

Annual Comprehensive Financial Report

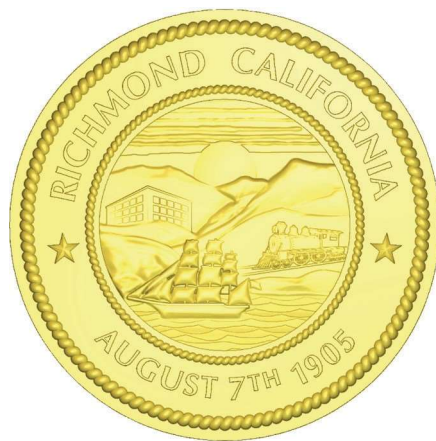
FOR THE YEAR ENDED JUNE 30, 2024



City of Richmond, California

City of Richmond
California

Annual Comprehensive Financial Report



Fiscal Year Ended June 30, 2024

Prepared by the Finance Department

Andrea Miller

Director of Finance/Treasurer

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FINANCE DEPARTMENT

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January 2, 2025

Citizens of the City of Richmond
The Honorable Mayor and
Members of the City Council

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Richmond, California (City). The Finance Department has prepared this report to present the financial position and the results of the City's operations for the fiscal year ended June 30, 2024, and the cash flows of its proprietary fund types for the year then ended. The basic financial statements and supporting schedules have been prepared in compliance with Article IV, Section 1(b)3 of the City Charter, with California Government Code Sections 25250 and 25253, and in accordance with generally accepted accounting principles (GAAP) for local governments as established by the Governmental Accounting Standards Board (GASB).

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City Council is required to adopt an initial budget for the fiscal year to be effective July 1, for the ensuing fiscal year. Budgeted expenditures are adopted through the passage of a resolution, which 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. Expenditures are controlled at the fund level for all budgeted departments within the City, which means the level at which expenditures may not legally exceed the appropriations.

The City's financial statements have been audited by an independent auditing firm of licensed certified public accountants. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2024, are free

of material misstatement. The independent audit involved examining evidence supporting the amounts and disclosures in the financial statements on a test basis; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2024, but with a disclaimer of opinion for business-type activities as it relates to the Richmond Housing Authority Enterprise Fund and the aggregate discretely presented component units, as the financial statements of the Richmond Housing Authority and RHA Properties, RHA Housing Corporation and RHA RAD LLC have not been audited for the year ended June 30, 2024. The Independent Auditors' Report is presented as the first component of the Financial Section of this report.

Accounting standards require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

The Reporting Entity and Its Services

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance part of the City's operations; therefore, data from these units are combined with data of the City. Discretely presented component units, on the other hand, are reported in a separate column in the basic financial statements to emphasize their legal separateness and independent operations from the City. Each blended component unit has a year-end date of June 30. The City's three discretely presented component units are RHA Properties, RHA Housing Corporation, and RHA RAD LLC.

The City's component units and assessment districts are as follows: the Richmond Housing Authority, the Richmond Joint Powers Financing Authority, the Richmond Neighborhood Stabilization Corporation, the Richmond Surplus Property Authority and Harbor Navigation, Country Club Vista, and Atlas Interchange Special Assessment Districts. The City also has one inactive component unit, Richmond Parking Authority.

Profile of the Government

The City of Richmond was chartered as a city in 1909, and is located 16 miles northeast of San Francisco, directly across San Francisco Bay. Richmond is on a peninsula separating San Francisco Bay (on the south) and San Pablo Bay (to the north), spanning 32 total miles of shoreline. The City's total area is 56.1 square miles, 33.8 of which is land area and 22.3 water area. Richmond is situated near major metropolitan cities and major new growth areas. San Francisco is within 35 minutes from Richmond by freeway; Oakland is 20 minutes; San Jose is approximately 60 minutes to the south; and Sacramento, the state capitol, is approximately 90 minutes to the east. Central Marin County is 15 minutes from Richmond directly across the Richmond-San Rafael Bridge. Freeways provide direct access from Richmond to major new growth areas along Interstate 80 north and east to Vallejo, Fairfield, and Sacramento; along Interstate 680 in central Contra Costa

County; and south along Interstate 880 to the San Jose area.

Richmond's population is 113,518. The population within a 30-mile radius of Richmond is over 3.7 million and within a 70-mile radius is approximately 7.8 million. Richmond is located on the western shore of Contra Costa County, and it is the largest city in the "West County" region consisting of five cities: Richmond, El Cerrito, San Pablo, Hercules, and Pinole.

The City of Richmond provides a full range of municipal services, including police and fire protection, construction and maintenance of highways, streets and infrastructure, library services, storm water and municipal sewer systems, wastewater treatment facility, and the administration of recreational activities and cultural events. The City also operates the Richmond Memorial Convention Center and the Port of Richmond.

The City of Richmond operates under a Council-Manager form of government with six members elected at-large to alternating four-year terms and the Mayor elected at-large as the seventh member. The City Manager, appointed by the Mayor and Council, has authority to manage the administrative and fiscal operations of the City. In addition to the City Manager, the City Attorney and City Clerk are appointed by the Mayor and Council.

The mission of the City of Richmond is:

The City of Richmond provides services that enhance economic vitality, the environment, and the quality of life of our community.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local economy

The American Rescue Plan Act of 2021 (ARPA) was signed into law on March 11, 2021. The City's allocated amount was \$27.7 million received in two installments, \$13.8 million in August 2021 and \$13.8 million in August 2022. These funds have been allocated to programs that provide rent relief for those negatively impacted by COVID-19, assistance for the unhoused, community needs assessment, and community infrastructure improvements. The City expects to obligate all ARPA funds by December 31, 2024, and expend them by December 31, 2026.

Property Tax continues to see steady growth in FY2023-24 with actual General Fund Property Taxes increase by 4% compared to the previous year. More recently, the 2023-2024 County Assessment Roll indicates growth of the Assessed Valuation (AV) at 6.77% for Secured Property Taxes, the main component in changes to secure property taxes year to year. While most properties in Richmond had a year-over-year increase of the 2% maximum allowed under Proposition 13, the major growth leading to the 6.77% AV change was driven by properties sold during the previous calendar year and the updated valuation of the Chevron Refinery by the County Assessor.

The City received \$61.3 million in Sales Tax revenue, which is \$5.8 million more than the previous fiscal year, an increase of 10.4%. The most recent forecast from the City's financial consultants, using the most likely scenarios, expects this trend to continue.

Measure U, which was approved by voters in November 2020, significantly changed the calculation for the Business License Tax. Measure U imposes a calculation based on Gross Receipts. This changed the tax calculation from being based on number of employees or location to a percentage of the business gross receipts. The business tax collected by the City will change with inflation, and with the number of businesses opening and closing. This will more closely tie to the local economy than in years past.

Significant Events and Accomplishments

The City of Richmond is committed to providing excellent municipal services to its diverse residents and visitors. Highlights of the City's activities and accomplishments for the fiscal year ended June 30, 2024, include the following:

Community Services

Library

- Increased attendance at library events by 18% in FY2023-24, reaching 12,047 attendees, compared to FY2022-23.
- Visits to library locations increased by 43% in FY2023-24, 60,979 visitors, compared to FY2022-23.
- The library established a Library of Things collection: patrons can now borrow pickleball sets, hiking backpacks (with binoculars and hiking poles!), citizen science kits, and other useful items with their library cards. All for free!
- The library offered 619 free homework help sessions with trained tutors at the main and branch libraries, and 740 additional sessions were offered at May Valley and Shields-Reid community centers.

Literacy for Every Adult Program (LEAP)

- The Literacy for Every Adult Program (LEAP) gave 800 books to parents with children to build their home libraries. LEAP distributed 1,000 kits and non-book materials to support literacy.
- Library and LEAP partnered with Noll & Tam Architects, Contigo Communications, and Richmond Fund for Children and Youth to conduct community outreach regarding the \$30 million renovation of the Richmond Main Library, resulting in valuable feedback about needed features and services.
- LEAP had 88 new enrollees in FY2023-24.

Office of Neighborhood Safety (ONS)

- The White House Office of Violence Prevention recognized ONS with a visit this year. In addition, ONS received two invitations to the White House.
- No fellows have been lost to gun violence.
- The US Department of State brought a delegation of 25 from states across Mexico to do a round table discussion for their Security Exchange Program – Focused Deterrence.

Recreation

- With support from the Department of Children and Families Grant, Camp Achieve Sites exceeded their goals of adding an average of 20 Middle School children to Camp Achieve enrollment, which formerly only served elementary-age children.
- The Mobile Recreation Unit Trailer was activated by staff to serve the Richmond community at parks and special events, including the Marina Farmers Market and the Civic Center Farmers.
- Collaboratively engaged over 50 volunteers, two nonprofit organizations and other city departments in the renovation and beautification of Booker T. Anderson Community Center, in preparation for the grand reopening after being closed for four years due to a fire.
- Collaboratively organized and hosted 6 community paint days, engaging 580 volunteers over 1500 hours of service to paint a community mural in Parchester.
- Increased program offerings for the seniors by adding three (3) new senior programs: Senior Morning Circle Chat, Sit & Chat, Gardening, and the Joy of Living.
- Recipient of a grant for the Outdoor Leadership program that allowed us to offer the following programs:
 - Overnight Camping- San Luis Reservoir: Youth from Richmond participated overnight camps to San Luiz Reservoir. Camp equipment, (tents, sleeping bags, food, and games) were provided to participants at no cost.
 - Safari West: Forty-two Richmond residents went to the Safari West, Santa Rosa wildlife park and conservation center. Safari west promotes conservation and environmental education while imparting knowledge that helps everyone make well informed choices regarding the environment and wildlife conservation.
 - Family Bay Cruise: Twenty-two Richmond residents joined the Community Services- Recreation Division on a 3-hour educational family Bay Cruise on Wednesday October 16.
 - Santa Cruz Beach Boardwalk: Fifty-five Richmond residents visited the Santa Cruz Beach Boardwalk amusement park. They participated in a variety of games and rides.

Richmond Fund for Children & Youth

- Completed the 2024 Community Needs Assessment and coordinated meaningful engagement with other 400 youth and parents and caregivers.
- Finalized the fiscal year 2025-28 Strategic Investment Plan identifying the Core Needs Areas that the fund will be investing approximately \$20 million over the next 3 years.
- Hired two permanent employees in the Department of Children & Youth.
 - Management Analyst
 - Community Service Technician
- Completed the mid-year third-party evaluation report of the Fund and initiated the subsequent year review.
- Established meaningful connections with other funders and anchor organizations to expand investment and capacity building.

Transportation

- **Replacement of Gas-Fueled Paratransit Vehicles with Electric Vans:** The city completed the replacement of its aging gas-fueled paratransit fleet with state-of-the-art electric vans. This transition has cut greenhouse gas emissions, with the intent of improving the reliability and accessibility of services for residents with mobility challenges.
- **Citywide maintenance of EV Charging Stations:** Launched a comprehensive initiative to repair and upgrade aging chargers to ensure reliability. The program prioritizes high-usage locations and underserved areas, ensuring equitable access to EV infrastructure while maintaining the city's commitment to sustainability.
- **Zero-Emission Citywide Shuttle Services:** The fully electric citywide shuttle service connects residential neighborhoods to downtown and employment hubs. The service achieved an increase in ridership within three months. Our plan is to continue to add stops to significantly reduce traffic congestion and carbon emissions.
- **Adoption of a Green Transportation Equity Policy:** Researched methods to ensure that green transportation initiatives, including EV chargers and electric transit, benefit all residents equitably. Researched funding opportunities to assist with subsidizing chargers in disadvantaged neighborhoods and continued fare reductions for low-income users.
- **Ongoing Partnership with Lyft and Uber for Paratransit Services:** The city strengthened its partnership with Lyft and Uber to enhance paratransit service coverage. Through this collaboration, riders in the service area continue to benefit from on-demand access to transportation, filling gaps in traditional paratransit and improving service reliability for those with mobility needs.
- **Recognition as a Green Transportation Leader:** The city continues to implement adopted transportation plan i.e., First Mile / Last Mile plan; Ferry to Bridge plan, that both received a statewide recognition for its innovative approach to sustainable transportation, highlighting its electric fleet initiatives, shuttle programs, and inclusive partnerships. This recognition has encouraged further collaboration between public and private sectors to advance green mobility goal.

Economic Development

Arts and Culture

- 5 artists for public art commissions at Shields Reid, encompassing mosaic tiles, murals, sculptures, and photos have completed after school projects mosaic tile, mural, architecture, photography and sculpture.
- Secured Richmond Arts and Culture Commission (RACC) approval to proceed with the Kennedy Park Art contract.
- Solicited new art sculpture projects, including a \$100,000 Kennedy Park project and a \$200,000 IMTT Developer project, with RACC recommendations set for December.
- Finalized a \$350,000 art contract to complete the Parchester Village Mural project.
- Negotiated key details (copyright, insurance, permits) for the Allen Brothers mural and mosaic tile project, selecting both a muralist and tile artist.
- Completed Neighborhood Public Art (NPA) Mini Grant contracts.

Business Development

- Supported the Economic Development Commission with organizing Taste of Richmond 2023 on July 15 at Civic Center Plaza, celebrating the city's culinary diversity with offerings from local restaurants, caterers, and craft beer and wine producers. This annual event strengthened community connections and honored Richmond's cultural heritage with live music from Bay Area DJs and artists. Following the event's success, worked with the Economic Development Commission and Department to present to City Council, securing financial support for Taste of Richmond 2024 and introducing plans to expand the event into a week-long celebration, enhancing community impact and broadening promotion for local businesses.
- Launched the City of Richmond's Cannabis Equity Program, verifying over 10 applicants as equity-eligible and collaborating with Planning, Community Development, and Code Enforcement to draft ordinance amendments aimed at fostering fairness in the cannabis industry and addressing the lasting impacts of the War on Drugs. The verified applicants are currently undergoing technical assistance, training, and business planning through our consulting provider, supporting their development as successful local cannabis entrepreneurs.
- Established a business assistance and outreach program with an online booking module, allowing community members to schedule in-person or virtual meetings with business development staff. This initiative provides opportunities to learn about Richmond, get guidance on starting a business, and discuss specific business needs. Additionally, over 50 business visits and tours conducted to connect directly with Richmond's local businesses and provide targeted support.
- In partnership with the Employment and Training Department and local organizations, celebrated Richmond's first Small Business Week, featuring a small business fair and other events that supported and showcased local entrepreneurs.
- Began efforts on the \$35 million Richmond Rising initiative, focusing on the development of a Buy Local Campaign and Facade Improvement Program as part of the Transformative Climate Communities Grant to enhance community businesses and prevent displacement.
- Prepared to launch a partnership with Renaissance Entrepreneurship Center to provide technical assistance, capacity-building services, and \$300,000 in small grants aimed at supporting businesses impacted by the COVID-19 pandemic.

Environmental and Health Initiatives

- Completed 41 no-cost solar installations on low-income homes.
- Launched outreach of the Virtual Powerplant Pilot (VPP) Program to GRID in partnership with MCE and Zero Net Energy (ZNE) Alliance to implement Richmond's California Energy Commission grant; 50 Residential and 10 Commercial Richmond customers enrolled in VPP Program.
- Submitted pre-application for the \$160,000 Energy Efficiency and Conservation Block Grant (EECBG) from the Department of Energy, application for the ~\$28,000 CalRecycle Bottle and Can Grant, and application for the \$650,000 Integrated Climate Adaptation and Resiliency Program (ICARP) Adaptation Planning Grant to update the City of Richmond's Climate Action Plan, with a total of \$838,000 applied for.
- Completed settlement agreement with Pacific Gas and Electric (PG&E). Total additional revenue generation is estimated at \$3.3M annually and one-time payment of \$800,000.
- Hosted litter clean-up events in Pullman, Unity Park, and the Santa Fe neighborhood with a total of 39 volunteers collecting 61 bags of litter.
- Started application for the \$20 million EPA Community Change Grant to fund the "Electrify the Block" initiative, aimed at reducing greenhouse gas emissions and improving energy efficiency by electrifying homes in underserved Richmond communities.

Port of Richmond

- Continued Wharf removal project at Terminal 4, with wooden piles removed and shoreside and eel grass restoration underway.
- Increased Port Tariff Schedule by 6.2% percent, issued RFP for Basin 1 and finalized lease agreement that will increase revenue for the Port.
- Submitted a comprehensive Port Report to City Council on operations, facilities, and economic opportunities for the Port of Richmond and initiated and completed third party financial and performance audit for Port of Richmond.
- Increased community outreach to Port businesses, organization and government entities including hosting a Port of Richmond Stakeholder Roundtable with Congressman John Garamendi.
- Completed painting the Riggers Loft historical buildings 1322 and 1325 Canal Blvd that houses the Port Admin office and other tenants.
- Completed milestones with the Port's largest tenant, Auto Warehouse Company (AWC), in completing 15-year bond payment that financed the Point Potrero Marine Terminal (PPMT), on-dock rail and other infrastructure improvements as well as having renewed the AWC lease for their first additional five-year term.

Real Estate

- Processed ten (10) Environmental Escrow Pay Packets totaling \$438,950 in coordination with regulatory agencies, environmental consultants, and stakeholders.
- Managed 47 Pt. Molate entry requests, including bat research, Golden Gate Bird Alliance Shore Clean-up, and raptor exercises, while overseeing volunteer work and reports for Pt. Molate Beach Park.

- Managed nine (9) deed-restricted environmental properties in Marina Bay, including preparations for Area FM as the last site requiring an environmental cap.
- Organized and led three (3) Civic Center Campus Security Team meetings addressing tenant safety, security protocols, and First Amendment Audit actions, resulting in citywide training.
- Centralized Real Estate duties by coordinating with Recreation Staff to transfer lease development and management responsibilities, including PRAM at the Washington Field House.
- Division Manager elected as President of the San Francisco Bay Area Chapter of the International Right of Way Association and served as an International Director.

Richmond Housing Authority (RHA)

- Nevin Plaza rehabilitation kickoff celebration and construction commenced.
- Completed Annual Plan and submitted Cost Allocation Plan to US Department of Housing and Urban Development (HUD) for review.
- Request for Proposals issued for the Disposition and Development of Nystrom Village.
- Continued the implementation of the Public Housing Authority Recovery and Sustainability (PHARS) agreement between HUD, City of Richmond, and RHA.
- Maintain and reposition RHA assets: Monitor Nevin Plaza rehabilitation construction and relocation process, enter into an agreement with a developer for Nystrom Village and begin the environmental review process, complete the transition of Public Housing units at Richmond Village to the Section 8 platform.
- Completed the City auditing process of RHA backlog of financial Audits for 2017, 2018, and 2019, and submitted to HUD unaudited financial data through 2023.

Internal Services

Human Resources

- Implemented Citywide Class and Compensation study for SEIU 1021, IFPTE Mid Management, and Executive Management Unions.
- Completed successor MOU bargaining with the Richmond Police Management Association and the Richmond Fire Management Association.
- Conducted facilitation and team-building sessions across multiple departments to enhance collaboration, improve communication, and strengthen relationships among team members.
- Successfully launched a comprehensive wellness program for the Fire Department, including counseling services and therapy dog visits.
- Relunched the employee recognition program to include service awards and introduction of recognition “Rosie-grams”.
- Implemented a new insurance tracking software (PINS) to effectively manage certificates Citywide and processed 602 certificates in 2023.

Information Technology

- The Information Technology Department Network staff upgraded the City’s Fire stations to fiber improving reliability and speed.
- The Information Technology Department Network staff worked with contractors to replace the legacy campus CCTV cameras with improved camera views.
- IT/KCRT Department worked collaboratively with vendors and City staff to successfully upgrade the City Council Chambers audio/video systems including improved interactive in-person and hybrid meetings.
- The Information Technology Department worked collaboratively with the City Manager’s office, Mayor’s office, Economic Development Department, and IT to refresh the City’s website improving the ease of use for navigation and improved Americans with Disabilities Act (ADA) capabilities.
- The Information Technology Department modernized and managed the City’s enterprise Geographic Information System (GIS) system, Website and Social Media Management, Open Data System, and to provide efficient digital initiatives for process improvements.
- The IT/KCRT Department designed over 170 billboard “Datanet” screens for the KCRT Government Television channel, and for social media publishing during the fiscal year 2024.

Public Safety

Fire Department - Administration/Support

- Hosted a tour of the Richmond Fire Training Center which was attended by U.S. Representative John Garamendi where the history of the site, current use, future plans, and request for funding was discussed (December 15, 2023).
- Continued to work on upgrading the Computer Aided Dispatch (CAD) system of the department.
- Initiated the design and acquisition process of new fire apparatus.

Fire Department- Office of Emergency Services

- Supported the City (co-applicant) and Pogo Park (main applicant) in securing \$10 million grant from the State of California Strategic Growth Council in the first quarter of 2024 to develop Harbor Hall as a Community Resilience Hub in the Iron Triangle neighborhood.
- Conducted the Spring 2024 CERT Academy and graduated 14 volunteers.
- Successfully conducted an emergency evacuation drill at Brickyard Cove in Point Richmond in collaboration with the Richmond Police Department, CERT volunteers and other agencies (July 15, 2023).
- Hired an Emergency Services Manager to provide leadership to the City of Richmond and its residents through comprehensive emergency management, planning and preparedness (December 4, 2023).

Fire Department- Prevention

- Conducted 2,902 Very High Fire Hazard Severity Zone (VHFHSZ) inspections (July 2023-August 2023).
- Performed School State Mandated Inspections (West Contra Costa School District).
- Conducted the Fire Inspector Promotional Assessment and promoted three (3) personnel to the rank of Fire Inspector.
- Installed Fire Danger Today Signs at Station 63, Station 68 and Point Richmond area.

Fire Department- Suppression

- Responded to 14,915 calls for service (July 2023 – June 2024).
- Held an open house at Fire Station 63 in celebration of the National Fire Safety Week (October 14, 2023).
- Promoted one (1) Fire Engineer to the rank of Fire Captain.
- Promoted eight (8) Firefighters to the rank of Fire Engineer.
- The Fire Department together with the Richmond Police Department provided toys and food to 500 families during its annual toy drive (December 2023).

Fire Department- Training

- Appointed a Training Director to oversee the department's fire suppression, rescue, apparatus operations and EMS training program.
- Conducted a Fire Engineer Academy in preparation for the Fire Engineer Promotional Assessment.
- Commenced the Richmond-El Cerrito Joint Recruit Academy graduating eight (8) Richmond recruits and three (3) El Cerrito recruits.

Police Department (RPD)

- The Richmond Police Department hosted over 600 community members at the police department for our annual “Cops and Goblins” Halloween open house. Richmond families were treated to a haunted house experience through the police department, trick-or-treating with RPD staff, a petting zoo, and a free BBQ lunch and ice cream dessert. Additionally, families were provided fresh fruits and vegetables courtesy of Urban Tilth.
- RPD Police Officers and professional staff partnered with local faith-based non-profits and churches in the annual “Faith in Blue” event. RPD staff volunteered at the Bay Area Rescue Mission, preparing meals for mission residents and organizing donated clothes at the Rescue Mission’s donation warehouse. Additionally, Officers attended various church services the next day, where local pastors and congregations provided RPD staff with prayers and words of encouragement.
- The Richmond Police Department has emphasized employee mental health and wellness. This year, personnel are now offered professional counseling services that are specifically geared towards the challenges and stressors faced in law enforcement, sleeping facilities so officers can take naps after or before extended shifts, opportunities to engage in physical activity in the department’s gym during breaks, and religious support offered by our department chaplains.
- The Richmond Police Department hosted its 5th cohort of the Community Police Academy, which provided 18 community members with an eight-week intensive deep dive into the inner workings of the Richmond Police Department and the services we provide.
- The Richmond Police Department has a fully staffed parking enforcement unit, with two newly added positions to better serve our community's parking and traffic needs.

Public Works

- New Hires: 25 New hires from January- December 2024.
- Paving Achievements: Slurry sealed 22 miles (400,000 square yards) and paved 2.33 miles (45,000 square yards).
- Weed Abatement: Abatement Division abated weeds from 100 locations (Includes city owned lots, alleyways, Richmond Parkway and public right of ways). The Parks and Landscaping Division spent over 17,000 hours—35% of total hours worked—clearing weeds from parks, medians, roadsides, fire trails, fire access roads, paper streets, and parking lots.

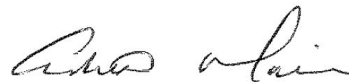
Lighting Improvements

- New Solar Lighting was installed at city hall plaza to light the managers parking lot.
- Three (3) Solar lights have been installed on Castro Street between Hensley and Gertrude St. as part of the Solar Lighting pilot program.
- Installed replacement streetlights where streetlights had been missing due to knockdowns along Atlas Rd.
- Currently working to replace vandalized wiring on Cutting Blvd to re-energize the street lighting along the Cutting corridor.

Trash Cleanup

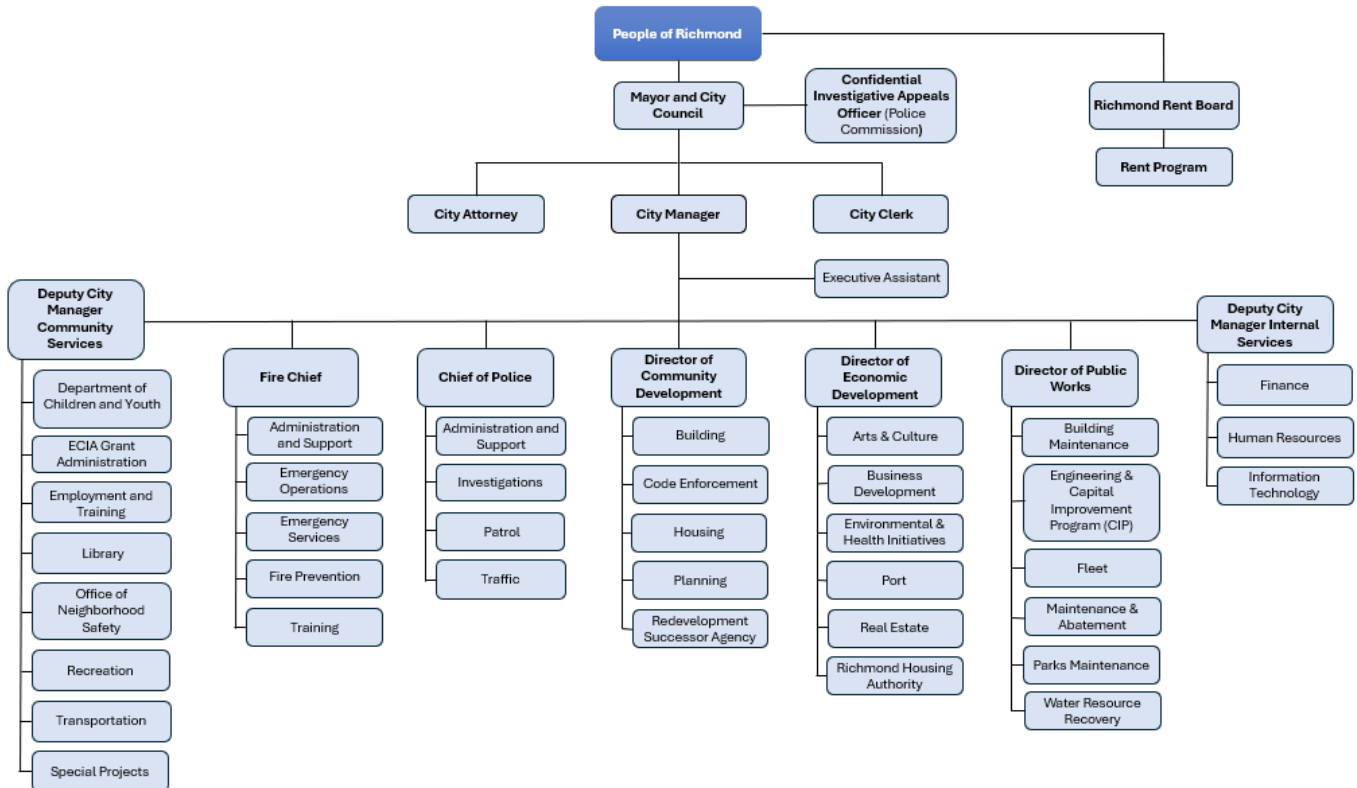
- Abatement tonnage: 2,856 tons
- Encampments: 285 tons from 114 locations.

Respectfully submitted,



Andrea Miller
Director of Finance/Treasurer

Organizational Chart



List of Elected and Appointed Officials

JUNE 30, 2024

CITY COUNCIL

Mayor	Eduardo Martinez
Vice Mayor	Claudia Jimenez
Councilmember	Soheila Bana
Councilmember	Gayle McLaughlin
Councilmember	Doria Robinson
Councilmember	Melvin Willis
Councilmember	Cesar Zepeda

ADMINISTRATION AND EXECUTIVE MANAGEMENT

City Manager	Shasa Curl
Deputy City Manager, Community Services	LaShonda White
Deputy City Manager, Internal Services	Nickie Mastay
City Attorney	Dave Aleshire
City Clerk	Pamela Christian
Director of Community Development	Lina Velasco
Director of Economic Development	Nannette Beacham
Director of Finance	Andrea Miller
Director of Information Technology	Sue Hartman
Director of Human Resources	Sharrone Taylor
Director of Public Works	Daniel Chavarria
Chief of Police	Bisa French
Fire Chief	Aaron Osorio
Port Director	Charles Gerard

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Richmond
Richmond, California

Report on the Audit of the Financial Statements

Disclaimer of Opinion and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Richmond, California (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements. We were engaged to audit the financial statements of the discretely presented component units as of and for the year ended June 30, 2024. These financial statements collectively comprise the City's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Disclaimer
Aggregate Discretely Presented Component Units	Disclaimer
Major Governmental Funds:	
General Fund	Unmodified
Community Development and Loan Programs Special Revenue	Unmodified
Major Enterprise Funds:	
Richmond Housing Authority	Disclaimer
Port of Richmond	Unmodified
Municipal Sewer	Unmodified
Aggregate Remaining Fund Information	Unmodified

Disclaimer of Opinion on Business-Type Activities, Aggregated Discretely Presented Component Units and Richmond Housing Authority

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the business-type activities, Richmond Housing Authority Enterprise Fund, and the aggregate discretely presented component units of the City. Accordingly, we do not express an opinion on these financial statements.

To the Honorable Mayor and Members of the City Council
of the City of Richmond
Richmond, California
Page 2

Basis for Disclaimer of Opinion

The financial statements of the Richmond Housing Authority and RHA Properties, RHA Housing Corporation and RHA RAD LLC have not been audited for the year ended June 30, 2024. The Richmond Housing Authority's financial activities are included in the City's basic financial statements as a major enterprise fund and represent 7.43%, 16.65%, and 6.54% of the assets, net position, and revenues, respectively, of the City's business-type activities. The financial activities of the RHA Properties, RHA Housing Corporation and RHA RAD LLC are included in the City's financial activities as discretely presented component units and represent the City's only discretely presented component units.

Unmodified Opinions on Governmental Activities, Major Governmental Funds, Port of Richmond, Municipal Sewer Fund and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the General Fund, the Community Development and Loan Programs Special Revenue Fund, the Port of Richmond Enterprise Fund, the Municipal Sewer Enterprise Fund, and the aggregate remaining fund information of the City as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required pension and other post-employment benefits information on pages 7-19 and 175-195 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedule and budget comparison information of nonmajor governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedule and budget comparison information of nonmajor governmental funds are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedule and budget comparison information of nonmajor governmental funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

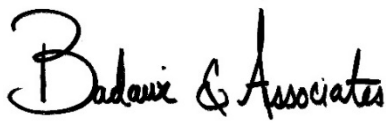
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Honorable Mayor and Members of the City Council
of the City of Richmond
Richmond, California
Page 5

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 2, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates, CPAs
Berkeley, California
January 2, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2024

This narrative overview and analysis of the City of Richmond's (City) Basic Financial Statements is for the fiscal year (FY) ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, basic financial statements, and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net position is \$138.9 million, an increase of \$67.3 million over the prior fiscal year. Governmental activities are negative \$14.4 million, an increase of \$47.9 million which is mainly attributed to an increase of \$35.8 million to Cash and investments; and \$5.8 million in Capital assets. Business-type activities are \$153.3 million, an increase of \$19.4 million which is mainly attributed to an increase of \$30.6 million to total assets; as well as an increase of \$11.2 million to total liabilities.
- The liabilities and deferred inflows of the governmental activities of the City exceeded its assets and deferred outflows at the close of FY2023-24 by \$14.4 million (net deficit). Alternatively, the assets and deferred outflows of the business-type activities of the City exceeded its liabilities and deferred inflows by \$153.3 million.
- As of June 30, 2024, the City's unrestricted net deficit (governmental and business-type activities) totaled \$366.5 million, a \$4.1 million deficit increase from prior year. The unrestricted net deficits represent the net unfunded liabilities of the government. Over time, increases and decreases in this account will allow the reader to determine if the City's condition is improving or deteriorating. Restricted net position for governmental and business-type activities increased by a net \$30.1 million to \$171.5 million.
- The City's financial statements include a disclaimer of opinion on the financial statements of the Richmond Housing Authority Enterprise Fund (RHA), a blended component unit included in the City's business-type activities, and three discretely presented component units, RHA Properties, RHA Housing Corporation, and RHA RAD LLC. As of June 30, 2024, the net position of RHA is \$25.5 million, accounting for 16.7% of the City's business-type activities. Additional information about the disclaimer of opinion can be found in the Independent Auditor's Report.
- The City's General Fund cash reserve policy requires the City to maintain a minimum year-end contingency reserve balance of 21% of next year's budgeted General Fund expenditures including transfers out or \$52.3 million. As of June 30, 2024, the City's cash reserve, which is a component of the unassigned fund balance, is \$65.3 million or 26.2%.
- The Net Pension Liability of \$377.8 million, represents the City's unfunded pension obligation, increased by \$8.2 million from \$369.6 million. The City reports \$63.4 million in the Other Post-Employment Benefit (OPEB) liability for this fiscal year, which is a decrease of \$11.3 million from the \$74.7 million obligation reported in the prior year.
- The City's General Fund revenue and other financing sources (uses) exceeded expenditures by \$13.1 million in FY2023-24. This is primarily attributable to general government, public safety, and public works expenditures being less than expectations for the year. Property tax, sales tax, and utility user tax revenues were in excess of expectations for the year.

OVERVIEW OF FINANCIAL STATEMENTS

The City's basic financial statements are comprised of government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *Statement of Net Position* presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and grants, governmental activities, and business-type activities, which are intended to recover all or a significant portion of their costs through user fees and charges. The City's activities include five blended component units, which consist of the Richmond Housing Authority, Richmond Joint Powers Financing Authority, Richmond Neighborhood Stabilization Corporation, Richmond Surplus Property Authority, and Richmond Municipal Sewer District. Although legally separate, the City is financially accountable for the activities of these entities, which are therefore shown as blended as part of the primary government.

RHA Properties, RHA Housing Corporation, and RHA RAD LLC, while being legally separate entities, are included in the City's financial statement as discretely presented component units for which the City bears financial responsibility.

The government-wide financial statements can be found on pages 26-29 of the financial report.

Fund Financial Statements

Fund Financial statements are designed to report information about the groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – Governmental funds focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the FY2023-24. Such information may be useful in determining what financial resources are available in the near future to fund the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City has twenty-five governmental funds, of which four are considered major funds for presentation purposes. Each major fund is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The City's four major funds are the General Fund, the Community Development and Loan Programs Special Revenue Fund, the American Rescue Plan Act Fund, and the General Capital Improvement Fund. The basic governmental fund financial statements can be found on pages 34-37 of the financial report. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation and reported separately on pages 202-212 of the financial report.

Proprietary Funds – Proprietary funds of the City are two types: (1) enterprise funds and (2) internal service funds. The City maintains six enterprise funds that provide the same type of information as the government-wide financial statements, only more detailed. The City maintains three internal service funds to account for its vehicle operations, risk management program, and compensated absences. The proprietary fund financial statements can be found on pages 40-45 and 236-242 of the financial report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of third parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The fiduciary funds for the City consist of Private-Purpose Trust Funds and Custodial Funds. The fiduciary funds financial statements for these funds can be found on pages 48-49 and 244-257 of the financial report.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 53-169 of the financial report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Government-wide Net Position

This Comparative financial information includes long-term and short-term information about the City's overall financial condition. The following table provides the reader with highlights of changes between the audited fiscal year and the prior fiscal year.

City of Richmond's Net Position
For the Years Ended June 30, 2024 and 2023
(in thousands)

	Governmental Activities		Business-typex Activities		Totals	
	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
Assets:						
Current assets	\$ 356,747	\$ 302,062	\$ 77,298	\$ 71,414	\$ 434,044	\$ 373,476
Other noncurrent assets	50,232	55,050	67,396	64,517	117,628	119,567
Capital assets	304,538	298,742	268,677	246,849	573,215	545,591
Total Assets	<u>711,517</u>	<u>655,853</u>	<u>413,370</u>	<u>382,779</u>	<u>1,124,888</u>	<u>1,038,633</u>
Deferred Outflows of Resources:						
Deferred outflows related to pensions	89,223	101,707	1,873	2,134	91,095	103,841
Deferred outflows related to OPEB	1,169	2,512	6	61	1,176	2,573
Deferred outflows related to fair value of derivatives	-	-	-	-	-	-
Deferred charge on refunding	28,734	30,246	5,206	5,554	33,940	35,800
Total Deferred Outflows of Resources	<u>119,126</u>	<u>134,465</u>	<u>7,086</u>	<u>7,748</u>	<u>126,211</u>	<u>142,213</u>
Liabilities:						
Current liabilities	98,627	89,810	25,969	20,173	124,596	109,983
Noncurrent liabilities	720,044	728,266	181,359	175,910	901,403	904,176
Total Liabilities	<u>818,671</u>	<u>818,076</u>	<u>207,328</u>	<u>196,084</u>	<u>1,025,999</u>	<u>1,014,160</u>
Deferred Inflows of Resources:						
Deferred inflows related to pensions	5,835	7,266	198	122	6,034	7,388
Deferred inflows related OPEB	19,772	26,414	298	560	20,070	26,975
Deferred inflows related to leases	794	860	59,316	59,901	60,111	60,761
Total Deferred Inflows of Resources	<u>26,402</u>	<u>34,540</u>	<u>59,813</u>	<u>60,583</u>	<u>86,215</u>	<u>95,124</u>
Net Position:						
Net investment in capital assets	232,570	219,126	101,269	82,405	333,839	301,531
Restricted	170,343	139,687	1,180	879	171,523	140,566
Unrestricted	(417,343)	(421,111)	50,866	50,576	(366,477)	(370,535)
Total Net Position (Deficit)	<u>\$ (14,430)</u>	<u>\$ (62,298)</u>	<u>\$ 153,315</u>	<u>\$ 133,861</u>	<u>\$ 138,885</u>	<u>\$ 71,563</u>

Government-wide Activities

The following table indicates changes in the net position for governmental and business-type activities between the audited fiscal year and the previous fiscal year.

**City of Richmond's Changes in Net Position
For the Years Ended June 30, 2024 and 2023
(in thousands)**

	Governmental Activities		Business-type Activities		Totals	
	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
Revenues:						
Program revenues:						
Charges for services	\$ 33,923	\$ 35,662	\$ 50,392	\$ 46,672	\$ 84,315	\$ 82,334
Operating grants/contributions	50,287	39,915	3,426	4,341	53,713	44,256
Capital grants/contributions	5,089	1,785			5,089	1,785
General revenues:						
Property taxes-current collections	74,255	71,090			74,255	71,090
Sales taxes	61,320	55,541			61,320	55,541
Utility user taxes	59,120	54,676			59,120	54,676
Documentary transfer taxes	8,566	10,417			8,566	10,417
Other taxes	10,189	9,207			10,189	9,207
Unrestricted Intergovernmental	8,695	8,744			8,695	8,744
Use of money and property	14,919	5,517	4,093	2,083	19,012	7,600
Gain on sale of capital assets	50	20			50	20
Other	1,801	1,994			1,801	1,994
Total revenues	<u>328,214</u>	<u>294,568</u>	<u>57,911</u>	<u>53,096</u>	<u>386,125</u>	<u>347,664</u>
Expenses:						
General government	70,312	60,377	-	-	70,312	60,377
Public safety	114,082	76,927	-	-	114,082	76,927
Public works	51,215	36,476	-	-	51,215	36,476
Community development	6,710	4,515	-	-	6,710	4,515
Cultural & recreation	12,963	9,264	-	-	12,963	9,264
Housing & redevelopment	3,442	3,235	-	-	3,442	3,235
Interest and fiscal charges	19,981	4,841	-	-	19,981	4,841
Richmond Housing Authority	-	-	4,445	4,987	4,445	4,987
Port of Richmond	-	-	6,438	5,500	6,438	5,500
Municipal Sewer	-	-	24,835	20,762	24,835	20,762
Richmond Marina	-	-	213	217	213	217
Storm Sewer	-	-	2,752	1,803	2,752	1,803
Cable TV	-	-	898	735	898	735
Total expenses	<u>278,706</u>	<u>195,635</u>	<u>39,581</u>	<u>34,004</u>	<u>318,287</u>	<u>229,639</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	49,508	98,933	18,330	19,092	67,839	118,025
Transfers	<u>(1,076)</u>	<u>(882)</u>	<u>1,076</u>	<u>882</u>	<u>-</u>	<u>-</u>
Changes in Net Position	48,433	98,051	19,406	19,975	67,839	118,025
Net position (deficit) at beginning of year (July 1, 2022restated)	<u>(62,863)</u>	<u>(160,348)</u>	<u>133,909</u>	<u>113,886</u>	<u>71,046</u>	<u>(46,462)</u>
Net position (deficit) at end of year	<u>\$ (14,430)</u>	<u>\$ (62,298)</u>	<u>\$ 153,315</u>	<u>\$ 133,861</u>	<u>\$ 138,885</u>	<u>\$ 71,563</u>

Governmental Activities

Net position of Governmental Activities at the beginning of FY2023-24 has been restated to \$62.9 million. Governmental activities increased the net position by \$48.4 million, accounting for 71.4% of the City's total increase in net position of \$67.8 million, which includes Business –type Activities. Total revenues of \$328.2 million exceeded total expenses of \$278.7 million by \$49.5 million. Revenues increased by \$33.6 million or 11.4% from the prior year's revenue of \$294.6 million primarily due to an increase in Taxes, Operating Grant, and Capital Grant revenues. Expenses increased \$83.1 million or 42.5% from the prior year's expenses of \$195.6 million primarily due to an increase in salary and administrative expenses.

Business Type Activities

Business-type activities increased the City's net position by \$19.4 million. Key factors contributing to the increase in business-type activities are as follows:

- The Richmond Housing Authority's (RHA) net position increased by \$500 thousand from the previous year's amount of \$25 million. This increase is attributed to the collection of past due tenant rent and payment agreements.
- The Port of Richmond's (Port) net position increased by \$7.4 million, an increase of 26% from the previous year's amount of \$29 million. This is attributed to the Port's Tariff and Lease rate increases.
- The Municipal Sewer fund's net position increased by \$9.7 million from the previous year's amount of \$70.5 million. This is attributed to an increase in service charges and interest income.
- Other Enterprise fund's net position increased by \$1.7 million from the previous year's amount of \$9.2 million. This is attributed to an increase in service charges.

Net Program (Expenses) Revenues

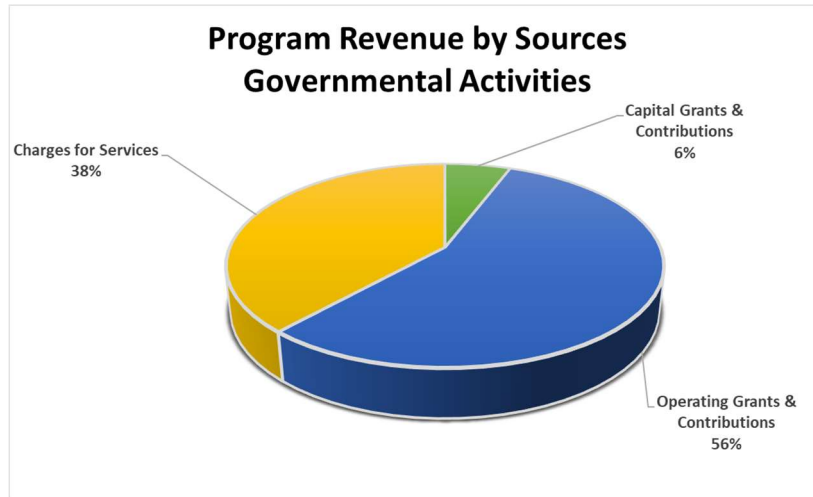
Comparisons of the costs of services by functions for the City's government-wide activities are shown in the preceding tables on page 11, along with the revenues used to cover the net expenses.

