b) Institution/Issuer
 - c) Date of maturity
 - d) Cost of security and amount of deposit
 - e) Current market value of securities with a maturity life greater than 12 months
 - f) Rate of return
 - g) Statement of compliance with the investment policy or other appropriate document (i.e., bond/note documents of City Charter)

¹As defined in the California Debt Advisory Commission's October 1996 document: *Local Agency Investment Guidelines: Recommendations for Implementing Recent Statutory Changes to the California Government Code.*

Investment Instruments

With the above objectives and criteria in mind, the City of Richmond may invest in the following instruments that have maturities of five (5) years or less at the time of purchase:

Government Bonds and Notes

1. United States Treasury Notes, Bonds, Bills, or certificates of indebtedness or those for which the full faith and credit of the United States are pledged for the payment of principal and interest;
2. Treasury notes or bonds of the State of California; and
3. Bonds, Notes, Warrants or other evidences of indebtedness of any local agency within California, rated in a rating category of "A" or better by a nationally recognized rating service.

Bonds and Notes of Federally Sponsored Agencies, such as the Federal Farm Credit Bank, Federal Home Loan Bank, Federal National Mortgage Association, Government National Mortgage Association or any other instruments issued by a federal agency or a United States government sponsored enterprise.

Negotiable Certificates of Deposit issued by a Federal and State chartered bank or a Federal and State Savings and Loan Association or by any state licensed branch of a foreign bank. Purchases are not to exceed 30% of invested idle funds.

Medium Term Corporate Notes with a maximum of five years maturity issued by corporations organized and operating within the United States. Such securities must be rated in a rating category of "A" or better by a nationally recognized rating service. Purchases may not exceed 30% of invested idle funds.

Commercial Paper of "prime quality" of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investor Service, Inc., or Standard & Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and have total assets in excess of five hundred million dollars (\$500,000,000.00) and having an "A" or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by Moody's Investors Service, Inc., or Standard & Poor's Corporation. Purchases of eligible commercial paper may not exceed 270 days

maturity nor represent more than 10 percent of the outstanding paper of any issuing corporation. Purchases of commercial paper may not exceed 15 percent of the City's surplus money that may be invested pursuant to this section. An additional 15 percent, or a total of 30 percent of the City's surplus money, may be invested only if the dollar-weighted average maturity of the entire amount does not exceed 31 days.

Bankers Acceptances of any domestic or foreign commercial bank that are eligible for purchase by the Federal Reserve System. Purchases must not exceed 180 days maturity or 40 percent of invested funds. No more than 30 percent of the agency's funds surplus may be invested in the Bankers Acceptances of any one commercial bank.

Repurchase and Reverse Repurchase Agreements

1. Repurchase agreements may be purchased for any securities authorized for public investment under Government Code, Sections 53601 and/or 53635 when the term of the agreement does not exceed one year. The market value of collateral securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly.
2. Reverse Repurchase Agreements may not be utilized without the prior approval of the Council.

Money Market Mutual Funds are eligible for investment if the companies providing the mutual funds invest only in instruments authorized by Government Code, Sections 53601 and/or 53635. Such companies shall have attained either the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services, retain an investment advisor registered with the Securities and Exchange Commission with not less than five (5) years experience investing in securities and obligations authorized and with assets under management in excess of five hundred million dollars (\$500,000,000.00). The purchase price of the share of beneficial interest shall not include any commission that these companies charge. Purchases shall not exceed 15 percent of the City's idle funds.

State of California's Local Agency Investment Fund (L.A.I.F.)

Collateralized Time Deposits placed with State-chartered commercial banks and Savings and Loan Associations. All of the City's short-term investments will be in securities that pay principal upon maturity.

Safekeeping

Securities purchased from broker/dealers shall be held in third party safekeeping by the trust department of the City's bank or other designated third party, in the City's name and control. The basic premise underlying the City's investment

philosophy is and will continue to be to ensure that money is always safe and available when needed.

Banks and Securities Dealers

In selecting financial institutions for the deposit or investment of the City's funds, the Treasurer shall consider the credit worthiness of institutions. The Treasurer shall continue to monitor financial institutions' credit characteristics and financial history throughout the period in which agency funds are deposited or invested.