The following table details the net program costs for each of the governmental functions.

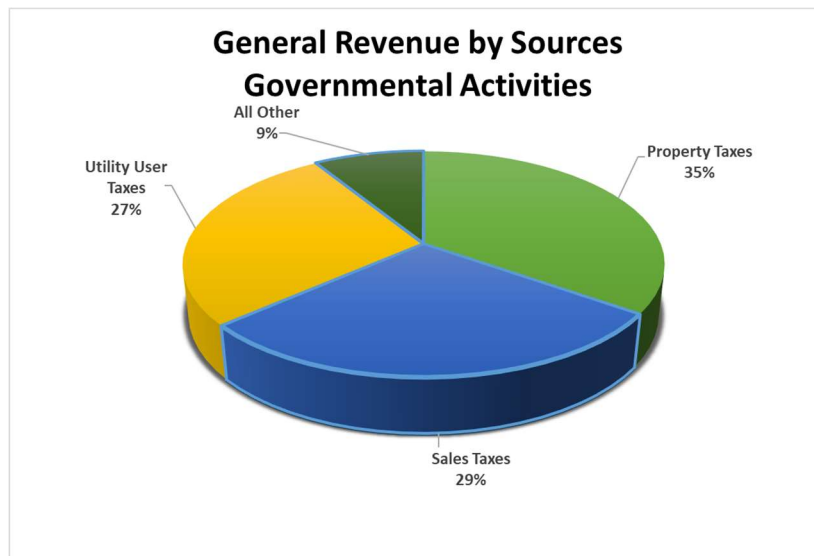
Functions	Expenses and Program Revenues		
	Governmental Activities		Net (Expenses)
	Expenses	Revenues	Revenues
General government	\$ 70,311,954	\$ 25,741,147	\$ (44,570,807)
Public safety	114,081,723	2,441,072	(111,640,651)
Public works	51,215,494	11,573,852	(39,641,642)
Community development	6,710,315	47,855,281	41,144,966
Cultural and recreational	12,963,405	1,724,002	(11,239,403)
Housing and redevelopment	3,441,920	(36,200)	(3,478,120)
Interest on long-term debt	19,980,774	-	(19,980,774)
Total	\$ 278,705,585	\$ 89,299,154	\$ (189,406,431)

Total governmental activities expenses of \$278.7 million were offset by \$89.3 million in program revenues in FY2023-24. Program revenues are derived directly from the program itself or from parties outside the reporting government’s taxpayers or citizenry. They reduce the net cost of the function to be financed from the government’s general revenues. During the fiscal year, the net costs funded by the City’s general revenues were \$190 million.

As reflected in the chart below, 38% of the governmental program revenues came from Charges for Services, which includes licenses, permits, fees, fines, forfeitures, penalties, and several other revenues. The remaining 62% of governmental program revenues came from Operating Grants and Capital Grants Contributions, which include restricted revenues such as Gas Tax, Transportation and Sales Tax, and Federal/State Grants.



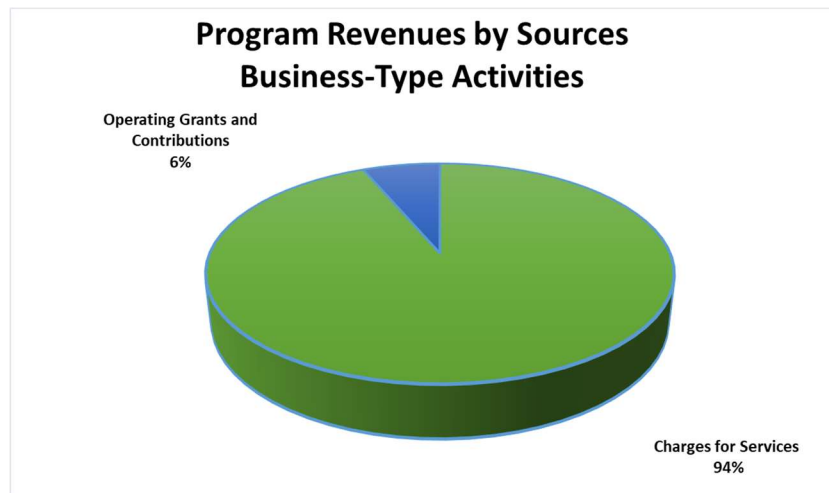
General revenues are revenue not categorized as program revenues and includes property taxes, sales taxes, utility users’ tax, documentary transfer taxes, investment earnings, grants and contributions not related to specific programs and other miscellaneous general revenues. Total general revenues from governmental activities were \$238.9 million in FY2023-24. The three largest components of general revenues received were Property Taxes-current collections of \$74.3 million, Sales Taxes of \$61.3 million, and Utility User Taxes of \$59.1 million. The following chart shows the City’s general revenues by source.



The following table details net program costs for business-type activities. Business-type activities revenue exceeded expenses by 14 million, as Municipal Sewer, the Port of Richmond, and other Enterprise Funds contributed net revenues of \$7.7 million, \$5.8 million, and \$0.7 million respectively.

Expenses and Program Revenues Business-type Activities			
Business-type Activities	Expenses	Revenues	Net(Expenses) Revenues
	Richmond Housing Authority	\$ 4,444,837	\$ 3,784,777
Port of Richmond	6,438,177	12,255,674	5,817,497
Municipal Sewer	24,835,079	32,563,772	7,728,693
Richmond Marina	213,335	529,539	316,204
Storm Sewer	2,751,735	3,762,222	1,010,487
Cable TV	898,308	922,077	23,769
Total	<u>\$ 39,581,471</u>	<u>\$ 53,818,061</u>	<u>\$ 14,236,590</u>

As reflected in the following pie chart, 94% of the business-type program revenues came from Charges for Services and the remaining 6% were derived from Operating Grants and Contributions.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial capacity.

At the end of the FY2023-24, the City's governmental funds reported total fund balances of \$241.5 million, an increase of \$48.3 million, or 25% from prior year including an increase of \$11.8 million from a prior period adjustment. Financial highlights for the City's major funds are discussed below:

General Fund – The General Fund is the primary operating fund of the City. It is used to report the financial results of the daily operations of the City. The major revenue sources are utility users' taxes, sales taxes, and property taxes. The major expenditures are salaries and administrative expenses.

The City's general fund revenues increased by \$12.1 million or 5.8% and expenditures increased by \$18.6 million or 10.3%. The increase in revenues is primarily due to the increased collection of Property Taxes, Sales Taxes, and Utility User Taxes. Property taxes increased by \$1.9 million or 3.6%. Sales taxes increased by \$5.8 million or 10.4%. Utility User taxes increased by \$4.4 million or 8.1%. The increase in expenditures is due to an increase in salaries and administrative expenses. Public safety expenditures increased by \$13.2 million or 14.3%. Public works expenditures increased by \$4.4 million or 16.1%. Cultural and recreational expenditures increased by \$1.9 million or 18.3%.

At the end of the FY2023-24, the total fund balance increased by \$13.1 million from the prior year to \$99.4 million. The General Fund reported an unassigned fund balance of \$65.3 million, an increase of \$10.1 million from prior year's balance of \$55.2 million, of which the entire balance has been set aside for contingency.

Community Development and Loan Programs – This fund was established to account for the receipt of grant monies and the uses of Community Development Block Grant, HOME Investment Partnership Program, and Neighborhood Stabilization Program. In conjunction with the dissolution of the Redevelopment Agency, this fund also accounts for the low- and moderate-income housing activities of the City as Housing Successor to the former Redevelopment Agency's low-income and moderate-income housing activities. As of June 30, 2024, fund balance is \$34.7 million, which represents a \$2.1 million increase from prior year's fund balance of \$32.6 million.

The American Rescue Plan Act Fund – This fund received \$27.7 million in federal funding allocated to the City under the American Rescue Plan Act (ARPA) of 2021. These funds are designated to address the economic impacts of the COVID-19 pandemic and support a strong and equitable recovery through initiatives such as rent relief for those affected by COVID-19, assistance for the unhoused, small business support, and several infrastructure improvements. The City plans to obligate all funds by December 31, 2024, and expend these funds by December 31, 2026. In FY2023-24, total ARPA expenditures were \$2.36 million in Capital Outlay and General Governmental expenditure categories. In Capital Outlay, significant projects with expenditures were Booker T. Anderson Community Center and Main Library Renovation. In the General Governmental expenditure category, significant programs were Tenant Protection – Rental Assistance and Employment & Training -Youthworks programs.

General Capital Improvement Fund – The General Capital Improvement Fund is used to track the City’s several capital improvement projects. In FY2023-24, there was a total of \$17.58 million transferred from the General Fund for multiple capital projects. Major contributions were to projects such as Nevin Center and Recreation Community Center HVAC System improvement and Boorman Park Site Remediation and Revitalization projects.

Proprietary Funds

The City’s proprietary funds are enterprise and internal service funds. Proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

The City’s major enterprise funds are the Richmond Housing Authority, Port of Richmond, and Municipal Sewer.

Richmond Housing Authority – The Richmond Housing Authority (RHA) provides affordable housing for low and very low-income residents of Richmond through federally funded housing programs. RHA’s net position increased by \$500 thousand to \$25.5 million as of June 30, 2024.

The Port of Richmond – The Port of Richmond (Port) is a public enterprise established by the City and is administered as a department of the City. Operations include the marine terminal facilities and commercial property rentals. The Port’s net position increased by \$7.4 million to \$36.5 million as of June 30, 2024.

Municipal Sewer Fund – This fund is used to account for a variety of sewer service-related revenues and expenses. Municipal Sewer’s net position increased by \$9.7 million to \$80 million as of June 30, 2024.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original adopted budget, excluding transfers, bond premium and proceeds from sale of property, reflected \$205.1 million in estimated revenues and \$213.3 million in appropriations.

Budget adjustments reflect extensive analysis and updates arising from periodic review and Council approved amendments that occurred during the fiscal year.

The final revised budget includes \$9 million increase in estimated revenues and \$8.4 million increase in appropriations. Actual revenue of \$218.7 million exceeds the revised revenue budget by \$4.6 million, a variance of 2%. Key elements of the variances in revenues are discussed below.

Property taxes total \$53.8 million, which exceeds the revised budget by \$1.6 million and original budget by \$3.2 million. The increase stems from residual Redevelopment Property Tax Trust Fund (RPTTF) Recognized Obligation Payment Schedule (ROPS) receipts for the Successor Agency Residual and Pass-through revenue.

Sales taxes total \$61.3 million, which exceeds the revised budget by \$3.4 million and original budget by \$4.6 million. This corresponds to increases in the regular sales tax and proportional increases in both half-cent sales tax measures.

Utility Users Tax (UUT) totals \$59.1 million, which exceeds expectations by \$1.2 million. The primary source of the increase is in tax collections from gas and electricity due to rate increases by Pacific Gas and Electric and higher than average gas and electric use.

Licenses, permits and fees total \$14.5 million, which exceeds the revised budget by \$1.5 million, however, it was lower than the previous fiscal year by \$1.4 million. A significant part of this revenue stream is the Business License Tax. Richmond voters in 2020 approved Measure U which changed the way the business tax is calculated from based on number of employees to gross receipts. Additionally, it changed the due date where now all business licenses expire on December 31st of each year rather than the anniversary date of each business basis. This change in expiration date required some businesses to transition their expiration which in many cases meant they would pay both a prorated amount and a full amount in the first full year of Measure U. This caused the amount received for FY2022-23 to be higher than the amount received in FY2023-24.

The final adjusted appropriations are \$221.7 million, an increase of \$8.4 million from the original adopted budget appropriation of \$213.3 million. The increase is driven by additional appropriations in General Government and Public Safety. The final budget appropriation for transfers out is \$35.9 million, an increase of \$17.7 million. The increase is due to City Council approved allocations to several capital projects to appropriate fund balance above the minimum reserve level of 21 percent.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounted to \$573.2 million, net of accumulated depreciation. Investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. Details by type are shown in the following table.

Capital Assets by Type
For the Years Ended June 30, 2024 and 2023

	Governmental activities		Business-type activities		Total	
	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
Land	\$ 24,634,683	\$ 24,634,683	\$ 7,195,986	\$ 7,195,986	\$ 31,830,669	\$ 31,830,669
Construction in Progress	60,952,889	46,446,200	120,218,159	90,738,540	181,171,048	137,184,740
Building and improvements	95,469,802	99,104,964	20,649,041	21,389,307	116,118,843	120,494,271
Machinery and equipment	16,328,839	12,236,047	2,159,816	2,841,100	18,488,655	15,077,147
Land improvements and infrastructure	103,816,756	109,930,502	118,062,967	123,946,295	221,879,723	233,876,797
Leased buiding and improvements	955,775	2,867,322	390,724	737,809	1,346,499	3,605,131
Subscription based I.T. agreements	2,379,223	3,522,132	-	-	2,379,223	3,522,132
Total Capital assets	\$ 304,537,967	\$ 298,741,850	\$ 268,676,693	\$ 246,849,037	\$ 573,214,660	\$ 545,590,887

The City’s infrastructure assets are recorded at their historical costs in the government-wide financial statements. Additional information about the City’s capital assets can be found in Note 6 on pages 86-90.

Debt Administration

Long Term Debt – The City’s total debt outstanding decreased \$6.9 million to \$423.3 million as of June 30, 2024. The decrease is due to the payoff of the 2019B Point Potrero lease revenue bonds and the reissuance of the 2005 Pension Obligation bonds. Details by type are shown in the following table.

	Outstanding Debt					
	For the Years Ended June 30, 2024 and 2023					
	Governmental Activities		Business-Type Activities		Totals	
	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
Revenue bonds	\$ -	\$ -	\$ -	\$ 4,451,473	\$ -	\$ 4,451,473
Lease revenue bonds	89,998,136	94,726,574	127,020,808	130,825,994	217,018,944	225,552,568
Pension obligation bonds	154,140,000	154,140,000	-	-	154,140,000	154,140,000
Total bonds payable	244,138,136	248,866,574	127,020,808	135,277,467	371,158,944	384,144,041
Loans payable	609,071	749,582	45,302,687	34,752,234	45,911,758	35,501,816
Financed Purchases	2,594,341	3,506,076	-	-	2,594,341	3,506,076
Lease Liability	996,762	2,956,536	290,704	651,475	1,287,466	3,608,011
Subscription based I.T. Agreements	2,318,011	3,404,609	-	-	2,318,011	3,404,609
Total outstanding debt	\$ 250,656,321	\$ 259,483,377	\$ 172,614,199	\$ 170,681,176	\$ 423,270,520	\$ 430,164,553

The City does not have any general obligation bonds as of June 30, 2024.

Economic Factors

The City’s economic base has recovered from the slowdown related to the effects of the COVID-19 restrictions. As of January 1, 2024, Property values assessed by the County have increased by 6.77% over the prior year. Increase to the Assessed Valuation (AV) primarily stemmed from an increased valuation of the Chevron Refinery in Richmond. The Consumer Price Index (CPI) growth was 2.0% for most properties and there were significant property sales during the year, the refinery assessment by the County went from approximately \$2.8 billion in FY2021-22, to \$3.1 billion in FY2022-23. Redevelopment Property Tax Trust Fund (RPTTF) revenue from Recognized Obligation Payment Schedule (ROPS) payments have continued to increase over the years from \$600 thousand in FY2015-16 to \$12.5 million in FY2023-24. Sales Tax revenue has rebounded to above pre-pandemic levels. Sales Tax revenue was \$47.7 million in FY2018-19, dipped down to \$44.5 million in FY2019-20, rebounded to \$49.0 million in FY2020-21, and has continued to increase year-over-year. In FY2023-24, Sales Tax revenue increased to \$61.3 million.

Measure H

In November 2018, Richmond voters approved Measure H which called for a new tiered calculation for the Documentary Transfer Tax. The tax rate increases based on the sale price of the property. The rate of 0.70% did not change for sales under \$1 million, but for sales from \$1 million and above, the rates changed according to the following table.

Sale Price	\$1 to \$999,999	\$1M to \$2,999,999	\$3M to \$9,999,999	\$10M and above
Amount per \$1,000	\$7.00	\$12.50	\$25.00	\$30.00
Rate	0.70%	1.25%	2.50%	3.00%

Prior to the new tiered system, Documentary Transfer Tax has always been one of the most volatile of revenue streams for the City. A few sales can have a dramatic impact on the General Fund, and this has not changed as revenue fluctuates year-to-year. In FY2017-18, before the new tiered rate structure was established, the transfer tax collected totaled \$6.5 million. In FY2018-19, the tax collected went up to \$8.0 million. In FY2019-20, it went up modestly to \$8.7 million. In FY2020-21, due to a few unusually large real-estate transactions, it increased significantly to \$19.9 million. In FY2021-22, the Transfer Tax revenue decreased by \$1.2 million to \$18.6 million. In FY2022-23, the Transfer Tax revenue saw a significant dip of \$8.2 million, or a decrease of 44%, with a total of \$10.4 million in Transfer Tax. Finally, in FY2023-24, the Transfer Tax revenue saw another dip, this dip was \$1.8 million, or a decrease of 18%, with a total of \$8.6 million in Transfer Tax received.

Measure U

In November 2020, Richmond voters approved Measure U which significantly changed the calculation for the business license tax. This changed the tax calculation from being based on number of employees or location, to a percentage of the business's gross receipts. The percentage charged varies based on both the type of business and the amount of gross receipts with the new rates ranging from 0.06% to 0.68% for businesses and 1.08% to 2.4% for rental properties. The new methodology brought in an additional \$5.3 million for the City in FY2021-22, an increase of 168% compared to prior year, an additional \$7.7 million in FY2022-23 with a total of \$16.2 million, an increase of 91% over the previous year. In fiscal year 2024, revenue received totaled \$14.5 million, a decrease of \$1.7 million or 10.8%. This decrease was expected as businesses transitioned to the new business tax calculation methodology based on gross receipts and the updated expiration date of December 31st of each year. This expiration date change called for some businesses that did not expire on December 31st to make two payments during the fiscal year – one was a partial payment for 2023, and the other was the full payment for 2024.

The City continues to closely monitor revenue and expenditures through monthly variance reports to assure adherence to budget controls. Simultaneously, position control is strictly enforced, ensuring that any employee hired is moving into a funded position. For the upcoming fiscal year, staff is working to align the budget forecast with City Council priorities and California State Auditor's recommendations, review the City's organizational structure, and provide recommended actions for fiscal sustainability.

This will include planning and addressing pension and Other Post-Employment Benefits (OPEB) funding and determining adequate reserve level per the California State Auditor's recommendation. Additionally, the City continues to analyze the structural integrity of all funds and identify additional cost reductions and efficiencies.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all its citizens, taxpayers, customers, investors, and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Richmond, Finance Department, 450 Civic Center Plaza, Richmond, CA 94804. Alternatively, you may send your inquiries via e-mail to Finance@ci.richmond.ca.us.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Richmond
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
ASSETS			
Current assets:			
Cash and investments	\$ 288,117,958	\$ 74,282,509	\$ 362,400,467
Restricted cash and investments	16,172,834	1,277,996	17,450,830
Receivables:			
Accounts, net	16,488,921	7,039,055	23,527,976
Interest	453,030	110,260	563,290
Grants	21,910,422	2,207,541	24,117,963
Loans	-	-	-
Leases	49,607	4,602,252	4,651,859
Internal balances	12,221,772	(12,221,772)	-
Prepays and supplies	1,332,333	-	1,332,333
Total current assets	356,746,877	77,297,841	434,044,718
Noncurrent assets:			
Due from developer	-	10,221,743	10,221,743
Loans	49,385,008	-	49,385,008
Leases	769,389	57,174,107	57,943,496
Property held for resale	78,016	-	78,016
Capital assets:			
Nondepreciable	85,587,572	127,414,145	213,001,717
Depreciable	779,834,628	359,266,195	1,139,100,823
Less accumulated depreciation	(560,884,233)	(218,003,647)	(778,887,880)
Total capital assets	304,537,967	268,676,693	573,214,660
Total noncurrent assets	354,770,380	336,072,543	690,842,923
Total assets	711,517,257	413,370,384	1,124,887,641
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	89,223,332	1,872,788	91,096,120
Deferred outflows of resources - OPEB	1,168,751	6,282	1,175,033
Deferred charge on refunding	28,733,660	5,206,437	33,940,097
Total deferred outflows of resources	119,125,743	7,085,507	126,211,250
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	20,881,225	19,815,704	40,696,929
Interest payable	4,551,857	2,234,220	6,786,077
Refundable deposits	1,701,428	457,319	2,158,747
Unearned revenue	43,672,357	-	43,672,357
Compensated absences - due within one year	6,437,814	124,998	6,562,812
Claims liabilities - due within one year	14,192,093	-	14,192,093
Long-term debt - due within one year	7,190,284	3,336,711	10,526,995
Total current liabilities	98,627,058	25,968,952	124,596,010
Noncurrent liabilities:			
Unearned revenue	-	2,384,505	2,384,505
Compensated absences	6,882,078	210,246	7,092,324
Claims liabilities	37,979,471	-	37,979,471
Long-term debt	243,466,037	169,277,488	412,743,525
Net pension liability	370,751,455	7,008,011	377,759,466
Net OPEB liability	60,965,350	2,478,673	63,444,023
Total noncurrent liabilities	720,044,391	181,358,923	901,403,314
Total liabilities	818,671,449	207,327,875	1,025,999,324
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	5,835,462	198,175	6,033,637
Deferred inflows of resources - OPEB	19,772,291	297,961	20,070,252
Deferred inflows of resources - leases	794,245	59,316,497	60,110,742
Total deferred inflows of resources	26,401,998	59,812,633	86,214,631
NET POSITION			
Net investment in capital assets	232,570,273	101,268,931	333,839,204
Restricted for:			
Capital projects	50,752,521	-	50,752,521
Debt service	227,326	1,180,210	1,407,536
Housing and redevelopment	12,089,128	-	12,089,128
Community development projects	102,110,923	-	102,110,923
Pension plans	5,162,825	-	5,162,825
Total restricted	170,342,723	1,180,210	171,522,933
Unrestricted	(417,343,443)	50,866,242	(366,477,201)
Total net position	\$ (14,430,447)	\$ 153,315,383	\$ 138,884,936

See accompanying Notes to Basic Financial Statements

City of Richmond
Statement of Activities
For the year ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
General government	\$ 70,311,954	\$ 25,343,470	\$ 397,677	\$ -	\$ 25,741,147
Public safety	114,081,723	2,040,106	72,115	328,851	2,441,072
Public works	51,215,494	4,702,336	4,214,756	2,656,760	11,573,852
Community development	6,710,315	915,396	44,836,356	2,103,529	47,855,281
Cultural and recreational	12,963,405	921,946	802,056	-	1,724,002
Housing and redevelopment	3,441,920	-	(36,200)	-	(36,200)
Interest on long-term debt	19,980,774	-	-	-	-
Total governmental activities	278,705,585	33,923,254	50,286,760	5,089,140	89,299,154
Business-type activities:					
Richmond Housing Authority	4,444,837	358,327	3,426,450	-	3,784,777
Port of Richmond	6,438,177	12,255,674	-	-	12,255,674
Municipal Sewer	24,835,079	32,563,772	-	-	32,563,772
Richmond Marina	213,335	529,539	-	-	529,539
Storm Sewer	2,751,735	3,762,222	-	-	3,762,222
Cable TV	898,308	922,077	-	-	922,077
Total business-type activities	39,581,471	50,391,611	3,426,450	-	53,818,061
Total primary government	\$ 318,287,056	\$ 84,314,865	\$ 53,713,210	\$ 5,089,140	\$ 143,117,215
Component units:					
RHA Properties	-	-	-	-	-
RHA Housing Corporation	14,010	7,000	-	-	7,000
RHA RAD LLC	-	-	-	-	-
Total component units	\$ 14,010	\$ 7,000	\$ -	\$ -	\$ 7,000

General Revenues:

Taxes:

- Property taxes - current collections
- Sales taxes
- Utility user taxes
- Documentary transfer taxes
- Other taxes

Total taxes

- Unrestricted intergovernmental
- Use of money and property
- Gain (loss) from sale of capital assets
- Other
- Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year

Prior period adjustments

Net position - beginning of year, as restated

Net position - end of year

Net (Expense) Revenue and Changes in Net Position					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	RHA Properties	RHA Housing Corporation	RHA RDA LLC
\$ (44,570,807)	\$ -	\$ (44,570,807)			
(111,640,651)	-	(111,640,651)			
(39,641,642)	-	(39,641,642)			
41,144,966	-	41,144,966			
(11,239,403)	-	(11,239,403)			
(3,478,120)	-	(3,478,120)			
(19,980,774)	-	(19,980,774)			
(189,406,431)	-	(189,406,431)			
	(660,060)	(660,060)			
	5,817,497	5,817,497			
	7,728,693	7,728,693			
	316,204	316,204			
	1,010,487	1,010,487			
	23,769	23,769			
	14,236,590	14,236,590			
(189,406,431)	14,236,590	(175,169,841)			
			-	-	-
			-	(7,010)	-
			-	-	-
			-	(7,010)	-
74,255,275	-	74,255,275	-	-	-
61,319,980	-	61,319,980	-	5,000	-
59,120,237	-	59,120,237	-	-	-
8,565,938	-	8,565,938	-	-	-
10,189,053	-	10,189,053	-	-	-
213,450,483	-	213,450,483	-	5,000	-
8,695,225	-	8,695,225	-	-	-
14,918,668	4,093,449	19,012,117	-	-	-
49,657	-	49,657	-	-	-
1,801,175	-	1,801,175	-	-	-
(1,076,221)	1,076,221	-	-	-	-
237,838,987	5,169,670	243,008,657	-	5,000	-
48,432,556	19,406,260	67,838,816	-	(2,010)	-
(62,297,745)	133,860,589	71,562,844	-	61,030	15,510,000
(565,258)	48,534	(516,724)	-	-	-
(62,863,003)	133,909,123	71,046,120	-	61,030	15,510,000
\$ (14,430,447)	\$ 153,315,383	\$ 138,884,936	\$ -	\$ 59,020	\$ 15,510,000

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

The funds described below were determined to be major governmental funds by the City in the current fiscal year. Individual nonmajor governmental funds may be found in the supplemental section.

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.

The Community Development and Loan Programs Special Revenue Fund accounts for the receipt of Community Development Block Grant, HOME Investment Partnership Program, and Neighborhood Stabilization Program grant monies and the use of the grants. The Fund also accounts for the low and moderate income housing activities of the City as Housing Successor to the former Redevelopment Agency. Related to the grant disallowed costs discussed in the notes to the financial statements, the City purchased certain loans that had previously been funded with Community Development Block Grant and HOME funds. The grants and loan programs are to be used to provide, within the City of Richmond, new affordable housing, improve existing conditions, assist homeless and disabled with housing, and to expand economic opportunities in business, and employment for low and moderate income residents.

American Rescue Plan Act Fund accounts for funding received from federal government in conjunction with the American Rescue Plan Act to provide resources to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

General Capital Improvement Fund accounts for monies designated for capital improvement projects.

City of Richmond
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Community Development and Loan Programs	American Rescue Plan Act Fund	General Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 82,819,963	\$ 6,940,873	\$ 23,206,096	\$ 40,898,130	\$ 69,405,159	\$ 223,270,221
Restricted cash and investments	2,205,685	2,689,963	-	97,543	11,179,643	16,172,834
Receivables:						
Accounts, net	15,229,990	85,361	-	-	1,173,570	16,488,921
Interest	144,777	11,046	37,858	52,650	106,971	353,302
Grants	18,127	25,526	-	-	20,943,428	20,987,081
Loans	3,062,737	43,793,258	1,750,000	-	779,013	49,385,008
Leases	818,996	-	-	-	-	818,996
Due from other funds	3,315,973	-	-	-	-	3,315,973
Advances to other funds	12,144,862	-	-	-	-	12,144,862
Property held for resale	-	78,016	-	-	-	78,016
Prepays and supplies	793,356	-	-	-	319,297	1,112,653
Total assets	120,554,466	53,624,043	24,993,954	41,048,323	103,907,081	344,127,867
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	9,678,649	33,758	794,722	1,052,152	7,380,307	18,939,588
Refundable deposits	443,857	-	-	-	1,257,571	1,701,428
Due to other funds	-	-	-	-	3,239,063	3,239,063
Unearned revenue	7,829,593	-	20,769,592	-	15,073,172	43,672,357
Total liabilities	17,952,099	33,758	21,564,314	1,052,152	26,950,113	67,552,436
Deferred inflows of resources:						
Unavailable revenue	2,385,463	18,907,347	-	-	12,974,588	34,267,398
Leases related	794,245	-	-	-	-	794,245
Total deferred inflows of resources	3,179,708	18,907,347	-	-	12,974,588	35,061,643
Fund Balances:						
Nonspendable	13,638,218	-	-	-	-	13,638,218
Restricted	10,667,506	34,682,938	1,679,640	39,996,171	68,768,576	155,794,831
Committed	3,748,566	-	-	-	-	3,748,566
Assigned	6,106,044	-	1,750,000	-	-	7,856,044
Unassigned	65,262,325	-	-	-	(4,786,196)	60,476,129
Total fund balances	99,422,659	34,682,938	3,429,640	39,996,171	63,982,380	241,513,788
Total liabilities, deferred inflows of resources, and fund balances	\$ 120,554,466	\$ 53,624,043	\$ 24,993,954	\$ 41,048,323	\$ 103,907,081	\$ 344,127,867

City of Richmond
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds \$ 241,513,788

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets were adjusted as follows:

	Government- Wide Statement of Net Position	Internal Service Funds	Total
Nondepreciable	\$ 85,587,572	\$ (5,459,255)	80,128,317
Depreciable, net	218,950,395	(11,038,097)	207,912,298
Total capital assets	\$ 304,537,967	\$ (16,497,352)	288,040,615

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in governmental activities in the Government-Wide Statement of Net Position. 26,088,128

Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements. 34,267,398

In the Government-Wide Financial Statements, deferred employer contributions for pension and OPEB, certain differences between actuarial estimates and actual results, and other adjustments resulting from changes in assumptions and benefits are deferred in the current year.

Deferred outflows of resources related to pension	88,946,919
Deferred outflows of resources related to OPEB	1,167,892
Deferred inflows of resources related to pension	(5,806,213)
Deferred inflows of resources related to OPEB	(19,731,567)

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet.

	Government- Wide Statement of Net Position	Internal Service Funds	Total
Compensated absences - due within one year	\$ (6,437,814)	\$ 4,549	\$ (6,433,265)
Interest payable	(4,551,857)	5,874	(4,545,983)
Long-term debt - due within one year	(7,190,284)	283,146	(6,907,138)
Compensated absences - due in more than one year	(6,882,078)	8,477	(6,873,601)
Long-term debt - due in more than one year	(243,466,037)	918,646	(242,547,391)
Deferred charge on refunding	28,733,660	-	28,733,660
Net pension liability/asset	(370,751,455)	1,034,345	(369,717,110)
Net OPEB liability	(60,965,350)	338,771	(60,626,579)
Total long-term liabilities	\$ (671,511,215)	\$ 2,593,808	(668,917,407)
Net Position of Governmental Activities			\$ (14,430,447)

City of Richmond
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2024

	General Fund	Community Development and Loan Programs	American Rescue Plan Act Fund	General Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:						
Property taxes	\$ 53,802,373	\$ -	\$ -	\$ -	\$ 29,004,973	\$ 82,807,346
Sales taxes	61,319,980	-	-	-	-	61,319,980
Utility user taxes	59,120,237	-	-	-	-	59,120,237
Other taxes	18,754,991	-	-	-	-	18,754,991
Licenses, permits and fees	14,519,981	938,531	-	-	12,355,479	27,813,991
Fines, forfeitures and penalties	229,936	-	-	-	9,443	239,379
Use of money and property	4,058,357	572,224	1,144,072	1,197,428	4,378,204	11,350,285
Intergovernmental	641,157	161,266	2,358,952	-	44,348,273	47,509,648
Charges for services	4,948,584	-	-	-	8,240,936	13,189,520
Rent	864,042	-	-	-	-	864,042
Other	432,808	1,066,843	-	300,001	29,725	1,829,377
Total revenues	218,692,446	2,738,864	3,503,024	1,497,429	98,367,033	324,798,796
EXPENDITURES:						
Current:						
General government	43,654,447	2,338	1,013,839	633,832	23,126,329	68,430,785
Public safety	105,663,918	-	-	-	4,402,434	110,066,352
Public works	32,133,919	-	40,263	2,413,026	14,672,476	49,259,684
Community development	-	440,901	-	-	6,941,428	7,382,329
Cultural and recreational	12,187,647	-	-	-	1,321,390	13,509,037
Housing and redevelopment	-	259,103	-	-	3,215,403	3,474,506
Capital outlay	1,032,495	-	1,304,850	882,591	9,600,348	12,820,284
Debt service:						
Principal	3,826,278	-	-	-	3,865,000	7,691,278
Interest and fiscal charges	141,405	-	-	-	15,327,428	15,468,833
Total expenditures	198,640,109	702,342	2,358,952	3,929,449	82,472,236	288,103,088
REVENUES OVER (UNDER) EXPENDITURES	20,052,337	2,036,522	1,144,072	(2,432,020)	15,894,797	36,695,708
OTHER FINANCING SOURCES (USES):						
Proceeds from sale of property	6,299	35,239	-	-	8,120	49,658
Transfers in	21,637,505	-	-	18,819,926	17,759,579	58,217,010
Transfers out	(28,585,425)	-	-	-	(29,893,824)	(58,479,249)
Total other financing sources (uses)	(6,941,621)	35,239	-	18,819,926	(12,126,125)	(212,581)
Net change in fund balances	13,110,716	2,071,761	1,144,072	16,387,906	3,768,672	36,483,127
FUND BALANCES (DEFICITS):						
Beginning of year	86,311,943	32,611,177	2,285,568	-	72,002,432	193,211,120
Prior period adjustments	-	-	-	23,608,265	(11,788,724)	11,819,541
Beginning of year, as restated	86,311,943	32,611,177	2,285,568	23,608,265	60,213,708	205,030,661
End of year	\$ 99,422,659	\$ 34,682,938	\$ 3,429,640	\$ 39,996,171	\$ 63,982,380	\$ 241,513,788

City of Richmond
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Government-Wide Statement of Activities
For the year ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 36,483,127

Amounts reported for governmental activities in the Government-Wide Statement of Activities were different because:

Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated lives as depreciation expense. This was the amount of capital assets recorded in the current period, net of the amount related to internal service funds.	12,477,021
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds, net of the amount related to internal service funds.	(13,686,306)
Gain on sale of assets are not recorded in the governmental funds since the assets are not recorded there but they are recorded in the government-wide	49,658
Proceed from sale assets are recorded in the governmental funds but the gain or loss is recorded in the government-wide	(49,658)
Accrued compensated leave payments were reported as expenditures in the governmental funds, however expense is recognized in the Government-Wide Statement of Activities based on earned leave accruals.	(1,742,772)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	
Long-term debt repayments	7,691,278
Amortization of deferred loss on refunding	(1,512,298)
Amortization of bonds premium	863,438
Interest on long-term debt is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The difference between interest expense paid and interest accrued was:	(3,810,734)
Current year employer pension and OPEB contributions are recorded as expenditures in the governmental funds, however, these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.	38,154,001
Pension expense is reported in the Government-Wide Statement of Activities does not require the use of current financial resources, and therefore is not reported as expenditures in governmental funds.	(50,571,997)
OPEB expense is reported in the Government-Wide Statement of Activities does not require the use of current financial resources, and therefore is not reported as expenditures in governmental funds.	16,334,041
Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements.	961,290
Internal service funds were used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds was reported with governmental activities.	6,792,467
Change in Net Position of Governmental Activities	<u>\$ 48,432,556</u>

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PROPRIETARY FUND FINANCIAL STATEMENTS

Proprietary funds account for operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that most of the cost of providing goods and services be financed primarily through user charges.

The concept of major funds extends to proprietary funds. The City has identified the funds below as major proprietary funds in the current fiscal year.

Generally accepted accounting principles do not provide for the disclosure of budget versus actual comparisons regarding proprietary funds that are major.

The Richmond Housing Authority 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.

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

The Municipal Sewer 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.

City of Richmond
Statement of Net Position
Proprietary Funds
For the year ended June 30, 2024

	Business-type Activities			
	Richmond Housing Authority	Port of Richmond	Municipal Sewer	Other Enterprise Funds
ASSETS				
Current assets:				
Cash and investments	\$ 3,280,169	\$ 16,508,586	\$ 48,754,141	\$ 5,739,613
Restricted cash and investments	97,786	-	1,088,890	91,320
Receivables:				
Accounts, net	627,448	6,017,414	87,392	306,801
Interest	-	22,406	78,569	9,285
Grants	1,011,583	-	-	1,195,958
Leases	-	4,486,723	-	115,529
Prepays	-	-	-	-
Total current assets	<u>5,016,986</u>	<u>27,035,129</u>	<u>50,008,992</u>	<u>7,458,506</u>
Noncurrent assets:				
Receivables:				
Due from developer	10,221,743	-	-	-
Lease receivables	-	52,059,432	-	5,114,675
Capital assets:				
Nondepreciable	1,708,686	5,060,950	113,981,637	6,662,872
Depreciable	44,836,474	87,500,286	191,344,030	35,585,405
Less accumulated depreciation	<u>(30,158,605)</u>	<u>(66,446,416)</u>	<u>(87,669,945)</u>	<u>(33,728,681)</u>
Net capital assets	<u>16,386,555</u>	<u>26,114,820</u>	<u>217,655,722</u>	<u>8,519,596</u>
Total noncurrent assets	<u>26,608,298</u>	<u>78,174,252</u>	<u>217,655,722</u>	<u>13,634,271</u>
Total assets	<u>31,625,284</u>	<u>105,209,381</u>	<u>267,664,714</u>	<u>21,092,777</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	434,566	257,025	773,500	407,697
Deferred outflows of resources - OPEB	1,717	744	2,304	1,517
Deferred charge on refunding	-	-	5,206,437	-
Total deferred outflows of resources	<u>436,283</u>	<u>257,769</u>	<u>5,982,241</u>	<u>409,214</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	1,372,968	380,971	17,179,741	882,024
Interest payable	-	-	2,150,979	83,241
Due to other funds	-	-	-	76,910
Refundable deposits	123,575	238,423	-	95,321
Unearned revenue	1,814,047	534,178	36,280	-
Compensated absences - current	24,970	6,522	59,665	33,841
Claims payable - current	-	-	-	-
Long-term debt - current	-	-	3,220,704	116,007
Total current liabilities	<u>3,335,560</u>	<u>1,160,094</u>	<u>22,647,369</u>	<u>1,287,344</u>
Noncurrent liabilities:				
Advances from other funds	-	12,144,862	-	-
Compensated absences	66,793	25,064	75,476	42,913
Claims payable	-	-	-	-
Long-term debt	700,000	-	166,675,535	1,901,953
Net pension liability	1,626,157	961,792	2,894,454	1,525,608
Net OPEB liability	677,542	293,601	909,035	598,495
Total noncurrent liabilities	<u>3,070,492</u>	<u>13,425,319</u>	<u>170,554,500</u>	<u>4,068,969</u>
Total liabilities	<u>6,406,052</u>	<u>14,585,413</u>	<u>193,201,869</u>	<u>5,356,313</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	45,986	27,198	81,850	43,141
Deferred inflows of resources - OPEB	81,447	35,294	109,275	71,945
Deferred inflows of resources - leases	-	54,226,652	-	5,089,845
Total deferred inflows of resources	<u>127,433</u>	<u>54,289,144</u>	<u>191,125</u>	<u>5,204,931</u>
NET POSITION (DEFICIT)				
Net investment in capital assets	15,686,555	26,114,820	52,965,920	6,501,636
Restricted for debt service	-	-	1,088,890	91,320
Unrestricted	9,841,527	10,477,773	26,199,151	4,347,791
Total net position	<u>\$ 25,528,082</u>	<u>\$ 36,592,593</u>	<u>\$ 80,253,961</u>	<u>\$ 10,940,747</u>

See accompanying Notes to Basic Financial Statements.

		Governmental Activities	
Total Enterprise Funds		Internal Service Funds	
\$	74,282,509	\$	64,847,737
	1,277,996		-
	7,039,055		-
	110,260		99,728
	2,207,541		923,341
	4,602,252		-
	-		219,680
	<u>89,519,613</u>		<u>66,090,486</u>
	10,221,743		-
	57,174,107		-
	127,414,145		5,459,255
	359,266,195		34,915,889
	<u>(218,003,647)</u>		<u>(23,877,792)</u>
	<u>268,676,693</u>		<u>16,497,352</u>
	<u>336,072,543</u>		<u>16,497,352</u>
	<u>425,592,156</u>		<u>82,587,838</u>
	1,872,788		276,413
	6,282		859
	5,206,437		-
	<u>7,085,507</u>		<u>277,272</u>
	19,815,704		1,941,637
	2,234,220		5,874
	76,910		-
	457,319		-
	2,384,505		-
	124,998		4,549
	-		14,192,093
	3,336,711		283,146
	<u>28,430,367</u>		<u>16,427,299</u>
	12,144,862		-
	210,246		8,477
	-		37,979,471
	169,277,488		918,646
	7,008,011		1,034,345
	2,478,673		338,771
	<u>191,119,280</u>		<u>40,279,710</u>
	<u>219,549,647</u>		<u>56,707,009</u>
	198,175		29,249
	297,961		40,724
	59,316,497		-
	<u>59,812,633</u>		<u>69,973</u>
	101,268,931		15,295,560
	1,180,210		-
	50,866,242		10,792,568
\$	<u>153,315,383</u>	\$	<u>26,088,128</u>

City of Richmond
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the year ended June 30, 2024

	Business-type Activities			
	Richmond Housing Authority	Port of Richmond	Municipal Sewer	Other Enterprise Funds
OPERATING REVENUES:				
Rental	\$ 281,436	\$ 7,075,222	\$ -	\$ 168,642
Service charges	42,817	883,051	32,563,772	4,678,415
Lease income	-	4,297,401	-	366,781
Other	34,074	-	-	-
Total operating revenues	358,327	12,255,674	32,563,772	5,213,838
OPERATING EXPENSES:				
Salaries and benefits	1,059,433	1,012,653	2,462,823	624,922
General and administrative	1,153,986	2,164,379	13,687,154	2,181,525
Maintenance	901,117	13,384	152,206	758,622
Depreciation	-	3,467,194	3,967,421	217,345
Claims losses	-	-	-	-
Other	1,330,301	(2,906)	9,150	(10,388)
Total operating expenses	4,444,837	6,654,704	20,278,754	3,772,026
OPERATING INCOME (LOSS)	(4,086,510)	5,600,970	12,285,018	1,441,812
NONOPERATING REVENUES (EXPENSES):				
Interest income	58	1,646,990	1,983,850	462,551
Grants	3,426,450	-	-	-
Interest expense	-	216,527	(4,556,325)	(91,352)
Total nonoperating revenues (expenses)	3,426,508	1,863,517	(2,572,475)	371,199
Income (loss) before contributions and transfers	(660,002)	7,464,487	9,712,543	1,813,011
CONTRIBUTIONS AND TRANSFERS:				
Transfers in	1,162,999	-	-	-
Transfers out	-	-	-	(86,778)
Total contributions and transfers	1,162,999	-	-	(86,778)
Change in net position	502,997	7,464,487	9,712,543	1,726,233
NET POSITION:				
Beginning of year	24,976,551	29,128,106	70,541,418	9,214,514
Prior period adjustments	48,534	-	-	-
Beginning of year, as restated	25,025,085	29,128,106	70,541,418	9,214,514
End of year	\$ 25,528,082	\$ 36,592,593	\$ 80,253,961	\$ 10,940,747

See accompanying Notes to Basic Financial Statements.

Total Enterprise Funds	Governmental Activities
	Internal Service Funds
\$ 7,525,300	\$ -
38,168,055	30,217,571
4,664,182	-
34,074	-
<u>50,391,611</u>	<u>30,217,571</u>
5,159,831	2,279,343
19,187,044	2,612,725
1,825,329	1,433,080
7,651,960	2,023,873
-	16,614,347
<u>1,326,157</u>	<u>28</u>
<u>35,150,321</u>	<u>24,963,396</u>
<u>15,241,290</u>	<u>5,254,175</u>
4,093,449	2,715,032
3,426,450	(310,411)
<u>(4,431,150)</u>	<u>(52,347)</u>
<u>3,088,749</u>	<u>2,352,274</u>
<u>18,330,039</u>	<u>7,606,449</u>
1,162,999	426,018
<u>(86,778)</u>	<u>(1,240,000)</u>
<u>1,076,221</u>	<u>(813,982)</u>
<u>19,406,260</u>	<u>6,792,467</u>
133,860,589	19,295,661
48,534	-
<u>133,909,123</u>	<u>19,295,661</u>
<u>\$ 153,315,383</u>	<u>\$ 26,088,128</u>

City of Richmond
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2024

	Business-type Activities			
	Richmond Housing Authority	Port of Richmond	Municipal Sewer	Other Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers/interfund services	\$ 342,012	\$ 11,374,102	\$ 32,578,163	\$ 3,506,455
Payments to suppliers	(4,221,897)	(1,947,079)	(3,726,647)	(2,509,100)
Payments to employees	(1,141,295)	(654,232)	(2,100,101)	(1,022,533)
Insurance premiums and claims paid	-	-	-	-
Net cash provided by (used in) operating activities	(5,021,180)	8,772,791	26,751,415	(25,178)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interfund receipts (payments)	-	(340,508)	-	76,910
Receipts from other governments	3,426,450	-	-	-
Transfers in	1,162,999	-	-	-
Transfers out	-	-	-	(86,778)
Net cash provided by (used in) noncapital financing activities	4,589,449	(340,508)	-	(9,868)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Grant receipts	-	-	-	-
Acquisition of capital assets	-	(123,789)	(27,485,327)	(1,870,502)
Issuance of long-term debt	-	-	10,661,464	-
Principal payments on capital debt	-	(4,060,000)	(2,815,000)	(200,579)
Principal payments on lease	-	-	(271,203)	-
Interest paid	-	(208,779)	(5,258,061)	(95,930)
Net cash provided by (used in) capital and related financing activities	-	(4,392,568)	(25,168,127)	(2,167,011)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest	58	1,641,876	1,990,305	466,728
Net cash provided by (used in) investing activities	58	1,641,876	1,990,305	466,728
Net cash flows	(431,673)	5,681,591	3,573,593	(1,735,329)
CASH AND INVESTMENTS - Beginning of year	3,809,628	10,826,995	46,269,438	7,566,262
CASH AND INVESTMENTS - End of year	\$ 3,377,955	\$ 16,508,586	\$ 49,843,031	\$ 5,830,933
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ (4,086,510)	\$ 5,600,970	\$ 12,285,018	\$ 1,441,812
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	-	3,467,194	3,967,421	217,345
Changes in assets and liabilities:				
Receivables, net	(16,315)	(130,402)	14,391	(1,059,223)
Prepays and other assets	-	-	-	-
Accounts payable and accrued liabilities	(839,380)	227,778	10,121,863	417,209
Refundable deposits	2,887	-	-	3,450
Unearned revenue	-	2,272	-	(591,867)
Compensated absences payable	24,509	8,515	42,975	14,070
Claims payable	-	-	-	-
Net pension liability and deferred outflows/inflows	(354,057)	191,618	603,186	(112,391)
Net OPEB liability and deferred outflows/inflows	247,686	158,288	(283,439)	(299,290)
Lease receivable and deferred outflows/inflows	-	(753,442)	-	(56,293)
Net cash provided by (used in) operating activities	\$ (5,021,180)	\$ 8,772,791	\$ 26,751,415	\$ (25,178)

See accompanying Notes to Basic Financial Statements

Total Enterprise Funds	Governmental Activities	
	Internal Service Funds	
\$ 47,800,732	\$ 30,217,571	
(12,404,723)	(3,846,753)	
(4,918,161)	(2,681,942)	
-	(14,124,469)	
<u>30,477,848</u>	<u>9,564,407</u>	
(263,598)	-	
3,426,450	-	
1,162,999	426,018	
<u>(86,778)</u>	<u>(1,240,000)</u>	
<u>4,239,073</u>	<u>(813,982)</u>	
-	1,291,464	
(29,479,618)	(9,029,275)	
10,661,464	-	
(7,075,579)	(272,340)	
(271,203)	-	
<u>(5,562,770)</u>	<u>(53,678)</u>	
<u>(31,727,706)</u>	<u>(8,063,829)</u>	
4,098,967	2,727,085	
<u>4,098,967</u>	<u>2,727,085</u>	
7,088,182	3,413,681	
<u>68,472,323</u>	<u>61,434,056</u>	
<u>\$ 75,560,505</u>	<u>\$ 64,847,737</u>	
\$ 15,241,290	\$ 5,254,175	
7,651,960	2,023,873	
(1,191,549)	-	
-	(219,680)	
9,927,470	418,760	
6,337	-	
(589,595)	-	
90,069	(59,123)	
-	2,489,878	
328,356	(71,540)	
(176,755)	(271,936)	
<u>(809,735)</u>	<u>-</u>	
<u>\$ 30,477,848</u>	<u>\$ 9,564,407</u>	

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FIDUCIARY FUND FINANCIAL STATEMENTS

Fiduciary funds are presented separately from the Government-Wide and Fund financial statements.

Trust funds are used to account for assets held by the City as a trustee agent for individuals, private organizations, or other governments.

Custodial funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governments.

The financial activities of the Trust and Custodial funds are excluded from the City-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

City of Richmond
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Private-Purpose Trust Funds	Custodial Funds
ASSETS		
Cash and investments	\$ 9,776,691	\$ 5,781,738
Restricted cash and investments	16,127,761	849,154
Accounts receivable	854	-
Interest receivable	2,530	9,030
Prepays and other assets	4,997,462	-
Total assets	30,905,298	6,639,922
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources - deferred loss on refunding	301,218	-
Total deferred outflows of resources	301,218	-
LIABILITIES		
Accounts payable and accrued liabilities	113,029	3,147
Interest payable	446,519	-
Long-term debt:		
Due within one year	6,855,000	-
Due in more than one year	32,647,830	-
Total liabilities	40,062,378	3,147
NET POSITION:		
Held in trust for other governments	(8,855,862)	-
Restricted for individuals, organizations, and other governments	-	6,636,775
Total net position	\$ (8,855,862)	\$ 6,636,775

City of Richmond
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2024

	Pension Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS:			
Property taxes	\$ -	\$ 10,171,374	\$ 1,046,160
Contributions to trust - employers	-	-	184,764
Net investment income:			
Interest income	-	910,081	313,455
Transfers from other funds	-	-	-
Gain from sale of property	-	357,223	-
Total additions	-	11,438,678	1,544,379
DEDUCTIONS:			
Community development	-	1,219,365	-
Payments in accordance with trust agreements	-	273,544	-
Interest and fiscal charges	-	1,566,348	881,287
Other	-	-	1,230,434
Total deductions	-	3,059,257	2,111,721
Change in net position	-	8,379,421	(567,342)
NET POSITION:			
Beginning of year	11,040,528	(17,235,283)	7,204,117
Prior Period Adjustments	(11,040,528)	-	-
Beginning of year, restated	-	(17,235,283)	7,204,117
End of year	\$ -	\$ (8,855,862)	\$ 6,636,775

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NOTES TO BASIC FINANCIAL STATEMENTS

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City of Richmond

Notes to Basic Financial Statements

For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Richmond, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

A. *Financial Reporting Entity*

The City was incorporated in 1905 under the laws of the State of California and adopted its charter in 1909. The City operates under a Council-Manager form of government and provides the following services to its citizens as authorized by its charter: police and fire protection, planning and community development, streets and roads, parks and recreation library, sewage treatment, drainage and capital projects. In addition, the City has a port, marina, municipal and storm sewer enterprises, a housing authority, a joint powers financing authority, and a parking authority which is inactive.

The accompanying basic financial statements present the financial activity of the City, which is the primary government presented, along with the financial activities of its component units, which are entities for which the City is financially accountable. Although they are separate legal entities, blended component units are in substance part of the City's operations and are reported as an integral part of the City's financial statements. The discretely presented component unit, on the other hand, is reported in a separate column in the basic financial statements to emphasize it is legally separate from the government.

Primary Government

The financial statements of the primary government of the City include the activities of the City as well as the Richmond Housing Authority, the Richmond Joint Powers Financing Authority, the Richmond Neighborhood Stabilization Corporation, the Richmond Parking Authority, the Richmond Municipal Sewer District, and the Richmond Surplus Property Authority all of which are controlled by and dependent on the City. While these are separate legal entities, their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed "blended") with those of the primary government of the City in the accompanying financial statements.

Blended Component Units

Richmond Housing Authority (Housing Authority) - Formed in 1941 as a separate legal entity under the provisions of the Housing Act of 1937, the Housing Authority was established to use funds provided by the Department of Housing and Urban Development (HUD) to rehabilitate local deteriorated housing and to subsidize low-income families in obtaining decent, safe, and sanitary housing needs.

Although the Housing Authority is a separate legal entity, it is an integral part of the City. The City exercises significant financial and management control over the Housing Authority and members of City Council serve as the governing board of the Housing Authority. The financial statements of the Housing Authority are included in the City's basic financial statements as an enterprise fund. Separate financial statements for the Housing Authority may be obtained by contacting the Richmond Housing Authority, 450 Civic Center Plaza 2nd Floor, Richmond, California 94804.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. Financial Reporting Entity, Continued

Blended Component Units, Continued

Richmond Joint Powers Financing Authority (JPFA) - A joint exercise of powers authority formed on December 1, 1989, by and between the City and the former Redevelopment Agency, the JPFA was created to assist the City, the Redevelopment Agency, and other local public agencies in financing and refinancing capital improvements and working capital pursuant to the Marks-Roos Local Bond Pooling Act of 1985. The JPFA is authorized to purchase obligations of the City, Redevelopment Agency, and other local public agencies.

Although the JPFA is a separate legal entity, it is an integral part of the City. The City exercises significant financial and management control over the JPFA and the members of the City Council serve as the Board of Directors. The operations of the JPFA are included in the City's basic financial statements as a debt service fund. Separate financial statements for the JPFA may be obtained by contacting Finance Department, City of Richmond, 450 Civic Center Plaza, Richmond, California 94804.

Richmond Neighborhood Stabilization Corporation (RNSC) - A California nonprofit public benefit Corporation formed in July 2009 by the City and the former Redevelopment Agency under the laws of the State of California. The Corporation was organized for the purpose of administering and operating the City's Neighborhood Stabilization Program (NSP), which includes purchasing, developing, financing, rehabilitating, land banking and/or demolishing blighted properties and foreclosed or abandoned properties utilizing the NSP funds or other public and private funding sources, and assisting the City and the Agency in providing affordable home ownership opportunities for households of low and moderate income by facilitating the financing necessary for the sale and resale of deed-restricted affordable ownership units to low and moderate income households at affordable costs, and other similar functions.

The Corporation is governed by a board of directors consisting of the City Manager, the Finance Director, and five other City and Housing Authority Directors. Although the RNSC is a separate legal entity, it is an integral part of the City. The City exercises significant financial and management control over the RNSC and members of the Board of Directors are appointed by City Council and City management has operational responsibility for the RNSC. The operations of the RNSC are included in the City's basic financial statements as a special revenue fund. Separate financial statements for the RNSC may be obtained by contacting the Finance Department under RNSC, City of Richmond, 450 Civic Center Plaza, Richmond, California 94804.

Richmond Surplus Property Authority - Formed to become the owner of certain property declared surplus by the U.S. Government, the Authority is a separate legal entity but it is an integral part of the City. The City exercises significant financial and management control over the Authority and members of the City Council serve as the governing board of the Authority. The Authority was reactivated in fiscal year 2011 to facilitate certain Port of Richmond transactions. The financial activities of the Authority are included in the Port of Richmond Enterprise Fund. Separate financial statements are not issued for the Authority.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. Financial Reporting Entity, Continued

Blended Component Units, Continued

Richmond Parking Authority (Parking Authority) - Formed in 1975 pursuant to the provisions of California statutes for the purpose of financing the construction of off-street parking facilities. Although the Parking Authority is a separate legal entity, it is an integral part of the City. The City exercises significant financial and management control over the Parking Authority and members of the City Council serve as the governing board of the Parking Authority. The Parking Authority is inactive.

Richmond Municipal Sewer District (RMSD) - The Richmond Municipal Sewer District (RMSD) was established on September 17, 1956, pursuant to the Municipal Sewer District Act of 1911. It encompasses approximately fourteen square miles of the City of Richmond. The district was formed to provide "wastewater collection and treatment for the residents and businesses located in the central part of the City of Richmond".

The RMSD contracts the operation and maintenance of the Wastewater Treatment Plant and the Sanitary Sewer Collection System to Veolia Water North America (formerly US Filter). However, the City of Richmond still maintains complete ownership of all the assets for both the wastewater treatment plant and the collection system.

The district is a separate legal entity, but it is an integral part of the City. The City exercises significant financial and management control over the district and members of the City Council serve as the governing board of the district. The financial activities of the district are included in the Municipal Sewer Enterprise Fund. Separate financial statements are not issued for the district.

Discretely Presented Component Units

RHA Properties - A joint powers agreement between the City and the Housing Authority formed in 2004 for the purpose of owning and managing the operations of an affordable housing residential complex known as The Hilltop at Westridge Apartments in the City, dedicated to the needs of elderly persons. The City and the Housing Authority funded the acquisition of this complex through the issuance of debt. The City and Housing Authority exercise significant financial and management control over RHA Properties and appoint members of the Board of Directors, however RHA Properties manages its own programs separate from the City or the Housing Authority. Therefore, the financial activities of RHA Properties are discretely presented in the RHA Properties Component Unit column of the Statement of Net Position and the Statement of Activities.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

A. Financial Reporting Entity, Continued

Discretely Presented Component Units, Continued

RHA Housing Corporation - RHA Housing Corporation was incorporated and registered on January 26, 2004 as a California nonprofit public benefit corporation to benefit and support the RHA with respect to the Easter Hill development. RHA Housing Corporation entered into RAD Conversion redevelopment activities and it acts as the sole and managing member of RHA RAD LLC. The Corporation's fiscal year ends on December 31. The City and Housing Authority exercise significant financial and management control over RHA Housing Corporation and appoint members of the Board of Directors, however RHA Housing Corporation manages its own programs separate from the City or the Housing Authority. Therefore, the financial activities of RHA Housing Corporation are discretely presented in the RHA Housing Corporation Component Unit column of the Statement of Net Position and the Statement of Activities. Separate financial statements for RHA Housing Corporation may be obtained by contacting the Richmond Housing Authority, 450 Civic Center Plaza 2nd Floor, Richmond, California 94804.

RHA RAD LLC - A California limited liability company was formed on July 11, 2013 by RHA Housing Corporation, the sole and managing member. The company is operated exclusively to further the tax exempt charitable purposes of the sole and managing member to provide affordable housing for low-income persons where no adequate housing exists for such persons, and to own and operate housing for the benefit of low-income persons who are in need of affordable, decent, safe and sanitary housing and related services, where an inadequate supply of housing exists for such persons. The City and Housing Authority exercise significant financial and management control over RHA RAD LLC and RHA Housing Corporation is the sole member of RHA RAD LLC, however RHA RAD LLC manages its own programs separate from the City or the Housing Authority. Therefore, the financial activities of RHA RAD LLC are discretely presented in the RHA RAD LLC Component Unit column of the Statement of Net Position and the Statement of Activities. Separate financial statements for RHA RAD LLC may be obtained by contacting the Richmond Housing Authority, 450 Civic Center Plaza 2nd Floor, Richmond, California 94804.

In order for the Authority to proceed in its participation into the RAD Program as discussed in Note 18, RHA RAD LLC shall act as the managing general partner of RHA RAD Housing Partnership LP.

B. 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, deferred outflows/inflows of resources, 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.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Government-Wide Financial Statements

The Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Fiduciary activities of the City are not included in these statements; they are presented separately.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The Government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows/inflows of resources and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents all the City's revenues, expenses and other changes in Net Position. 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.

Certain eliminations have been made in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total column. In the Statement of Activities, internal service fund transactions have been eliminated. However, transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

The City applies all applicable GASB pronouncements including all NCGA Statements and Interpretations currently in effect.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and in the aggregate for all non-major funds. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-Wide financial statements.

All governmental funds are accounted for on the “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

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. Accordingly, revenues are recorded when received such as business licenses and fines and penalties in cash, except that revenues subject to accrual (generally ninety days after the fiscal year-end) are recognized when due. 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, certain other intergovernmental revenues, and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred also generally ninety days after the fiscal year end.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences between the two approaches.

The City reports the following major governmental funds in the accompanying financial statements:

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.

Community Development and Loan Programs Special Revenue Fund – accounts for the receipt of Community Development Block Grant, HOME Investment Partnership Program, and Neighborhood Stabilization Program grant monies and the use of the grants. The Fund also accounts for the low and moderate income housing activities of the City as Housing Successor to the former Redevelopment Agency. Related to the grant disallowed costs discussed in Note 4, the City purchased certain loans that had previously been funded with Community Development Block Grant and HOME funds. The grants and loan programs are 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.

American Plan Rescue Plan Act Fund – accounts for funding received from federal government in conjunction with the American Rescue Plan Act to provide resources to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

General Capital Improvement Fund – accounts for monies designated for capital improvement projects.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and in the aggregate for all non-major funds. A column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the Government-Wide Financial Statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, liabilities and deferred outflows/inflows of resources (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position.

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.

The City reports the following major enterprise funds as proprietary funds of the City:

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.

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.

The City also reports the following proprietary fund type:

Internal Service Funds - The funds account for insurance reserves, equipment services and replacement and compensated absences all of which are provided to other departments on a cost-reimbursement basis.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position, and a Statement of Changes in Fiduciary Net Position. The City's Fiduciary funds represent Private-Purpose Trust funds and Custodial funds. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Private-Purpose Trust funds are accounted for on an economic resources measurement focus under the accrual basis of accounting.

The City reports the following fiduciary fund types:

Trust Funds - The Pt. Molate Private-Purpose Trust Fund is used to account for assets held by the City as an agent for the U.S. Navy and a private developer for the cleanup of Point Molate as discussed in Note 18. The Successor Agency to the Richmond Community Redevelopment Agency Private-Purpose Trust Fund was established as of February 1, 2012 to account for the activities of the Successor Agency to the former Richmond Community Redevelopment Agency as discussed in Note 19. The financial activities of the Trust Funds are excluded from the Government-wide financial statements, but are presented in the separate Fiduciary Fund financial statements.

Custodial Funds - These funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments, including special assessment districts within the City and non-public organizations. The financial activities of these funds are excluded from the government-wide financial statement, but are presented in separate Fiduciary Fund financial statements.

C. Cash and Investments

The City maintains a cash and investments pool that is available for use by all funds. Each fund's portion of this pool is displayed as cash and investments on the balance sheet for governmental funds and the statements of net position for proprietary and fiduciary funds. Investments are stated at fair value.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB Statement No. 3)*, certain disclosure requirements for deposits and investment risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Cash and Investments, Continued

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid money market investments with maturities of one-year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City did not have any investments measured using Level 3 inputs as of June 30, 2024.

The City participates in an investment pool managed by the State of California entitled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the change in interest rates.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "cash and investments" in the accompanying basic financial statements.

For the purpose of the statement of cash flows, the City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash and equivalents defined above.

D. Prepaids and Supplies

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed, rather than when purchased. Prepaid items in governmental funds are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

Supplies are valued at cost using the weighted average method. Supplies of the governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure in the governmental funds at the time individual inventory items are consumed rather than when purchased. Reported governmental fund inventories are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Capital Assets

Capital assets are valued at historical cost or at estimated acquisition value on the date donated. If actual historical costs are not available, assets have been valued at approximate historical cost. The City’s policy is to capitalize assets costing at least \$5,000, and the Housing Authority’s policy is to capitalize assets costing at least \$1,000. Depreciation is recorded on a straight-line basis over the following estimated useful lives:

Type	Useful Life
Improvements other than buildings	20 years
Buildings and building improvements	20 - 50 years
Vehicles	3 - 10 years
Infrastructure	25 - 50 years
Machinery and equipment	3 - 20 years

Infrastructure includes streets systems, parks and recreation lands and improvement systems, storm water collection systems, and buildings combined with site amenities such as parking and landscaped areas used by the City in the conduct of its business. Each major infrastructure system is divided into subsystems. For example, the street system includes pavement, curbs and gutters, sidewalks, medians, streetlights, traffic control devices such as signs, signals and pavement markings, landscaping and land. In the case of the initial capitalization of general infrastructure assets reported by governmental activities, the City chose to include all such items regardless of their acquisition date or amount.

Net interest costs incurred during the construction of capital assets for the business-type and proprietary funds are capitalized as part of the asset’s cost.

F. Property Held for Resale

Property held for resale is accounted for at the lower of cost or net realizable value or agreed upon sales price if a disposition agreement has been made with a developer.

The City received five properties for resale in fiscal year 2013 with a book value of \$573,822 from the acceptance of a deed in lieu of foreclosure on the property related to developer defaults on prior loans under the Richmond Neighborhood Stabilization loan program discussed in Note 4. These properties were rehabilitated during fiscal years 2014 and 2015 increasing the carrying value by a total of \$749,716 and \$39,303, respectively. In fiscal year 2014, the City received an additional four properties with a carrying value of \$648,238. Six properties were sold in fiscal year 2016, the remaining two properties held for resale had a book value of \$671,255 as of June 30, 2017. In fiscal year 2018, one property was sold during the year, and the carrying value of the one remaining property held for resale was \$78,016 as of June 30, 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

G. Property Taxes

The State of California’s Constitution limits the combined maximum property tax rate on any given property to 1% of its assessed value except for voter approved incremental property taxes. Assessed value equals purchase price and may be adjusted by no more than 2% per year unless the property is modified, sold, or transferred. The State Legislature distributes property tax receipts from among the counties, cities, school districts, and other districts.

Contra Costa County assesses properties and bills for and collects property taxes as follows:

	Secured	Unsecured
Valuation/lien dates	January 1	March 1
Levied dates	July 1	July 1
Due dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10 (for November) April 10 (for February)	August 31

The term “unsecured” refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed. Property taxes levied are recorded as revenue in the fiscal year of levy.

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The first item that qualifies for reporting in this category is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also has deferred outflows of resources related to pensions and OPEB as discussed in Notes 12 and 14.

In addition to liabilities, the statement of net position or balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The first item which qualifies for reporting in this category arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is only reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: loans receivable, grants receivable and interest on interfund advances. See Note 9 for further discussion. The City also has deferred inflows of resources related to leases, pensions and OPEB as discussed in Note 5, Notes 12 and 14. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Net Position and Fund Balances

Net Position

In the City-wide financial statements, Net Position is classified as follows:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation plus deferred outflows of resources associated with the refunding of related capital debt, reduced by outstanding debt that was used for the acquisition, construction, or improvement of these capital assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments. In addition, net position restricted for pension benefits are restricted as a result of enabling legislation.

Unrestricted Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City’s policy is to apply restricted net position first.

Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund’s cash and receivables, less its liabilities.

The City’s fund balances are classified based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendable represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, interfund advances and notes receivable are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

Committed fund balances have constraints imposed by formal action of the City Council which may be altered only by the same formal action of the City Council. The highest level of formal action of the City Council is an Ordinance.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. *Net Position and Fund Balances, Continued*

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee, the Finance Director, and may be changed at the discretion of the City Council or its designee, during the budget approval process or via budget amendments in accordance with the City's adopted budget policy. This category includes encumbrances; nonspendables, when it is the City's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

J. *Compensated Absences*

Compensated absences comprise unused vacation and certain other compensated time off, which are accrued and charged to expense as earned. Governmental funds include only amounts that have matured, while their long-term liabilities are recorded in the Statement of Net Position.

K. *Bond Issuance Costs, Original Issue Discounts and Premiums and Deferred Charge on Refunding*

For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Any differences between proprietary refunded debt and the debt issued to refund it, called a deferred charge on refunding, is amortized over the remaining life of either the refunded debt or the refunding debt, whichever is shorter. The deferred charge on refunding is reported as a deferred inflow or outflow of resources, as applicable. Bond issuance costs, other than prepaid insurance, are expensed in the year incurred.

L. *Pension*

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. *Other Post Employment Benefits (OPEB)*

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plans and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Trust and the PARS Trust. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

N. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool for all funds. Certain restricted funds that are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investment held by trustees. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related funds.

The following is a summary of cash and investments at June 30, 2024:

	Government-Wide Statement of Net Position					
	Primary Government			Total Discrete Component Units	Fiduciary Funds	Total Cash and Investments
	Governmental Activities	Business-Type Activities	Total Primary Government			
Cash and investments	\$ 288,117,958	\$ 74,282,509	\$ 362,400,467	\$ 125,427	\$ 15,558,429	\$ 378,084,323
Restricted cash and investments	16,172,834	1,277,996	17,450,830	-	16,976,915	34,427,745
Total cash and investments	<u>\$ 304,290,792</u>	<u>\$ 75,560,505</u>	<u>\$ 379,851,297</u>	<u>\$ 125,427</u>	<u>\$ 32,535,344</u>	<u>\$ 412,512,068</u>

A. Classification

Cash and investments at June 30, 2024 consist of the following:

Primary Government:

Local Agency Investment Funds (LAIF)	\$ 70,769,777
CalTrust Short-Term Fund	216,908,058
CalTrust Medium-Term Fund	91,320
PARS Pension Plan Investment	2,205,685
Wellington Trust Company Mutual Fund (Police and Firemen's Plan)	9,719,501
Money Market Mutual Funds (U.S. Securities)	78,006,722
Held by Trustee:	
Money Market Mutual Funds (U.S. Securities)	14,188,513
Guaranteed Investment Contracts	625,001
Total investments	<u>392,514,577</u>
Cash in banks and on hand - Primary Government	19,872,064
Cash in banks - RHA	125,427
Total cash on hand and deposits	<u>19,997,491</u>
Total cash and investments	<u>\$ 412,512,068</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

B. Deposits

The carrying amount of the City's cash deposit was \$19,997,491 at June 30, 2024. Bank balances before reconciling items were a positive amount of \$25,964,646 at June 30, 2024. The City's cash deposit was fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The remaining amount was collateralized with securities held by pledging the financial institutions.

The California Government Code (Code) Section 53652 requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. The Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The fair value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits.

C. Investments Authorized by the Code and the City's Investment Policy

Under the provisions of the City's Investment Policy, and in accordance with California Government Code, the following investments are authorized:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum % of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Bills, Bonds and Notes	5 years	A	None	None
Obligations issued by the United States Government Federally Sponsored Agencies	5 years	N/A	None	None
Treasury bonds and notes issued by the State of California or any local agency with California	5 years	A	None	None
Commercial Paper	270 days	Top rating category	25% ^(A)	10%
Negotiable Certificates of Deposit	5 years	A	30%	None
Medium-Term Corporate Notes	5 years	A	30%	10%
Money Market Mutual Funds	N/A	Top rating category	20%	10%
Local Agency Investment Fund (LAIF)	N/A	N/A	None	\$75 Million/Account
Investment Trust of California (CalTrust)	N/A	N/A	None	None

^(A) The City may invest an additional 15% or a total of 25% of City surplus money, only if dollar weighted average maturity of the entire amount does not exceed 31 days.

Investments are stated at fair value using the aggregate method in all funds, resulting in the following investment income in all funds for the year ended June 30, 2024:

Interest income	\$ 14,748,971
Realized gain (loss) on investments	<u>(2,156,324)</u>
Total investment income	<u><u>\$ 12,592,647</u></u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

C. Investments Authorized by the Code and the City's Investment Policy, Continued

The City's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. The portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. Generally, the City's practice is to buy and hold investments until maturity dates. Consequently, the City's investments are carried at fair value.

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2024 include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments included the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as collateralized mortgage obligations) or credit card receivables.

At June 30, 2024, the City had \$70,769,777 invested in LAIF, which had invested 3.00% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 2.78% in the previous year. The LAIF fair value factor of 0.996316042 was used to calculate the fair value of the investments in LAIF.

The City reports its investment in CalTrust at the fair value amount provided by CalTrust, which is the same as the value of the pool shares. The balance in the Short-Term Fund is available for withdrawal on demand and the balance in the Medium-Term Fund is available for withdrawal upon two days' notice, and is based on the accounting records maintained by CalTrust. Included in CalTrust's investment portfolio are: United States Treasury Notes, Bills, Bonds or Certificates of Indebtedness; registered state warrants or treasury notes or bonds; California local agency bonds, notes, warrants or other indebtedness; federal agency or United States government-sponsored enterprise obligations; bankers acceptances; commercial paper; negotiable certificates of deposit; repurchase agreements; medium-term notes; money market mutual funds; notes, bonds or other obligation secured by a first priority security interest in securities authorized under Government Code Section 53651; and mortgage passthrough securities, collateralized mortgage obligations, and other asset - backed securities. CalTrust's Short-Term Fund has a target portfolio duration of 0 to 2 years and CalTrust's Medium-Term Fund has a target portfolio duration of 1 to 3 years. At June 30, 2024 the Short-Term Fund investments matured in an average of 0.87 years and the Medium-Term Fund investments matured in an average of 2.38 years.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

C. *Investments Authorized by the Code and the City's Investment Policy, Continued*

Prohibited Investments

Under the City's Investment Policy, the City imposed restrictions on investments. The City cannot invest in any funds in inverse floaters, range notes, or interest only Separate Trading of Registered Interest and Principal of Securities (STRIPS) that are derived from a pool of mortgages, or in any security that could result in zero interest accrual if held to maturity (other than money market mutual funds). It is the City's policy not to invest in companies involved in the manufacturing of tobacco and tobacco-related products. The City will not investment any funds in international financial instruments that benefited from slavery, in Fossil Fuel companies, or in stocks, bonds, securities, or other obligations issued by provider of Data Broker or Extreme Vetting services to United States Immigration and Customs Enforcement (ICE).

D. *Investments Authorized by Debt Issues and Lease Agreements*

Under the terms of the City's and Authority's debt issues and lease agreements, the City are subject to various restrictions in the type, maturity and credit ratings of investments of the unspent proceeds of these issues. These restrictions are generally no more restrictive than those listed above regarding investment of the City's funds. In addition, some bond indentures authorize investments in guaranteed investment contracts and investment agreements with maturity dates that coincide with the applicable debt maturities. At June 30, 2024, the City was in compliance with the terms of all these restrictions.

E. *Interest Rate Risk*

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

E. Interest Rate Risk, Continued

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity or earliest call date:

	Remaining Maturity (in Months)				Total
	12 months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months	
<i>Primary Government:</i>					
Local Agency Investment Funds (LAIF)	\$ 70,769,777	\$ -	\$ -	\$ -	\$ 70,769,777
CalTrust Short-Term Fund	216,908,058	-	-	-	216,908,058
CalTrust Medium-Term Fund	91,320	-	-	-	91,320
PARS Pension Plan Investment	2,205,685	-	-	-	2,205,685
Wellington Trust Company Mutual Fund (Police and Firemen's Plan)	9,719,501	-	-	-	9,719,501
Money Market Mutual Funds (U.S. Securities)	78,006,722	-	-	-	78,006,722
Held by Trustee:					
Money Market Mutual Funds (U.S. Securities)	14,188,513	-	-	-	14,188,513
Guaranteed Investment Contracts	-	625,001	-	-	625,001
Total Investments	\$ 391,889,576	\$ 625,001	\$ -	\$ -	392,514,577
Cash in banks and on hand - Primary Government					19,872,064
Cash in banks - RHA Housing Corporation					125,427
Total Cash and Investments					\$ 412,512,068

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

F. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating at June 30, 2024 for each investment type:

Investment Type	Credit Quality Rating as of Year-End			Total
	AAA	AAf/S1+	AA-f/S1	
Money Market Mutual Funds (U.S. Securities)	\$ 14,188,513	\$ -	\$ -	\$ 14,188,513
CalTrust Short-Term Fund	-	216,908,058	-	216,908,058
CalTrust Medium-Term Fund	-	-	91,320	91,320
Totals	<u>\$ 14,188,513</u>	<u>\$ 216,908,058</u>	<u>\$ 91,320</u>	<u>231,187,891</u>
<i>Not Rated:</i>				
Local Agency Investment Funds (LAIF)				70,769,777
PARS Pension Plan Investment				2,205,685
Wellington Trust Company Mutual Fund (Police and Firemen's Plan)				9,719,501
Guaranteed Investment Contracts				625,001
Money Market Mutual Funds (U.S. Securities)				78,006,722
Total Investments				<u>392,514,577</u>
Cash in Banks and On Hand - Primary Government				19,872,064
Cash in Banks - RHA Housing Corporation				125,427
Total Cash and Investments				<u>\$ 412,512,068</u>

G. Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the City's investments were subject to custodial credit risk for the current year.

H. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

I. Fair Value Hierarchy, Continued

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2024:

Investment Type	Fair Value Measurement Using			Total Fair Value
	Level 1	Level 2	Level 3	
<i>Investments Measured at Amortized Cost</i>				
Held by Trustee:				
Guaranteed Investment Contracts				\$ 625,001
Money Market Mutual Funds				14,188,513
<i>Investments not subject to levelling:</i>				
Local Agency Investment Funds (LAIF)				70,769,777
CalTrust Short-Term Fund				216,908,058
CalTrust Medium-Term Fund				91,320
PARS Pension Plan Investment				2,205,685
Wellington Trust Company Mutual Fund (Police and Firemen's Plan)				9,719,501
Money Market Mutual Funds (U.S. Securities)				78,006,722
Total Investments				<u>\$ 392,514,577</u>

I. Concentration of Credit Risk

The City had no significant investments in the securities of any individual issuers, other than U.S. Treasury securities, investment pools and money market funds at June 30, 2024.

3. INTERFUND TRANSACTIONS

A. Due To/From Other Funds

Due to/from other fund balances arise in the normal course of business and represent short-term borrowings occurring as a result of expenditures which are paid prior to the receipt of revenues. These balances are expected to be repaid shortly after the end of the fiscal year when revenues are received. The amount for due from one fund to another at June 30, 2024 were as follows:

Due to Other Funds	Due from Other Funds	
	General Fund	Total
Nonmajor Governmental Funds	\$ 3,239,063	\$ 3,239,063
Nonmajor Enterprise Funds	76,910	76,910
Total	<u>\$ 3,315,973</u>	<u>\$ 3,315,973</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

3. INTERFUND TRANSACTIONS, Continued

B. Advances To/From Other Funds

At June 30, 2024 the funds below had made advances which were not expected to be repaid within the next year.

Advances from Other Fund	Advances to Other Funds	
	General Fund	Total
Port of Richmond	\$ 12,144,862	\$12,144,862
Total	\$ 12,144,862	\$12,144,862

In fiscal year 2006 the General Fund established repayment terms for its advance of \$17,139,855 to the Port of Richmond Enterprise Fund to assist the Port with various lease transactions and other projects. The advance did not bear interest for the first three years; the next five years it bore an interest rate of 4%, with the balance payable on or before June 30, 2015. The advance repayment terms were amended in October 2013, effective June 30, 2013, to convert the accrued unpaid interest of \$745,119 to principal and reduce the advance balance by \$842,877, and the advance no longer bears interest. Annual principal payments of \$150,000 are due beginning June 30, 2014 through June 30, 2066, with a final principal payment of \$32,593 due on June 30, 2067, and in addition to those payments, the annual berthing cost of the vessel Red Oak Victory at the Port that is to be paid by the General Fund will instead offset and reduce the principal balance of the advance based on an established rental schedule. Historical rental payments from August 2004 to June 30, 2012 totaling \$842,877 were applied to the principal balance of the loan as of June 30, 2013. Another provision of the amended agreement provides that upon the sale of any Port property, including Terminal One and Terminal Four, the proceeds from the sale are to be used to repay and reduce the principal balance of the advance. The balance of the advance as of June 30, 2024 is \$12,144,862.

C. Transfers In/Out

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of the transfers is to move General Fund resources to provide funding for capital projects and an annual subsidy to non-major governmental funds, as well fund debt service. Transfers between funds during the fiscal year ended June 30, 2024 were as follows:

Transfers Out	Transfers In					Total
	General Fund	General Capital Improvement Fund	Nonmajor Governmental Funds	Richmond Housing Authority	Internal Service Funds	
General Fund	\$ -	\$ 17,579,926	\$ 9,416,482	\$ 1,162,999	\$ 426,018	\$ 28,585,425
Nonmajor Governmental Funds	21,550,727	-	8,343,097	-	-	29,893,824
Nonmajor Enterprise Funds	86,778	-	-	-	-	86,778
Internal Service Funds	-	1,240,000	-	-	-	1,240,000
Total	\$ 21,637,505	\$ 18,819,926	\$ 17,759,579	\$ 1,162,999	\$ 426,018	\$ 59,806,027

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

3. INTERFUND TRANSACTIONS, Continued

C. Transfers In/Out, Continued

None of these transfers were unusual or non-recurring in nature.

4. NOTES AND LOANS RECEIVABLE

At June 30, 2024, notes and loans receivable consisted of the following:

	Balance at June 30, 2024
General Fund:	
RHA RAD Project Loan	\$ 766,528
Deferred Loans	221,335
Infill Phase II Loan	1,529,817
Nevin Court Homeowner Development Project	545,057
Subtotal - General Fund Loans	<u>3,062,737</u>
Richmond Neighborhood Stabilization Loans	<u>779,013</u>
Community Development Block Grant, Home Investment Partnership Program, EDA, CALHome Loans and City Loans	
Deferred Loans	2,832,010
Home Improvement Program Loans	737,766
Rental Rehabilitation Loans	366,799
The Carquinez Project	148,490
Creely Avenue Housing Rehabilitation Loan (Arbors)	2,643,699
Lillie Mae Jones Project Loan	997,291
Greater Richmond Interfaith Program	946,958
CALHome Program	2,087,310
Nevin Plaza	1,750,000
RHA RAD Project Loan	3,840,702
Subtotal - CDBG, HOME, EDA, CALHome Loans, City Loans	<u>16,351,025</u>
Housing Successor Loans:	
Rental Rehabilitation Loans	20,000
The Carquinez Project	1,152,510
Creely Avenue Housing Rehabilitation Loan (Arbors)	2,487,893
Lillie Mae Jones Project Loan	1,999,301
Miraflores Loan	3,472,661
MacDonald Place Senior Housing	3,136,177
Greater Richmond Interfaith Program	314,082
Silent Second Mortgage Loans	1,726,104
Deferred Loans	633,126
Chesley Avenue Mutual Housing Development	6,448,915
Easter Hill Project	4,858,047
RHA RAD Project Loan	1,193,417
Subtotal - Housing Successor Loans	<u>27,442,233</u>
American Rescue Plan Act Fund:	
Nevin Plaza	<u>1,750,000</u>
Total Notes and Loans Receivable	<u>\$ 49,385,008</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. NOTES AND LOANS RECEIVABLE, Continued

RHA RAD Project

In December 2014, the General Fund loaned \$700,000 to the Richmond Housing Authority Enterprise Fund for predevelopment costs related to the Triangle Court and Friendship Manor Rental Assistance Demonstration (RAD) Projects.

In December 2015, the loan agreement was replaced and the City entered into an amended agreement to loan \$5,400,000 to the RHA Housing Corporation for the furtherance of the development of the RAD Projects as discussed in Note 18. Funding for the loan was revised in fiscal year 2018 and is as follows: \$700,000 from the City's General Fund, \$3,600,000 from housing-in-lieu funds, and \$1,100,000 from the Housing Successor funds. The housing-in-lieu funds and Housing Successor Funds are included in the Community Development and Loan Programs Fund. RHA Housing Corporation assigned the loan agreement and associated obligations to RHA RAD Housing Partners L.P. on December 22, 2015 upon closing of the financing for the rehabilitation of the RAD projects. See Note 18 for additional information related to the RAD projects. The loan is secured by a leasehold deed of trust, assignment of rents and security agreement. The loan bears simple interest of 1% and the loan is repayable from residual receipts, as defined in the loan agreement, starting May 1 of the year after issuance of the Certificate of Completion, and unpaid principal and accrued interest is due December 1, 2070. As noted above, \$700,000 of the General Fund loan was disbursed in December 2014 and the balance at June 30, 2024, including accrued interest, was \$766,528. As of June 30, 2024, \$5,034,119 of the funds had been drawn down from the Housing Successor Community Development and Loan Programs Fund.

Deferred Loans

Deferred loans are granted to low and moderate income families to assist them in purchasing their homes. Emergency repair loans not exceeding \$10,000 funded by the HOME Investment Partnership Program (HIPP) are provided to low income families in Richmond to assist them in rehabilitating their existing housing units. These loans are required to be repaid over a period of 15 years to 30 years.

During fiscal year 2019, the City's General Fund purchased a portion of the deferred loans in the amount of \$353,335 and the loans were transferred to the General Fund. As of June 30, 2024, the outstanding loan amount is \$221,335. In addition, as of June 30, 2024, \$2,832,010 of the funds had been drawn down from the CDBG & Home Program Fund and \$633,126 from the Successor Housing Agency Fund.

Scattered Site Infill Housing Development (Infill Phase II)

Under a loan agreement dated September 30, 2010, the City loaned Community Housing Development Corporation of North Richmond \$1,198,013 to fund construction of 36 townhomes to be made available for very-low and low income households. Funding for the loan was as follows: \$602,556 in HOME funds, \$266,000 in CDBG funds and \$329,457 in CDBG-R. Although the developer has not drawn down all of the proceeds from the HOME funds portion of the loan, the Department of Housing and Urban Development (HUD) has indicated that future drawdowns will not be reimbursed by the grantor. Related to the grant disallowed costs discussed in Note 17, during fiscal year 2018 the City purchased \$1,331,709 of the loan balance that had previously been funded with Community Development Block Grant and HOME funds.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. NOTES AND LOANS RECEIVABLE, Continued

Scattered Site Infill Housing Development (Infill Phase II), Continued

During fiscal year 2019, the City's General Fund purchased the loan balance in the amount of \$1,099,594 and the loan and accrued interest of \$265,104 were transferred to the General Fund.

The current funding was for predevelopment activities in conjunction with the construction and development of the townhomes. The loan is secured by a deed of trust on the property. The outstanding balance of the loan bears simple interest at the rate of 3% per year. The payment of principal and interest is deferred and due at the end of the term due September 30, 2065. As of June 30, 2024, \$1,529,817, which includes accrued interest of \$430,223 had been drawn down on the loan.

Nevin Court Homeowner Development Project

In May 2005, the City entered into an agreement with Community Housing and Development Corporation of North Richmond (Development), in the original amount of \$227,000 to construct and develop 10 single family homes for low and moderate income households. The agreement was amended in November 2008, to increase the loan to \$377,000. In fiscal year 2010, the Development drew down \$343,839, in fiscal year 2016 an additional \$21,453 was drawn, and the outstanding balance of the loan is \$490,203, which includes accrued interest of \$124,911. The loan bears interest of 3% per year and the unpaid balance is due in November 2063.

During fiscal year 2019, the City's General Fund purchased the loan balance in the amount of \$365,292 and the loan and accrued interest of \$124,911 were transferred to the General Fund. As of June 30, 2024, \$545,057, which includes accrued interest of \$179,765, had been drawn down on the loan.

Richmond Neighborhood Stabilization Loans

The Richmond Neighborhood Stabilization Corporation (RNSC) operates a residential rehabilitation loan program financed by Department of Housing and Urban Development grants that have passed through the City under its Neighborhood Stabilization Program (NSP1) and additional allocation under the third round of funding referred to as (NSP3). The program provides affordable home ownership opportunities for households of low and moderate income by facilitating the development financing necessary for the purchase, rehabilitation, and resale of deed-restricted affordable ownership units. During fiscal year 2014, the City foreclosed on seven of the loans with a carrying value of \$780,153 and reacquired the properties which have been recorded as property held for resale as discussed in Note 2. As of June 30, 2024, the total balance of outstanding loans for NSP1 was \$779,013 and no NSP3 loans had been issued. Loans are payable upon the resale of improved properties.

Home Improvement Program Loans

"Silent second" mortgage loans are provided to low and moderate income first time homebuyers as gap financing to provide the minimum amount needed to close the gap between the primary lender's requirements and the borrower's ability to pay down payments or closing costs.

Home improvement program loans include amortized loans to assist low income families in Richmond in the improvement of their homes. The interest rates for these loans range from 0% to 3% and are payable over a period of 15 to 30 years.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. NOTES AND LOANS RECEIVABLE, Continued

Rental Rehabilitation Loans

Rental Rehabilitation Loans help make rental units affordable to low and very low income housing families. Loans assist private and non-profit owners in purchasing and rehabilitating existing multifamily housing units.