Risk Tolerance

The City of Richmond recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Portfolio diversification is employed as a way to control risk. Investment Managers are expected to display prudence in the selection of securities as a way to minimize default risk. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio. The Treasurer shall periodically establish guidelines and strategies to control risks of default, market price changes, and illiquidity.

In addition to these general policy considerations, the following specific policies will be strictly observed:

1. All transactions will be executed on a delivery versus payment basis.
2. A competitive bid process, when practical, will be used to place all investment purchases.

Interest Earnings

All moneys earned and collected from investments authorized in this policy shall be allocated monthly to various fund accounts based on the cash balance in each fund as a percentage of the entire pooled portfolio. Should any fund not have a cash balance at the end of a month, it will receive none of the moneys earned and collected from the pooled investments. Furthermore, should any fund have a temporary negative cash balance at the end of a month, it will be charged for the use of the money at the aggregated earnings rate of the pooled investments.

Preferred Call List

New commercial/industrial development shall be encouraged by inviting financial institutions to be placed on a preferred "call list" for placement of the City's short-term investments for those institutions that have made new commercial/industrial

loans in Richmond. A request to be placed on the preferred call list shall be evaluated on the following criteria:

The development will:

1. Increase the City's revenue base
2. Enhance employment opportunities for entry-level jobs with viable career ladders
3. Attract other businesses or act as a magnet for other development in the community
4. Be in areas of the City targeted for renewal
5. Be at least \$3 million

The lending institution shall apply to the Director of Finance to be placed on the preferred "call list". A staff committee shall evaluate the development on the above criteria to determine if the development is worthy of placing the lending institution on the preferred call list.

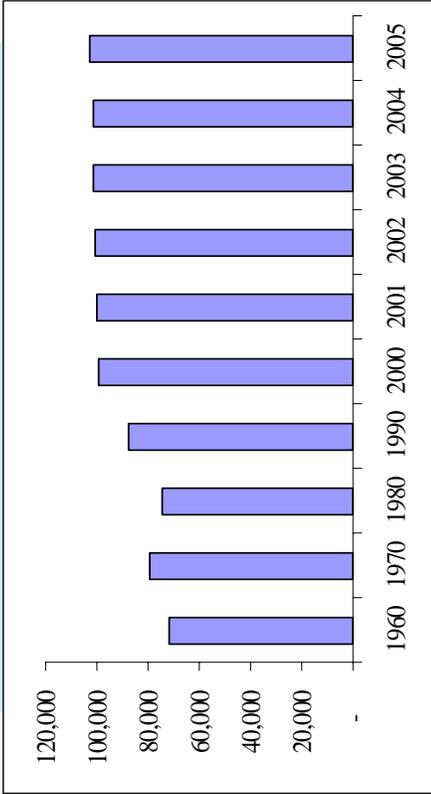
This preferred call list shall not require the Director of Finance to violate any of the other principles set forth in the Investment Policy.

Restrictions

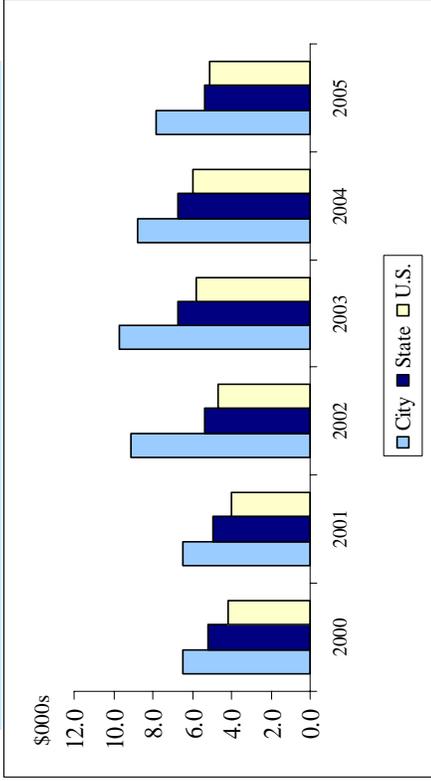
1. The City will not invest any funds in inverse floaters, range notes, or interest-only STRIPS (Separate Trading of Registered Interest and Principal of Securities) that are derived from a pool of mortgages.
2. The City will not invest any funds in any security that could result in zero interest accrual if held to maturity. This limitation does not apply to investments in shares of beneficial interest (money market mutual funds) that are authorized elsewhere in the Investment Policy.
3. It is the City's policy not to invest in companies involved in the manufacturing of tobacco and tobacco-related products such as cigarettes, cigars, pipe tobacco, chewing tobacco, etc.
4. In accordance with the Slavery Era Insurance Ordinance 14-05 N.S. Section 2.29.030 Social Disclosure on Gains from Slavery effective July 1, 2005, the City will not invest any funds in international financial instruments that benefited from slavery. The City Council prohibits, by social investment policy, such investments and reserves the absolute right to divest from such investments with the cost of divestment being borne by the contracting institution.