The Carquinez Project

Under a loan agreement dated November 14, 2008, the former Redevelopment Agency loaned Carquinez Associates, L.P. \$1,000,000 to fund rehabilitation of a five-story building, with 36 apartments housing low-income seniors. On August 23, 2010 the agreement was amended to provide the Developer with a total amount of \$1,301,000. Funding for the loan is as follows: \$1,152,510 funded by Series 2007 Bonds and \$148,900 funded by CDBG. Repayments on the loan are to be made from residual receipts as defined in the agreement. The loan does not bear interest, and the unpaid principal balance is due in November 2043. With the dissolution of the Redevelopment Agency as discussed in Note 19, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result City, as Housing Successor, assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund, including the balance of the Carquinez loan as of February 1, 2012.

Creely Avenue Housing Rehabilitation (Arbors)

On September 15, 2006, the former Redevelopment Agency and the City loaned Arbors Preservation Limited Partnership the amount of \$2,558,557, to construct extremely low, very low and low income rental housing units and a new community room on Creely Avenue. On October 31, 2008, the loan was amended to provide the developer a total loan amount of \$3,208,113. Funding for the loan is as follows: \$2,160,282 in HOME funds, \$103,377 in CDBG funds and \$1,594,057 in 2007 Series B bond funds. Although the developer has not drawn down all of the proceeds from the HOME funds portion of the loan, the Department of Housing and Urban Development (HUD) has indicated that future drawdowns will not be reimbursed by the grantor. The loan bears simple interest at the rate of 3% per year. All unpaid principal and interest on the loan is due on April 29, 2063. With the dissolution of the Redevelopment Agency as discussed in Note 19, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the City, as Housing Successor, assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund, including the balance of the Arbors loan as of February 1, 2012.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. NOTES AND LOANS RECEIVABLE, Continued

Lillie Mae Jones Project

On January 19, 2010, the former Redevelopment Agency and the City entered into an agreement with Lillie Mae Jones Plaza, L.P. and the Community Housing Development Corporation of North Richmond to loan \$3,119,000 to construct and provide 26 housing units to very low and low income households. Funding for the loan is as follows: \$1,081,291 in HOME funds, \$84,000 in Section 108 funds and \$1,953,709 in 2007 Series B bonds. Although the developer has not drawn down all of the proceeds of the HOME funds portion of the loan, HUD has indicated that future drawdowns will not be reimbursed by the grantor. The loan bears an interest rate of 3% per year and repayments on the loan are to be made from residual receipts as defined in the agreement. All unpaid principal and accrued interest is due in January 2065. The agreement was amended in November 2011, due to securing a \$293,884 loan from County of Contra Costa with Mental Health Services Act, which specifies that two units are required to be available to and occupied by Mental Health Services Act Eligible Tenants pursuant to the County Regulatory Agreement with Lillie Mae Jones Plaza, L.P. With the dissolution of the Redevelopment Agency as discussed in Note 19, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the City, as Housing Successor, assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund, including the balance of the Lillie Mae Jones loan as of February 1, 2012. As of June 30, 2024, Lillie Mae Jones has drawn down \$2,996,592.

Greater Richmond Interfaith Program

The loan agreement date was on June 20, 2005. The borrower shall use the Loan funds for development and related soft costs that are eligible under the applicable CDBG and HOME regulations, and consistent with the approved development budget. In addition, the borrower shall submit to the City's Community and Economic Development Department a copy of the Construction Plans for the Development. As of June 30, 2024, Greater Richmond Interface Program has drawn down \$1,261,040.

CALHome Program

The CALHome loan program provides housing assistance to Richmond residents to assist with first-time homeowner down payments or rehabilitation projects for owner-occupied homes. The loans are secured by deeds of trust on the properties. Principal and interest on the loans are deferred for 30 years, unless otherwise specified in the promissory note. With the dissolution of the Redevelopment Agency as discussed in Note 19, the CALHome loan program that was funded with grant funds is now administered by the City effective February 1, 2012.

Housing Successor Loans

With the dissolution of the Redevelopment Agency as discussed in Note 19, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result City, as Housing Successor, assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund, including the balance of certain loans discussed above and all of the loans below as of February 1, 2012.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. NOTES AND LOANS RECEIVABLE, Continued

Miraflores Loan

Under an amended loan agreement dated June 21, 2011, the City agreed to loan Community Housing Development Corporation of North Richmond and Eden Housing, Inc., \$1,465,000 to fund the construction of 110 senior housing units for low and moderate income residents. Funding for the loan is as follows: \$449,000 in CDBG funds, \$925,000 in HOME funds, and \$91,000 Redevelopment Agency Low and Moderate Income Housing Fund funds. Although the developer has not drawn down all of the proceeds of the HOME funds portion of the loan, HUD has indicated that future drawdowns will not be reimbursed by the grantor. Related to the grant disallowed costs by HUD in previous years, the City purchased \$1,208,258 of the loan balance that had previously been funded by CDBG and HOME funds and the loans were transferred to the Housing Successor. With the dissolution of the Redevelopment Agency as discussed in Note 19, the portion of the Miraflores loan that was funded by the Redevelopment Agency's Low and Moderate Income Housing Fund was assumed by the City as Housing Successor.

The loan does not bear interest and the unpaid principal balance was due September 22, 2015, unless it was converted to a permanent loan. The loan was converted into a permanent loan on June 25, 2015. In addition to the converted permanent loan, the Housing Successor approved an additional predevelopment loan in the amount of \$1,500,000. As of June 30, 2024, \$3,472,661 of the loan had been drawn down.

MacDonald Place Senior Housing

On June 26, 2007, the former Redevelopment Agency agreed to loan MacDonald Housing Partners, L.P., and Richmond Labor and Love Community Development Corporation the amount of \$4,720,000, to construct senior housing units, a management office, small meeting rooms and ancillary retail use, and a separate space for community services. The loan's principal is due 57 years from the date of disbursement. The loan bears simple of interest of 2% per year payable from any residual receipts available from the prior calendar year with an additional 1% per year, but only to the extent that funds are available to pay such contingent interest from the Agency's share of residual receipts, as defined in the agreement.

Silent Second Mortgage Loans

Loans were provided to qualifying individuals for the difference between the amount received by the individuals who qualified for low and moderate income housing loans and the amount needed to purchase the homes. The loans are to be forgiven in the future if the property owners do not sell or refinance the property.

Chesley Avenue Mutual Housing Development

On December 1, 2003, the former Redevelopment Agency loaned Chesley Avenue Limited Partnership the amount of \$4,741,492, which includes accrued interest of \$1,272,798 to construct very low and low income housing units. The loan's principal is due in 2058; interest is payable starting May 1, 2006, at the rate of 2% per annum or in the amount of 95% of any residual receipts remaining from the prior year, whichever is less. As of June 30, 2024, \$6,448,915, which includes accrued interest of \$1,707,423, had been drawn down on the loan.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. NOTES AND LOANS RECEIVABLE, Continued

Easter Hill Project

The loan from the former Redevelopment Agency to Easter Hill Development, L.P. is providing financial assistance in the development of the Easter Hill Project. The Easter Hill Project consists of single and multifamily home components. Easter Hill Development, L.P. shall use the loan to pay for predevelopment, acquisition and construction costs. The outstanding balance of the loan bears simple interest at the rate of 2% per year. Repayments on the loan are to be made from residual receipts as defined in the agreement. All unpaid principal and accrued interest on the loan is due February 1, 2069.

Nevin Plaza I, L.P.

On March 1, 2023, the City entered into an agreement with Nevin Plaza I, L.P., in the amount of \$3,500,000, which includes \$1,750,000 to evidence developer's obligation to repay the portion of the loan funded with Coronavirus State and Local Fiscal Recovery Funds provided to the City through the American Rescue Plan Act of 2021 and \$1,750,000 with City Affordable Housing Impact Fee Funds. The loan bears interest of 3% per year, the entire outstanding principal balance of the loan together with accrued interest. The maturity date, which is the earlier of the 55th anniversary of the date upon which the city building department issue its sign off on its final inspection following completion of rehabilitation of the project and the 57th anniversary of the date of the notes.

5. LEASES RECEIVABLE

At June 30, 2024, leases receivable consisted of the following:

	Balance at June 30, 2024
Lease Receivable	
Alcatraz Cruises	\$ 2,142,661
California Oils	1,043,060
Foss Maritime	1,013,802
MSRC	7,481,416
Nematode	489,588
NRC	229,755
Point San Pablo	53,864
PRAM	550
Richmond Art Center	779,412
Richmond Bay Marina	5,183,454
Terminal Three Partners	39,273,095
Dutra	1,797,553
YWCA	32,244
AWC	3,021,360
Garamendi	6,791
Watershed Nursery	46,750
Total Lease Receivable	<u>\$ 62,595,355</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LEASES RECEIVABLE, Continued

Alcatraz Cruises

On October 15, 2021, the City entered into a lease as Lessor for the use of Basin 4 and half of Basin 3 at Point Potrero Marine Terminal and the lease end date was on October 14, 2036. An initial lease receivable was recorded in the amount of \$2,559,422 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$2,142,661. The lessee is required to make monthly fixed payments of \$15,000.00, with step payment increase to \$15,600 from October 15, 2026 to October 14, 2031 and 4% annual increase from October 15, 2031 to October 14, 2036. The lease has an interest rate of 1.2480%. The value of the deferred inflow of resources as of June 30, 2024 was \$2,096,830, and the City recognized lease revenue of \$170,628 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

California Oils

On July 1, 2016, the City entered into a lease as Lessor for the use of Terminal 2 at 1145 Harbour Way South and the lease end date was on June 30, 2026. An initial lease receivable was recorded in the amount of \$2,449,191 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$1,043,060. The lessee is required to make monthly fixed payments of \$38,868, with step payment increase to \$40,810.54 from July 1, 2022 to June 30, 2023 and 3% monthly increase from July 1, 2023 to June 30, 2026. The lease has an interest rate of 1.0590%. The value of the deferred inflow of resources as of June 30, 2024 was \$979,676 and the City recognized lease revenue of \$489,838 during the fiscal year.

Foss Maritime

On October 1, 2012, the City entered into a lease as Lessor for the use of Basin 1 and Finger Pier 2 at Point Potrero Marine Terminal and the lease end date was on February 29, 2028. An initial lease receivable was recorded in the amount of \$2,806,842 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$1,013,802. The lessee is required to make monthly fixed payments of \$21,430 from March 1, 2023 to April 30, 2023, \$22,501 from May 1, 2023 to April 30, 2024, and 3% annual increase from May 1, 2024 to February 29, 2028. The lease has an interest rate of 2.6820%. The value of the deferred inflow of resources as of June 30, 2024 was \$978,005, and the City recognized lease revenue of \$266,729 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

MSRC

On July 1, 2023, Richmond, CA entered into a lease as lessor for the use of Finger Pier 1 at 1314 Canal Boulevard and the lease end date was on June 30, 2043. An initial lease receivable was recorded in the amount of \$7,623,365 on July 1, 2023. As of June 30, 2024, the value of the lease receivable is \$7,481,416. The lessee is required to made monthly fixed payments of \$33,022.23, with step payment increase to \$34,178.01 from July 1, 2024 to June 30, 2025. The lease has an interest rate of 3.6790%. The value of the deferred inflow of resources as of June 30, 2024 was \$7,242,196, and Richmond, CA recognized lease revenue of \$381,168 during the fiscal year.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LEASES RECEIVABLE, Continued

Nematode

On July 1, 2020, the City entered into a lease as Lessor for the use of Terminal 4 at 1950 Stenmark Drive and the lease end date was on June 30, 2025. An initial lease receivable was recorded in the amount of \$719,233. As of June 30, 2024, the value of the lease receivable is \$489,588. The lessee is required to make monthly fixed payments of \$6,816.50. The lease has an interest rate of 0.8930%. The value of the deferred inflow of resources as of June 30, 2024 was \$479,488, and the City recognized lease revenue of \$79,915 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

NRC

On October 1, 2017, the City entered into a lease as Lessor for the use of Basin 3 at 1337 Canal Boulevard and the lease end date was on September 30, 2027. An initial lease receivable was recorded in the amount of \$414,304 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$229,755. The lessee is required to make monthly fixed payments of \$5,000, with step payment increase to \$5,300 from October 1, 2022 to September 30, 2023 and 4% annual increase from October 1, 2023 to September 30, 2027. The lease has an interest rate of 0.3870%. The value of the deferred inflow of resources as of June 30, 2024 was \$215,438, and the City recognized lease revenue of \$66,289 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

Point San Pablo

On June 1, 2023, the City entered into a lease as Lessor for the use of Terminal 4 at 1950 Stenmark Drive and the lease end date was on May 31, 2029. An initial lease receivable was recorded in the amount of \$62,787 on June 1, 2023. As of June 30, 2024, the value of the lease receivable is \$53,864. The lessee is required to make monthly fixed payments of \$786, with step payment increase to \$842 from June 1, 2024 to May 31, 2025 and 7% annual increase from June 1, 2025 to May 31, 2029. The lease has an interest rate of 2.3260%. The value of the deferred inflow of resources as of June 30, 2024 was \$51,450, and the City recognized lease revenue of \$10,464 during the fiscal year. The lessee has 5 extension option(s), each for 12 months.

PRAM

On September 1, 2019, the City entered into a lease as Lessor for the use of The Washington Field House at 110 East Richmond Avenue and the lease end date was on August 31, 2024. An initial lease receivable was recorded in the amount of \$10,333.79 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$550. The lessee is required to make monthly fixed payments of \$275.00. The lease has an interest rate of 0.7270%. The value of the deferred inflow of resources as of June 30, 2024 was \$544, and the City recognized lease revenue of \$3,263 during the fiscal year.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LEASES RECEIVABLE, Continued

Richmond Art Center

On July 1, 2017, the City entered into a lease as Lessor for the use of The Art Center buildings at 2540 and 2544 Barrett Avenue and the lease end date was on June 30, 2067. An initial lease receivable was recorded in the amount of \$807,820.53 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$779,412. The lessee is required to make monthly fixed payments of \$2,344, with step payment increase to \$2,503 from July 1, 2022 to June 30, 2067. The lease has an interest rate of 2.5830%. The value of the deferred inflow of resources as of June 30, 2024 was \$755,137, and the City recognized lease revenue of \$17,561 during the fiscal year.

Richmond Bay Marina - Re - assigned to SHM MBYH LLC

On July 1, 2000, the City entered into a lease as Lessor for the use of the land at 1340 Marina Way South and the lease end date was on June 30, 2055. An initial lease receivable was recorded in the amount of \$5,534,412.78 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$5,183,454. The lessee is required to make quarterly fixed payments of \$60,876. The lease has an interest rate of 2.5830%. The value of the deferred inflow of resources as of June 30, 2024 was \$5,046,082, and the City recognized lease revenue of \$162,777 during the fiscal year.

Terminal Three Partners - Re-assigned to IV1 1411 Harbor Way S. Owners LLC

On December 15, 2020, the City entered into a lease as Lessor for the use of Terminal 3 at 1411 Harbour Way South and the lease end date was on December 14, 2086. An initial lease receivable was recorded in the amount of \$39,376,061.50 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$39,273,095. The lessee is required to make monthly fixed payments of \$36,667, with step payment increase to \$38,133 from July 1, 2022 to June 30, 2023 and 2% annual increase from July 1, 2023 to December 14, 2086. The lease has an interest rate of 1.1000%. The value of the deferred inflow of resources as of June 30, 2024 was \$37,571,353, and the City recognized lease revenue of \$601,569 during the fiscal year. The lessee has 4 extension option(s), each for 120 months.

Dutra

On June 1, 2017, the City entered into a lease as Lessor for the use of Basin 2, Basin 3 and the structure at 1319 Canal Boulevard and the lease end date was on May 31, 2032. An initial lease receivable was recorded in the amount of \$2,393,510.09 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$1,797,553. The lessee is required to make monthly fixed payments of \$16,500.00, with step payment increase to \$17,160 from June 1, 2022 to May 31, 2023 and 2% annual increase from June 1, 2023 to May 31, 2032. The lease has an interest rate of 0.3160%. The value of the deferred inflow of resources as of June 30, 2024 was \$1,735,752 and the City recognized lease revenue of \$219,253 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LEASES RECEIVABLE, Continued

YWCA

On July 1, 2015, the City entered into a lease as Lessor for the use of the building at 3230 MacDonald Avenue and the lease end date was on June 30, 2025. An initial lease receivable was recorded in the amount of \$127,360.86 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$32,244. The lessee is required to make monthly fixed payments of \$2,700.00. The lease has an interest rate of 0.8930. The value of the deferred inflow of resources as of June 30, 2024 was \$31,840, and the City recognized lease revenue of \$31,840 during the fiscal year.

AWC

On May 1, 2009, the City entered into a lease as Lessor for the use of the land at 1311 Canal Boulevard and the lease end date was on December 31, 2024. An initial lease receivable was recorded in the amount of \$20,135,248.98 on July 1, 2021. As of June 30, 2024, the value of the lease receivable is \$3,021,360. The lessee is required to make annual fixed payments of \$5,718,800.00, with a fixed increase to \$5,833,350 from July 1, 2022 to June 30, 2023 and \$5,950,800 from July 1, 2023 to June 30, 2024. The lease has an interest rate of 0.8930%. The value of the deferred inflow of resources as of June 30, 2024 was \$2,876,464, and the City recognized lease revenue of \$5,752,928 during the fiscal year.

Garamendi

On January 3, 2023, the City entered into a lease as Lessor for the use of the office space located at 440 Civic Plaza and the lease end date was on January 2, 2025. An initial lease receivable was recorded in the amount of \$26,677 on January 3, 2023. As of June 30, 2024, the value of the lease receivable is \$6,791. The lessee is required to make monthly fixed payments of \$1,141. The lease has an interest rate of 2.7070%. The value of the deferred inflow of resources as of June 30, 2024 was \$6,725, and the City recognized lease revenue of \$13,302 during the fiscal year.

Watershed Nursery

On December 17, 2019, the City entered into a lease as Lessor for the use of 601 Canal Blvd Suite A and the lease end date was on December 18, 2031. An initial lease receivable was recorded in the amount of \$55,493 on July 1, 2022. As of June 30, 2024, the value of the lease receivable is \$46,750. The lessee is required to make monthly fixed payments of \$480. The lease has an interest rate of 2.8420%. The value of the deferred inflow of resources as of June 30, 2024 was \$43,763, and the City recognized lease revenue of \$5,865 during the fiscal year.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LEASES RECEIVABLE, Continued

The future revenue payments as of June 30, 2024, are as follows:

Year Ending June 30,	Alcatraz Cruises		California Oils		Foss Maritime		MSRC		Nematode		NRC	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 154,139	\$ 25,861	\$ 510,980	\$ 8,571	\$ 255,426	\$ 24,081	\$ 137,193	\$ 272,943	\$ 77,744	\$ 4,054	\$ 67,358	\$ 771
2026	156,074	23,926	532,080	3,057	270,849	17,042	156,925	267,565	80,905	3,347	70,349	505
2027	163,455	21,945	-	-	286,947	9,582	177,907	261,441	81,630	2,622	73,461	227
2028	167,326	19,874	-	-	200,580	2,023	200,203	254,522	82,362	1,890	18,587	12
2029	169,426	17,774	-	-	-	-	223,881	246,760	83,101	1,151	-	-
2030-2034	900,507	56,085	-	-	-	-	1,528,071	1,084,056	83,846	406	-	-
2035-2039	431,734	6,314	-	-	-	-	2,372,149	730,238	-	-	-	-
2040-2044	-	-	-	-	-	-	2,685,087	211,090	-	-	-	-
2045-2049	-	-	-	-	-	-	-	-	-	-	-	-
2050-2054	-	-	-	-	-	-	-	-	-	-	-	-
2055-2059	-	-	-	-	-	-	-	-	-	-	-	-
2060-2064	-	-	-	-	-	-	-	-	-	-	-	-
2065-2069	-	-	-	-	-	-	-	-	-	-	-	-
2070-2074	-	-	-	-	-	-	-	-	-	-	-	-
2075-2079	-	-	-	-	-	-	-	-	-	-	-	-
2080-2084	-	-	-	-	-	-	-	-	-	-	-	-
2085-2089	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 2,142,661	\$ 171,779	\$ 1,043,060	\$ 11,628	\$ 1,013,802	\$ 52,728	\$ 7,481,416	\$ 3,328,615	\$ 489,588	\$ 13,470	\$ 229,755	\$ 1,515

Year Ending June 30,	Point San Pablo		PRAM		Richmond Art Center		Richmond Bay Marina		Terminal Three Partners		Dutra	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 8,999	\$ 1,158	\$ 550	\$ 1	\$ 10,022	\$ 20,014	\$ 110,682	\$ 132,822	\$ 44,306	\$ 431,781	\$ 209,218	\$ 5,378
2026	9,929	939	-	-	10,284	19,752	113,568	129,936	54,366	431,243	214,179	4,710
2027	10,931	697	-	-	10,552	19,483	116,530	126,974	64,728	430,593	219,240	4,026
2028	12,011	432	-	-	10,828	19,208	119,570	123,934	75,400	429,827	224,406	3,325
2029	11,994	140	-	-	11,111	18,925	122,688	120,816	86,389	428,943	229,677	2,609
2030-2034	-	-	-	-	60,067	90,112	663,141	554,379	608,418	2,127,026	700,833	3,355
2035-2039	-	-	-	-	68,339	81,840	754,249	463,271	935,219	2,084,932	-	-
2040-2044	-	-	-	-	77,749	72,430	857,874	359,646	1,310,924	2,023,567	-	-
2045-2049	-	-	-	-	88,455	61,723	975,736	241,784	1,741,464	1,940,083	-	-
2050-2054	-	-	-	-	100,636	49,543	1,109,791	107,729	2,233,436	1,831,290	-	-
2055-2059	-	-	-	-	114,494	35,685	239,625	3,881	2,794,173	1,693,613	-	-
2060-2064	-	-	-	-	130,260	19,919	-	-	3,431,824	1,523,054	-	-
2065-2069	-	-	-	-	86,615	3,492	-	-	4,155,443	1,315,143	-	-
2070-2074	-	-	-	-	-	-	-	-	4,975,085	1,064,883	-	-
2075-2079	-	-	-	-	-	-	-	-	5,901,916	766,698	-	-
2080-2084	-	-	-	-	-	-	-	-	6,948,327	414,361	-	-
2085-2089	-	-	-	-	-	-	-	-	3,911,677	56,257	-	-
Total	\$ 53,864	\$ 3,366	\$ 550	\$ 1	\$ 779,412	\$ 512,126	\$ 5,183,454	\$ 2,365,172	\$ 39,273,095	\$ 18,993,294	\$ 1,797,553	\$ 23,403

Year Ending June 30,	YWCA		AWC		Garamendi		Watershed Nursery		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 32,244	\$ 156	\$ 3,021,360	\$ 13,490	\$ 6,791	\$ 54	\$ 4,847	\$ 1,267	\$ 4,651,859	\$ 942,402
2026	-	-	-	-	-	-	5,235	1,124	1,674,743	903,146
2027	-	-	-	-	-	-	5,643	970	1,211,024	878,560
2028	-	-	-	-	-	-	6,074	804	1,117,347	855,851
2029	-	-	-	-	-	-	6,527	626	944,794	837,744
2030-2034	-	-	-	-	-	-	18,424	695	4,563,307	3,916,114
2035-2039	-	-	-	-	-	-	-	-	4,561,690	3,366,595
2040-2044	-	-	-	-	-	-	-	-	4,931,634	2,666,733
2045-2049	-	-	-	-	-	-	-	-	2,805,655	2,243,590
2050-2054	-	-	-	-	-	-	-	-	3,443,863	1,988,562
2055-2059	-	-	-	-	-	-	-	-	3,148,292	1,733,179
2060-2064	-	-	-	-	-	-	-	-	3,562,084	1,542,973
2065-2069	-	-	-	-	-	-	-	-	4,242,058	1,318,635
2070-2074	-	-	-	-	-	-	-	-	4,975,085	1,064,883
2075-2079	-	-	-	-	-	-	-	-	5,901,916	766,698
2080-2084	-	-	-	-	-	-	-	-	6,948,327	414,361
2085-2089	-	-	-	-	-	-	-	-	3,911,677	56,257
Total	\$ 32,244	\$ 156	\$ 3,021,360	\$ 13,490	\$ 6,791	\$ 54	\$ 46,750	\$ 5,486	\$ 62,595,355	\$ 25,496,283

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. CAPITAL ASSETS

The following is a summary of capital assets for governmental activities:

	Balance at July 1, 2023	Additions	Retirements	Transfers	Adjustment	Balance at June 30, 2024
<i>Governmental Activities</i>						
Capital assets not being depreciated:						
Land	\$ 24,634,683	\$ -	\$ -	\$ -	\$ -	\$ 24,634,683
Construction in progress	46,446,200	17,610,682	-	(3,103,993)	-	60,952,889
Total capital assets not being depreciated	71,080,883	17,610,682	-	(3,103,993)	-	85,587,572
Capital assets being depreciated:						
Buildings and improvements	157,794,660	-	-	-	-	157,794,660
Machinery and equipment	56,924,052	3,900,383	(698,871)	2,864,138	-	62,989,702
Land improvements and infrastructure	547,534,722	-	-	239,855	-	547,774,577
Total capital assets being depreciated	762,253,434	3,900,383	(698,871)	3,103,993	-	768,558,939
Less accumulated depreciation for:						
Buildings and improvements	(58,689,696)	(3,635,162)	-	-	-	(62,324,858)
Machinery and equipment	(44,688,005)	(2,666,960)	694,102	-	-	(46,660,863)
Land improvements and infrastructure	(437,604,220)	(6,353,601)	-	-	-	(443,957,821)
Total accumulated depreciation	(540,981,921)	(12,655,723)	694,102	-	-	(552,943,542)
Capital asset being depreciated, net	221,271,513	(8,755,340)	(4,769)	3,103,993	-	215,615,397
Capital assets being amortized:						
Leased buildings and improvements	6,690,416	-	-	-	-	6,690,416
Subscription based I.T. agreements	4,585,273	-	-	-	-	4,585,273
Total capital assets being amortized	11,275,689	-	-	-	-	11,275,689
Less accumulated amortization for:						
Leased buildings and improvements	(3,823,094)	(1,911,547)	-	-	-	(5,734,641)
Subscription based I.T. agreements	(1,063,141)	(1,142,909)	-	-	-	(2,206,050)
Total accumulated amortization	(4,886,235)	(3,054,456)	-	-	-	(7,940,691)
Capital assets being amortized, net	6,389,454	(3,054,456)	-	-	-	3,334,998
Governmental activity capital assets, net	\$ 298,741,850	\$ 5,800,886	\$ (4,769)	\$ -	\$ -	\$ 304,537,967

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. CAPITAL ASSETS, Continued

Governmental activities depreciation expenses for capital assets and amortization expense for lease assets charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program for the year ended June 30, 2024 were as follows:

Governmental Activities	
Depreciation expense	
General Government	\$ 3,838,677
Public Safety	492,632
Public Services	6,053,949
Cultural and Recreational	176,677
Housing and Redevelopment	57,608
Community Development	12,307
Internal Service Funds	<u>2,023,873</u>
Total depreciation expense	<u>12,655,723</u>
Amortization expense	
General Government	695,243
Public Safety	<u>2,359,213</u>
Total amortization expense	<u>3,054,456</u>
Total Governmental Activities	<u>\$ 15,710,179</u>

Lease Asset

Dicon Fiberoptics

On January 1, 2020, the City entered into a lease as Lessee for the use of DiCon Fiberoptics' Building and the lease end date was on December 31, 2024. The City is required to make monthly fixed payments of \$152,298, with step payment increase to \$156,735 from January 1, 2022 to December 31, 2022 and 3% annual increase from January 1, 2023 to December 31, 2024. The lease has an interest rate of 0.3160%. The value of the right to use asset as of June 30, 2024 of \$6,690,416 with accumulated amortization of \$5,734,641. The City has 3 extension option(s), each for 12 months.

Subscription Based Information Technology Arrangements

Cobalt

On May 1, 2017, the City entered into a subscription for the use of Cobalt RMS Software and the lease end date was on June 30, 2027. The City is required to make annual fixed payments of \$360,000 until June 30, 2023, and \$200,000 from July 1, 2023 to June 30, 2027. The subscription has an interest rate of 2.5360%. The value of the right to use asset as of June 30, 2024 of \$1,111,743 with accumulated amortization of \$444,697. There are no options to extend the arrangement or purchase the software.

eScribe

On April 27, 2021, the City entered into a subscription for the use of eScribe and the lease end date was on April 26, 2026. The City is required to make annual fixed payments of \$47,242 with 5% annual increase. The subscription has an interest rate of 2.4450%. The value of the right to use asset as of June 30, 2024 of \$158,237 with accumulated amortization of \$82,799. The City has 1 extension option(s), each for 60 months.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. CAPITAL ASSETS, Continued

GovInvest

On March 6, 2023, the City entered into a subscription for the use of GovInvest, Inc and the lease end date was on June 30, 2026. The City is required to make fixed payments of \$26,400 until June 30, 2023 and \$80,000 from July 1, 2023 to June 30, 2026. The subscription has an interest rate of 2.7960%. The value of the right to use asset as of June 30, 2024 of \$267,729 with accumulated amortization of \$106,419. The City has 1 extension option(s), each for 12 months.

Public Safety Systems Data

On November 1, 2021, the City entered into a subscription for the use of Public Safety Systems Data and the lease end date was on October 31, 2026. The City is required to make fixed payments of \$219,500. The subscription has an interest rate of 2.4450%. The value of the right to use asset as of June 30, 2024 of \$840,217 with accumulated amortization of \$387,793. There are no options to extend the arrangement or purchase the software.

RippleWorx

On January 1, 2023, the City entered into a 36-month subscription for the use of RippleWorx. The City is required to make annual fixed payments of \$50,000.00. The subscription has an interest rate of 2.7960%. The value of the right to use asset as of June 30, 2024 of \$149,276 with accumulated amortization of \$74,638. There are no options to extend the arrangement or purchase the software.

ShotSpotter

On July 1, 2021, the City entered into a subscription for the use of ShotSpotter Subscription and the lease end date was on June 30, 2026. The City is required to make fixed payments of \$203,907 until June 30, 2023 and \$214,101 from July 1, 2023 to June 30, 2026. The subscription has an interest rate of 2.4450%. The value of the right to use asset as of June 30, 2024 of \$816,036 with accumulated amortization of \$408,018. There are no options to extend the arrangement or purchase the software.

Tyler Technologies

On July 1, 2019, the City entered into a subscription for the use of Tyler Technologies and the lease end date was on June 30, 2024. The City is required to make fixed payments of \$120,000. The subscription has an interest rate of 2.1940%. The value of the right to use asset as of June 30, 2024 of \$237,424 with accumulated amortization of \$237,424. There are no options to extend the arrangement or purchase the software.

Microsoft

On September 29, 2020, the City entered into a subscription for the use of Microsoft and the lease end date was on October 28, 2026. the City is required to make fixed payments of \$140,021 until September 28, 2023 and \$227,425 from September 29, 2023 to October 28, 2026. The subscription has an interest rate of 1.8500%. The value of the right to use asset as of June 30, 2024 of \$1,004,611 with accumulated amortization of \$464,262. The City has 1 extension option(s), each for 36 months.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. CAPITAL ASSETS, Continued

The following is a summary of capital assets for business-type activities:

	Balance at July 1, 2023	Additions	Retirements	Transfers	Adjustments	Balance at June 30, 2024
<i>Business-type Activities</i>						
Capital assets not being depreciated:						
Land	\$ 7,195,986	\$ -	\$ -	\$ -	\$ -	\$ 7,195,986
Construction in progress	90,738,540	29,479,619	-	-	-	120,218,159
Total capital assets not being depreciated	<u>97,934,526</u>	<u>29,479,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,414,145</u>
Capital assets being depreciated:						
Buildings and improvements	79,908,481	-	-	-	-	79,908,481
Machinery and equipment	18,931,015	-	-	-	-	18,931,015
Infrastructure	259,038,020	-	-	-	-	259,038,020
Total capital assets being depreciated	<u>357,877,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>357,877,516</u>
Less accumulated depreciation for:						
Buildings and improvements	(58,519,174)	(740,263)	-	-	(3)	(59,259,440)
Machinery and equipment	(16,089,915)	(681,284)	-	-	-	(16,771,199)
Infrastructure	(135,091,725)	(5,883,328)	-	-	-	(140,975,053)
Total accumulated depreciation	<u>(209,700,814)</u>	<u>(7,304,875)</u>	<u>-</u>	<u>-</u>	<u>(3)</u>	<u>(217,005,692)</u>
Capital asset being depreciated, net	<u>148,176,702</u>	<u>(7,304,875)</u>	<u>-</u>	<u>-</u>	<u>(3)</u>	<u>140,871,824</u>
Capital assets being amortized:						
Leased land and improvements	1,172,173	-	-	-	-	1,172,173
Leased machinery and equipments	216,506	-	-	-	-	216,506
Total Capital assets being amortized	<u>1,388,679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,388,679</u>
Less accumulated amortization for:						
Leased land and improvements	(520,966)	(260,483)	-	-	-	(781,449)
Leased machinery and equipments	(129,904)	(86,602)	-	-	-	(216,506)
Total accumulated amortization	<u>(650,870)</u>	<u>(347,085)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(997,955)</u>
Capital assets being amortized, net	<u>737,809</u>	<u>(347,085)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,724</u>
Business-type activity capital assets, net	<u>\$ 246,849,037</u>	<u>\$ 21,827,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ 268,676,693</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. CAPITAL ASSETS, Continued

Business-type activities depreciation expenses for capital assets allocated to each program for the year ended June 30, 2024 were as follows:

Business-Type Activities	
Depreciation expense	
Port of Richmond	\$ 3,467,194
Municipal Sewer	3,706,938
Richmond Marina	84,278
Storm Sewer	44,475
Cable TV	1,990
Total depreciation expense	<u>7,304,875</u>
Amortization expense	
Municipal Sewer	260,483
Storm Sewer	86,602
Total amortization expense	<u>347,085</u>
Total Business-Type Activities	<u>\$ 7,651,960</u>

Lease Asset

West County Wastewater District

On January 1, 2010, the City entered into a lease as Lessee for the use of West County Wastewater District's land and the lease end date was on December 31, 2025. The City is required to make annually fixed payments of \$153,000, with 3% annual increase from January 1, 2013 to December 31, 2017 and 6% annual increase from January 1, 2018 to December 31, 2025. The lease has an interest rate of 1.0590%. The value of the right to use asset as of June 30, 2024 of \$1,172,173 with accumulated amortization of \$781,449.

Owen Equipment - Water Resource Rec Dept

On March 1, 2022, the City entered into a lease as Lessee for the use of Owen Equipment and the lease end date was on February 29, 2024. The City is required to make monthly fixed payments of \$11,212. The lease has an interest rate of 0.3800%. The value of the right to use asset as of June 30, 2024 of \$256,921 with accumulated amortization of \$256,921.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

7. COMPENSATED ABSENCES PAYABLE

Changes in compensated absence liabilities for the year ended June 30, 2024 were as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Compensated absences payable	\$ 11,636,243	\$ 10,577,938	\$ (8,894,288)	\$ 13,319,892	\$ 6,437,814
Business-Type Activities:					
Compensated absences payable	245,175	253,108	(163,039)	335,244	124,998
	<u>\$ 11,881,418</u>	<u>\$ 10,831,046</u>	<u>\$ (9,057,327)</u>	<u>\$ 13,655,136</u>	<u>\$ 6,562,812</u>

The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund. Compensated absences for business-type activities are liquidated by the fund that has recorded the liability.

8. LONG-TERM DEBT

A. Governmental Activities

Following is a summary of governmental activities long-term debt transactions during the fiscal year ended June 30, 2024:

	Balance at July 1, 2023	Additions	Retirements	Balance at June 30, 2024	Due Within One Year	Due in More than One Year
Bonds payable:						
Bonds	\$ 94,726,574	\$ -	\$ (4,728,438) (A)	\$ 89,998,136	\$ 4,110,000	\$ 85,888,136
Bonds from direct placements	154,140,000	-	-	154,140,000	-	154,140,000
Loans payable from direct borrowings	749,582	-	(140,511)	609,071	143,090	465,981
Financed purchases from direct borrowings	3,506,076	-	(911,735)	2,594,341	951,312	1,643,029
Lease liability	2,956,536	-	(1,959,774)	996,762	996,762	-
Subscription based I.T. agreements	3,404,609	-	(1,086,598)	2,318,011	989,120	1,328,891
Total	<u>\$ 259,483,377</u>	<u>\$ -</u>	<u>\$ (8,827,056)</u>	<u>\$ 250,656,321</u>	<u>\$ 7,190,284</u>	<u>\$ 243,466,037</u>

(A) Retirements of bonds payable include principal retirements in the amount of \$6,375,000 and amortization of bond premiums in the amount of \$863,438

Bonds Payable

Bonds payable at June 30, 2024 consisted of the following:

	Net
JPFA Lease Revenue Bonds - 2016	\$ 24,526,844
JPFA Lease Revenue Bonds - 2019A	65,471,292
Pension Funding Bond Series 2022 (Refunding)	154,140,000
Total	<u>\$ 244,138,136</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

1999 Series A City of Richmond Taxable Limited Obligation Pension Bonds - Original Issue \$36,280,000

The bonds were issued to fund a portion of the unfunded accrued actuarial liability in the City's pension plans together with the prepayment of certain pension benefit costs of the Beneficiaries and to pay the costs of issuance associated with the issuance of the bonds. Interest rates vary from 6.37% to a maximum of 7.39% and are payable semiannually on February 1, and August 1. The term bonds consist of \$8,960,000 due August 1, 2020 with an interest rate of 7.57% and \$3,435,000 due August 1, 2029 with an interest rate of 7.62%. The bonds are payable from certain pension tax override revenues received by the City from a special tax pursuant to City Council Ordinance 9-99 adopted by the City Council on March 30, 1999. On September 1, 2022, using funds on hand, net proceeds of \$2,368,563 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt services payments on the Series 1999 Bonds. As a result, the 1999 Bonds are considered defeasance and the liability for those bonds have been removed from the Statement of Net Position. As of June 30, 2024, the outstanding balance of the defeasance of bond was \$0. The bonds were paid off in fiscal year 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Richmond Joint Powers Financing Authority Lease Revenue Bonds, Series 2016 - Original Issue - \$28,390,000

On February 1, 2016, the Authority issued Series 2016 Lease Revenue Bonds in the amount of \$28,390,000. The proceeds from the Bonds were used to pay the obligations of the City related to the termination of the interest rate swap agreement and the option on swap agreement (swaption) related to the Authority's Series 2009 Lease Revenue Refunding Bonds and to pay the costs associated with the issuance of the Series 2016 Bonds. On February 3, 2016 the interest rate swap agreement and the swaption related to the Series 2009 Bonds were terminated with a swap termination payment of \$28,554,000.

The Bonds bear interest rates of 4.00% to 5.50%. Principal payments are due annually on November 1 through 2037 and semi-annual interest payments are due May 1 and November 1 commencing on May 1, 2016.

At June 30, 2024, the 2016 Bonds consisted of the following:

Bonds outstanding	\$ 23,640,000
Unamortized premium	886,844
Total	<u>\$ 24,526,844</u>

The annual debt service requirements are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 1,365,000	\$ 1,047,713	\$ 2,412,713
2026	1,445,000	970,438	2,415,438
2027	1,510,000	889,175	2,399,175
2028	1,595,000	803,788	2,398,788
2029	1,665,000	714,138	2,379,138
2030-2034	8,920,000	2,341,173	11,261,173
2035-2038	7,140,000	566,800	7,706,800
Total	<u>\$ 23,640,000</u>	<u>\$ 7,333,225</u>	<u>\$ 30,973,225</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Richmond Joint Powers Financing Authority Lease Revenue Bonds, Series 2019A - Original Issue - \$63,970,000

The Series 2019A Bonds are being issued to: redeem \$77,315,000 outstanding principal amount of the Authority's Lease Revenue Refunding Bonds (Civic Center Project) Series 2009, purchase a reserve facility for deposit into the reserve account established for the Series 2019A Bonds, fund a deposit into the Interest Account within the Revenue Fund to capitalize a portion of the interest due on May 1, 2020, and pay costs associated with the issuance of the Series 2019A Bonds. The Bonds are payable solely from, and secured solely by, Revenues of the Authority, consisting primarily of Base Rental Payments to be received by the Authority from the City of Richmond under a Facility Lease, dated as of August 1, 2019, by and between the City and the Authority, for the right to use and the occupancy of certain real property and facilities. The Series 2019A Bonds will mature on November 1 annually commencing November 1, 2020. Interest on the Series 2019A Bonds is payable at the rate of 5% on November 1 and May 1 of each year, commencing May 1, 2020. The refunding resulted in an overall debt service savings of \$29,893,316. The net present value of the debt service savings is called an economic gain and amounted to \$25,000,596.

At June 30, 2024, the 2019A Bonds consisted of the following:

Bonds outstanding	\$ 54,270,000
Unamortized premium	11,201,292
Total	<u>\$ 65,471,292</u>

The annual debt service requirements are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 2,745,000	\$ 2,644,875	\$ 5,389,875
2026	2,885,000	2,504,125	5,389,125
2027	3,035,000	2,356,125	5,391,125
2028	3,190,000	2,200,500	5,390,500
2029	3,350,000	2,037,000	5,387,000
2030-2034	19,525,000	7,423,125	26,948,125
2035-2038	19,540,000	2,015,250	21,555,250
Total	<u>\$ 54,270,000</u>	<u>\$ 21,181,000</u>	<u>\$ 75,451,000</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Pension Funding Bond Series 2022 (Refunding) – Amount \$154,140,000

Taxable Pension Refunding Bonds, Series 2022 was issued under an Indenture, dated November 1, 2005, as supplemented by the First Supplemental Indenture, dated as of September 1, 2022 both by and between the City and U.S. Bank Trust Company, National Association, as trustee refund all of the City’s outstanding Taxable Pension Funding Bonds, Series 2005 B-1 Bonds and Taxable Pension Funding Bonds, Series 2005 B-2, pay interest rate swap termination fees as described herein, and pay the costs of issuance related to the Series 2022 Bonds.

The Series 2022 Bonds accrue interest from the date of delivery thereof and are payable semiannually on January 15 and July 15 of each year, commencing July 15, 2023. The refunding resulted in an overall debt service increase of \$35.3 million over the term of the debt. The net present value of the debt service savings is called an economic gain and amounted to approximately \$10.2 million.

The annual debt service requirements are as follows:

Ending June 30,	Principal	Interest	Total
2025	\$ -	\$ 8,425,749	\$ 8,425,749
2026	2,980,000	8,425,749	11,405,749
2027	3,345,000	8,299,575	11,644,575
2028	3,730,000	8,154,603	11,884,603
2029	4,150,000	7,986,306	12,136,306
2030-2034	28,140,000	36,462,949	64,602,949
2035-2039	44,295,000	27,496,843	71,791,843
2040-2044	67,500,000	12,346,456	79,846,456
Total	<u>\$ 154,140,000</u>	<u>\$ 117,598,230</u>	<u>\$ 271,738,230</u>

Loans Payable

Loans payable from direct borrowing at June 30, 2024 consisted of the following:

City Loans Payable

California Energy Commission Loan #1	\$ 88,331
California Energy Commission Loan #2	520,740
	<u>\$ 609,071</u>

California Energy Commission Phase 1 – Original Amount \$621,558

On April 22, 2013, the City entered into a direct borrowing loan agreement with the California Energy Commission in the amount of \$621,558. The purpose of the loan is to provide funding for the replacement of street lighting with new LED lights. The loan bears a 3% interest rate and is due in semi-annual payments in December and June through December 2025.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

California Energy Commission Phase 1 - Original Amount \$621,558, Continued

The annual debt service requirements on the loan are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 58,449	\$ 2,216	\$ 60,665
2026	29,882	449	30,331
Total	<u>\$ 88,331</u>	<u>\$ 2,665</u>	<u>\$ 90,996</u>

California Energy Commission Phase 2 - Original Amount \$1,239,036

During fiscal year 2015, the City entered into a direct borrowing loan agreement with the California Energy Commission in the amount of \$1,239,036. The purpose of the loan is to provide funding for the replacement of street lighting with new LED lights. The loan bears interest at 1% and is due in semi-annual payments in December and June through June 2030.