City's Economic Base and Demographics

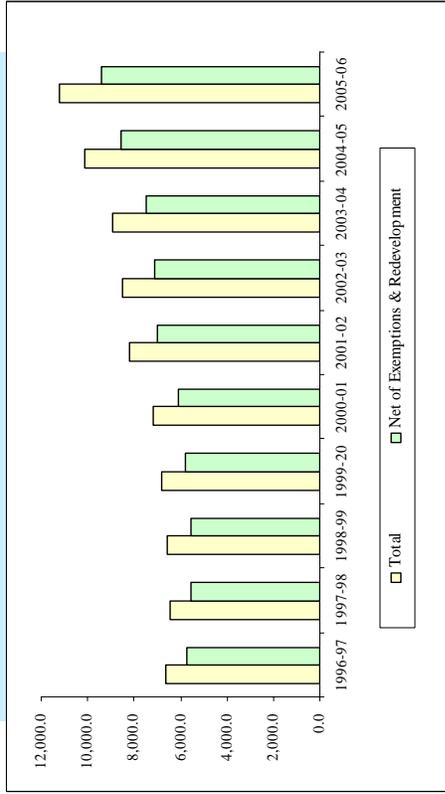
Population⁽¹⁾: Stable Population Growth



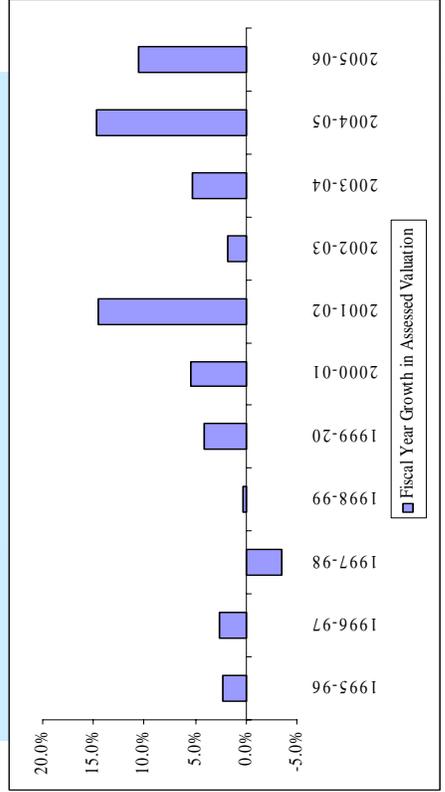
Comparative Unemployment Rates⁽²⁾:
Unemployment Trending Down



Assessed Valuation⁽¹⁾: Up Nearly 70% Over 10 Years



Fiscal Year Growth in Assessed Valuation (Net)⁽¹⁾:
Double-Digit Growth in FY 2004-05 and 2005-06



(1) Source: City's FY 2004-05 CAFR.

(2) Not seasonally adjusted.