The annual debt service requirements on the loan are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 84,641	\$ 4,997	\$ 89,638
2026	85,490	4,148	89,638
2027	86,347	3,291	89,638
2028	87,206	2,432	89,638
2029	88,087	1,552	89,639
2030	88,969	669	89,638
Total	<u>\$ 520,740</u>	<u>\$ 17,089</u>	<u>\$ 537,829</u>

Financed Purchases

Financed purchases payable from direct borrowing at June 30, 2024 consisted of the following:

Qualified Energy Conservation	\$ 168,409
JPFA Recovery Zone Economic Development	165,114
Street Light	1,059,026
Holman Capital Corporation #5	1,201,792
Total	<u>\$ 2,594,341</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Qualified Energy Conservation – Original Amount \$1,052,526

On December 22, 2010 the City entered into a direct borrowing financed purchase with Bank of America in the amount of \$1,052,526 to finance the purchase and installation of energy conservation equipment at various City-owned buildings. The City received an allocation of the national Qualified Energy Conservation Bond which includes a direct subsidy from the United States Treasury for the interest payable on the bonds under the Hiring Incentives to Restore Employment Act (HIRE Act). The subsidy will be payable on or about the date that the City makes its debt service payments and is equal to 59.79% of the interest payable on the purchase. The subsidy received in fiscal year 2024 was \$8,774. The purchase bears interest at a rate of 6.79% and principal and interest payments are due semi-annually each June 15 and December 15 commencing on December 15, 2011 through June 15, 2026.

The annual debt service requirements on the financed purchase are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 83,063	\$ 10,035	\$ 93,098
2026	85,346	4,356	89,702
Total	<u>\$ 168,409</u>	<u>\$ 14,391</u>	<u>\$ 182,800</u>

Richmond Joint Powers Financing Authority Recovery Zone Economic Development – Original Amount \$1,316,000

On December 22, 2010 the Authority entered into a direct borrowing financed purchase with Bank of America in the amount of \$1,316,000 to finance the improvements to three of the City’s fire stations and a senior center. The City agreed to use the three fire stations to the Authority in exchange for payments in the amount of the debt. The Authority received the proceeds under an allocation of the National Recovery Zone Economic Development Bonds under the American Recovery and Reinvestment Act of 2009, which includes a direct subsidy from the United States Treasury for the interest payable on the Bonds. The subsidy will be payable on or about the date that the Authority makes its debt service payments and is equal to 45% of the interest payable on the lease upon filing of a request by the Authority. The total subsidy received in fiscal year 2024 was \$6,739. The lease bears interest at a rate of 6.50% and principal and interest payments on the lease are due semi-annually each June 15 and December 15, commencing on June 15, 2011, through 2026.

The annual debt service requirements on the financed purchase are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 109,098	\$ 8,975	\$ 118,073
2026	56,016	1,821	57,837
Total	<u>\$ 165,114</u>	<u>\$ 10,796</u>	<u>\$ 175,910</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Street Light - Original Amount \$4,641,936

On July 31, 2013 the City entered into a direct borrowing financed purchase agreement with Bank of America in the amount of \$4,641,936 to finance the purchase of streetlights and the associated upgrade costs. The purchase bears an interest rate of 2.55%. Principal and interest payments on the purchase are due semi-annually on each October 30 and April 30 commencing on April 30, 2014 through October 30, 2026.

The annual debt service requirements on the financed purchase are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 476,005	\$ 24,025	\$ 500,030
2026	499,675	11,738	511,413
2027	83,346	1,063	84,409
Total	<u>\$ 1,059,026</u>	<u>\$ 36,826</u>	<u>\$ 1,095,852</u>

Holman Capital Corporation #5 - Fire Apparatus Equipment Lease - Original Amount \$2,687,645

On May 17, 2018 the City entered into a direct borrowing financed purchase agreement with Holman Capital Corporation in the amount of \$2,687,645 to finance the purchase of one Spartan Ladder Truck and two Spartan Pumper Trucks, which are pledged as collateral for the purchase. The purchase bears an interest rate of 3.91%. Principal and interest payments on the purchase are due quarterly on each August 17, November 17, February 17, and May 17 commencing on August 17, 2018 through May 17, 2028.

The annual debt service requirements on the financed purchase are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 283,146	\$ 42,872	\$ 326,018
2026	294,381	31,638	326,019
2027	306,061	19,958	326,019
2028	318,204	7,814	326,018
Total	<u>\$ 1,201,792</u>	<u>\$ 102,282</u>	<u>\$ 1,304,074</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Lease Liability (Dicon Fiberoptics)

On January 1, 2020, the City entered into a lease as Lessee for the use of Dicon Fiberoptics and the lease end date was on December 31, 2024. An initial lease liability was recorded in the amount of \$6,690,416 on July 1, 2021. As of June 30, 2024, the value of the lease liability is \$996,762. The City is required to make monthly fixed payments of \$152,298, with step payment increase to \$156,735 from January 1, 2022 to December 31, 2022 and 3% annual increase from January 1, 2023 to December 31, 2024. The lease has an interest rate of 0.3160%.

At June 30, 2024, the aggregate maturities of the governmental lease liability were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 996,762	\$ 919	\$ 997,681
Total	\$ 996,762	\$ 919	\$ 997,681

Subscription Based Information Technology Arrangements (SBITA)

At June 30, 2024, SBITA liabilities consisted of the following:

	Balance at June 30, 2024
Cobalt	\$ 570,807
eScribe	50,843
GovInvest	153,531
Public Safety Systems Data	423,409
RippleWorx	48,640
ShotSpotter	412,994
Microsoft	657,787
Total SBITA	\$ 2,318,011

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Cobalt

On May 1, 2017, the City entered into a subscription for the use of Cobalt RMS Software and the lease end date was on June 30, 2027. An initial subscription liability was recorded in the amount of \$1,111,743 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$570,807. The City is required to make annual fixed payments of \$360,000 until June 30, 2023, and \$200,000 from July 1, 2023 to June 30, 2027. The subscription has an interest rate of 2.5360%.

At June 30, 2024, the aggregate maturities of the SBITA were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	185,524	14,476	200,000
2026	190,229	9,771	200,000
2027	195,054	4,946	200,000
Total	<u>\$ 570,807</u>	<u>\$ 29,193</u>	<u>\$ 600,000</u>

eScribe

On April 27, 2021, the City entered into a subscription for the use of eScribe and the lease end date was on April 26, 2026. An initial subscription liability was recorded in the amount of \$142,427 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$50,843. The City is required to make annual fixed payments of \$47,242 with 5% annual increase. The subscription has an interest rate of 2.4450%.

At June 30, 2024, the aggregate maturities of the SBITA were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	50,843	1,243	52,086
Total	<u>\$ 50,843</u>	<u>\$ 1,243</u>	<u>\$ 52,086</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

GovInvest

On March 6, 2023, the City entered into a subscription for the use of GovInvest, Inc and the lease end date was on June 30, 2026. An initial subscription liability was recorded in the amount of \$257,729 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$153,531. The City is required to make fixed payments of \$26,400 until June 30, 2023 and \$80,000 from July 1, 2023 to June 30, 2026. The subscription has an interest rate of 2.7960%.

At June 30, 2024, the aggregate maturities of the SBITA were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 75,707	\$ 4,293	\$ 80,000
2026	77,824	2,176	80,000
Total	<u>\$ 153,531</u>	<u>\$ 6,469</u>	<u>\$ 160,000</u>

Public Safety Systems Data

On November 1, 2021, the City entered into a subscription for the use of Public Safety Systems Data and the lease end date was on October 31, 2026. An initial subscription liability was recorded in the amount of \$840,217 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$423,409. The City is required to make fixed payments of \$219,500. The subscription has an interest rate of 2.4450%.

At June 30, 2024, the aggregate maturities of the SBITA were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 209,148	\$ 10,352	\$ 219,500
2026	214,261	5,239	219,500
Total	<u>\$ 423,409</u>	<u>\$ 15,591</u>	<u>\$ 439,000</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

RippleWorx

On January 1, 2023, the City entered into a 36-month subscription for the use of RippleWorx. An initial subscription liability was recorded in the amount of \$144,276 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$48,640. The City is required to make annual fixed payments of \$50,000. The subscription has an interest rate of 2.7960%.

At June 30, 2024, the aggregate maturities of the SBITA were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 48,640	\$ 1,360	\$ 50,000
Total	<u>\$ 48,640</u>	<u>\$ 1,360</u>	<u>\$ 50,000</u>

ShotSpotter

On July 1, 2021, the City entered into a subscription for the use of ShotSpotter Subscription and the lease end date was on June 30, 2026. An initial subscription liability was recorded in the amount of \$816,036 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$412,994. The City is required to make fixed payments of \$203,907 until June 30, 2023 and \$214,101 from July 1, 2023 to June 30, 2026. The subscription has an interest rate of 2.4450%.

At June 30, 2024, the aggregate maturities of the SBITA were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 204,003	\$ 10,098	\$ 214,101
2026	208,991	5,110	214,101
Total	<u>\$ 412,994</u>	<u>\$ 15,208</u>	<u>\$ 428,202</u>

Tyler Technologies

On July 1, 2019, the City entered into a subscription for the use of Tyler Technologies and the lease end date was on June 30, 2024. An initial subscription liability was recorded in the amount of \$237,424 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$0. The City is required to make fixed payments of \$120,000. The subscription has an interest rate of 2.1940%. The lease paid off in fiscal year 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Microsoft

On September 29, 2020, the City entered into a subscription for the use of Microsoft and the lease end date was on October 28, 2026. An initial subscription liability was recorded in the amount of \$1,004,611 on July 1, 2022. As of June 30, 2024, the value of the subscription liability is \$657,787. The City is required to make fixed payments of \$140,021 until September 28, 2023 and \$227,425 from September 29, 2023 to October 28, 2026. The subscription has an interest rate of 1.8500%.

At June 30, 2024, the aggregate maturities of the SBITA were as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 215,256	\$ 12,169	\$ 227,425
2026	219,238	8,187	227,425
2027	223,293	4,131	227,424
Total	<u>\$ 657,787</u>	<u>\$ 24,487</u>	<u>\$ 682,274</u>

B. Business-Type Activities

The following is a summary of long-term debt of business-type activities during the fiscal year ended June 30, 2024:

	Balance at July 1, 2023	Additions	Retirements	Balance at June 30, 2024	Due Within One Year	Due in More than One Year
Bonds payable	\$ 135,277,467	\$ -	\$ (8,256,659) (A)	\$ 127,020,808	\$ 2,930,000	\$ 124,090,808
Notes and loans payable from direct borrowing	34,752,234	10,661,464 (B)	(111,011)	45,302,687	116,007	45,186,680
Lease liability	651,475	-	(360,771)	290,704	290,704	-
Total	<u>\$ 170,681,176</u>	<u>\$ 10,661,464</u>	<u>\$ (8,728,441)</u>	<u>\$ 172,614,199</u>	<u>\$ 3,336,711</u>	<u>\$ 169,277,488</u>

(A) Retirements of bonds payable include principal retirements in the amount of \$6,870,000 and amortization of bond premiums and discounts in the amount of \$1,381,659.

(B) California State Loan drawdown

Bonds payable at June 30, 2024 consisted of the following:

Wastewater Revenue Bonds Series 2017A	\$ 31,499,048
Wastewater Revenue Bonds Series 2019A	24,698,417
Wastewater Revenue Bonds Series 2019B	70,823,343
Total	<u>\$ 127,020,808</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

B. Business-Type Activities, Continued

Richmond Joint Powers Financing Authority Point Potrero Lease Revenue Bonds, Series 2019B - Original Issue (\$20,580,000)

The Series 2019B Bonds are being issued to: (i) defease and redeem on a current basis all of the Authority's \$26,830,000 outstanding Point Potrero Lease Revenue Bonds, Series 2009A and (ii) pay certain costs associated with the issuance of the Series 2019B Bonds. The Series 2019B Bonds are payable solely from, and secured solely by, Revenues of the Authority, consisting primarily of Base Rental Payments to be received by the Authority from the City under a Facility Lease, dated as of August 1, 2019, by and between the City of Richmond and the Authority, for the right to use and the possession of certain real property and facilities, consisting of Wharves No. 7 and 8 at the Point Potrero Marine Terminal of the Port of Richmond. The amount of the Base Rental Payments is calculated to be sufficient to pay principal of and interest on the Series 2019B Bonds when due. Interest on the Series 2019B Bonds is payable on May 1 and November 1 of each year, commencing November 1, 2019. The refunding resulted in an overall debt service savings of \$4,351,195. The net present value of the debt service savings is called an economic gain and amounted to \$4,177,680. The bonds were paid off during fiscal year 2024.

Richmond Wastewater Revenue Bonds, Series 2017A - Original Issue \$33,530,000

On July 19, 2017 the City issued Series 2017A Wastewater Revenue Bonds in the amount of \$33,530,000. The proceeds from the Bonds were used to finance improvements to the City's wastewater collection, treatment and disposal system and to refund all of the City's outstanding Wastewater Revenue Refunding Bonds, Series 2006A. Principal payments are due annually on August 1. Interest rates on the Bonds range from 2% to 5.25% and payments are due semiannually on August 1 and February 1 beginning February 1, 2018. The bonds mature on August 1, 2047.

At June 30, 2024 the Series 2017A Bonds consisted of:

Bonds outstanding	\$ 26,955,000
Unamortized premium	4,544,048
Net	<u>\$ 31,499,048</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

B. Business-Type Activities, Continued

Richmond Wastewater Revenue Bonds, Series 2017A - Original Issue \$33,530,000, Continued

The annual debt service requirements on the 2017A Bonds are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ -	\$ 1,396,600	\$ 1,396,600
2026	-	1,396,600	1,396,600
2027	-	1,396,600	1,396,600
2028	-	1,396,600	1,396,600
2029	-	1,396,600	1,396,600
2030-2034	-	6,983,000	6,983,000
2035-2039	205,000	6,977,875	7,182,875
2040-2044	10,720,000	6,054,113	16,774,113
2045-2048	16,030,000	1,738,275	17,768,275
Total	<u>\$ 26,955,000</u>	<u>\$ 28,736,263</u>	<u>\$ 55,691,263</u>

Richmond Wastewater Revenue Bond Series 2019A and Wastewater Revenue Refunding Bonds, Series 2019B - Original Issue Series 2019A (\$22,510,000) and Series 2019B (\$66,075,000)

On June 26, 2019 the City issued Series 2019A Wastewater Revenue Bonds and the 2019B Wastewater Revenue Refunding Bonds in the amounts of \$22,510,000 and \$66,075,000, respectively. The proceeds from the 2019A Bonds were used to finance improvements to the City's wastewater collection, treatment and disposal system. The proceeds from the 2019B Bonds were used to refund all of the City's outstanding Wastewater Revenue Refunding Bonds, Series 2008A, and to partially refund and defease the City's outstanding Wastewater Revenue Refunding Bonds, Series 2010B. The outstanding balance of the defeased 2010B Bonds was \$36,480,000 at June 30, 2019. Principal payments are due annually on August 1. Interest rates on the Bonds range from 3% to 5% and payments are due semiannually on August 1 and February 1 beginning February 1, 2020. The refunding resulted in an overall debt service savings of \$6,799,507. The net present value of the debt service savings is called an economic gain and amounted to \$4,738,022. The bonds mature on August 1, 2049.

At June 30, 2024 the Series 2019A Bonds consisted of:

Bonds outstanding	\$ 22,510,000
Unamortized premium	2,188,417
Net	<u>\$ 24,698,417</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

B. Business-Type Activities, Continued

Richmond Wastewater Revenue Bond Series 2019A and Wastewater Revenue Refunding Bonds, Series 2019B – Original Issue Series 2019A (\$22,510,000) and Series 2019B (\$66,075,000), Continued

The annual debt service requirements on the 2019A Bonds are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ -	\$ 973,900	\$ 973,900
2026	-	973,900	973,900
2027	-	973,900	973,900
2028	-	973,900	973,900
2029	-	973,900	973,900
2030-2034	-	4,869,500	4,869,500
2035-2039	1,180,000	4,840,000	6,020,000
2040-2044	5,130,000	3,906,750	9,036,750
2045-2049	10,205,000	2,605,900	12,810,900
2050	5,995,000	119,900	6,114,900
Total	\$ 22,510,000	\$ 21,211,550	\$ 43,721,550

At June 30, 2024 the Series 2019B Bonds consisted of:

Bonds outstanding	\$ 60,975,000
Unamortized premium	9,848,343
Net	\$ 70,823,343

The annual debt service requirements on the 2019B Bonds are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 2,930,000	\$ 2,718,600	\$ 5,648,600
2026	3,050,000	2,569,100	5,619,100
2027	3,175,000	2,413,475	5,588,475
2028	3,315,000	2,251,225	5,566,225
2029	3,455,000	2,081,975	5,536,975
2030-2034	19,575,000	7,611,125	27,186,125
2035-2039	20,840,000	2,636,950	23,476,950
2040-2041	4,635,000	140,025	4,775,025
Total	\$ 60,975,000	\$ 22,422,475	\$ 83,397,475

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

B. Business-Type Activities, Continued

Pledge of Wastewater Revenues

The City has pledged future wastewater customer revenues, net of specified operating expenses, to repay the 2017A, 2019A and 2019B Bonds through 2050. The Municipal Sewer Enterprise Fund's total principal and interest remaining to be paid on the bonds is \$190,858,013. The Municipal Sewer Enterprise Fund's principal and interest paid for the current year, and total customer net revenues were \$8,073,061 and \$18,236,289, respectively.

Notes and Loans Payable - Direct Borrowing

Notes and loans payable at June 30, 2024, consisted of the following:

California Department of Boating and Waterways	\$	2,017,960
RHA RAD Housing Partners L.P. Promissory Note		700,000
California State Loan		42,584,727
		<hr/>
Total	\$	<u>45,302,687</u>

California Department of Boating and Waterways

The City has four direct borrowing loan agreements with the California Department of Boating and Waterways for total borrowings of \$3,772,278. Proceeds from the loans were used to finance marina construction projects. The loans bear interest at rates ranging from 4.5% to 7.9% and are due in annual installments through August 2042. The total amount outstanding at June 30, 2024 was \$2,017,960.

The annual debt service requirements on these loans are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 116,007	\$ 90,808	\$ 206,815
2026	121,227	85,588	206,815
2027	126,682	80,133	206,815
2028	132,383	74,432	206,815
2029	138,340	68,475	206,815
2030-2034	704,944	245,091	950,035
2035-2039	550,705	101,394	652,099
2040-2043	127,672	6,801	134,473
	<hr/>	<hr/>	<hr/>
Total	\$ 2,017,960	\$ 752,722	\$ 2,770,682

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

B. Business-Type Activities, Continued

RHA RAD Housing Partners, LP Promissory Note

On December 17, 2014, the Housing Authority's Component Unit, RHA Housing Corporation, entered into an agreement with the City and promised to pay the City a principal amount of \$700,000, plus accrued interest. The proceeds of the Note were then loaned from RHA Housing Corporation to the Housing Authority to finance acquisitions and development of the properties undergoing rehabilitation work in conjunction with a RAD conversion (Friendship Manor/Triangle Court). On December 22, 2015, the official closing of the RAD conversion took place, at which time the Note was assigned to a newly created entity, RHA RAD Housing Partners, L.P. The Note payable to the City was assigned from RHA Corporation to RHA RAD Housing Partners, L.P. along with a note receivable from the Housing Authority. The principle balance shall bear 1% simple interest. The term of the Note shall expire fifty-five years after. The balance of the promissory note at June 30, 2019 was \$700,000.

In fiscal year 2015, the City had advanced the \$700,000 to the Richmond Housing Authority Enterprise Fund, however, in fiscal year 2016 that loan was assigned to RHA RAD Housing Partners L.P. as discussed in Note 4. Therefore, the Richmond Housing Authority Enterprise Fund now owes this amount to RHA RAD Housing Partners L.P. and the interfund advance was converted to long-term debt in fiscal year 2016. The repayment schedule is not available.

California State Loan

Based on resolution Nos. 2019-0031 and 2019-0064, the City Council approved the California State Loan agreement between the City of Richmond and the California State Water Resources Control Board for a \$50 million loan for the Water Resource Recovery Facility Project. The principal is paid over 30 years and the applicable interest rate was set at 1.4%. As of June 30, 2024, the City had partially drawn down the loan and had an outstanding principal balance of \$42,584,727.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

B. Business-Type Activities, Continued

California State Loan, Continued

The annual debt service requirements on the loan is as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 1,307,946	\$ 612,111	\$ 1,920,057
2026	1,385,197	668,711	2,053,908
2027	1,391,613	662,296	2,053,909
2028	1,411,095	642,813	2,053,908
2029	1,430,851	623,058	2,053,909
2030-2034	7,460,400	2,809,144	10,269,544
2035-2039	7,997,457	2,272,087	10,269,544
2040-2044	8,573,175	1,696,369	10,269,544
2045-2049	9,190,337	1,079,206	10,269,543
2050-2054	9,851,929	417,616	10,269,545
Total	<u>\$ 50,000,000</u>	<u>\$ 11,483,411</u>	<u>\$ 61,483,411</u>

Lease Liability

At June 30, 2024 Lease Liabilities consisted of the following:

	Balance at June 30, 2024
West County Wastewater District	\$ 290,704
Total Lease Liability	<u>\$ 290,704</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

B. Business-Type Activities, Continued

West County Wastewater District

On January 1, 2010, the City entered into a lease as Lessee for the use of West County Wastewater District and the lease end date was on December 31, 2025. An initial lease liability was recorded in the amount of \$1,172,173 on July 1, 2021. As of June 30, 2024, the value of the lease liability is \$290,704. The city is required to make annually fixed payments of \$153,000, with 3% annual increase from January 1, 2013 to December 31, 2017 and 6% annual increase from January 1, 2018 to December 31, 2025. The lease has an interest rate of 1.0590%.

At June 30, 2024, the maturities of the lease liability were as follows:

	For the Years		
Ending June 30,	Principal	Interest	Total
2025	\$ 290,704	\$ 3,079	\$ 293,783
Total	\$ 290,704	\$ 3,079	\$ 293,783

Owen Equipment

On March 1, 2022, the City entered into a lease as Lessee for the use of Owen Equipment and the lease end date was on February 29, 2024. An initial lease liability was recorded in the amount of \$223,496 on July 1, 2022. As of June 30, 2024, the value of the lease liability is \$0. The City is required to make monthly fixed payments of \$11,212. The lease has an interest rate of 0.3800%. The lease was paid off in fiscal year 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

C. Events of Default, Termination Events and Subjective Acceleration Clauses

Below is a summary of certain events of default and termination events with finance related consequences, along with the subjective acceleration clauses, as applicable, for all of the City's outstanding long-term debt obligations. Each agreement may contain additional events of default, termination events or other subjective acceleration clauses.

	Events of default with finance-related consequences	Termination events with finance-related consequences	Subjective acceleration clauses
<i>Governmental Activities</i>			
Bonds Payable			
Series 2022 Taxable Pension Refunding Bonds	(A)	N/A	(A)
JPFA Lease Revenue Bonds - 2016	(B)	(B)	N/A
JPFA Lease Revenue Bonds - 2019	(B)	(B)	N/A
Loans Payable			
California Energy Commission Loan #1	(C)	(C)	(C)
California Energy Commission Loan #2	(C)	(C)	(C)
California State Loan	(L)	(L)	(L)
Capital Leases			
Qualified Energy Conservation Lease	(D)	(D)	N/A
JPFA Recovery Zone Economic Development Lease	(E)	(E)	N/A
Street Light Capital Lease	(G)	(G)	N/A
Holman Capital Corporation Lease #5	(H)	(H)	N/A
<i>Business-Type Activities</i>			
Bonds Payable			
Wastewater Revenue Bonds Series 2017A	(A)	N/A	(A)
Wastewater Revenue Bonds Series 2019A	(I)	N/A	(I)
Wastewater Revenue Bonds Series 2019B	(I)	N/A	(I)
Notes and Loans Payable			
California Department of Boating and Waterways	(J)	(J)	(J)
RHA RAD Housing Partners L.P. Promissory Note	(K)	(K)	(K)

(A) If the City fails to pay debt service when due, the delinquent principal and interest is due and payable immediately. If the City files for reorganization under bankruptcy laws, the aggregate outstanding principal balance and accrued interest are immediately due and payable.

(B) If the City fails to pay rental payable when due or the Authority fails to pay debt service when due, the delinquent principal and interest is due and payable immediately. In the event of default, the Authority has the option to exercise the right of entry and re-entry upon the leased property, including the right to re-lease the property if the City does not pay the delinquent rent.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

C. *Events of Default, Termination Events and Subjective Acceleration Clauses, Continued*

(C) Events of default include the failure to comply with any of the terms in the loan agreement, failure to pay principal or interest when due, failure of the City to undertake in a timely way the activities for which said Loan Agreement was executed, failure of the City to obtain prior written Commission approval before undertaking a change in the scope of the activities for which said Loan Agreement was executed, or the City becoming insolvent or bankrupt. On the occurrence of any event of default, the Commission may declare all or any portion of the principal and accrued interest on the loan to be immediately due and payable. If the City fails to comply with the terms of the loan agreement, the Commission may declare the agreement to have been breached and be released from any further performance.

(D) Events of default include: (a) Failure to (i) pay any rental payment or other payment required to be paid under the agreement within 10 days after the date when due or (ii) maintain insurance as required; (b) failure to observe and perform any covenant, condition or agreement for a period of 30 days after written notice; (c) any false, incorrect or misleading statements, representations or warranties made by the City pursuant to the agreement; (d) any default occurs under any other agreement for borrowing money, lease financing of property; (e) the City files becomes insolvent or files for bankruptcy. In the event of default, the lessor has the right to take various steps, including take possession of the equipment or accelerate the repayment of the principal and outstanding interest.

(E) If the City fails to pay lease payments when due or observe other covenants in the lease agreement within thirty days of the written notice of the failure, the outstanding balances are due and payable immediately. If the City files for reorganization under bankruptcy laws, the aggregate outstanding principal balance and accrued interest are immediately due and payable. In the event of default, the Authority has the option to exercise the right of entry and re-entry upon the leased property, including the right to re-lease the property if the City does not pay the delinquent lease payments.

(F) If the City fails to pay lease payments when due or observe other covenants in the lease agreement within thirty days of the written notice of the failure, the outstanding balances are due and payable immediately. If the City files for reorganization under bankruptcy laws, the aggregate outstanding principal balance and accrued interest are immediately due and payable.

(G) If the City fails to pay lease payments when due or observe other covenants in the lease agreement, the outstanding balances are due and payable immediately. If the City files for reorganization under bankruptcy laws, the aggregate outstanding principal balance and accrued interest are immediately due and payable. Upon events of default, the Energy Commission may terminate the Agreement upon five days written notice to the City.

(H) If the City fails to pay lease payments when due or observe other covenants in the lease agreement within thirty days of the written notice of the failure, the outstanding balances are due and payable immediately. If the City files for reorganization under bankruptcy laws, the aggregate outstanding principal balance and accrued interest are immediately due and payable. In the event of default, the Lessor has the option to exercise the right of entry and re-entry upon the leased property, including the right to re-lease the property if the City does not pay the delinquent lease payments.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. LONG-TERM DEBT, Continued

C. *Events of Default, Termination Events and Subjective Acceleration Clauses, Continued*

(I) If the City fails to pay debt service when due, the delinquent principal and interest is due and payable immediately. If the City files for reorganization under bankruptcy laws, the aggregate outstanding principal balance and accrued interest are immediately due and payable. In the event of default, the City is required to transfer all Net Revenues held by the City to the Trustee, except as noted in the Indenture of Trust.

(J) If the City fails to pay debt service when due, the delinquent principal and interest is due and payable immediately. If the City files for reorganization under bankruptcy laws, the aggregate outstanding principal balance and accrued interest are immediately due and payable. In the event of default, the Department of Boating and Waterways has the option to declare all unperformed obligations immediately due and payable without further demand or notice to the City.

(K) Events of default include the failure to repay the principal and any interest on the loan within ten days of receipt of written notice that such payment is due pursuant to the loan documents, breach of covenants included in the loan documents, or becoming insolvent or bankrupt. In the event of default, the principal and accrued interest are immediately due and payable.

(L) If the State Water Board Division determines that an event of default has occurred, the city may be required, upon demand, immediately to do each of the following: (1) Return to the State Water Board any grant or principal forgiveness amounts received pursuant to the agreement (2) Accelerate the payment of any principal owed under the agreement, all of which shall be immediately due and payable (3) Pay interest at the highest legal rate on all of the forgoing (4) Pay an additional payments. In addition, the Division may enforces its right under the agreement by any judicial proceeding, terminates the agreement, and receives reimbursement from the city.

D. *Special Assessment Debt Without City Commitment*

Special assessment districts have been established in various parts of the City to provide improvements to properties located in those districts. Properties in these districts are assessed for the cost of improvements; these assessments are payable solely by property owners over the term of the debt issued to finance these improvements. The City is not legally or morally obligated to pay these debts or be the purchaser of last resort of any foreclosed properties in these special assessment districts, nor is it obligated to advance City funds to repay these debts in the event of default by any of these districts. At June 30, 2024, the balances of these Districts' outstanding debt were as follows:

Richmond JPFA Reassessment Revenue Refunding Bonds, Series 2016 (Country Club Vista) \$4,335,000

E. *Conduit Debt*

The City has assisted private-sector entities by sponsoring their issuance of debt for purposes the City deems to be in the public interest. These debt issues are secured solely by the property financed by the debt. The City is not legally or morally obligated to pay these debts or be the purchaser of last resort of any foreclosed properties secured by these debts, nor is it obligated to advance City funds to repay these debts in the event of default by any of these issuers. At June 30, 2024, the balance of this issuers' outstanding debt was as follows:

Richmond Community Foundation, Richmond Housing Rehabilitation
Program, Social Impact Bonds, Taxable Series 2015A

\$3,000,000

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

9. UNAVAILABLE AND UNEARNED REVENUE

At June 30, 2024, the following unavailable revenues were recorded in the Fund Financial Statements because the funds were not available to finance expenditures of the current period:

	Loans Receivable	Accounts and Grants Receivable	Total
General Fund	\$ 2,362,737	\$ 22,726	\$ 2,385,463
Community Development and Loan Programs Special Revenue Fund	18,907,347	-	18,907,347
Non-Major Governmental Funds	-	12,974,588	12,974,588
Total	<u>\$ 21,270,084</u>	<u>\$ 12,997,314</u>	<u>\$ 34,267,398</u>

At June 30, 2024, the following unearned revenues were recorded in the City-wide financial statements on the Statement of Net Position:

	Prepaid Rent	Miscellaneous Receipts, Grants and Deposits	Total
General Fund	\$ 2,810,345	\$ 5,019,248	\$ 7,829,593
American Rescue Plan Act Fund	-	20,769,592	20,769,592
Non-Major Governmental Funds	2,187,117	12,886,055	15,073,172
Richmond Housing Authority Enterprise Fund	-	1,814,047	1,814,047
Port of Richmond Enterprise Fund	-	534,178	534,178
Municipal Sewer Enterprise Fund	-	36,280	36,280
Total	<u>\$ 4,997,462</u>	<u>\$ 41,059,400</u>	<u>\$ 46,056,862</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

10. FUND BALANCE AND NET POSITION

A. Fund Balance Classification

Detailed classifications of the City's fund balances, as of June 30, 2024, are below:

Fund Balance Classifications	General Fund	Community Development and Loan Program Fund	American Rescue Plan Act Fund	General Capital Improvement Fund	Nonmajor Governmental Funds	Total
Nonspendable:						
Items not in spendable form:						
Prepays, supplies and other assets	\$ 793,356	\$ -	\$ -	\$ -	\$ -	\$ 793,356
Loans receivable	700,000	-	-	-	-	700,000
Advances to other funds	12,144,862	-	-	-	-	12,144,862
Total Nonspendable Fund Balances	13,638,218	-	-	-	-	13,638,218
Restricted for:						
Street Improvement Projects	-	-	-	-	10,707,573	10,707,573
Public Safety Grant Programs (Police and Fire)	-	-	-	-	263,822	263,822
Lighting and Landscaping	-	-	-	-	818,982	818,982
Housing and Community Development	-	34,682,938	-	-	2,452,514	37,135,452
Debt Service	-	-	-	-	227,326	227,326
Community Development Projects	-	-	-	-	42,077,503	42,077,503
Kids First Initiative	8,461,821	-	-	-	-	8,461,821
Employment and Training	-	-	-	-	1,154,472	1,154,472
Other Capital Projects	-	-	1,679,640	39,996,171	50,126	41,725,937
Pension Plans	2,205,685	-	-	-	11,016,258	13,221,943
Total Restricted Fund Balances	10,667,506	34,682,938	1,679,640	39,996,171	68,768,576	155,794,831
Committed to:						
Appropriation Authority	3,044,790	-	-	-	-	3,044,790
Pension Policy	351,888	-	-	-	-	351,888
OPEB Policy	351,888	-	-	-	-	351,888
Total Committed Fund Balances	3,748,566	-	-	-	-	3,748,566
Assigned to:						
Other Capital Projects	5,735,634	-	1,750,000	-	-	7,485,634
Other Contracts	370,410	-	-	-	-	370,410
Total Assigned Fund Balances	6,106,044	-	1,750,000	-	-	7,856,044
Unassigned:						
General Fund	65,262,325	-	-	-	-	65,262,325
Other Governmental Fund Deficit Residuals	-	-	-	-	(4,786,196)	(4,786,196)
Total Unassigned Fund Balances	65,262,325	-	-	-	(4,786,196)	60,476,129
Total Fund Balances (Deficits)	\$ 99,422,659	\$ 34,682,938	\$ 3,429,640	\$ 39,996,171	\$ 63,982,380	\$ 241,513,788

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

10. FUND BALANCE AND NET POSITION, Continued

B. Cash Reserve Policy

In fiscal year 2023, the City Council updated the fund balance policy to require the City to maintain a year-end contingency reserve balance of a minimum of 21% of the next year’s budgeted General Fund expenditures including transfer out. This is the minimum needed to maintain the City’s creditworthiness and to adequately provide for economic and legislative uncertainties, cash flow needs and contingencies. A policy based upon percentage assures that the reserve will remain a prudent cushion as the City’s budgets grow over time.

City Council approval is required before any cash can be withdrawn from the reserve fund. The Council shall have the discretion to use the reserve for one-time emergencies only and not to be used for ongoing expenditures. At the time of City Council approval of any use of reserves, a stabilization policy laying out the plans for restoration of reserves must be simultaneously put in place and approved by City Council.

The City’s cash reserve as of June 30, 2024, which is a component of unassigned fund balance of the General Fund, is \$65,262,325, which is approximately 26.22% of fiscal year 2024-25 budgeted General Fund expenditures including transfers out. As the City experiences net revenue gains in future years, the reserve balance must continue to be maintained at a minimum of 21% of total expenditures, following the stabilization policy, in order to allow the City to build up its capacity to handle future short term economic downturns or emergencies with minimal to no impact to City services.

C. Deficit Fund Balances and Accumulated Deficits

At June 30, 2024, the following funds had deficit fund balance or deficit net position, which will be eliminated by future revenues:

	Amount
Nonmajor Governmental Funds:	
General Purpose Fund	\$ (620,497)
Paratransit Operations Fund	(1,677,948)
Transformative Climate Grant Fund	(768,134)
Civic Center Debt Service Fund	(1,719,617)
Nonmajor Enterprise Funds:	
Cable TV Fund	(1,242,474)

D. Restatement of Net Position

During 2024, the City recorded the following prior period adjustments:

(1) Error Correction to RHA - During fiscal year 2024, the City continued to reconcile the activities of the Richmond Housing Authority. As a result, beginning net position in the Richmond Housing Authority Enterprise Fund has been restated to correct the prior year accounts payable and expenses related to the payment of IRS tax penalties. The City didn’t record the payment of outstanding RHA IRS tax penalties properly, therefore, the accounts payable were overstated by \$48,534 and net position were understated by \$48,534 for the fiscal year ended June 30, 2023.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

10. FUND BALANCE AND NET POSITION, Continued

D. Restatement of Net Position, Continued

(2) Error correction to Richmond Neighborhood Stabilization Corporation Fund - Beginning fund balance of the Richmond Neighborhood Stabilization Corporation fund was restated due to the reclassification of prior year deferred inflows of resources to fund balance. The City recorded expenditures when issued the loans in the past and recorded deferred inflows of resources and loan receivables when put those loans on the book. So an adjustment was necessary to properly restate the deferred inflows of resources. Therefore, deferred inflows of resources, were overstated by \$779,013, and fund balances were understated by \$779,013 for the fiscal year ended June 30, 2023.

(3) Error correction to Pension Trust Funds - Beginning net position of the pension trust funds was restated due to the two trust funds were determined to be revocable and thus not qualified to be reported as fiduciary funds. All items on the statement of fiduciary net position and statement of changes in fiduciary net position should have been reported as part of the governmental funds section with fund balances restricted for the General Pension Plan and Police and Firemen’s Pension Plans. The net position of the fiduciary funds was overstated by \$11,040,528, the fund balance of the general fund was understated by \$11,040,528 and the net position of the governmental activities was understated by \$11,040,528 for the fiscal year ended June 30, 2023.

(4) Error correction to the General Pension Plan and Police and Firemen’s Pension Plan - In prior years, these two plans were determined to be in irrevocable trusts and thus the actuary considered those as part of the net pension assets balances according to GASB 68. However, this year, the City determined that those two trusts were not irrevocable trusts thus not qualified to be reported as fiduciary funds. Therefore, the deferred outflow of resources were overstated by \$110,956, net pension assets were overstated by \$11,494,830, and net position of the governmental activities were overstated by \$11,605,786 for the fiscal year ended June 30, 2023.

(5) Change in Reporting Entity - The General Capital Improvement Fund moved from nonmajor to a major fund.

	6/30/2023				Change in		7/1/2023 As Restated
	As Previously Reported	Error Correction (1)	Error Correction (2)	Error Correction (3)	Error Correction (4)	Reporting Entity (5)	
Governmental Activities	\$ (62,297,745)	\$ -	\$ -	\$ 11,040,528	\$ (11,605,786)	\$ -	\$ (62,863,003)
Business-type activities	133,860,589	48,534	-	-	-	-	133,909,123
Governmental Funds	193,211,120	-	779,013	11,040,528	-	-	205,030,661
General Capital Improvement Fund	-	-	-	-	-	23,608,265	23,608,265
Nonmajor Funds	72,002,432	-	779,013	11,040,528	-	(23,608,265)	60,213,708
Richmond Housing Authority	24,976,551	48,534	-	-	-	-	25,025,085
Pension Trust Funds	11,040,528	-	-	(11,040,528)	-	-	-

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

11. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The following funds incurred departmental expenditures in excess of appropriations.

Fund/Department	Excess of Expenditures over Appropriations
General Purpose Fund	
Public safety	\$ 507,756
Public works	4,537,634
Housing and redevelopment	187,207
Paratransit Operations Fund	
General Government	29,322
Lighting and Landscaping Districts Fund	
Capital outlay	22,000
General Debt Service Fund	
Interest and fiscal charges	5,133
Civic Center Debt Service Fund	
Interest and fiscal charges	11,885
2022 Pension Obligation Bonds Fund	
Interest and fiscal charges	532
General Pension Fund	
General Government	252,207
Police and Fire Pension Fund	
Public safety	908,890
Community Development and Loan Programs Special Revenue Fund	
General Government	2,338
General Fund	
Cultural and recreational	122,541
Principal	3,046,373
Interest and fiscal charges	79,957

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS

The following is a summary of the City’s pension plan amounts for the year ended June 30, 2024:

	Deferred Outflow of Resources	Net Pension Liability (Asset)	Deferred Inflow of Resources	Pension Expense (Revenue)
California Public Employees' Retirement System:				
Miscellaneous	\$ 34,746,116	\$ 130,020,685	\$ 3,676,761	\$ 16,888,675
Safety	56,350,004	241,885,348	2,356,876	33,089,177
Police and Firemen's Pension Plan	-	5,494,894	-	193,151
General Pension Plan	-	358,539	-	16,621
Totals	<u>\$ 91,096,120</u>	<u>\$ 377,759,466</u>	<u>\$ 6,033,637</u>	<u>\$ 50,187,624</u>

A. California Public Employees' Retirement System Pension Plans

I. General Information about the CalPERS Pension Plan

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

A. California Public Employees' Retirement System Pension Plans, Continued

I. General Information about the CalPERS Pension Plan, Continued

The City's employees hired on or before December 31, 2012 participate in the Miscellaneous Plan under the 2.7% @ 55 Benefit Formula or the Safety Plan under the 3.0% @ 50 (Police) or 3.0% @ 55 (Fire) Benefit Formula. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CalPERS and hired after December 31, 2012. The City's employees hired on or after January 1, 2013 participate under the Miscellaneous Plan 2.0% @ 62 Benefit Formula or the 2.7% @ 57 (Police and Fire) Benefit Formula.

The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous				
	Prior to January 1, 2013	On or after January 1, 2013	Safety - Police	Safety - Fire	Safety - Police and Fire
Hire date			Prior to January 1, 2013	Prior to January 1, 2013	On or after January 01, 2013
Benefit formula	2.7% @ 55	2.0% @ 62	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67	50	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensatio	2.0% to 2.7%	1.0% to 2.5%	3.00%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	8.00%	8.25%	9.00%*	9.00%*	13.00%
Required employer contribution rates	13.89%	13.89%	22.86%	22.86%	22.86%
Required UAL Contribution	\$ 9,627,906		\$ 16,078,787		

* Effective July 1, 2015, Safety (Police and Fire) employees hired prior to January 1, 2013 pay 3% of the employer's required contribution. Therefore, the required employer contribution rate is 18.07% and required employee contribution rate is 12%.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

A. California Public Employees' Retirement System Pension Plans, Continued

I. General Information about the CalPERS Pension Plan, Continued

Beginning in fiscal year 2016, CalPERS collects employer contributions for each Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on a monthly basis or can be prepaid in advance before July 31st to receive a savings of approximately 3%. In fiscal year 2022, the City started to prepay the unfunded liability on an annual basis. The City's required contributions for the unfunded liability in the Miscellaneous and Safety Plans were \$9,627,906 and \$16,078,787 respectively, as noted in the tables above.

Employees Covered - As of the June 30, 2022 actuarial valuation date and the June 30, 2023 measurement date, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous		Safety	
	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023
Inactive employees or beneficiaries				
currently receiving benefits	1,005	1,014	543	559
Inactive employees entitled to but				
not yet receiving benefits	559	570	81	95
Active employees	383	399	224	193
Total	1,947	1,983	848	847

As of June 30, 2024, the City had 427 active employees in the Miscellaneous Plan and 184 active employees in the Safety Plan.

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Contributions for the measurement period were \$14,445,711 for the Miscellaneous Plan and \$21,904,607 for the Safety Plan.

II. Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each Plan is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

A. California Public Employees' Retirement System Pension Plans, Continued

II. Net Pension Liability, Continued

Actuarial Assumptions - For the measurement period ended June 30, 2023, the total pension liabilities were determined by the June 30, 2022 total pension liability. The June 30, 2023 total pension liabilities were based on the following actuarial methods and assumptions:

	Miscellaneous (1)	Safety (1)
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Actuarial Cost Method	Entry-Age Actuarial Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service
Mortality (1)	Derived using CalPERS' membership data for all funds	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 CalPERS Experience Study report from November 2021 that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2022 valuation were based on the results of 2022 actuarial experience study for the period 2001 to 2019. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability for each Plan was 6.90%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in the PERF. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for each Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

A. California Public Employees' Retirement System Pension Plans, Continued

II. Net Pension Liability, Continued

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class (1)	Assumed Asset Allocation	Real Return (1),(2)
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	<u>100.0%</u>	

(1) An expected inflation of 2.50% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

A. California Public Employees' Retirement System Pension Plans, Continued

II. Net Pension Liability, Continued

The changes in the Net Pension Liability as of the June 30, 2023 Measurement Date for each Plan follows:

Miscellaneous Plan:	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2022 Measurement Date	\$ 537,090,947	\$ 401,499,873	\$ 135,591,074
Changes in the year:			
Service cost	6,722,126	-	6,722,126
Interest on the total pension liability	35,674,633	-	35,674,633
Differences between actual and expected experience	(7,762,052)	-	(7,762,052)
Changes in assumptions	-	-	-
Changes in benefit terms	632,505	-	632,505
Net Plan to plan resource movement	-	-	-
Contribution - employer	-	14,445,711	(14,445,711)
Contribution - employees	-	2,219,977	(2,219,977)
Net investment income	-	24,467,157	(24,467,157)
Administrative expenses	-	(295,244)	295,244
Benefit payments, including refunds of employee contributions	(32,597,551)	(32,597,551)	-
Net changes	2,669,661	8,240,050	(5,570,389)
Balance at June 30, 2023 Measurement Date	\$ 539,760,608	\$ 409,739,923	\$ 130,020,685
Safety Plan:	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2022 Measurement Date	\$ 740,207,934	\$ 506,185,809	\$ 234,022,125
Changes in the year:			
Service cost	9,411,150	-	9,411,150
Interest on the total pension liability	50,102,721	-	50,102,721
Differences between actual and expected experience	3,695,356	-	3,695,356
Changes in assumptions	-	-	-
Changes in benefit terms	272,955	-	272,955
Net Plan to plan resource movement	-	-	-
Contribution - employer	-	21,904,607	(21,904,607)
Contribution - employees	-	3,028,664	(3,028,664)
Net investment income	-	31,057,913	(31,057,913)
Administrative expenses	-	(372,225)	372,225
Benefit payments, including refunds of employee contributions	(45,510,872)	(45,510,872)	-
Net changes	17,971,310	10,108,087	7,863,223
Balance at June 30, 2023 Measurement Date	\$ 758,179,244	\$ 516,293,896	\$ 241,885,348
Totals - Miscellaneous and Safety Plans	\$ 1,297,939,852	\$ 926,033,819	\$ 371,906,033

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

A. California Public Employees' Retirement System Pension Plans, Continued

II. Net Pension Liability, Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	5.90%	5.90%
Net Pension Liability	\$ 194,423,629	\$ 338,754,774
Current Discount Rate	6.90%	6.90%
Net Pension Liability	\$ 130,020,685	\$ 241,885,343
1% Increase	7.90%	7.90%
Net Pension Liability	\$ 76,428,247	\$ 162,243,251

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

III. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the City recognized pension expense of \$49,977,852. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 15,401,749	\$ -
Differences between Expected and Actual Experience	-	(3,676,761)
Net Differences between Projected and Actual		
Earnings on Pension Plan Investments	19,344,367	-
Total	\$ 34,746,116	\$ (3,676,761)

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

A. California Public Employees' Retirement System Pension Plans, Continued

III. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 22,598,366	\$ -
Differences between Expected and Actual Experience	2,326,706	(2,356,872)
Changes of Assumptions	7,051,928	-
Net Differences between Projected and Actual Earnings on Pension Plan Investments	24,373,004	-
Total	<u>\$ 56,350,004</u>	<u>\$ (2,356,872)</u>
Total Both Plans	<u>\$ 91,096,120</u>	<u>\$ (6,033,633)</u>

\$38,000,115 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Annual Amortization		
	Miscellaneous	Safety	Total
2024	\$ (149,264)	\$ 10,113,868	\$ 9,964,604
2025	1,936,296	3,860,203	5,796,499
2026	13,349,499	16,795,681	30,145,180
2027	531,075	625,014	1,156,089
Thereafter	-	-	-
Total	<u>\$ 15,667,606</u>	<u>\$ 31,394,766</u>	<u>\$ 47,062,372</u>

IV. Pension Funding Policy & Section 115 Trust

In an effort to reduce Unfunded Actuarially Accrued Liabilities ("UAL") of the City's pension plan, the City Council approved to establish a supplemental 115 Trust account on July 19, 2022. On June 27, 2023, the City adopted a Pension funding policy to place 10% of each year-end operating surplus (Total Actual Revenues minus Total Actual Expenditures, including Transfers In and Transfers Out) in the General Fund in excess of the City's Cash Reserve Policy into the Trust. The primary objectives of the policy are to: 1) Address the increasing annual employer required UAL contributions due to variance in actual experience versus CalPERS actuarial assumptions including investment returns. 2) Prefunding the Trust Fund account can help the City improve its UAL funding ratio faster. 3) Provide budgetary flexibility during challenging budget years or to "smooth" payment spikes that could cause financial stress on the City.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

B. Other City Pension Plans

I. Plan Descriptions and Funding Policies

The City administers two single-employer pension plans which are not considered to be funded as defined by GASB No. 67 and 68. These are the General Pension Plan and Police and Firemen's Pension Plan (collectively, the "Plans"). The General Pension Plan, a defined benefit pension plan, covers three former City employees (or their beneficiaries) not covered by CalPERS, all of whom have retired. The Police and Firemen's Pension Plan, a defined benefit pension plan, covers twelve retired police and fire personnel (or their beneficiaries) employed prior to October 1964. Benefit provisions for the Plans are established by City Ordinance. No separate financial statements are issued for the Plans.

The City established the Secured Pension Override Special Revenue Fund to which proceeds of a special incremental property tax levy voted by the citizens of the City of Richmond are credited for the payment of benefits under the City's pension plans. The incremental property tax revenue received for the year ended June 30, 2024 was \$27,165,722 and the City used the funds to pay General Pension Plan contributions of \$0.

Police and Firemen's Pension Plan - Funding for the Plan is provided from the Secured Pension Override Special Revenue Fund. Employees were vested after five years of service. Members of the Plan are allowed normal retirement benefits after 25 or more continuous years of service. The City is required under its charter to contribute the remaining amounts necessary to fund the Plan using the entry age-normal actuarial method as specified by Ordinance. Management of the Plan is vested in the Pension Board which consists of seven members: the Mayor, City Manager, Director of Finance, two members appointed by the Mayor, with the concurrence of four members of the City Council, each of whom shall be and remain a resident of the City in order to be a member of the Board and serve a term of five years, one representative of the Police Department and one representative of the Fire Department. The Plan is closed to new members. Retirement benefits for Plan members are calculated as one-half of the annual salary attached to the rank or position held by the retiree one year prior to the date of retirement. Surviving spouses receive 100% of the retiree's pension. Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustments are an increase each year for changes in the salary attached to the retiree's rank in the year before retirement.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

B. Other City Pension Plans, Continued

I. Plan Descriptions and Funding Policies, Continued

General Pension Plan – Retirement and other benefits are paid from the assets of the Plan and from related investment earnings. The City is required under its charter to contribute the remaining amounts necessary to fund the Plan using the entry age-normal actuarial method as specified by Ordinance. Management of the Plan is vested in the General Pension Board which consists of seven members: the Mayor, City Manager, Director of Finance, two members appointed by the Mayor, with the concurrence of five members of the City Council, each of whom shall be and remain a resident of the City in order to be a member of the Board and serve a term of five years, and two members to be elected every five years by secret ballot vote of the rank and file of Plan employees and of Plan employees who have retired and are receiving pensions from the Plan. Four members of the General Pension Board are to be concurred in by four members.

The Plan is closed to new members. Retirement benefits for Plan members are calculated as one-half of the average annual salary attached to the position held by the retiree during the three years prior to the date of retirement. Surviving spouses receive 100% of the retiree’s pension. Benefit terms provide for annual cost-of-living adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustments are an automatic increase of 2% per year. City Council may grant additional increases of up to 3% per year to bring the total increase in a given year to 5%.

II. Significant Accounting Policies

City contributions for all plans are recognized when due and the City has made a formal commitment to provide contributions. Benefit payments and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative costs for all plans, except the investment management fees of the Police and Fireman’s Pension Plan, are paid by the City’s General Fund. The investment management fees are financed through investment earnings. Assets are valued at fair value based on available market information obtained from independent sources.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

B. Other City Pension Plans, Continued

III. Net Pension Liability of the Plans

The components of the net pension liability of the City for each of the Plans is the total pension liability, less each Plan’s fiduciary net position.

Actuarial Assumptions. The total pension liability for each plan as of June 30, 2024 was determined based on June 30, 2024 actuarial valuations. The following actuarial assumptions applied to all periods included in the measurement:

	Police and Firemen's Plan	General Pension Plan
Discount rate, net of investment expenses	3.97%	3.97%
Expected return on plan assets	N/A	N/A
Inflation rate (short-term)	2.50%	2.50%
Inflation rate (long-term)	2.50%	2.50%
Cost-of-living increases	2% per year	5% per year
Actuarial cost method	Entry age normal	Entry age normal
Salary increases	N/A	N/A

Mortality rates were based on the California PERS Mortality Table in its 2021 experience study (based on CalPERS 2000-2019 experience).

Discount Rates. The discount rates used to measure the total pension liability for the Police and Firemen’s Pension Plan and General Pension Plan were 3.97% and 3.97%, respectively, as of June 30, 2024 and 5.50% and 3.25%, respectively, as of June 30, 2023. The discount rate used for the total pension liability is based on the Fidelity 20-Year Municipal GO AA Index as of the measurement date.

Changes in Assumptions – The discount rate was changed from 3.86% to 3.97% based on the Fidelity 20-year municipal GO AA Index.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

B. Other City Pension Plans, Continued

IV. Changes in the Net Pension Liability of Each Plan

The net pension liability of each Plan is measured as of June 30, 2024 as follows:

Police and Firemen's Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2023	\$ 6,156,088	\$ -	\$ 6,156,088
Changes in the year:			
Interest on the total pension liability	221,136	-	221,136
Differences between actual and expected experience	-	-	-
Changes in assumptions Changes in benefit terms	(27,985)	-	(27,985)
Contribution - City	-	854,345	(854,345)
Contribution - employer	-	-	-
Contribution - employees	-	-	-
Net investment income	-	-	-
Other deductions	-	-	-
Benefit payments, including member contribution refunds	(854,345)	(854,345)	-
Net changes	(661,194)	-	(661,194)
Balance at June 30, 2024	\$ 5,494,894	\$ -	\$ 5,494,894
Plan fiduciary net position as a percentage of the total pension liability			0.00%

General Pension Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2023	\$ 594,126	\$ -	\$ 594,126
Changes in the year:			
Interest on the total pension liability	18,066	-	18,066
Differences between actual and expected experience	-	-	-
Changes in assumptions Changes in benefit terms	(1,445)	-	(1,445)
Contribution - City	-	252,208	(252,208)
Contribution - employer	-	-	-
Contribution - employees	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	(252,208)	(252,208)	-
Net changes	(235,587)	-	(235,587)
Balance at June 30, 2024	\$ 358,539	\$ -	\$ 358,539
Plan fiduciary net position as a percentage of the total pension liability			0.00%

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

B. Other City Pension Plans, Continued

IV. Changes in the Net Pension Liability of Each Plan, Continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the City for each of the Plans, calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Police and Firemen's Plan	General Pension Plan
1% Decrease	2.97%	2.97%
Net Pension Liability (Asset)	\$ 5,759,916	\$ 372,066
Current Discount Rate	3.97%	3.97%
Net Pension Liability (Asset)	\$ 5,494,894	\$ 358,539
1% Increase	4.97%	4.97%
Net Pension Liability (Asset)	\$ 5,252,689	\$ 345,872

V. Actuarially Determined Contributions

As of the June 30, 2024, actuarial valuations used to calculate the actuarially determined contributions (ADC) for each Plan, the ADC's were determined using the entry-age normal cost method and the assumptions in Note 12B above.

For the Police and Firemen's Pension Plan, the City's contribution policy is to annually contribute an amount equal to (1) amortization of the unfunded liability as a level-dollar over a 10-year closed period as of July 1, 2013, plus (2) future gains and losses amortized over the same period, but not less than five years. Over the past five years, the City has contributed an average of 100% of the Actuarially Determined Contribution.

For the General Pension Plan, the City's contribution policy is to annually contribute an amount equal to (1) amortization of the unfunded liability as a level-dollar over a 6-year closed period as of July 1, 2013, plus (2) future gains and losses amortized over the same period, but not less than five years. Over the past five years, the City has contributed an average of 102% of the Actuarially Determined Contribution.

The Actuarially Determined Contribution and the actual contributions for each Plan for the year ended June 30, 2024 are presented below:

	Actuarially Determined Contribution	Amount Contributed	Percent Contributed
Police and Firemen's Pension Plan	\$ -	\$ -	n/a
General Pension Plan	-	-	n/a

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. DEFINED BENEFIT PENSION PLANS, Continued

B. Other City Pension Plans, Continued

VI. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the City recognized pension expense for each of the Plans as follows:

	Pension Expense
Police and Firemen's Plan	\$ 193,151
General Pension Plan	16,621
Total	<u>\$ 209,772</u>

VII. PARS Defined Contribution Plan

Effective July 1, 2014, the City contracted with the Public Agency Retirement System (PARS), to sponsor a Section PARS 457 FICA Alternative Retirement Plan created in accordance with IRC Sections 3121(b) (7) (F) and 457(b), which is a qualified defined contribution pension plan covering all eligible part-time, seasonal and temporary employees of the City on that date and hired thereafter.

The Plan requires these employees to contribute 6.2% and the City to contribute 1.3% of the employees pay plus administration costs. The City's required contributions of \$32,123 and the employees' required contributions of \$153,113 were made during the fiscal year ended June 30, 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

13. ASSETS SET ASIDE FOR POLICE AND FIREMEN’S PENSION PLANS

At June 30, 2024 the assets the City set aside to pay for the pension benefits as shown below. The value of the assets were valued at fair value. Those assets are not in an irrevocable trust thus not considered as part of the net pension liabilities balances of the pension plans.

City of Richmond Investment Pool	\$ 1,294,235
Wellington Trust Company Mutual Fund (Police and Firemen’s Plan)	9,719,501
Interest receivable	<u>2,522</u>
Assets available for benefits at June 30, 2024	<u>\$ 11,016,258</u>

Investment Policies

The General Pension and Police and Firemen’s Pension Plans’ policies in regard to the allocation of invested assets is established by the City Charter and may be amended by Resolution of the respective Boards. The Plans allow investments in the following:

- (a) In investments which are authorized by General law for savings banks.
- (b) In investments other than those specified in subdivision (a) hereof, including, but not limited to, corporate bonds and securities, common stocks, preferred stocks, investments in real estate and investment trusts, provided that the total amount invested pursuant to this subdivision shall not exceed 50% of the total amount of funds invested pursuant to this section, and provided further that the following conditions are met:
 - (1) Any stocks or other corporate securities, in which funds are invested, except stocks of banks, insurance companies or mutual funds, shall be registered on a national securities exchange as provided by the Federal Securities Exchange Act.
 - (2) The total amount invested in common and preferred stocks shall not exceed at cost at the time of purchase 25% of the total amount invested pursuant to this section.
 - (3) The total amount invested in the common and preferred stocks of any one company shall not exceed at cost of the time of purchase 2% of the total amount invested pursuant to this section and shall not exceed 5% of the outstanding preferred or common stock of that company.
 - (4) No funds shall be invested in the common stocks of any company unless it has paid cash dividends on such stocks in eight of the ten years immediately preceding its purchase by the Board.
 - (5) No funds shall be invested in the stocks or other securities of any company other than a bank or insurance company unless it has assets of at least one hundred million dollars (\$100,000,000), or in the stocks or other securities of a bank or insurance company unless it has assets of at least fifty million dollars (\$50,000,000).
 - (6) The total amount invested in real estate and other than real estate owned by or leased to the City of Richmond, which amount may include land, buildings, land and buildings or real estate loans, shall not exceed 25% of the total amount invested pursuant to this section and such investments shall be restricted to first trust deeds which are insured by the Federal Housing Administration or which are guaranteed by the Veterans Administration.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS

The following is a summary of the City’s OPEB amounts for the year ended June 30, 2024:

	Deferred Outflow of Resources	Net OPEB Liability	Deferred Inflow of Resources	OPEB Expense (Revenue)
City OPEB Plan	\$ 149,127	\$ 58,833,221	\$ 7,072,347	\$ (5,116,434)
RPOA OPEB Plan	1,025,906	4,610,802	12,997,905	(745,575)
	<u>\$ 1,175,033</u>	<u>\$ 63,444,023</u>	<u>\$ 20,070,252</u>	<u>\$ (5,862,009)</u>

A. General Information about the City’s Other Post Employment Benefit (OPEB) Plans

Plan Description - In order to qualify for postemployment medical and dental benefits an employee must retire from the City and maintain enrollment in one of the City’s eligible health plans. The City pays a portion of the CalPERS premiums for retirees and their dependents that vary by employment classification. In addition, the following eligibility rules and contribution requirements apply for future retirees, followed by current retirees. The City has two plans:

City OPEB Plan

The City is the Plan administrator, while PARS administers the investment trust. The City OPEB Plan does not issue separate financial statements. PARS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from Public Agency Retirement Services, 4350 Von Karman Avenue, Suite 100, Newport Beach, CA, 92660.

RPOA OPEB Plan

The City of Richmond’s Police Officers Association (RPOA) Plan was established during fiscal year 2019 and the RPOA OPEB Plan joined the California Employers’ Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by CALPERS, consisting of an aggregation of single- employer plans. RPOA members who were actively employed as of January 1, 2017 transferred from the City OPEB Plan to the RPOA OPEB Plan. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the California Public Employees’ Retirement System, CERBT, P.O. Box 942703, Sacramento, CA 94229-2703.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

A. General Information about the City's Other Post Employment Benefit (OPEB) Plans, Continued

A summary of the City OPEB Plan provisions follows:

Classification	Eligibility (Age / Service Years)	Monthly Premium Paid by City Before/After Medicare Eligibility	Employee Monthly Contribution (1)
SEIU Local 1021	Service Retirement: 50/20, 51/18, 52/16, 53/14, 54/12, 55/10 Disability Retirement: any age/10 years service	Retiree only or surviving spouse: the lesser of \$435 and medical premium Retiree +1 or more: the lesser of \$567 and medical premium Plus PEMHCA Minimum Retired on or after 7/1/1995: Reimbursement allowed towards non-PERS plans	None
IFPTE, Miscellaneous Executive Management, City Council	Service Retirement: Same as SEIU	Retiree only or surviving spouse: the lesser of \$435 and medical premium Retiree +1 or more: the lesser of \$567 and medical premium Plus PEMHCA Minimum	Effective 1/1/2017: \$50 Effective 1/1/2018: \$100
Fire Local 188	35/15	Percentage of premium (medical premium minus PEMHCA minimum) for retiree / dependents/surviving spouse up to premium for coverage. Percentage is 80%, increased to 90% after 15 years of service and 100% after 25 years of service. Total City contribution, excluding PEMHCA minimum, is capped at Kaiser non- Medicare eligible premium for coverage selected. Plus PEMHCA minimum	Effective 1/1/2017: \$200 Effective 1/1/2018: \$300 Effective 7/1/2019: \$400
Fire Management and Fire Executive Management	35/15	Percentage of premium (medical premium minus PEMHCA minimum) for retiree/dependents/surviving spouse up to premium for coverage. Percentage is 80%, increased to 90% after 15 years of service and 100% after 25 years of service. Total City contribution, excluding PEMHCA minimum, is capped at Kaiser non-Medicare eligible premium for coverage selected. Plus PEMHCA minimum	Effective 1/1/2017: \$200 Effective 1/1/2018: \$300 Effective 7/1/2019: \$400
Police Widows	Death in line of duty	Full premium of medical, dental and vision	None
Police Management and Police Executive Management	50/20, 51/18, 52/16, 53/14, 54/12, 55/10 Service includes non City service Minimum 5 years City Service	Percentage of premium (medical premium minus PEMHCA minimum) for retiree/dependents/surviving spouse up to Kaiser (1) (Pre Medicare) and 2nd highest premium plan (post Medicare). Percentage is 65% after 10 years of service, increased to 75% after 20 years of service, and 100% after 25 years of service.	Effective 7/1/2017: \$300 Effective 7/1/2018: \$425 Effective 7/1/2019: \$525

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

A. General Information about the City's Other Post Employment Benefit (OPEB) Plans, Continued

Plan Provisions for Current Retirees		
Classification	Subgroup	Monthly Premium Reimbursement Before/After Medicare Eligibility
SEIU Local 1021	Retired July 1, 2007 or later	Same as future retirees
	Retired prior to July 1, 2007	Same as future retirees, but caps are: Retiree only or surviving spouse: \$224/\$182 Retiree +1 or more: \$344/\$284
IFPTE, Miscellaneous Executive Management	Retired July 1, 2007 or later	Same as future retirees
	Retired November 5, 1999 to June 30, 2007	Same as future retirees, but caps are: Retiree only or surviving spouse: \$224/\$182 Retiree +1 or more: \$344/\$284
	Retired before November 5, 1999	Same as future retirees, but caps are: Retiree only or surviving spouse: \$124/\$82 Retiree +1 or more: \$244/\$184
Fire Local 188		Same as future retirees
Fire Management	Retire on or after 7/1/2006	Same as future retirees
	Retire before 7/1/2006	Eligible at 35/15 Same as future retirees, but caps are: Percentage of premium for retiree/dependents/surviving spouse up to Kaiser non-Medicare eligible premium for coverage selected. Percentage is 90%, increased to 100% after 27 years of service.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

A. General Information about the City's Other Post Employment Benefit (OPEB) Plans, Continued

Plan Provisions for Current Retirees (Continued)		
Classification	Subgroup	Monthly Premium Reimbursement Before/After Medicare Eligibility
Richmond Police Officer Association (RPOA)	Retire on or after 1/17/2017	Percent of: medical premium minus PEMHCA minimum or (percent of cap) minus dental and vision premiums but no more than \$827 per month, minus dental and vision premiums. Percentage is 50% after 10 years of service, increased to 90% after 15 years of service, and 100% after 25 years of service PEMHCA minimum
	Retire on or after 7/1/2008 but before 1/1/2017	Lesser of: percentage of premium for retiree/dependents/surviving spouse times medical, dental, and vision premium or percentage of premium for retiree/dependents/surviving spouse but no more than \$827 per month, minus dental and vision premiums. Percentage is 50% after 10 years of service, increased to 90% after 15 years of service, and 100% after 25 years of service PEMHCA minimum
	Retired between 7/1/2004 and 6/30/2008	Lesser of: percentage of premium for retiree/dependents/surviving spouse times medical premium or percentage of premium for retiree/dependents/surviving spouse but no more than \$827 per month, minus dental and vision premiums. Percentage is 50% after 10 years of service, increased to 90% after 15 years of service, and 100% after 25 years of service City also pays PEMHCA minimum. Reimbursement capped at \$614.
	Retired between 7/1/1997 and 6/30/2004	Lesser of: percentage of premium for retiree/dependents/surviving spouse times medical premium minus PEMHCA minimum or percentage of premium for retiree/dependents/surviving spouse but no more than \$827 per month, minus dental and vision premiums. Percentage is 50% after 10 years of service, increased to 90% after 15 years of service, and 100% after 25 years of service Plus PEMHCA Minimum: \$136 City also pays PEMHCA minimum. Reimbursement capped at \$550.
	Retired between 7/1/1994 and 6/30/1997	Percentage of premium (medical premium minus PEMHCA minimum) for retiree/dependents/surviving spouse including dental and vision. Percentage is 65% for 10-19 years of service, increased to 75% after 20 years of service, and 100% after 27 years of service Premium paid for dental and vision. Plus PEMHCA minimum
	Retired before 7/1/1994	Percentage of premium (medical premium minus PEMHCA minimum) for retiree/dependents/surviving spouse including dental and vision. Percentage is 65% for 10-19 years of service, increased to 75% after 20 years of service, and 100% after 27 years of service Reimbursement, excluding the PEMHCA minimum, capped at \$210 for single coverage and \$300 for 2-party coverage Premium paid for dental and vision. Plus PEMHCA minimum

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

A. General Information about the City's Other Post Employment Benefit (OPEB) Plans, Continued

Plan Provisions for Current Retirees (Continued)		
Classification	Subgroup	Monthly Premium Reimbursement Before/After Medicare Eligibility
Police Management and Police Executive Management	Retired on or after 7/1/2008	Same as future retirees
	Retired between 1/1/1995 ⁽¹⁾ and 6/30/2008	Percentage of premium (medical premium minus PEMHCA minimum) for retiree/dependents/surviving spouse. Percentage is 65% for 10-19 years of service, increased to 75% after 20 years of service, and 100% after 27 years of service. Retired after 1/1/2007 - Reimbursement capped at Kaiser premium, excluding the PEMHCA minimum, for pre-Medicare and 2nd highest premium plan for post-Medicare for coverage selected Retired on or before 1/1/2007 - Reimbursement capped at 2nd highest premium plan, excluding the PEMHCA minimum, for coverage selected Retired on or after 7/1/1995: Reimbursement allowed towards non-PERS plans NOTE: PEMHCA is billed to employers for all CalPERS medical plans. if a member is not enrolled in a PERS plan the employer is not billed.

1) The City did provide medical premium benefits with single and 2-party caps for Police Management that retired prior to January 1, 1995, and as of June 30, 2020 there were two retirees receiving such benefits

A summary of the RPOA OPEB Plan provisions follows:

Plan Provisions for Future Retirees			
Classification	Eligibility (Age/Service Years)	Monthly Premium Paid by City Before/After Medicare Eligibility	Employee Monthly Contributions
Richmond Police Officer Association (RPOA)	10 years of service Service includes non City service Minimum 5 years City service	Lesser of: percentage of premium for retiree/dependents/surviving spouse times medical premium or percentage of premium for retiree/dependents/surviving spouse but no more than \$827 per month, minus dental and vision premiums. Percentage is 50% after 10 years of service, increased to 90% after 15 years of service, and 100% after 25 years of service Employer pays PEMHCA Minimum.	Effective 1/1/2017: \$150 Effective 1/1/2018: \$225 Effective 1/1/2019: \$250 Effective 1/1/2020: \$275 Effective 1/1/2021 \$300

Plan Provisions for Current Retirees		
Classification	Eligibility (Age/Service Years)	Monthly Premium Paid by City Before/After Medicare Eligibility
Richmond Police Officer Association (RPOA)	Retired January 1, 2017 or later	Lesser of: percentage of premium for retiree/dependents/surviving spouse times medical premium or percentage of premium for retiree/dependents/surviving spouse but no more than \$827 per month, minus dental and vision premiums. Percentage is 50% after 10 years of service, increased to 90% after 15 years of service, and 100% after 25 years of service Employer pays PEMHCA Minimum.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

A. General Information about the City's Other Post Employment Benefit (OPEB) Plans, Continued

For retirees eligible to continue health benefits, but failing to meet the criterion in the tables above, the City pays the Public Employees Medical and Hospital Care Act (PEMHCA) minimum, which is \$157 in 2024.

City OPEB Plan Membership – As described above, Plan membership varies based on different employee bargaining groups. As of the June 30, 2023 valuation date, membership in the City OPEB Plan consisted of the following:

Active employees electing coverage	472
Active employees waiving coverage	48
Retirees and beneficiaries receiving benefits	636
Retirees with only non-medical OPEB coverage	9
Total	1,165

RPOA Plan Membership – As of the June 30, 2023 valuation date, membership in the RPOA OPEB Plan consisted of the following:

Active employees electing coverage	96
Active employees waiving coverage	4
Retirees and beneficiaries receiving benefits	33
Retirees with only non-medical OPEB coverage	4
Total	137

B. Funding Policy and Actuarial Assumptions

City OPEB Plan

Funding Policy – During the year ended June 30, 2008, the City joined the Public Agencies Post-Retirement Health Care Defined Benefit Plan, an agent multiple employer trust administered by Public Agency Retirement Services (PARS). The balance in the City's PARS trust account as of June 30, 2024 was \$49,695,446.

The City's policy is to partially prefund these benefits by accumulating assets with PARS discussed above along with making pay-as-you-go payments pursuant to Resolution No. 52-06 of June 27, 2006. In July 2016, the City adopted its initial funding policy that requires the City to contribute 50% of year-end General Fund surplus in excess of the City's minimum required reserve level into the PARS account. In an effort to pay down the unfunded liability, in January 2022, the City adopted an additional funding policy that required the City to contribute 50% of any one-time General Fund revenues. Per the adopted policy, the City made a onetime contribution from FY2022 year surplus into the PARS account totaling \$5,309,139 in Fiscal Year 2023. In June 2023, the City updated the funding policy for additional contributions. Per the current policy the City shall place 10% of year-end operating surplus in the General Fund in excess of the City's minimum required reserve level into the Trust accounts.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

B. Funding Policy and Actuarial Assumptions, Continued

RPOA OPEB Plan

A new Richmond Police Officers Association (RPOA) contract was implemented on January 17, 2017. The new RPOA plan includes members who were actively employed as of the January 17, 2017 contract date. The RPOA members were transferred from the OPEB Plan to the new RPOA OPEB Plan during fiscal year 2024.

Funding Policy – The RPOA plan has assets designated for OPEB. These assets are invested in California Employers' Retiree Benefit Trust (CERBT) Strategy 2, which is a qualified irrevocable trust. Contributions to the CERBT account fall under the same policy as stated under the City OPEB plan. Per the surplus contribution policy, the City made a one-time contribution from the FY2022 year surplus into the CERBT account totaling \$793,320 in FY2023. Benefit payments are not expected to be made from the trust in the near future. The City currently pays the annual retiree benefit payments using its general assets plus the annual active member contributions.

The balance in the CERBT trust account was \$11,881,174 as of June 30, 2024.

Actuarial Assumptions – The total OPEB liability for each plan was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The City OPEB plan valuation used the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

	Actuarial Assumptions	
Valuation Date		June 30, 2023
Measurement Date		June 30, 2024
Actuarial Cost Method		Entry Age Normal Cost, level percent of pay
Actuarial Assumptions:		
Discount Rate		6.25%
Inflation		2.50%
CPI Medical Care		3.50%
Payroll Growth		3.00%
Investment Rate of Return		6.25%
Mortality	Based on assumptions for Public Agency Miscellaneous, Police and Fire members published in the 2021 CalPERS Experience Study.	
Healthcare Cost Trend Rates:		
Health - Not Medicare Eligible	7.60% for FY2024, gradually decreasing over several decades to an ultimate rate of 3.90% in FY2076 and later years	
Health - Medicare Eligible	5.10% for 2020, 5.10% for 2021, 4.70% for 2022, 4.70% for 2023, 5.10% for 2024, 5.10% for 2025, 5.00% for 2026-2027, 4.9% for 2028-2034 and transitioning to ultimate rate of 3.90% in 2076 and further years	
Dental		To increase 3.25% annually
Vision		To increase 2.00% annually

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

B. Funding Policy and Actuarial Assumptions, Continued

The RPOA OPEB Plan valuation used the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

	Actuarial Assumptions	
Valuation Date		June 30, 2023
Measurement Date		June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost, level percent of pay	
Actuarial Assumptions:		
Discount Rate		5.75%
Inflation		2.50%
CPI Medical Care		3.50%
Payroll Growth		3.00%
Investment Rate of Return		5.75%
Mortality	Based on assumptions for Public Agency Miscellaneous, Police and Fire members published in the 2021 CalPERS Experience Study.	
Healthcare Cost Trend Rates:		
Health - Not Medicare Eligible	7.60% for FY2024, gradually decreasing over several decades to an ultimate rate of 3.90% in FY2076 and later years	
Health - Medicare Eligible	5.10% for 2020, 5.10% for 2021, 4.70% for 2022, 4.70% for 2023, 5.10% for 2024, 5.10% for 2025, 5.00% for 2026-2027, 4.9% for 2028-2034 and transitioning to ultimate rate of 3.90% in 2076 and further years	
Dental		To increase 3.25% annually
Vision		To increase 2.00% annually

Discount rate – The discount rate used to measure the total City OPEB liability was 6.25% for the City OPEB Plan and 5.75% for the RPOA OPEB Plan. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the City OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on City OPEB plan investments was applied to all periods of projected benefit payments to determine the total City OPEB liability.

Generally accepted accounting principles require that the liability discount rate be the single rate that reflects the following:

- A. The long-term expected rate of return on City OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that (1) the City OPEB plan’s fiduciary net position is projected to be sufficient to make projected benefit payments and (2) City OPEB plan assets are expected to be invested using a strategy to achieve that return; and

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

B. Funding Policy and Actuarial Assumptions, Continued

B. A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale), to the extent that the conditions in A. are not met. The municipal bond rate source used as of June 30, 2023 the Fidelity 20-Year General Obligation AA Municipal Bond Index.

Changes of assumptions since the prior actuarial valuation for the City OPEB Plan were:

- The long-term investment return assumption was changed from 6.00% to 6.25% based on updated capital market assumptions.
- The discount rate was changed from 6.00% to 6.25% based on updated expectations of long-term returns on trust assets and 20-year municipal bond rates.
- An underlying wage growth rate was changed from 3.00% to 3.00% per year based on a revised understanding of the CalPERS assumption.
- The CPI medical rate was changed from 3.50% to 3.75%.
- The mortality assumption was changed from 2017 CalPERS Experience to 2021.
- The Healthcare Cost Trend Rates were changed from 7.6% to 6.7% and the ultimate rate from 3.9% to 3.9%
- The dental rate was changed from 3.25% to 3.25% and the vision from 2% to 2%.

City OPEB Plan

Rate of Return – For the year ended June 30, 2024, the annual money-weighted rate of return on City OPEB Trust Fund investments, net of City OPEB plan investment expense, for the City OPEB Plan was 13.18%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investment Policy – PARS offers different investment portfolios as part of the investment vehicle. The City invests in the “Balanced/Moderately Aggressive Highmark PLUS” portfolio; the primary goal of the Highmark Plus portfolio is growth of principal and income. The major portions of the assets are invested in the equity securities and market fluctuations are expected. The portfolio is constructed to control risk through three layers of diversification as follows:

Asset Class	Acceptable Range of Asset Allocation
Equity	50-70%
Fixed income	30-50%
Cash	0-20%

Investments of the City OPEB Trust Fund at June 30, 2024 consisted of \$41,321,443 invested in mutual funds.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

B. Funding Policy and Actuarial Assumptions, Continued

The long-term expected rate of return on City OPEB Plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of City OPEB Plan investment expense and inflation) are developed for each major asset class. The weighted asset class estimates are combined with the inflation and investment expense assumptions to produce the portfolio long-term expected rate of return. The target allocation for the City OPEB Plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return
US equity-large cap	32.00%	5.20%	7.70%
US equity-mid cap	6.00%	5.50%	8.00%
US equity-small cap	9.00%	6.00%	8.50%
International equity	7.00%	5.00%	7.50%
Emerging market equity	4.00%	5.00%	7.50%
REITs	2.00%	4.10%	6.60%
Short-term bond	6.75%	0.80%	3.30%
Intermediate-term bond	27.00%	1.50%	4.00%
High yield bond	1.25%	3.20%	5.70%
Cash and equivalents	5.00%	0.10%	2.60%
Total	100.00%		6.58%
Reduction for assumed investment expense			-0.21%
Net assumed investment return (round to 1/4%)			6.25%

RPOA OPEB Plan

Rate of Return – The long-term expected rate of return on RPOA OPEB Plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of RPOA OPEB Plan investment expense and inflation) are developed for each major asset class. The weighted asset class estimates are combined with the inflation and investment expense assumptions to produce the portfolio long-term expected rate of return.

Investment Policy – The target allocation for the RPOA OPEB Plan's asset allocation as of the measurement date are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return
Equity	40.0%	4.42%	6.92%
Fixed Income	43.0%	1.00%	3.50%
TIPS	5.0%	0.15%	2.65%
Commodities	4.0%	1.73%	4.23%
REITs	8.0%	3.98%	6.48%
Total	100.0%		5.49%
Reduction for assumed investment expense			-0.10%
Net assumed investment return (round to 1/4%)			5.50%

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

C. Changes in Net OPEB Liability

The changes in the net OPEB liability for the City OPEB Plan is as follows:

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2023	\$ 108,200,382	\$ 41,321,443	\$ 66,878,939
Changes Recognized for the Measurement Period:			
Service Cost	1,808,740	-	1,808,740
Interest on the total OPEB liability	6,379,004	-	6,379,004
Differences between expected and actual experience (1)	(99,709)	-	(99,709)
Changes of assumptions	(374,980)	-	(374,980)
Contributions from the employer	-	9,641,744	(9,641,744)
Contributions from the employee	-	640,963	(640,963)
Net investment income	-	5,554,054	(5,554,054)
Administrative expenses	-	(77,988)	77,988
Benefit payments (2)	(7,384,770)	(7,384,770)	-
Net changes	328,285	8,374,003	(8,045,718)
Balance at June 30, 2024 (Measurement Date)	\$ 108,528,667	\$ 49,695,446	\$ 58,833,221

(1) Approximately \$(1.07M) of the increase/(decrease) is due to the change in premiums and assumed claims costs and \$970K is due to all other experience changes.

(2) Benefit payments equal \$4,973,286 explicit subsidy payments to retirees and \$2,411,484 implicit subsidy costs incurred during the measurement period ending 6/30/2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

C. Changes in Net OPEB Liability, Continued

The changes in the net OPEB liability for the RPOA OPEB Plan is as follows:

	Increase (Decrease) Total OPEB Liability (a)	Plan Fiduciary Net OPEB (b)	Net Position Liability/(Asset) (a) - (b)
Balance at June 30, 2023	\$ 17,588,017	\$ 9,746,155	\$ 7,841,862
Changes Recognized for the Measurement Period:			
Service Cost	773,707	-	773,707
Interest on the total OPEB liability	1,045,967	-	1,045,967
Differences between expected and actual experience (1)	(3,178,929)	-	(3,178,929)
Changes of assumptions	605,196	-	605,196
Contributions from the employer	-	1,278,978	(1,278,978)
Contributions from the employee	-	351,000	(351,000)
Net investment income	-	852,098	(852,098)
Benefit payments (2)	(341,982)	(341,982)	-
Administrative expense	-	(5,075)	5,075
Net changes	(1,096,041)	2,135,019	(3,231,060)
Balance at June 30, 2024 (Measurement Date)	\$ 16,491,976	\$ 11,881,174	\$ 4,610,802

(1) Approximately \$(650K) of the increase/(decrease) is due to the change in premiums and assumed claims costs and \$(2.53M) is due to all other experience changes.

(2) Benefit payments equal \$342,464 explicit subsidy payments to retirees and \$(482) implicit subsidy costs incurred during the measurement period ending 6/30/2024.

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of both plans, as well as what the net OPEB liabilities would be if it were calculated using the discount rate that is 1-percentage-point lower or 1-percentage point higher than the current discount rate:

<i>City OPEB Plan</i>			
Net OPEB Liability/(Asset)			
	Current		
Discount Rate -1%	Discount Rate	Discount Rate +1%	
5.25%	6.25%	7.25%	
\$ 70,365,897	\$ 58,833,221	\$ 49,061,290	
 <i>RPOA OPEB Plan</i>			
Net OPEB Liability/(Asset)			
	Current		
Discount Rate -1%	Discount Rate	Discount Rate +1%	
4.75%	5.75%	6.75%	
\$ 7,020,061	\$ 4,610,802	\$ 2,631,917	

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates, Continued

The following presents the net OPEB liability of both Plans, as well as what the net OPEB liabilities would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<i>City OPEB Plan</i>			
Net OPEB Liability/(Asset)			
Current Healthcare Cost Trend Rates Various - see assumptions above			
1% Decrease		1% Increase	
\$ 49,446,626	\$ 58,833,221	\$ 69,810,848	

<i>RPOA OPEB Plan</i>			
Net OPEB Liability/(Asset) Healthcare Cost Trend			
Current Healthcare Cost Trend Rates Various - see assumptions above			
1% Decrease		1% Increase	
\$ 3,217,015	\$ 4,610,802	\$ 6,318,065	

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB expense on the City OPEB Plan and RPOA OPEB Plan of (\$5,116,434) and (\$745,575), respectively. At June 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	City OPEB Plan		RPOA OPEB Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 54,741	\$ 3,573,243	\$ 48,801	\$ 7,006,677
Changes of assumptions	94,386	2,071,550	754,213	5,991,228
Net differences between projected and actual earnings on plan investments	-	1,427,554	222,892	-
Contributions between measurement date and reporting date	N/A	N/A	N/A	N/A
Total	\$ 149,127	\$ 7,072,347	\$ 1,025,906	\$ 12,997,905

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

14. OTHER POSTEMPLOYMENT BENEFITS, Continued

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB, Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the City OPEB Plan and RPOA OPEB Plan will be recognized as part of OPEB expense as follows:

<i>City OPEB Plan</i>	
Year Ended June 30,	Annual Amortization
2025	\$ (4,777,641)
2026	(573,129)
2027	(911,608)
2028	(660,842)
2029	-
Thereafter	-
Total	<u>\$ (6,923,220)</u>

<i>RPOA OPEB Plan</i>	
Year Ended June 30,	Annual Amortization
2025	\$ (1,647,464)
2026	(1,518,768)
2027	(1,757,875)
2028	(1,788,049)
2029	(1,733,762)
Thereafter	(3,526,081)
Total	<u>\$ (11,971,999)</u>

15. DEFERRED COMPENSATION PLAN

City employees may defer a portion of their compensation under a City sponsored deferred compensation plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants' contributions are made as pre-tax deductions and are not subject to taxation until the funds are distributed to them. Distributions may be made only at termination, retirement, death or in an emergency as defined by the plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under this plan are not the City's property and are not subject to claims by general creditors of the City, they have been excluded from these financial statements.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

16. RISK MANAGEMENT

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets; general liability; errors and omissions; injuries to employees; natural disasters; and inverse condemnation. The City began self-insuring its workers' compensation in 1976. In July 2009 the City joined the California Joint Powers Risk Management Authority (CJPRMA) for general liability and employment practices coverage. In April 2009 the City joined the California State Association of Counties Excess Insurance Authority (CSAC EIA) for worker's compensation insurance. The City has chosen to establish a risk financing internal service fund where assets are accumulated for claim settlements and expenses associated with the above risks of loss up to certain limits.

Excess coverage for the risk categories excluding inverse condemnation is provided by policies with various commercial insurance carriers. Self-insurance and insurance company limits are as follows:

Type of Coverage	Self-Insurance / Deductible	Coverage Limit	Insurance Carrier
Difference in Conditions	Earthquake: 5% of total insured value of each building; minimum \$100,000 All others: \$25,000	\$50,000,000 inclusive of deductible	Various
Crime / Employee Dishonesty	\$2,500 per claim	\$20,000,000 inclusive of deductible	National Union Fire Insurance Company
Property	\$100,000 per claim; except flood zones A&V that have a deductible of \$250,000	\$400,000,000 inclusive of deductible \$100,000,000 limit for flood all zones, except zones A & V, which have a limit of \$50,000,000	Various
Boiler and Machinery	\$100,000 per claim	\$100,000,000 inclusive of deductible	Various
Port Liability	\$25,000 per claim	\$50,000,000 inclusive of deductible	Various
Watercraft	\$1,000 per claim	\$500,000 inclusive of deductible	Various
Excess Workers' Compensation	\$750,000 per claim	Statutory limit	Various
Student Volunteer	N/A	\$50,000 limit	Ace American
Pollution Liability - Policy 1	\$250,000 per claim	\$20,000,000 inclusive of deductible	ACE - Illinois Union
Pollution Liability - Policy 2	\$250,000 per claim	\$3,000,000 limit	Ironshore Specialty Insurance
Cyber Liability	\$100,000 per claim	\$2,000,000 limit	Lloyds of London
Special Events Program	N/A	\$1,000,000 per occurrence; \$2,000,000 aggregate	Evanston Insurance

CJPRMA

The CJPRMA provides coverage against the following types of loss risks under the terms of a joint powers agreement with the City as follows:

Type of Coverage (Deductible)	Coverage Limits
Property (\$750,000)	\$ 5,000,000
Liability (\$750,000)	40,000,000
Employment Practices (\$750,000)	5,000,000

Once the self-insured retention is exhausted on each claim, CJPRMA becomes responsible for payment of future expenses related to the claim. The City paid contributions of \$3,287,835 for the year ended June 30, 2024. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Audited financial statements for the CJPRMA are available from CJPRMA, 3201 Doolan Road, Suite 285, Livermore, CA 94551.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

16. RISK MANAGEMENT, Continued

CSAC-EIA

CSAC-EIA is a public entity risk pool of cities and counties within California. The CSAC-EIA provides workers’ compensation coverage up to the statutory limit and the City retains a self-insured retention of \$750,000. Loss contingency reserves established by the CSAC-EIA are funded by contributions from member agencies. The City pays an annual contribution to the CSAC-EIA, which includes its pro-rata share of excess insurance premiums, charges for pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the risk pool. The City paid contributions of \$540,822 for the year ended June 30, 2024. CSAC-EIA provides insurance through the pool up to a certain level, beyond which group purchased commercial excess insurance is obtained. CSAC-EIA is currently fully funded. No provision has been made on these financial statements for liabilities related to possible additional assessments.

Audited financial statements for CSAC-EIA are available from CSAC-EIA, 75 Iron Point Circle, Suite 200, Folsom, CA 95630.