City of Richmond

DEMOGRAPHIC STATISTICS

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
City Population	94,800	96,300	97,800	99,216	101,716	101,076	101,373	101,655	103,012	103,468
Total Personal Income (A)	3,355,066,800	3,613,657,500	3,875,129,400	4,413,028,464	4,527,277,444	4,428,442,788	4,479,875,616	4,697,579,205	(C)	(C)
Per Capita Personal Income (B)	35,391	37,525	39,623	44,479	444,509	43,813	44,192	46,211	(C)	(C)
Population Percent Change	1.39%	1.58%	1.56%	1.45%	2.52%	-0.63%	0.29%	0.28%	1.33%	1.33%
Unemployment Rate (%) (B)	4.1%	3.6%	3.0%	2.7%	3.3%	5.2%	5.5%	5.7%	5.0%	(C)
Contra Costa County Population	879,200	900,688	915,793	930,025	972,103	981,600	994,900	1,003,900	1,020,898	1,029,377
City Population % of County	10.78%	10.69%	10.68%	10.67%	10.46%	10.30%	10.19%	10.13%	10.09%	10.05%

Notes:
 (A) Data not available. Calculated by multiplying City Population by Per Capital Personal Income.
 (B) Data not available for the City therefore data presented is for Contra Costa County.
 (C) Data not yet available.

City of Richmond

PRINCIPAL PROPERTY TAXPAYERS

Property Taxpayer	Type of Business	2006 Assessed Valuation	Percentage of Total City Assessed Value
Chevron USA	Petroleum Coal Products	\$ 2,959,274	31.3
Susie Gee	Apartments	98,516	1.0
Dicon Fiberoptics	Semiconductors	56,737	0.6
Berlex Laboratories	Chemical Production	130,246	1.4
BP West Coast Products	Petroleum Products	37,843	0.4
California Fats & Oils Inc.	Food Manufacturer	28,653	0.3
Tosco Corporation	Oil Refining	25,548	0.3
Shores of Marina Bay Community Association	Apartments	24,629	0.3
Lemar Emerald Marina Shoes	Apartments	24,510	0.3
Point Richmond R&D Associates	Research and Development Facility	33,512	0.4
ASSESSED PROPERTY VALUATION - NET		\$ 3,419,468	36.3

Total Net Assessed Valuation:
Fiscal Year 2005-2006 \$ 9,441,403

Source: Contra Costa County Assessor Fiscal Year Combines Tax Rolls

City of Richmond

MISCELLANEOUS STATISTICS

Date of Incorporation as a City	August 7, 1905
Form of government	Council/Manager
Number of authorized full-time employees	941
Elected officials	9
Land area in square miles	33.8
Water area in square miles	22.3
Trees	30,603
Street Trees	14,500
Park Trees	9,516
Open Space	4,536
Young Trees	2,051
City of Richmond facilities and services	
Miles of streets	280
Number of street lights	7,000
Culture and Recreation	
Library branches (Main)	1
Library mobile units	1
Recreation centers	8
Parks (40 with playgrounds and play lots)	55
Park acreage (includes 149 acres of mowed turf)	336.6
Swimming pools	1
Tennis courts	20
Softball/baseball fields	26
Football and soccer fields	17
Basketball courts	31
Lawn Bowling	1
Putting Green	1
Headstart centers/day cares (held within the City)	6
Senior Centers	2
Auditorium/Theater	1
Gymnasiums	3
Fire Protection	
Number of stations	7
Number of firefighters	77.5
Number of civilians	4
Number of firefighters and civilians per thousand population	0.8
Number of calls answered	10,068
Number of commercial inspections conducted	5,502
Police Protection	
Number of stations and substations	6
Number of sworn officers and trainees	164
Number of civilians	48
Number of police officers per thousand population	1.6
Number of civilians per thousand population	0.5
Sewerage System	
Miles of sanitary sewers	230
Miles of storm sewers	310
Amount of treatment in gallons daily average (based on	6.78 MGD dry. 16M MGD wet
Water System	
Number of fire hydrants	3,153
Daily average consumption in gallons per family	250
Harbor Facilities	
Miles of waterfront	32 miles
Berthing length at wharves	9,017
Harbor area	22
Facilities and services not included in the reporting entity	
Education	
West Contra Costa Unified School District	
Number of elementary schools	18
Number of secondary schools	2
Number of high schools	7
Number of charter schools	2
Number of private schools	17
Number of special education schools	2
Area community colleges	1
Area universities and colleges	1
Museums	
Museum of History	1
Hospitals	
Number of hospitals	1