Housing Authority Insurance Group

The Housing Authority is exposed to various risks of loss related to torts: theft, damage, and destruction of assets; errors and omissions; injuries to employees and natural disaster. The Authority joined together with other entities and participates in the Housing Authority Insurance Group, a public entity risk pool currently operating as a common risk management and insurance program for its member entities. The purpose of the Housing Authority Insurance Group is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group, thereby reducing its cost.

The Authority pays annual premiums to Housing Authority Insurance Group for its property damage insurance as follows:

Property	Annual Premium	Deductible
Nystrom Village	\$ 36,184	\$ 25,000

All of the Housing Authority properties are included in the general liability coverage under the CJPRMA program.

Liability for Self-Insured Claims

The City records a liability to reflect an actuarial estimate of ultimate uninsured losses for both general liability claims (including property damage claims) and workers’ compensation claims. The estimated liability for workers’ compensation claims and general liability claims is based on case reserves and include amounts for claims incurred but not reported (IBNR), and is recorded in the Insurance Reserves Internal Service Fund. At June 30, 2024, the estimated claims payable of \$52,171,564 consisting of reserves for both reported and IBNR losses, as well as allocated loss adjustment expenses, have been recorded in the Insurance Reserves Internal Service Fund. The claims payable are reported at their present value using expected future investment yield assumptions of 3% and an 80% confidence level. The undiscounted claims totaled \$48,024,215 at June 30, 2024. Changes in the claims liabilities for the years ended June 30, 2024 and 2023 were as follows:

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

16. RISK MANAGEMENT, Continued

	2024	2023
Claims liabilities, beginning of year	\$ 49,681,686	\$ 51,092,602
Current year claims	15,050,000	14,147,000
Change in prior year claims	(2,494,275)	(4,797,758)
Claim payments	(7,053,266)	(7,788,065)
Legal, administrative and other expenses	(3,012,581)	(2,972,092)
Claims liabilities, end of year	<u>\$ 52,171,564</u>	<u>\$ 49,681,687</u>
Claims liabilities, due in one year	<u>\$ 14,192,093</u>	<u>\$ 13,576,850</u>

For the years ended June 30, 2024, 2023 and 2022 the amount of settlements did not exceed insurance coverage.

17. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City's non-major enterprise funds include the following:

- Richmond Marina Fund - Marina operations and maintenance, including berth rentals and use of marina facilities.
- Storm Sewer Fund - Storm sewer management and urban runoff control.
- Cable TV Fund - Administration and enforcement of the franchise agreements with two cable television systems, management of a municipal cable channel, departmental video services, media and public information, and telecommunications planning.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

17. SEGMENT INFORMATION FOR ENTERPRISE FUNDS, Continued

Fiscal 2024 condensed financial information for the Richmond Marina Enterprise Fund is as follows:

Condensed Statement of Net Position

Assets:	
Current assets	\$ 5,602,346
Lease receivables	5,183,454
Capital assets	1,264,870
Total assets	<u>12,050,670</u>
Liabilities:	
Current liabilities	293,369
Long-term liabilities	1,901,953
Total liabilities	<u>2,195,322</u>
Deferred inflows of resources:	
Deferred inflows of resources - leases	<u>5,046,082</u>
Net position:	
Net investment in capital assets	(753,090)
Restricted for debt service	91,320
Unrestricted	5,471,036
Total net position	<u>\$ 4,809,266</u>

**Condensed Statement of Revenues, Expenses
and Changes in Net Position**

Operating revenues:	
Rental	\$ 162,777
Lease income	366,762
Operating expenses:	
General and administrative	(37,833)
Depreciation	(84,278)
Operating income	<u>407,428</u>
Nonoperating revenues (expenses):	
Interest income	374,878
Interest expense	(91,224)
Income (Loss) Before Contributions and Transfers	<u>691,082</u>
Transfers out	(86,778)
Change in net position	604,304
Beginning net position	4,204,962
Ending net position	<u>\$ 4,809,266</u>

Condensed Statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$ 447,464
Noncapital and related financing activities	(86,778)
Capital and related financing activities	(206,813)
Investing activities	375,219
Net increase	<u>529,092</u>
Beginning cash and investments	4,978,801
Ending cash and investments	<u>\$ 5,507,893</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

18. COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The City's future commitments under construction and other projects totaled approximately \$197.7 million at June 30, 2024 for various projects.

B. Litigation

The City is involved in various claims and litigation resulting from its normal operations. The ultimate outcome of these matters is not presently determinable. In City management's opinion these matters will not have a significant adverse effect on the City's or RHA Properties' financial position, except for what is noted below:

In March 2012, a developer and Native American Tribe ("Tribe") (collectively, "Developer") filed a complaint in federal court against the United States of America, two individuals, and the City contending breach of contract related to a Land Disposition Agreement (LDA) between the Developer and the City for the development of a portion of Point Molate (approximately 80 acres) for a specific use. The Developer sought damages of \$30 million as well as lost profits of over \$750 million. The City disputed the allegations and contended that the LDA did not commit the Developer or the City to develop the property for the specific use and that the Developer's right to move forward with the development was subject to various federal approvals. The City received a favorable judgement on the matter, but an appeal by the Developer resulted in the Ninth Circuit reversing the decision. The plaintiffs filed an amended complaint.

Under the terms of the judgment, amended in August 2019, future proceeds from the sale of the property will be shared equally between the City and the Developer.

Under the amended judgment, the City was required to and did engage a new developer for Point Molate ("SunCal"). After the City approved the Project and California Environmental Quality Act ("CEQA")-required Environmental Impact Report ("EIR") for development, environmental rights groups challenged and appealed the certification of EIR. In November 2023, the appellate court set aside the EIR and all "project related approvals" impacting two pending actions. Neither the City, SunCal, nor the Tribe acted to correct the CEQA differences.

Thereafter, the City found that SunCal failed to qualify to purchase the Property, and in accordance with the Amended Federal Judgment, the City transferred the Property to the Tribe. For several years the Tribe searched for a new developer but when the State, through the Coastal Conservancy Commission, provided \$36M in park open space funding, the Tribe reached a letter of intent ("LOI") and purchased agreement with the East Bay Regional Park District ("District") providing for a sale in January 2025. Pursuant to that Sale, the City gives up to a 50% share of sale proceeds under the Amended judgment and there are mutual waives.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

18. COMMITMENTS AND CONTINGENCIES, Continued

B. *Litigation, Continued*

While it appears that all matters under the Federal Judgment are satisfied, SunCal filed a separate legal action against the City, asserting the City interfered with their Point Molate project. While the subject contracts were set aside based on the CEQA ruling, and therefore the agreements at issue were invalidated, the new developer continues to press litigation claiming over \$70 million in damages which the City denies. The City no longer owns the subject property; the Tribe obtained title in 2022 under the Amended Judgment and is now conveying to District. SunCal sought to enjoin the transfer to the Tribe but the Court refused to issue the injunction. The City may be negatively impacted should the court rule in favor of the SunCal. As stated, significant damages are sought, but the City has strong defenses including no damages contract clauses and the successful CEQA challenge. However, any such impact cannot be determined at this time, especially given the CEQA ruling.

C. *Grant Programs*

The City participates in several federal and State grant programs. These programs are subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, except as noted under Grant Programs – Disallowed Costs below.

D. *Housing Authority – Easter Hill Project*

The Authority participates in a number of federally assisted grant programs, principal of which are the Low Income Public Housing Program and the HOPE VI Revitalization Grant. It is possible that at some future date, it may be determined that the Authority is not in compliance with applicable grant requirements. The amounts, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Authority does not expect such disallowed amounts, if any, to materially affect the financial statements.

In June 2000, the Richmond Housing Authority received a \$35 million grant (HOPE VI Grant) from the U.S. Department of Housing and Urban Development (“HUD”) for the revitalization of the former Easter Hill Public Housing Project. The original Easter Hill site, owned by the Richmond Housing Authority, included 300 units on 21 acres in the Cortez/Stege neighborhood of Richmond.

The California Tax Credit Committee, City of Richmond, Bank of America, Silicon Valley, Federal Home Loan Bank, California Housing Finance Agency, the Richmond Housing Authority along with the \$35 million dollar HUD grant financed this \$120 million revitalization effort. Physical costs are estimated to be approximately \$108 million and life services, relocation, acquisition, administrative and other costs are estimated to be approximately \$12 million. The physical development includes approximately 320 rental and homeownership units to replace the 300 rental units originally at the site and 273 remaining units at the time of grant approval. Amenities at the revitalized site include a pool and a 5,000 square feet community room with facilities for an after school program, computer center, gymnasium and conference room.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

18. COMMITMENTS AND CONTINGENCIES, Continued

D. Housing Authority – Easter Hill Project, Continued

In addition, pursuant to the same agreement, the Authority is entitled to receive reimbursement for certain costs it has incurred in development of these projects. Upon completion of the project, the Authority recorded \$14,276,909, representing reimbursement from the developer which had been recorded in the accompanying financial statements as due from developer. The balance outstanding as of June 30, 2024 is \$8,696,355.

In 2002, the Authority chose the development team of McCormack Baron Salazar, Inc. and Em Johnson Interest, Inc. to develop the site. Em Johnson Interest has developed the 82 homeownership units affordable to low, moderate and market rate buyers. McCormack Baron was charged with the development of 300 rental units, affordable to households 60% or below the area median income for Contra Costa County.

Thus far, all new construction rental units at the former Easter Hill site have been developed. Thirty-six rehab rental units at the site have been constructed. The remaining 202 rental units at the site have been leased. Similarly, all 82 homeownership units at the former Easter Hill and Cortez sites have been constructed. All homeownership units have been sold.

E. Point Molate – Pollution Remediation

In September 2008, the City entered into an Early Transfer Cooperative Agreement (ETCA) with the United States Department of the Navy the (Navy) to facilitate the transfer of 41 acres of property that was formerly the Naval Fuel Depot Point Molate (Point Molate). The ETCA identifies certain known pollution issues with the property, and the Navy is the responsible party. However, under the provisions of the ETCA, the Navy advanced \$28 million to the City representing the estimated cost of cleanup, and the City committed to manage the project. Any pollution found that was not caused by the Navy's use of the land is to be paid by the City, however, as of June 30, 2024, no additional pollution has been identified.

The City also entered into an agreement in September 2008 with a Developer to sell approximately 134 acres of land located on Point Molate along with the 41 acres of which the Navy is to transfer to the City. The Developer is to complete the cleanup on behalf of the City in accordance with the requirements of the ETCA. The City committed to pass-through the funds received from the Navy to the Developer.

In April 2010, the City and Developer entered into an agreement to establish a fiscal agent escrow account to maintain the funds held for the remediation of Point Molate. The funds advanced by the Navy are to be held in escrow with a fiscal agent and the agent is responsible for disbursing funds to the Developer as costs are incurred. The terms of the agreement are effective until a certificate of completion is issued for the remediation of the property.

Under the terms of the agreements with the Navy and the Developer, the City does not retain responsibility for the cleanup of the known pollution. The City is merely acting as a pass-thru of the grant funds from the Navy to the Developer and the activities for the project are reported in the Pt. Molate Private-Purpose Trust Fund.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

18. COMMITMENTS AND CONTINGENCIES, Continued

E. Point Molate - Pollution Remediation, Continued

In September 2008, the City entered into an Early Transfer Cooperative Agreement (ETCA) with the United States Department of the Navy the (Navy) to facilitate the transfer of 41 acres of property that was formerly the Naval Fuel Depot Point Molate (Point Molate). The ETCA identifies certain known pollution issues with the property, and the Navy is the responsible party. However, under the provisions of the ETCA, the Navy advanced \$28 million to the City representing the estimated cost of cleanup, and the City committed to manage the project. Any pollution found that was not caused by the Navy's use of the land is to be paid by the City, however, as of June 30, 2024, no additional pollution has been identified.

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F. Other - Major Taxpayer

In fiscal year 2009, a major business license taxpayer filed a complaint challenging the legality of Measure T, a voter initiative that took effect on January 1, 2009. Measure T amended the City's business license tax calculation for manufacturers. Although the City believed Measure T to be lawful, the court ruled on December 17, 2009 that the tax was unconstitutional. The court ruled in favor of the business license taxpayer awarding a refund of the \$20.5 million Measure T taxes paid. The City filed an appeal, however in May 2010 the taxpayer and the City entered into a settlement agreement in order to achieve certainty in the tax revenue that the City will receive from the taxpayer over the next 15 years. The agreement provides for annual payments from the taxpayer ranging from \$4 million to \$13 million starting July 1, 2011, with payments totaling \$114 million. In addition, the agreement incorporated the prior settlement of a dispute over fiscal year 2006, 2007 and 2008 utility user's taxes totaling \$28 million that was paid in four installments beginning in fiscal year 2009. Payments totaling \$110 million were received under the settlement agreements in fiscal years 2011 through 2024.

In fiscal year 2015, the City entered into an Environmental Community Investment Agreement (ECIA) with the same taxpayer that provides for funding to the City and other community agencies totaling \$80 million over the next ten years. During fiscal year 2024, the City received \$4 million that is restricted for use on pre-approved projects, and the City has received \$5 million of Guaranteed Payments and \$75 million of Contingent Payments to date.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

18. COMMITMENTS AND CONTINGENCIES, Continued

F. Other – Mayor Taxpayer, Continued

In August 2024, the City adopted a resolution that removed from the November 5, 2024, ballot a proposed business license tax on oil refining and a resolution that approved a tax settlement agreement between the City and the same business license taxpayer. With the tax settlement agreement, the taxpayer agreed to pay \$550 million over the next ten years beginning in fiscal year 2026.

G. Housing Authority Rental Assistance Demonstration

RHA Rental Assistance Demonstration (“RAD”) Program conversion of the Friendship Manor and Triangle Court public housing sites occurred during the 2016 calendar year (includes both the 2015 and 2016 fiscal years). The RAD project consists of 156 units of Public Housing will that were converted to non-profit ownership with Section 8-Project Based Voucher rental subsidy on the two separate properties; all 156 units, except for three units (two are reserved for onsite managers and one for a manager's office), will be used to house low-income residents.

On October 8, 2015, the Department of Housing and Urban Development (HUD) issued and executed the RAD Conversion Commitment (RCC) which represents the agreed upon and approved terms of the RAD conversion transaction.

On November 18, 2015, California Tax Credit Allocation Committee made a preliminary reservation of federal tax credits in the amount of \$1,228,999 accommodated upon executing Tax-Exempt Bond Project to raise funding in the amount of \$36.7 million, the approximate estimated cost of the RAD project; of which \$16.5 million shall be provided by a third-party Tax Credit investor.

The Authority has partnered with the John Stewart Company and The Richman Group to form a Limited Partnership, RHA RAD Housing Partners L.P., that will complete the conversion, manage the property and own the buildings. The Authority will relinquish the land via a long term ground lease.

In furtherance of the finances provided by the Authority, the City of Richmond loaned \$5.4 million to RHA RAD Housing Partners L.P. that will be repaid in 55 years and accrues interest at a rate of 1%. The loan was initially signed with RHA Housing Corporation and then it was transferred and reassigned to RHA RAD Housing Partners L.P., as discussed in Note 4.

After the property is placed in service and receives approval of the 8609 documents from the State of California, the Authority will split a developer fee of \$2.5 million with its general partner John Stewart Company (70%/30%). The project was converted to permanent financing on June 6, 2019.

RHA RAD Housing Partners L.P. will also receive \$732,557 in Public Housing and Capital Improvement funds throughout the January 1, 2016 – December 31, 2016 calendar year to cover the RAD Housing Assistance Program (HAP) Voucher commitments of subsidy for the low income housing units at the two developments. The terms of this requirement are consistent with Notice 2012-32 of the Rental Assistance Demonstration program which requires RAD conversions that close after November 30th of the calendar year to be funded out of Public Housing and Capital Fund Programs until the next calendar year, at which time the Developments will be funded with Section 8 Housing Choice RAD Vouchers.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

18. COMMITMENTS AND CONTINGENCIES, Continued

G. Housing Authority Rental Assistance Demonstration, Continued

In a transaction related to the RAD project during the fiscal year ended June 30, 2016, the Richmond Housing Authority transferred capital assets to RHA RAD LLC, which then sold the capital assets to RHA RAD Housing Partners LP with a carrying value of \$14,358,255 in return for two loans receivable in the amounts of \$8,891,500 and \$5,618,500. These loans are to be repaid in 55 years and bear annual interest rates of 3.5%.

H. Marina Bay - Pollution Remediation

The Successor Agency owned a group of land tracts collectively referenced as the “Nine Deed Restricted Properties.” The Successor Agency was named as a responsible party at these sites under a Voluntary Cleanup Agreement with the State Department of Toxic Substances Control (DTSC) to conduct pollution monitoring and remediation. However, the Successor Agency received approval from the DOF to transfer the properties and their maintenance to the City on June 30, 2016. Therefore, the City is now the responsible party at the sites. These nine properties sit within the larger Marina Bay development site. A Remediation Action Plan (RAP) was prepared for Marina Bay in 1993 and included references to each of the Deed Restricted Properties. Eight of the nine deed restricted properties are subject to an Operations & Maintenance (O&M) Plan. The O&M Plans require annual inspections of the cap material and reporting of the findings to DTSC. The O&M Plans also require that a five-year review report be prepared and submitted to DTSC. The five-year review reports describe the inspection and maintenance activities that were performed over the previous five years. The annual inspection costs are estimated at \$15,500, with the five year review estimated at \$41,000 (this cost includes revising a previously submitted work plan, conducting the review, and preparing the report). The monitoring costs over a five-year period are estimated at \$135,000. Additionally, costs for environmental consultation to address DTSC concerns at the nine deed the nine deed restricted properties are estimated at \$15,000 annually.

The RAP was subsequently amended in 2008 to address Area T, one of the Nine Deed Restricted Properties. The amended RAP subjects the site to groundwater sampling and analysis. The approximate annual costs for the existing groundwater sampling and analysis program is approximately \$30,100. The known pollution at this site are petroleum hydrocarbons dissolved in groundwater. Active remediation was conducted from September 2008 through June 2020 by the former Redevelopment Agency and the Successor Agency and the active remediation has been successful at removing a layer of petroleum hydrocarbons on the groundwater. However, the groundwater impacted with dissolved petroleum hydrocarbons is located in close proximity to the Marina Bay harbor. It is anticipated that DTSC will request that the Successor Agency submit a work plan describing the methods to petroleum hydrocarbons at Area T. Groundwater impacted by dissolved petroleum hydrocarbons is anticipated to be required by DTSC. The Successor Agency requested that its consultant prepare a feasibility study and cost analysis to conduct such remediation. The preliminary cost estimate to implement the groundwater remediation program is estimated at \$135,000. A plan to maintain the cap on Area T will be prepared and the cost for this plan is \$7,500. This preliminary estimate has not been accrued as a liability in the City’s Statement of Net Position. This estimate is also subject to change from price increases or reductions, technology, and changes in applicable laws or regulations.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

18. COMMITMENTS AND CONTINGENCIES, Continued

H. Marina Bay – Pollution Remediation, Continued

A Covenant to Restrict Use of Property for Area FM, also one of the Nine Deed Restricted Properties, was recorded on March 21, 2005. As described in the deed restriction, the remedial alternative for Area FM includes installing and maintaining a temporary 1-foot-thick soil cap over the property as an interim measure; the final cap will consist of hardscape including commercial buildings, roadways, and parking areas. The deed restriction also requires the preparation of an O&M Plan. According to a DTSC-approved Remedial Design and Implementation Plan (RDIP) for Area FM, the proposed permanent cap will be implemented during site redevelopment activities and will consist of building foundations and slabs, paved walkways and parking areas, landscaping and other features constructed over the site. Site redevelopment has yet to occur, the interim temporary cap has not been implemented, and the O&M Plan has yet to be prepared for Area FM. DTSC is requiring the City to construct the temporary cap on Area FM. The City is preparing to construct a temporary asphalt cap to minimize surface water runoff and reduce routine maintenance and prepared a Work Plan Amendment for Construction of Temporary Asphalt Cap. Upon approval by DTSC, the City will install the temporary cap. The cost to prepare the planning documents, conduct observation, documentation, and reporting of the cap installation, as well as preparation of an O&M Plan is \$176,800. The estimate cost to construct the temporary cap can't be made at this time.

DTSC has also requested that the City provide documentation of the dredging conducted within the Marina Bay harbor. The cost to prepare the document is \$1,500. DTSC has also requested that the City prepare and implement a work plan to conduct a supplemental subsurface investigation at Area FM. The scope of work includes: (1) installing and sampling groundwater monitoring wells; (2) installing and sampling soil vapor probes; and (3) soil sampling. The cost to perform the supplemental investigation is not known at the time. Additionally, DTSC has requested that the City submit a real estate title report for Area FM.

I. Encumbrances

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental 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 restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are automatically reappropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding as of June 30, 2024 were as listed below:

	<u>Amount</u>
General Fund	\$ 370,410
American Rescue Plan Act Fund	4,770,246
General Capital Improvement Fund	2,471,656
Non-Major Governmental Funds	23,848,305
	<u>\$ 31,460,617</u>

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES

A. *Redevelopment Dissolution*

The State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

The suspension provisions prohibit all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

ABx1 26 and AB1484 created three regulatory authorities, the Successor Agency Oversight Board, State Controller and Department of Finance (DOF), to review former Agency's asset transfers, obligation payments and wind down activities. ABx1 26 specifically directs the State Controller to review the activities of all redevelopment agencies to determine whether an asset transfer between an agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the Redevelopment Agency or, on or after February 1, 2012, to the Successor Agency. The State Controller's Office completed its asset transfer review in November 2013 and the State ordered the return of certain assets to the Successor Agency to the Redevelopment Agency. The City complied with certain aspects of the State's order during fiscal year 2013 by returning applicable capital assets to the Successor Agency and the Oversight Board retroactively approved other prior transfers to the City and the State has indicated that no further action is necessary. The State also ordered the return of assets previously transferred to the City as Housing Successor totaling \$16,460,848, because the transfer of the housing assets had not been approved by the Oversight Board. The Oversight Board adopted a Resolution on February 25, 2014 retroactively approving the transfer of the loans to the Housing Successor.

Effective January 31, 2012, the Redevelopment Agency was dissolved. Certain assets of the Redevelopment Agency Low and Moderate Income Housing Fund were distributed to a Housing Successor; and the remaining Redevelopment Agency assets and liabilities were distributed to a Successor Agency.

Under the provisions of AB 1484, the City can elect to become the Housing Successor and retain the housing assets. The City elected to become the Housing Successor and on February 1, 2012, certain housing assets were transferred to the City's Low and Moderate Income Housing Fund which is included in the Community Development and Loan Programs Special Revenue Fund. The activities of the Housing Successor are reported in the Low and Moderate Income Housing Asset Fund as the City has control of those assets, which may be used in accordance with the low and moderate income housing provisions of California Redevelopment Law.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

A. *Redevelopment Dissolution, Continued*

The City also elected to become the Successor Agency and on February 1, 2012 the Redevelopment Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency. ABx1 26 requires the establishment of an Oversight Board to oversee the activities of the Successor Agency and one was established in April 2012. As of July 1, 2018, Contra Costa County has formed a county-wide Oversight Board to oversee the activities of all Successor Agencies within the County, including Richmond. The activities of the Successor Agency are subject to review and approval of the Oversight Board, which is comprised of seven members, including one member of City Council and one former Redevelopment Agency employee appointed by the Mayor.

AB1484 required the Successor Agency to complete two due diligence reviews - one for the low and moderate income housing assets of the Successor Agency (Housing DDR), and a second for all other balances of the Successor Agency (Non-housing DDR). The due diligence reviews were to calculate the balance of unencumbered balances as of June 30, 2012 available to be remitted to the County for disbursement to taxing entities. The Successor Agency submitted both due diligence reviews to the State Department of Finance for review and approval. The Department of Finance approved the Housing DDR, after making an adjustment, and the Successor Agency remitted the unencumbered balance of \$4,067,242 to the County in November 2014. The Department of Finance approved the Non-housing DDR in December 2014, and no funds were required to be remitted to the County. The Successor Agency received a Finding of Completion on December 9, 2014.

The activities of the Successor Agency are reported in the Successor Agency to the Richmond Community Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency.

Cash and investments of the Successor Agency as of June 30, 2024 are discussed in Note 2 above. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of June 30, 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

B. Capital Assets

The Successor Agency assumed the non-housing capital assets of the Redevelopment Agency as of February 1, 2012. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The Successor Agency's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

C. Long-term Obligations

The following is a summary of long-term debt transactions during the year ended June 30, 2024:

	Balance July 1, 2023	Additions (A)	Retirements	Balance June 30, 2024	Due Within One Year	Due in More than One Year
Bonds Payable	\$ 35,587,929	\$ 119,901	\$ (6,190,000)	\$ 29,517,830	\$ 4,545,000	\$ 24,972,830
Loans payable from direct borrowing	11,615,000	-	(1,630,000)	9,985,000	2,310,000	7,675,000
Total	<u>\$ 47,202,929</u>	<u>\$ 119,901</u>	<u>\$ (7,820,000)</u>	<u>\$ 39,502,830</u>	<u>\$ 6,855,000</u>	<u>\$ 32,647,830</u>

(A) Includes bond accretion for capital appreciation bonds totaling \$600,640.

Bonds Payable

Bonds payable at June 30, 2024 consisted of the following:

	Net
Subordinate Tax Allocation Bonds - 2007 Series B	\$ 9,469,569
Successor Agency of RCRA Refunding Bonds - 2014 Series A & B	4,551,951
Successor Agency of RCRA Refunding Bonds - 2021 Series A & B	15,496,310
Total	<u>\$ 29,517,830</u>

1998 Harbour Redevelopment Project Tax Allocation Refunding Bonds Series A - Original Issue \$21,862,779

The bonds were issued by the Agency to refinance a portion of the 1991 Harbour Redevelopment Project Tax Allocation Refunding Bonds, refinance certain loans from the City to the Agency, which were used by the City to finance certain publicly owned capital projects, finance certain redevelopment activities within the Harbour Redevelopment Project Area, fund a reserve account and pay certain costs of issuance of the 1998 bonds. The bonds mature annually through 2023, in amounts ranging from \$50,000 to \$1,130,000. Interest rates vary from 3.5% to a maximum of 5.2% and are payable semiannually on January 1 and July 1. The bonds are secured by a pledge of tax revenues derived from taxable property within the Harbour Project Area. On March 27, 2014, the Agency issued the Successor Agency to the Richmond Community Redevelopment Agency Refunding Bonds 2014 Series A & B which resulted in the defeasance of the outstanding balance of the current interest portion of the bonds in the amount of \$9,180,000. The bond was paid off in fiscal year 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

C. Long-term Obligations, Continued

Richmond Community Redevelopment Agency Subordinate Tax Allocation Bonds Series 2007A and Series B - Original Issue Series A \$65,400,000, Series B \$9,772,622

On July 12, 2007 the Redevelopment Agency issued Series 2007A Subordinate Tax Allocation Bonds in the amount of \$65,400,000. The proceeds from the Bonds were used to pay the amount of \$22,000,000 to the City to assist with the financing of the Civic Center Project, and to fund other Redevelopment Agency projects.

The 2007A Subordinate Tax Allocation Bonds were issued as variable auction rate bonds with interest calculated every thirty-five days, however, the Agency entered into a 29-year interest rate swap agreement for the entire amount of its 2007A Subordinate Tax Allocation Bonds. In fiscal year 2010 the Agency experienced a significant decline in tax increment revenue. In order to bring debt service in line with current revenues and maintain compliance with the required 1.4:1 tax increment to debt service coverage ratio, the Agency suspended a number of projects originally funded by the 2007A Bonds and applied approximately \$36 million of the unspent 2007A proceeds and other available funds along with the proceeds from the issuance of the Subordinate Tax Allocation Refunding Bonds, Series 2010A to refund the outstanding balance of the 2007A Bonds. As part of the issuance of the 2010A Bonds, the interest rate swap agreement associated with the 2007A Bonds was amended and restated as discussed with the Series 2010A Bonds below.

On July 12, 2007 the Redevelopment Agency issued Series 2007B Housing Set-Aside Subordinate Tax Allocation Capital Appreciation Bonds in the amount of \$9,772,622 at interest rates ranging from 5.57% to 6.40%. The proceeds from the 2007B Bonds will be used to finance certain low and moderate income housing activities of the Redevelopment Agency. The 2007B Bonds mature annually through 2037, in amounts ranging from \$465,000 to \$2,020,000. The 2007B Bonds are secured by a pledge of subordinated housing and non-housing tax revenues.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

C. Long-term Obligations, Continued

Richmond Community Redevelopment Agency Subordinate Tax Allocation Bonds Series 2007A and Series B - Original Issue Series A \$65,400,000, Series B \$9,772,622, Continued

At June 30, 2024, the 2007B Bonds consisted of the following:

	Value	Accretion / Amortization	Unamortized Premium (Discount)	Net
Capital appreciation bonds	\$ 13,215,000	\$ 600,640	\$ (4,346,071)	\$ 9,469,569

The annual debt service requirements on the 2007B Bonds are as follows:

For the Years Ending June 30,	Principal
2025	\$ 1,175,000
2026	1,230,000
2027	1,285,000
2028	2,020,000
2029	830,000
2030-2034	4,170,000
2035-2037	2,505,000
Total	\$ 13,215,000

Successor Agency to the Richmond Community Redevelopment Agency Refunding Bonds 2014 Series A & B - Original Issue Amounts \$25,795,000 and \$1,655,000, respectively

The 2014 A & B Bonds were issued on March 27, 2014 by the Successor Agency to the Richmond Community Redevelopment Agency. The proceeds of the Bonds, together with other available funds, were used to refund and defease the outstanding balance of the current interest portion of the 1998 Harbour Redevelopment Project Tax Allocation Refunding Bonds Series A, and the outstanding balances of the Richmond Joint Powers Financing Authority Tax Allocation Revenue Bonds Series 2000 A & B and Richmond Joint Powers Financing Authority Tax Allocation Revenue Bonds Series 2003A. Interest rates range from 1.40% to 5.00% and is payable semiannually on March 1 and September 1. The 2014A Bonds mature annually on each September 1 through 2025 while the 2014B Bonds mature annually on each September 1 through 2018. Both Bonds are secured by a pledge of Redevelopment Property Tax Trust Fund revenues. The outstanding balances of the defeased debt as of June 30, 2024 were as follows:

Harbour Tax Allocation Refunding Bonds - 1998 Series A	\$ 4,475,000
Total	\$ 4,475,000

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

C. Long-term Obligations, Continued

Successor Agency to the Richmond Community Redevelopment Agency Refunding Bonds 2014 Series A & B - Original Issue Amounts \$25,795,000 and \$1,655,000, respectively, Continued

At June 30, 2024, the 2014 A & B Bonds consisted of the following:

Bonds outstanding	\$ 4,475,000
Unamortized premium	76,951
Net	<u>\$ 4,551,951</u>

The annual debt service requirements on the A & B bonds are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 2,185,000	\$ 164,125	\$ 2,349,125
2026	2,290,000	54,750	2,344,750
Total	<u>\$ 4,475,000</u>	<u>\$ 218,875</u>	<u>\$ 4,693,875</u>

Successor Agency to the Richmond Community Redevelopment Agency Refunding Bonds 2021 Series A & B - Original Issue Amounts \$15,070,000 and \$2,665,000, respectively

On December 18, 2020, the Redevelopment Agency issued Series 2020A&B Community Redevelopment Agency Refunding Bonds. The proceeds was used to repay a portion of the obligations of the Successor Agency under a Loan Agreement (Housing), dated as of October 1, 2004, by and between the Former Agency and the Richmond Joint Powers Financing Authority that secures payment of the Richmond Joint Powers Financing Authority Housing Set-Aside Tax Allocation Revenue Bonds, Series 2004B (Tax-Exempt) in the outstanding principal amount of \$720,000, and refund the \$21,625,000 outstanding principal amount of Richmond Community Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (Merged Project Areas), 2010 Series A (the "2010A Bonds" and, together with the 2004 Loan Agreement, the "Prior Obligations").

The Series 2021 Refunding Bonds will each be issued as fully registered Bonds and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2021 Refunding Bonds, as more fully described in APPENDIX G. The Series 2021 Refunding Bonds will be dated the date of delivery and issued in registered form in denominations of \$5,000 or any integral multiple of \$5,000 and will mature on September 1 of each year in the amounts as set forth on the inside cover page. Interest on the Series 2021 Refunding Bonds will be payable on each March 1 and September 1, commencing September 1, 2021.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

C. Long-term Obligations, Continued

Successor Agency to the Richmond Community Redevelopment Agency Refunding Bonds 2021 Series A & B - Original Issue Amounts \$15,070,000 and \$2,665,000, respectively, Continued

At June 30, 2024, the bond premium consisted of the following:

	Value	Accretion / Amortization	Unamortized Premium (Discount)	Net
Successor Agency Bond 2021A & B	\$ 14,150,000	\$ -	\$ 1,346,310	\$ 15,496,310

The annual debt service requirements on the A & B bonds are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 1,185,000	\$ 525,500	\$ 1,710,500
2026	2,155,000	458,700	2,613,700
2027	2,045,000	374,700	2,419,700
2028	6,075,000	212,300	6,287,300
2029	260,000	85,600	345,600
2030-2034	1,590,000	247,400	1,837,400
2035-2037	840,000	24,000	864,000
Total	\$ 14,150,000	\$ 1,928,200	\$ 16,078,200

Loans Payable

The Richmond Joint Powers Financing Authority (Authority) has issued the Bonds listed below to assist in financing the Agency's operations. The Authority has retained reserve amounts required under the respective Bond indentures and loaned the net proceeds of these Bond issues to the Agency. The Authority is responsible for paying principal and interest on the Bonds; the Agency is responsible for making payments to the Authority in the amounts shown below.

The outstanding balances of loans payable to the Authority at June 30, 2024 came from the Bond issues listed below:

JPFA Tax Allocation Revenue Bonds - 2003 Series B	\$ 3,305,000
JPFA Tax Allocation Revenue Bonds - 2004 Series A & B	6,680,000
Total	\$ 9,985,000

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

C. Long-term Obligations, Continued

Loan from the Authority dated August 1, 2003

In 2003, the Authority issued 2003 Tax Allocation Revenue Bonds Series A and Series B in the original amount of \$28,580,000. The net proceeds of the bond issue were loaned to the Agency to provide funding for certain capital improvements and to repay the City of Richmond \$18,000,000 in partial payment of prior obligations. Under the terms of the loan agreement between the Agency and the Authority dated August 1, 2003, repayment of the loan is being made from certain tax increment revenues derived from taxable property within the Post-2004 Limit Area pledged by the Agency for the purpose of loan repayment. On March 27, 2014, the Agency issued the Successor Agency to the Richmond Community Redevelopment Agency Refunding Bonds 2014 Series A & B which resulted in the refunding and defeasance of the outstanding balance of the 2003 Series A Bonds in the amount of \$12,910,000, as discussed above.

At issuance, the Bonds were insured by MBIA Insurance Corporation (which was reinsured by National Public Finance Guarantee Corporation (“NPFGC”). On December 5, 2017, Kroll Bond Rating Agency downgraded its insurance financial strength rating for NPFGC from ‘AA+’ to ‘AA’ and subsequently withdrew the rating citing business reasons. On January 17, 2018, Moody’s Investors Service (“Moody’s”) downgraded its insurance financial strength rating on NPFGC from ‘A3’ to ‘Baa2’. As a result of the foregoing, Moody’s downgraded its Insured Rating on the Bonds from ‘A3’ to ‘Baa2’. On February 13, 2019, S&P Global Ratings (formerly Standard and Poor’s Ratings Services) upgraded its Local Currency Long-Term and Underlying Ratings on the Bonds from ‘A+’ to ‘AA-’.

The annual debt service requirements on the 2003 Series B loan as of June 30, 2024 are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 1,600,000	\$ 157,815	\$ 1,757,815
2026	1,705,000	53,708	1,758,708
Total	\$ 3,305,000	\$ 211,523	\$ 3,516,523

Loan from the Authority dated October 1, 2004

In 2004, the Authority issued the 2004 Tax Allocation Revenue Bonds Series A and Series B in the original amounts of \$15,000,000 and \$2,000,000, respectively. The net proceeds of the bond issue were loaned to the Agency to provide funding for certain capital improvements, low/moderate income housing and to repay the City of Richmond \$6,367,031 in prior obligations. Under the terms of the loan agreement between the Agency and the Authority dated August 1, 2003, repayment of the loan is being made from certain subordinate housing and non-housing tax increment revenues derived from the taxable property within the Merged Project Area pledged by the Agency for the purpose of loan repayment.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

C. Long-term Obligations, Continued

Loan from the Authority dated October 1, 2004, Continued

The annual debt service requirements for these loans as of June 30, 2024 are as follows:

For the Years Ending June 30,	Principal	Interest	Total
2025	\$ 710,000	\$ 344,080	\$ 1,054,080
2026	750,000	304,368	1,054,368
2027	5,220,000	141,984	5,361,984
Total	<u>\$ 6,680,000</u>	<u>\$ 790,432</u>	<u>\$ 7,470,432</u>

Pledge of Redevelopment Tax Increment Revenues

The Bond issues and loans payable to the Authority discussed above consist of senior and parity obligations secured by future tax increment revenues. The pledge of all future tax increment revenues (housing and non-housing revenue) ends upon repayment of \$54,618,772 remaining debt service on the Bonds and loans which is scheduled to occur in 2037.

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County’s Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues. In addition, under the provisions of the laws dissolving the Redevelopment Agency, the Successor Agency only receives the funds necessary to fulfill its approved obligations. Total property taxes available for distribution to the Successor Agency and other taxing entities for fiscal year 2024 calculated by the County Auditor–Controller were \$53,902,931. The total received by the Successor Agency for fiscal year 2024 debt service and other enforceable obligations was \$8,784,067, which the Successor Agency used along with cash on-hand to pay debt service of \$17,438,198.

A special assessment district has been established in an area of the Agency to provide improvements to properties located in that district. Properties in the district are assessed for the cost of improvements: these assessments are payable solely by property owners over the term of the debt issued to finance these improvements. The Agency is not legally or morally obligated to pay these debts or be the purchaser of last resort of any foreclosed properties in these special assessment districts, nor is it obligated to advance Agency funds to repay these debts in the event of default.

One District, Marina Westshore Community Facilities District No. 1998-1, had issued Community Facilities District No. 1998-1 Special Tax Bonds which had a remaining balance outstanding of \$1,335,000 at June 30, 2024.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

19. REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES,
Continued

C. Long-term Obligations, Continued

Conduit Debt

The Agency has assisted private-sector entities by sponsoring their issuance of debt for purposes the Agency deems to be in the public interest. These debt issues are secured solely by the property financed by the debt. The Agency is not legally or morally obligated to pay these debts or be the purchaser of last resort of any foreclosed properties secured by these debts, nor is it obligated to advance Agency funds to repay these debts in the event of default by any of these issuers. At June 30, 2024, the balance of the issuers' outstanding debt was as follows:

Crescent Park Apartment Project, 2007 Series A & Series A-T Revenue Bonds	\$ 14,751,339
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D. Commitments and Contingencies

State Approval of Enforceable Obligations

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) annually that contains all proposed expenditures for the subsequent twelve-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The amount, if any, of current obligations that may be denied by the State Department of Finance cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

City of Richmond
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

20. NEW ACCOUNTING STANDARDS

Accounting Standards Adopted

- GASB Statement No. 100, Accounting Changes and Error Corrections-an Amendment of GASB Statement No. 62 - The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The City adopted this statement for the year ending June 30, 2024.

New Accounting Standards

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- GASB Statement No. 101, Compensated Absences - The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for the City's year ending June 30, 2025.
- GASB Statement No. 102, Certain Risk Disclosures. The primary objective of this Statement is to provide users of government financial statements with essential information about risks related to government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are going to be effective for the City's year ending June 30, 2025.
- GASB Statement No. 103, Financial Reporting Model Improvements. The primary objective of this Statement is to improve key components of the financial reporting model to enhances its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are going to be effective for the City's year ending June 30, 2026.
- GASB Statement No. 104, Disclosure of Certain Capital Asset. The is primary objective is to provide users of government financial statements with essential information about certain types of capital assets, including their nature, use, and related financial impacts. The requirements of this Statement are going to be effective for the City's year ending June 30, 2026.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

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City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

BUDGET AND BUDGETARY ACCOUNTING

Budgeting Procedures

The City adopts a budget annually to be effective July 1, for the ensuing fiscal year. 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 reappropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end.

An operating budget is adopted each fiscal year on a basis consistent with Generally Accepted Accounting Principles (GAAP) for the General Fund, certain Special Revenue Funds (State Gas Tax, General Purpose, Paratransit Operations, Public Safety, Lighting and Landscaping Districts, Developer Impact Fees, Community Development and Loan Programs, Richmond Neighborhood Stabilization Corporation, Rent Program, Cost Recovery and Environmental Community Investment Agreement) and the debt service funds (Pension Obligation Bonds, General Debt Service and Civic Center Debt Service). Public hearings are conducted on the proposed budgets to review all appropriations and sources of financing. Capital projects funds are budgeted on a project length basis and are therefore not comparable on an annual basis.

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. Budgeted amounts for the Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual include budget amendments approved by City Council.

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City of Richmond

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Property taxes	\$ 50,567,173	\$ 52,181,354	\$ 53,802,373	\$ 1,621,019
Sales taxes	56,752,495	57,897,341	61,319,980	3,422,639
Utility user taxes	55,775,083	57,938,011	59,120,237	1,182,226
Other taxes	23,237,723	24,144,377	18,754,991	(5,389,386)
Licenses, permits and fees	10,572,894	13,022,894	14,519,981	1,497,087
Fines, forfeitures and penalties	331,144	151,438	229,936	78,498
Use of money and property	1,011,535	1,796,421	4,058,357	2,261,936
Intergovernmental	485,000	588,911	641,157	52,246
Charges for services	5,275,293	5,293,273	4,948,584	(344,689)
Rent	777,028	777,028	864,042	87,014
Other	278,880	278,880	432,808	153,928
Total revenues	205,064,248	214,069,928	218,692,446	4,622,518
EXPENDITURES:				
Current:				
General government	47,948,449	51,091,039	43,654,447	7,436,592
Public safety	117,377,844	120,954,585	105,663,918	15,290,667
Public works	34,193,617	34,631,276	32,133,919	2,497,357
Cultural and recreational	11,692,965	12,065,106	12,187,647	(122,541)
Capital outlay	1,266,000	2,093,116	1,032,495	1,060,621
Debt service:				
Principal	779,905	779,905	3,826,278	(3,046,373)
Interest and fiscal charges	61,448	61,448	141,405	(79,957)
Total expenditures	213,320,228	221,676,475	198,640,109	23,036,366
REVENUES OVER (UNDER) EXPENDITURES	(8,255,980)	(7,606,547)	20,052,337	27,658,884
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	-	-	6,299	6,299
Transfers in	26,763,449	28,823,916	21,637,505	(7,186,411)
Transfers out	(18,189,702)	(35,877,436)	(28,585,425)	7,292,011
Total other financing sources (uses)	8,573,747	(7,053,520)	(6,941,621)	111,899
Net change in fund balances	\$ 317,767	\$ (14,660,067)	13,110,716	\$ 27,770,783
FUND BALANCES (DEFICITS):				
Beginning of year			86,311,943	
End of year			<u>\$ 99,422,659</u>	

City of Richmond

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Community Development and Loan Programs Special Revenue Fund For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits and fees	\$ 520,269	\$ 940,396	\$ 938,531	\$ (1,865)
Use of money and property	59,843	59,843	572,224	512,381
Intergovernmental	275,967	350,967	161,266	(189,701)
Other	907,029	1,189,388	1,066,843	(122,545)
Total revenues	1,763,108	2,540,594	2,738,864	198,270
EXPENDITURES:				
Current:				
General government	-	-	2,338	(2,338)
Community development	3,002,772	3,002,772	440,901	2,561,871
Housing and redevelopment	1,607,034	1,682,034	259,103	1,422,931
Capital outlay	1,150,000	1,150,000	-	1,150,000
Total expenditures	5,759,806	5,834,806	702,342	5,132,464
REVENUES OVER (UNDER) EXPENDITURES	(3,996,698)	(3,294,212)	2,036,522	5,330,734
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	133,664	168,933	35,239	(133,694)
Transfers out	(480,000)	(480,000)	-	480,000
Total other financing sources (uses)	(346,336)	(311,067)	35,239	346,306
Net change in fund balances	\$ (4,343,034)	\$ (3,605,279)	2,071,761	\$ 5,677,040
FUND BALANCES (DEFICITS):				
Beginning of year			32,611,177	
End of year			\$ 34,682,938	

City of Richmond

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

American Rescue Plan Act Special Revenue Fund

For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,144,072	\$ 1,144,072
Intergovernmental	-	-	2,358,952	2,358,952
Total revenues	-	-	3,503,024	3,503,024
EXPENDITURES:				
Current:				
General government	310,000	3,010,000	1,013,839	1,996,161
Public works	1,000,000	12,422,305	40,263	12,382,042
Cultural and recreational	-	2,017,490	-	2,017,490
Housing and redevelopment	493,750	2,477,983	-	2,477,983
Capital outlay	5,928,890	3,508,113	1,304,850	2,203,263
Total expenditures	7,732,640	23,435,891	2,358,952	21,076,939
REVENUES OVER (UNDER) EXPENDITURES	(7,732,640)	(23,435,891)	1,144,072	24,579,963
Net change in fund balances	\$ (7,732,640)	\$ (23,435,891)	1,144,072	\$ 24,579,963
FUND BALANCES (DEFICITS):				
Beginning of year			2,285,568	
End of year			\$ 3,429,640	

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan

*Schedule of Changes in the Net Pension Liability and Related Ratios - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Total Pension Liability				
Service cost	\$ 6,722,126	\$ 6,682,973	\$ 6,902,037	\$ 7,529,439
Interest	35,674,633	35,458,653	35,423,024	34,974,846
Differences between actual and expected experience	(7,762,052)	(5,319,202)	(6,412,719)	(4,393,691)
Changes in assumptions	-	12,173,403	-	-
Changes in benefits	632,505	-	-	-
Benefit payments, including refunds of employee contributions	(32,597,551)	(31,205,396)	(30,000,846)	(29,018,486)
Net change in the total pension liability	2,669,661	17,790,431	5,911,496	9,092,108
Total pension liability - beginning	537,090,947	519,300,516	513,389,020	504,296,912
Total pension liability - ending (a)	\$ 539,760,608	\$ 537,090,947	\$ 519,300,516	\$ 513,389,020
Plan Fiduciary Net Position				
Contributions - employer	\$ 14,445,711	\$ 14,802,460	\$ 14,612,575	\$ 13,778,755
Contributions - employee	2,219,977	2,518,762	2,657,439	2,749,990
Net investment income	24,467,157	(33,609,940)	83,636,340	18,237,576
Plan to plan resource movement	-	-	(4,882)	-
Administrative expense	(295,244)	(279,875)	(378,350)	(526,586)
Benefit payments, including refunds of employee contributions	(32,597,551)	(31,205,396)	(30,000,846)	(29,018,486)
Other miscellaneous income (expense)	-	-	-	-
Net change in plan fiduciary net position	8,240,050	(47,773,989)	70,522,276	5,221,249
Plan fiduciary net position - beginning	401,499,873	449,273,857	378,751,581	373,530,332
Plan fiduciary net position - ending (b)	\$ 409,739,923	\$ 401,499,868	\$ 449,273,857	\$ 378,751,581
Net pension liability - ending (a) - (b)	\$ 130,020,685	\$ 135,591,079	\$ 70,026,659	\$ 134,637,439
Plan fiduciary net position as a percentage of the total pension liability	75.91%	74.75%	86.52%	73.77%
Covered payroll	\$ 33,889,757	\$ 31,565,766	\$ 32,686,024	\$ 35,129,597
Net pension liability as a percentage of covered payroll	383.66%	429.55%	214.24%	383.26%

Notes to the schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

* Fiscal year 2015 was the 1st year of implementation.

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
\$ 7,652,864	\$ 7,637,812	\$ 8,053,459	\$ 7,200,571	\$ 7,446,410	\$ 7,816,868
34,315,542	33,323,855	32,804,753	32,305,003	31,414,256	30,597,498
(331,531)	(4,642,948)	(4,464,966)	(3,484,064)	(5,280,549)	-
-	(3,224,832)	25,548,824	-	(7,116,200)	-
-	-	-	-	-	-
(27,565,398)	(25,970,450)	(25,074,448)	(23,917,069)	(23,302,793)	(23,007,539)
14,071,477	7,123,437	36,867,622	12,104,441	3,161,124	15,406,827
490,225,435	483,101,998	446,234,376	434,129,935	430,968,811	415,561,984
<u>\$ 504,296,912</u>	<u>\$ 490,225,435</u>	<u>\$ 483,101,998</u>	<u>\$ 446,234,376</u>	<u>\$ 434,129,935</u>	<u>\$ 430,968,811</u>
\$ 12,156,723	\$ 10,489,795	\$ 8,860,295	\$ 8,093,834	\$ 7,189,716	\$ 6,661,038
2,843,043	2,894,841	2,996,354	3,087,656	3,141,565	3,195,699
23,350,283	28,880,923	35,805,938	1,630,388	7,502,958	51,867,728
-	(842)	(50,018)	(4,762)	(6,885)	-
(259,047)	(542,721)	(481,651)	(205,714)	(379,925)	-
(27,565,398)	(25,970,450)	(25,074,448)	(23,917,069)	(23,302,793)	(23,007,539)
842	(1,030,636)	-	-	-	-
10,526,446	14,720,910	22,056,470	(11,315,667)	(5,855,364)	38,716,926
363,003,886	348,282,976	326,226,506	337,542,173	343,397,537	304,680,611
<u>\$ 373,530,332</u>	<u>\$ 363,003,886</u>	<u>\$ 348,282,976</u>	<u>\$ 326,226,506</u>	<u>\$ 337,542,173</u>	<u>\$ 343,397,537</u>
<u>\$ 130,766,580</u>	<u>\$ 127,221,549</u>	<u>\$ 134,819,022</u>	<u>\$ 120,007,870</u>	<u>\$ 96,587,762</u>	<u>\$ 87,571,274</u>
74.07%	74.05%	72.09%	73.11%	77.75%	79.68%
\$ 36,295,759	\$ 35,725,311	\$ 35,964,798	\$ 36,638,889	\$ 36,151,102	\$ 37,210,225
360.28%	356.11%	374.86%	327.54%	267.18%	235.34%

Changes in Assumptions: None in 2019,2020 or 2021. In 2022, the accounting discount rate was reduced from 7.15% to 6.90%. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan

*Schedule of Contributions - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Actuarially determined contribution	\$ 14,445,711	\$ 14,802,460	\$ 14,466,499	\$ 14,438,844
Contributions in relation to actuarially determined contributions	(14,445,711)	(14,802,460)	(14,466,499)	(14,438,844)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 41,658,338	\$ 33,889,757	\$ 31,565,766	\$ 32,686,024
Contributions as a percentage of covered payroll	34.68%	43.68%	45.83%	44.17%

Notes to the schedule:

Valuation date: 6/30/2021 6/30/2020 6/30/2019 6/30/2018

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were derived from the June 30, 2021 funding valuation report.

Actuarial cost method	Entry age normal
Amortization method	For details, see June 30, 2021 CalPERS Funding Valuation Report
Asset valuation method	For details, see June 30, 2021 CalPERS Funding Valuation Report
Inflation	2.30%
Payroll growth	2.80%
Salary increases	Varies by Entry Age and Service.
Investment rate of return	6.80%
Retirement age	The probabilities of Retirement are based on the 2021 CalPERS Experience Study for the period from 2000 to 2019.
Mortality rate table	The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2000 to 2019. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries

* Fiscal year 2015 was the 1st year of implementation.

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
\$ 13,783,427	\$ 12,150,650	\$ 10,436,250	\$ 8,867,763	\$ 8,084,584	\$ 7,178,549
(13,783,427)	(12,150,650)	(10,436,250)	(8,867,763)	(8,084,584)	(7,178,549)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 35,129,597	\$ 36,295,759	\$ 35,725,311	\$ 35,964,798	\$ 36,638,889	\$ 36,151,102
39.24%	33.48%	29.21%	24.66%	22.07%	19.86%
6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

Safety Agent Multiple-Employer Defined Benefit Pension Plan

*Schedule of Changes in the Net Pension Liability and Related Ratios - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Total Pension Liability				
Service cost	\$ 9,411,145	\$ 10,872,256	\$ 10,261,858	\$ 10,958,278
Interest	50,102,721	48,797,968	48,387,109	47,218,257
Differences between actual and expected experience	3,695,356	(6,331,832)	(1,211,011)	(2,189,929)
Changes in assumptions	-	19,873,614	-	-
Changes in benefits	272,955	-	-	-
Benefit payments, including refunds of employee contributions	(45,510,872)	(42,486,153)	(41,557,485)	(38,982,005)
Net change in the total pension liability	17,971,305	30,725,853	15,880,471	17,004,601
Total pension liability - beginning	740,207,934	709,482,081	693,601,610	676,597,009
Total pension liability - ending (a)	\$ 758,179,239	\$ 740,207,934	\$ 709,482,081	\$ 693,601,610
Plan Fiduciary Net Position				
Contributions - employer	\$ 21,904,607	\$ 21,911,673	\$ 21,598,699	\$ 19,362,087
Contributions - employee	3,028,664	3,884,791	4,314,111	4,232,707
Net investment income	31,057,913	(42,434,599)	105,126,083	22,875,702
Plan to plan resource movement	-	-	4,881	-
Administrative expense	(372,225)	(352,374)	(476,147)	(662,340)
Benefit payments, including refunds of employee contributions	(45,510,872)	(42,486,153)	(41,557,485)	(38,982,005)
Other miscellaneous income (expense)	-	-	-	-
Net change in plan fiduciary net position	10,108,087	(59,476,662)	89,010,142	6,826,151
Plan fiduciary net position - beginning	506,185,809	565,662,471	476,652,329	469,826,178
Plan fiduciary net position - ending (b)	\$ 516,293,896	\$ 506,185,809	\$ 565,662,471	\$ 476,652,329
Net pension liability - ending (a) - (b)	\$ 241,885,343	\$ 234,022,125	\$ 143,819,610	\$ 216,949,281
Plan fiduciary net position as a percentage percentage of the total pension liability	68.10%	68.38%	79.73%	68.72%
Covered payroll	\$ 28,453,678	\$ 30,325,691	\$ 33,272,769	\$ 34,316,884
Net pension liability as a percentage of covered payroll	850.10%	771.70%	432.24%	632.19%

Notes to the schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

* Fiscal year 2015 was the 1st year of implementation.

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
\$ 11,313,128	\$ 11,391,456	\$ 11,650,927	\$ 10,297,536	\$ 10,142,245	\$ 10,167,167
46,009,128	44,562,419	43,264,626	41,950,593	40,142,006	38,254,517
433,759	413,272	797,969	2,950,295	3,799,388	-
-	(2,676,340)	35,109,898	-	(9,563,090)	-
-	-	-	-	-	-
<u>(37,105,985)</u>	<u>(35,123,568)</u>	<u>(33,620,000)</u>	<u>(30,593,589)</u>	<u>(28,747,508)</u>	<u>(27,199,743)</u>
20,650,030	18,567,239	57,203,420	24,604,835	15,773,041	21,221,941
655,946,979	637,379,740	580,176,320	555,571,485	539,798,444	518,576,503
<u>\$ 676,597,009</u>	<u>\$ 655,946,979</u>	<u>\$ 637,379,740</u>	<u>\$ 580,176,320</u>	<u>\$ 555,571,485</u>	<u>\$ 539,798,444</u>
\$ 16,658,515	\$ 14,016,085	\$ 12,699,049	\$ 11,488,714	\$ 10,652,641	\$ 9,352,438
4,238,132	4,226,345	4,471,008	4,607,993	3,797,568	3,348,408
29,333,974	36,380,672	45,166,243	2,062,417	9,408,186	64,842,562
-	(1,062)	50,018	4,762	3,476	-
(326,144)	(684,883)	(607,337)	(258,432)	(477,249)	-
<u>(37,105,985)</u>	<u>(35,123,568)</u>	<u>(33,620,000)</u>	<u>(30,593,589)</u>	<u>(28,747,508)</u>	<u>(27,199,743)</u>
1,062	(1,300,605)	-	-	-	-
12,799,554	17,512,984	28,158,981	(12,688,135)	(5,362,886)	50,343,665
457,026,624	439,513,640	411,354,659	424,042,794	429,405,680	379,062,015
<u>\$ 469,826,178</u>	<u>\$ 457,026,624</u>	<u>\$ 439,513,640</u>	<u>\$ 411,354,659</u>	<u>\$ 424,042,794</u>	<u>\$ 429,405,680</u>
<u>\$ 206,770,831</u>	<u>\$ 198,920,355</u>	<u>\$ 197,866,100</u>	<u>\$ 168,821,661</u>	<u>\$ 131,528,691</u>	<u>\$ 110,392,764</u>
69.44%	69.67%	68.96%	70.90%	76.33%	79.55%
\$ 35,870,534	\$ 34,439,607	\$ 37,273,957	\$ 37,352,212	\$ 36,161,966	\$ 35,479,947
576.44%	577.59%	530.84%	451.97%	363.72%	311.14%

Changes in Assumptions: None in 2019, 2020 or 2021. In 2022, the accounting discount rate was reduced from 7.15% to 6.90%. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

Safety Agent Multiple-Employer Defined Benefit Pension Plan

*Schedule of Contributions - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Actuarially determined contribution	\$ 21,904,607	\$ 21,911,673	\$ 21,603,382	\$ 21,315,231
Contributions in relation to actuarially determined contributions	(21,904,607)	(21,911,673)	(21,603,382)	(21,315,231)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 31,146,084	\$ 28,453,678	\$ 30,325,691	\$ 33,272,769
Contributions as a percentage of covered payroll	70.33%	77.01%	71.24%	64.06%

Notes to the schedule:

Valuation date:	6/30/2021	6/30/2020	6/30/2019	6/30/2018
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The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were derived from the June 30, 2021 funding valuation report.

Actuarial cost method	Entry age normal
Amortization method	For details, see June 30, 2021 CalPERS Funding Valuation Report
Asset valuation method	For details, see June 30, 2021 CalPERS Funding Valuation Report
Inflation	2.30%
Payroll growth	2.80%
Salary increases	Varies by Entry Age and Service.
Investment rate of return	6.80%
Retirement age	The probabilities of Retirement are based on the 2021 CalPERS Experience Study for the period from 2000 to 2019.
Mortality rate table	The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2000 to 2019. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries

* Fiscal year 2015 was the 1st year of implementation.

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
\$ 19,355,578	\$ 16,363,802	\$ 14,013,858	\$ 12,696,582	\$ 11,492,798	\$ 10,650,057
(19,355,578)	(16,363,802)	(14,013,858)	(12,696,582)	(11,492,798)	(10,650,057)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 34,316,884	\$ 35,870,534	\$ 34,439,607	\$ 37,273,957	\$ 37,352,212	\$ 36,151,966
56.40%	45.62%	40.69%	34.06%	30.77%	29.46%
6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

General Pension Plan

*Schedule of Changes in the Net Pension Liability and Related Ratios - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Measurement Date	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Total Pension Liability				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest	18,066	13,321	16,222	35,526
Differences between actual and expected experience	-	(528,328)	-	106,639
Changes in assumptions	(1,445)	(91,811)	-	72,660
Changes in benefits	-	-	-	-
Benefit payments, including refunds of employee contributions	(252,208)	(240,913)	(371,727)	(401,991)
Net change in the total pension liability	(235,587)	(847,731)	(355,505)	(187,166)
Total pension liability - beginning	594,126	1,452,567	1,808,072	1,995,238
Total pension liability - ending (a)	\$ 358,539	\$ 604,836	\$ 1,452,567	\$ 1,808,072
Plan Fiduciary Net Position				
Contributions - employer	\$ 252,208	\$ 152,897	\$ 345,348	\$ 319,025
Contributions - donations and other income	-	-	-	-
Contributions - member	-	-	-	-
Net investment income	-	26,443	3,617	5,501
Other additions	-	-	-	-
Benefit payments, including member contribution refunds	(252,208)	(240,913)	(371,727)	(401,991)
Net change in the total pension liability	-	(61,573)	(22,762)	(77,465)
Plan fiduciary net position - beginning	-	1,070,264	1,093,026	1,170,491
Plan fiduciary net position - ending (b)	\$ -	\$ 1,008,691	\$ 1,070,264	\$ 1,093,026
Net pension liability - ending (a) - (b)	\$ 358,539	\$ (403,855)	\$ 382,303	\$ 715,046
Plan fiduciary net position as a percentage percentage of the total pension liability	0.0%	166.8%	73.7%	60.5%
Covered payroll	n/a	n/a	n/a	n/a
Net pension liability as a percentage of covered payroll	n/a	n/a	n/a	n/a

* Error discovered in fiscal year ended 2024 that the Plan has no plan assets so should have been reported zero plan fiduciary net position in the past years. However, because the actuarial information is not available for the previous years, it is not practical to restate the prior years numbers.

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57,712	70,585	80,100	92,742	107,632	128,954
-	150,123	-	40,459	-	345,786
66,443	102,792	(20,669)	-	-	322,312
-	-	-	-	-	-
<u>(424,760)</u>	<u>(494,605)</u>	<u>(524,939)</u>	<u>(584,272)</u>	<u>(623,662)</u>	<u>(672,546)</u>
<u>(300,605)</u>	<u>(171,105)</u>	<u>(465,508)</u>	<u>(451,071)</u>	<u>(516,030)</u>	<u>124,506</u>
<u>2,295,843</u>	<u>2,466,948</u>	<u>2,932,456</u>	<u>3,383,527</u>	<u>3,899,557</u>	<u>3,775,051</u>
<u>\$ 1,995,238</u>	<u>\$ 2,295,843</u>	<u>\$ 2,466,948</u>	<u>\$ 2,932,456</u>	<u>\$ 3,383,527</u>	<u>\$ 3,899,557</u>
\$ 503,714	\$ 812,561	\$ 814,594	\$ 73,592	\$ 602,970	\$ 602,970
-	-	-	-	-	-
-	-	-	-	-	-
23,724	8,124	2,207	3,351	2,255	2,017
-	-	-	-	-	-
<u>(424,760)</u>	<u>(494,605)</u>	<u>(524,939)</u>	<u>(584,272)</u>	<u>(623,662)</u>	<u>(672,546)</u>
<u>102,678</u>	<u>326,080</u>	<u>291,862</u>	<u>(507,329)</u>	<u>(18,437)</u>	<u>(67,559)</u>
<u>1,067,813</u>	<u>741,733</u>	<u>449,871</u>	<u>957,200</u>	<u>975,637</u>	<u>1,043,196</u>
<u>\$ 1,170,491</u>	<u>\$ 1,067,813</u>	<u>\$ 741,733</u>	<u>\$ 449,871</u>	<u>\$ 957,200</u>	<u>\$ 975,637</u>
<u>\$ 824,747</u>	<u>\$ 1,228,030</u>	<u>\$ 1,725,215</u>	<u>\$ 2,482,585</u>	<u>\$ 2,426,327</u>	<u>\$ 2,923,920</u>
58.7%	46.5%	30.1%	15.3%	28.3%	25.0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

Police and Firemen's Pension Plan

*Schedule of Changes in the Net Pension Liability and Related Ratios - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Measurement Date	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Total Pension Liability				
Interest	\$ 221,136	\$ 257,381	\$ 283,996	\$ 561,163
Differences between actual and expected experience	-	(515,830)	-	(3,680,825)
Changes in assumptions	(27,985)	(912,308)	-	28,483
Benefit payments, including refunds of employee contributions	(854,345)	(971,644)	(1,117,194)	(1,412,673)
Net change in the total pension liability	(661,194)	(2,142,401)	(833,198)	(4,503,852)
Total pension liability - beginning	6,156,088	7,839,576	8,672,774	13,176,626
Total pension liability - ending (a)	\$ 5,494,894	\$ 5,697,175	\$ 7,839,576	\$ 8,672,774
Plan Fiduciary Net Position				
Contributions - employer	\$ 854,345	\$ -	\$ -	\$ 937,004
Net investment income	-	954,475	(1,939,002)	2,527,138
Benefit payments, including member contribution refunds	(854,345)	(971,644)	(1,117,194)	(1,412,673)
Other deductibles	-	(2,546)	-	-
Net change in the total pension liability	-	(19,715)	(3,056,196)	2,051,469
Plan fiduciary net position - beginning	-	10,057,651	13,113,847	11,062,378
Plan fiduciary net position - ending (b)	\$ -	\$ 10,037,936	\$ 10,057,651	\$ 13,113,847
Net pension liability - ending (a) - (b)	\$ 5,494,894	\$ (4,340,761)	\$ (2,218,075)	\$ (4,441,073)
Plan fiduciary net position as a percentage percentage of the total pension liability	0.0%	176.2%	128.3%	151.2%
Covered payroll	n/a	n/a	n/a	n/a
Net pension liability as a percentage of covered payroll	n/a	n/a	n/a	n/a

*Error discovered in fiscal year ended 2024 that the Plan has no plan assets so should have been reported zero plan fiduciary net position in the past years. However, because the actuarial information is not available for the previous years, it is not practical to restate the prior years numbers.

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
\$ 606,022	\$ 952,312	\$ 1,031,753	\$ 1,111,386	\$ 1,214,089	\$ 1,464,746
-	(3,103,425)	-	261,891	-	(323,462)
-	1,037,914	-	-	-	1,380,854
<u>(1,793,082)</u>	<u>(2,170,136)</u>	<u>(2,656,508)</u>	<u>(2,859,902)</u>	<u>(3,140,552)</u>	<u>(3,074,421)</u>
(1,187,060)	(3,283,335)	(1,624,755)	(1,486,625)	(1,926,463)	(552,283)
14,363,686	17,647,021	19,271,776	20,758,401	22,684,864	23,237,147
<u>\$ 13,176,626</u>	<u>\$ 14,363,686</u>	<u>\$ 17,647,021</u>	<u>\$ 19,271,776</u>	<u>\$ 20,758,401</u>	<u>\$ 22,684,864</u>
\$ 937,004	\$ 1,270,466	\$ 1,270,466	\$ 1,270,466	\$ 1,222,197	\$ 740,235
584,954	645,593	589,027	1,340,997	(165,490)	369,240
(1,793,082)	(2,170,136)	(2,656,508)	(2,859,902)	(3,140,552)	(3,074,421)
-	-	-	-	-	-
<u>(271,124)</u>	<u>(254,077)</u>	<u>(797,015)</u>	<u>(248,439)</u>	<u>(2,083,845)</u>	<u>(1,964,946)</u>
11,333,502	11,587,579	12,384,594	12,633,033	14,716,878	16,681,824
<u>\$ 11,062,378</u>	<u>\$ 11,333,502</u>	<u>\$ 11,587,579</u>	<u>\$ 12,384,594</u>	<u>\$ 12,633,033</u>	<u>\$ 14,716,878</u>
<u>\$ 2,114,248</u>	<u>\$ 3,030,184</u>	<u>\$ 6,059,442</u>	<u>\$ 6,887,182</u>	<u>\$ 8,125,368</u>	<u>\$ 7,967,986</u>
84.0%	78.9%	65.7%	64.3%	60.9%	64.9%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULES

OPEB Plan, an Agent Multiple-Employer Defined Benefit Plan

*Schedule of Changes in the Net OPEB Liability and Related Ratios - Last 10 Years**

For the Measurement Period Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Total OPEB Liability				
Service cost	\$ 1,808,740	\$ 1,756,058	\$ 2,088,997	\$ 2,072,961
Interest	6,379,004	6,314,835	6,997,592	6,846,932
Changes in benefit terms	(374,980)	-	-	-
Differences between actual and expected experience	(99,709)	103,835	(11,982,490)	(140,135)
Changes in assumptions	-	-	(6,119,213)	1,173,106
Benefit payments	(7,384,770)	(6,931,088)	(7,272,797)	(7,011,178)
Net change in the total OPEB liability	328,285	1,243,640	(16,287,911)	2,941,686
Total OPEB liability - beginning	108,200,382	106,956,742	123,244,653	120,302,967
Total OPEB liability - ending (a)	\$ 108,528,667	\$ 108,200,382	\$ 106,956,742	\$ 123,244,653
Plan Fiduciary Net Position				
Contributions - employer	\$ 9,641,744	\$ 13,518,089	\$ 10,042,891	\$ 9,515,699
Contributions - employee	640,963	585,950	589,125	623,088
Net investment income	5,554,054	3,089,068	(4,613,857)	6,562,745
Administrative expense	(77,988)	(64,547)	(61,195)	(111,868)
Benefit payments	(7,384,770)	(6,931,088)	(7,272,797)	(7,011,178)
Plan to Plan transfer (1)	-	-	-	-
Net change in the total OPEB liability	8,374,003	10,197,472	(1,315,833)	9,578,486
Plan fiduciary net position - beginning	41,321,443	31,123,971	32,439,804	22,861,318
Plan fiduciary net position - ending (b)	\$ 49,695,446	\$ 41,321,443	\$ 31,123,971	\$ 32,439,804
Net OPEB liability - ending (a) - (b)	\$ 58,833,221	\$ 66,878,939	\$ 75,832,771	\$ 90,804,849
Plan fiduciary net position as a percentage percentage of the total OPEB liability	45.79%	38.19%	29.10%	26.32%
Covered employee payroll	\$ 58,268,870	\$ 47,613,516	\$ 45,133,662	\$ 46,698,024
Net OPEB liability as a percentage of covered employee payroll	100.97%	140.46%	168.02%	194.45%

(1) Transferred to the RPOA Plan established in fiscal year 2019.

* Fiscal year 2017 was the 1st year of implementation.

6/30/2020	6/30/2019	6/30/2018	6/30/2017
\$ 4,292,499	\$ 3,452,679	\$ 6,730,397	\$ 7,558,987
7,222,766	7,625,498	7,927,217	7,064,307
-	(19,910,800)	-	-
(28,723,614)	-	(2,816,969)	-
(42,412,472)	(1,409,953)	8,715,168	(15,340,529)
(7,753,129)	(7,247,073)	(6,861,529)	(6,497,645)
(67,373,950)	(17,489,649)	13,694,284	(7,214,880)
187,676,917	205,166,566	191,472,282	198,687,162
<u>\$ 120,302,967</u>	<u>\$ 187,676,917</u>	<u>\$ 205,166,566</u>	<u>\$ 191,472,282</u>
\$ 12,720,085	\$ 6,714,785	\$ 13,599,120	\$ 13,218,475
642,475	532,288	765,475	278,850
709,908	1,170,454	632,089	227,394
(89,764)	(81,950)	(49,169)	(11,250)
(7,753,129)	(7,247,073)	(6,861,529)	(6,497,645)
-	(1,879,640)	-	-
6,229,575	(791,136)	8,085,986	7,215,824
16,631,743	17,422,879	9,336,893	2,121,069
<u>\$ 22,861,318</u>	<u>\$ 16,631,743</u>	<u>\$ 17,422,879</u>	<u>\$ 9,336,893</u>
<u>\$ 97,441,649</u>	<u>\$ 171,045,174</u>	<u>\$ 187,743,687</u>	<u>\$ 182,135,389</u>
19.00%	8.86%	8.49%	4.88%
\$ 50,016,647	\$ 49,511,523	\$ 65,359,713	\$ 66,774,795
194.82%	345.47%	287.25%	272.76%

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULES, Continued

OPEB Plan, an Agent Multiple-Employer Defined Benefit Plan, Continued

*Schedule of Plan Contributions - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Contractually required contributions (CRC) (1)/ Actuarially determined employer contribution (ADEC)	\$ 8,162,863	\$ 8,107,624	\$ 9,525,000	\$ 12,641,000
Contributions in relation to the CRC/ ADEC	<u>(9,641,744)</u>	<u>(13,518,089)</u>	<u>(10,042,891)</u>	<u>(9,515,697)</u>
Contribution deficiency (excess)	<u>\$ (1,478,881)</u>	<u>\$ (5,410,465)</u>	<u>\$ (517,891)</u>	<u>\$ 3,125,303</u>

Notes:

(1) Before FY2021, the City does not calculate an Actuarially Determined Contribution, but the City's agreements with its bargaining units provide for various benefit levels as discussed in the Notes to the Financial Statements. Contributions reported include the implicit subsidy.

*Schedule of Investment Returns - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Annual money weighted rate of return, net of investment expense	13.18%	9.03%	-13.92%	26.66%

* Fiscal year 2017 was the 1st year of implementation.

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
\$ 7,753,129	\$ 7,247,073	\$ 6,861,529	\$ 6,497,645
<u>(7,753,129)</u>	<u>(7,247,073)</u>	<u>(6,861,529)</u>	<u>(6,497,645)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
3.48%	6.74%	6.30%	10.75%

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULES, Continued

RPOA OPEB Plan, an Agent Multiple-Employer Defined Benefit Plan

*Schedule of Changes in the Net OPEB Liability and Related Ratios - Last 10 Years**

For the Measurement Period Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Total OPEB Liability						
Service cost	\$ 773,710	\$ 751,175	\$ 1,027,120	\$ 1,871,012	\$ 2,053,367	\$ 1,939,517
Interest	1,045,967	962,027	1,107,706	800,939	850,944	764,597
Changes in benefit terms	-	-	-	-	-	21,995,467
Differences between actual and expected experience	(3,178,929)	52,738	(4,595,658)	10,367	(1,784,304)	-
Changes in assumptions	605,196	-	(323,325)	(9,082,375)	401,383	-
Benefit payments	(341,982)	(315,302)	(382,892)	(277,277)	(156,536)	(82,673)
Net change in the total OPEB liability	(1,096,038)	1,450,638	(3,167,049)	(6,677,334)	1,364,854	24,616,908
Total OPEB liability - beginning	17,588,017	16,137,379	19,304,428	25,981,762	24,616,908	-
Total OPEB liability - ending (a)	\$ 16,491,979	\$ 17,588,017	\$ 16,137,379	\$ 19,304,428	\$ 25,981,762	\$ 24,616,908
Plan Fiduciary Net Position						
Contributions - employer	\$ 1,278,978	\$ 1,952,362	\$ 1,955,147	\$ 1,028,868	\$ 1,851,964	\$ -
Contributions - employee	351,000	344,550	403,650	453,163	425,213	82,673
Net investment income	852,098	321,979	(833,976)	935,134	170,322	-
Plan to Plan transfer (1)	-	-	-	-	-	1,879,640
Benefit payments	(341,982)	(315,302)	(382,892)	(277,277)	(156,536)	(82,673)
Administrative expense	(5,075)	(4,052)	(3,187)	(2,612)	-	-
Net change in the total OPEB liability	2,135,019	2,299,537	1,138,742	2,137,276	2,290,963	1,879,640
Plan fiduciary net position - beginning	9,746,158	7,446,621	6,307,879	4,170,603	1,879,640	-
Plan fiduciary net position - ending (b)	\$ 11,881,177	\$ 9,746,158	\$ 7,446,621	\$ 6,307,879	\$ 4,170,603	\$ 1,879,640
Net OPEB liability - ending (a) - (b)	\$ 4,610,802	\$ 7,841,859	\$ 8,690,758	\$ 12,996,549	\$ 21,811,159	\$ 22,737,268
Plan fiduciary net position as a percentage percentage of the total OPEB liability	72.04%	55.41%	46.15%	32.68%	16.05%	7.64%
Covered employee payroll	\$ 13,280,855	\$ 12,167,295	\$ 13,527,611	\$ 16,100,126	\$ 16,699,113	\$ 17,404,407
Net OPEB liability as a percentage of covered employee payroll	34.72%	64.45%	64.24%	80.72%	130.61%	130.64%

(1) Transferred from the OPEB Plan.

* Fiscal year 2019 was the 1st year of implementation.

City of Richmond
Required Supplementary Information
For the year ended June 30, 2024

OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULES, Continued

RPOA OPEB Plan, an Agent Multiple-Employer Defined Benefit Plan, Continued

*Schedule of Plan Contributions - Last 10 Years**

Fiscal Year Ended:	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Contractually required(CRC)						
/Actuarially determined						
employer contributions (ADEC) (1)	\$ 1,130,352	\$ 1,107,178	\$ 1,627,000	\$ 1,878,000	\$ 1,851,964	\$ 82,673
Contributions in relation to the CRC/ADEC	(1,278,978)	(1,952,362)	(1,955,147)	(1,028,868)	(1,851,964)	(82,673)
Contribution deficiency (excess)	\$ (148,626)	\$ (845,184)	\$ (328,147)	\$ 849,132	\$ -	\$ -

Notes:

- (1) Before FY2021 the City does not calculate an Actuarially Determined Contribution, but the City's agreements with its bargaining units provide for various benefit levels as discussed in the Notes to the Financial Statements. Contributions reported include the implicit subsidy.

* Fiscal year 2019 was the 1st year of implementation.

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SUPPLEMENTARY INFORMATION

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NONMAJOR 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 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 purposes for which the funds were set up.

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.

Employment & Training Fund is a fund set up to plan, administer and operate job training programs for the adult and youth residents of Richmond.

Public Safety Fund records 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.

Lighting and Landscaping Districts Fund was set up to account for maintenance services in the nature of landscaping, lighting, cleaning provided to the Hilltop parking lot area, the Marina Way Development area, and the Marina Bay area.

Developer Impact Fees Fund is used to account for monies received from fees levied by the City on new commercial and residential projects. These funds will be used to mitigate the additional public safety and infrastructure costs resulting from these development projects.

Secured Pension Override Fund records the receipt of Pension Tax override collected through property taxes for payment of pension contributions.

Richmond Neighborhood Stabilization Corporation Fund accounts for the activities of the Corporation.

Rent Program Fund is used to account for fees paid by landlords to fund the operation of Richmond's Fair Rent, Just Cause for Eviction, and Homeowner Protection programs.

Cost Recovery Fund is used to record the receipt and use of monies for services provided to the public and developers.

Environmental and Community Investment Agreement (ECIA) Fund accounts for funding received from Chevron in conjunction with the Chevron Modernization Project Environmental and Community Investment Agreement to fund various projects and programs within the City of Richmond.

Transformative Climate Grant Fund is used to record the receipt and use of grant monies from the Transformative Climate Communities (TCC) Program which commits to supporting community-led initiatives to build a healthier environment for local residents. The program funds projects to reduce greenhouse gas emissions and local air pollution.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Special Revenue Funds (Continued)

Encampment Resolution Grant Fund is used to account for provides resources to address the Castro Encampment by offering crisis support for unhoused individuals and facilitating their transition to safe and stable housing.

General Pension Plan Fund is used to account for the activity of the General Pension Plan, a defined benefit plan that covers 28 former City employees not covered by PERS, all of whom have retired. 3 participants remain in the Plan.

Police and Firemen's Pension Plan Fund is used to account for the activity of the Police and Firemen's Pension Plan, a defined benefit pension plan that covers 75 police and fire personnel employed prior to October 1964, all of whom have retired. 12 participants remain in the Plan.

Debt Service Funds

2022 Pension Obligation Bonds Debt Service Fund receives transfers from the General Fund and the Pension Tax Override Fund, and pays the debt service on the 2022 Pension Obligation Bonds.

General Debt Service Fund accounts for monies received in connection with the 1995A and the 1999 Series A Pension Obligation Bonds and the related payments on such debt. The 1995 Series A bonds were to refinance the cost of capital improvements, and the 1999 Series A bonds were issued to fund a portion of the unfunded accrued actuarial liability in the Pension Fund.

Civic Center Debt Service Fund accounts for principal and interest payments on the Civic Center Project Lease Revenue Bonds.

Capital Projects Funds

Measure C/J Fund was set up when the voters of Contra Costa County approved Measure C providing for the creation of the Contra Costa County Transportation Authority. The half-cent transportation sales tax was renewed under Measure J, effective April 1, 2009. The Authority collects one-half percent (0.5%) sales and use tax. Twenty percent (20%) 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 and Measure J compliance.

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

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City of Richmond
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds			
	State Gas Tax	General Purpose	Paratransit	Employment
	Fund	Fund	Operations	and Training
	Fund	Fund	Fund	Fund
ASSETS				
Cash and investments	\$ 7,084,065	\$ 5,526,299	\$ -	\$ 588,196
Restricted cash and investments	-	-	-	31,993
Receivables:				
Accounts, net	513,190	638	54	46,076
Interest	9,825	14,842	-	-
Grants	-	8,552,535	2,139,432	1,638,671
Loans	-	-	-	-
Prepays, supplies and other assets	-	-	-	-
Total assets	\$ 7,607,080	\$ 14,094,314	\$ 2,139,486	\$ 2,304,936
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 601,157	\$ 2,700,585	\$ 33,623	\$ 125,227
Refundable deposits	-	-	-	-
Due to other funds	-	-	1,644,379	-
Unearned revenue	-	6,116,472	-	125,579
Total liabilities	601,157	8,817,057	1,678,002	250,806
Deferred inflows of resources:				
Unavailable revenue	-	5,897,754	2,139,432	899,658
Total deferred inflows of resources	-	5,897,754	2,139,432	899,658
Fund Balances:				
Restricted	7,005,923	-	-	1,154,472
Assigned	-	-	-	-
Unassigned	-	(620,497)	(1,677,948)	-
Total fund balances	7,005,923	(620,497)	(1,677,948)	1,154,472
Total liabilities, deferred inflows of resources, and fund balances	\$ 7,607,080	\$ 14,094,314	\$ 2,139,486	\$ 2,304,936

Special Revenue Funds

Public Safety Fund	Lighting and Landscaping Districts Fund	Developer Impact Fees Fund	Secured Pension Override Fund	Richmond Neighborhood Stabilization Corporation Fund	Rent Program Fund
\$ 263,402	\$ 842,353	\$ 12,463,477	\$ 3,083,691	\$ -	\$ 1,600,858
-	-	-	-	124,772	-
-	1,496	-	-	-	38,248
421	1,320	19,654	-	-	2,612
-	-	-	-	-	-
-	-	-	-	779,013	-
-	-	-	-	-	-
<u>\$ 263,823</u>	<u>\$ 845,169</u>	<u>\$ 12,483,131</u>	<u>\$ 3,083,691</u>	<u>\$ 903,785</u>	<u>\$ 1,641,718</u>
\$ -	\$ 24,691	\$ 515,175	\$ -	\$ 229	\$ 25,977
-	-	-	-	-	-
-	-	-	-	60,692	-
-	-	-	-	-	6,091
-	24,691	515,175	-	60,921	32,068
-	1,496	-	-	-	-
-	1,496	-	-	-	-
263,823	818,982	11,967,956	3,083,691	842,864	1,609,650
-	-	-	-	-	-
-	-	-	-	-	-
<u>263,823</u>	<u>818,982</u>	<u>11,967,956</u>	<u>3,083,691</u>	<u>842,864</u>	<u>1,609,650</u>
<u>\$ 263,823</u>	<u>\$ 845,169</u>	<u>\$ 12,483,131</u>	<u>\$ 3,083,691</u>	<u>\$ 903,785</u>	<u>\$ 1,641,718</u>

City of Richmond
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds			
	Cost Recovery Fund	Environmental and Community Investment Agreement Fund	Transformative Climate Grant Fund	Encampment Resolution Grant Fund
ASSETS				
Cash and investments	\$ 8,936,492	\$ 18,172,802	\$ -	\$ 6,771,404
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts, net	573,868	-	-	-
Interest	21,607	28,356	-	-
Grants	4,815,882	-	2,006,557	-
Loans	-	-	-	-
Prepays, supplies and other assets	150,000	-	169,297	-
Total assets	\$ 14,497,849	\$ 18,201,158	\$ 2,175,854	\$ 6,771,404
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,801,073	\$ 268,489	\$ 636,786	\$ 174,066
Refundable deposits	1,257,571	-	-	-
Due to other funds	-	-	1,533,992	-
Unearned revenue	35,000	-	6,922	6,595,991
Total liabilities	3,093,644	268,489	2,177,700	6,770,057
Deferred inflows of resources:				
Unavailable revenue	2,311,017	-	766,288	-
Total deferred inflows of resources	2,311,017	-	766,288	-
Fund Balances:				
Restricted	9,093,188	17,932,669	-	1,347
Assigned	-	-	-	-
Unassigned	-	-	(768,134)	-
Total fund balances	9,093,188	17,932,669	(768,134)	1,347
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,497,849	\$ 18,201,158	\$ 2,175,854	\$ 6,771,404

Special Revenue Funds		Debt Service Funds			Capital Projects Fund
General Pension Fund	Police and Firemen's Pension Fund	2022 Pension Obligation Bonds Fund	General Debt Service Fund	Civic Center Debt Service Fund	General Capital Improvement Fund
\$ -	\$ -	\$ 142,460	\$ 78,737	\$ 464,305	\$ -
802,489	10,211,247	5,947	-	3,195	-
-	-	-	-	-	-
1,590	932	56	126	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 804,079</u>	<u>\$ 10,212,179</u>	<u>\$ 148,463</u>	<u>\$ 78,863</u>	<u>\$ 467,500</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,187,117	-
-	-	-	-	2,187,117	-
-	-	-	-	-	-
-	-	-	-	-	-
804,079	10,212,179	148,463	78,863	-	-
-	-	-	-	-	-
-	-	-	-	(1,719,617)	-
<u>804,079</u>	<u>10,212,179</u>	<u>148,463</u>	<u>78,863</u>	<u>(1,719,617)</u>	<u>-</u>
<u>\$ 804,079</u>	<u>\$ 10,212,179</u>	<u>\$ 148,463</u>	<u>\$ 78,863</u>	<u>\$ 467,500</u>	<u>\$ -</u>

City of Richmond
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Capital Projects Funds		
	Measure C/J Fund	Harbor Navigation Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 3,337,920	\$ 48,698	\$ 69,405,159
Restricted cash and investments	-	-	11,179,643
Receivables:			
Accounts, net	-	-	1,173,570
Interest	5,552	78	106,971
Grants	1,790,351	-	20,943,428
Loans	-	-	779,013
Prepays, supplies and other assets	-	-	319,297
Total assets	\$ 5,133,823	\$ 48,776	\$ 103,907,081
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 473,229	\$ -	\$ 7,380,307
Refundable deposits	-	-	1,257,571
Due to other funds	-	-	3,239,063
Unearned revenue	-	-	15,073,172
Total liabilities	473,229	-	26,950,113
Deferred inflows of resources:			
Unavailable revenue	958,943	-	12,974,588
Total deferred inflows of resources	958,943	-	12,974,588
Fund Balances:			
Restricted	3,701,651	48,776	68,768,576
Assigned	-	-	-
Unassigned	-	-	(4,786,196)
Total fund balances	3,701,651	48,776	63,982,380
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,133,823	\$ 48,776	\$ 103,907,081

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City of Richmond
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2024

	Special Revenue Funds			
	State Gas Tax Fund	General Purpose Fund	Paratransit Operations Fund	Employment and Training Fund
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	18,750	13,675	-
Fines, forfeitures and penalties	-	9,443	-	-
Use of money and property	198,480	412,430	-	-
Intergovernmental	6,077,543	12,266,522	24,000	3,871,282
Charges for services	-	505,167	-	-
Other	-	204	10,102	185
Total revenues	6,276,023	13,212,516	47,777	3,871,467
EXPENDITURES:				
Current:				
General government	-	612,065	983,767	-
Public safety	-	3,283,221	-	-
Public works	2,534,891	7,510,409	-	-
Community development	-	-	1,682	6,939,746
Cultural and recreational	-	1,252,635	-	-
Housing and redevelopment	-	15,916	-	-
Capital outlay	208,218	2,911,539	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	2,743,109	15,585,785	985,449	6,939,746
REVENUES OVER (UNDER)				
EXPENDITURES	3,532,914	(2,373,269)	(937,672)	(3,068,279)
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	-	-	-	8,120
Transfers in	-	75,000	97,500	2,921,891
Transfers out	-	-	-	-
Total other financing sources (uses)	-	75,000	97,500	2,930,011
Net change in fund balances	3,532,914	(2,298,269)	(840,172)	(138,268)
FUND BALANCES (DEFICITS):				
Beginning of year	3,473,009	1,677,772	(837,776)	1,292,740
Prior period adjustments	-	-	-	-
Beginning of year, as restated	3,473,009	1,677,772	(837,776)	1,292,740
End of year	\$ 7,005,923	\$ (620,497)	\$ (1,677,948)	\$ 1,154,472

Special Revenue Funds					
Public Safety Fund	Lighting and Landscaping Districts Fund	Developer Impact Fees Fund	Secured Pension Override Fund	Richmond Neighborhood Stabilization Corporation Fund	Rent Program Fund
\$ -	\$ 1,839,251	\$ -	\$ 27,165,722	\$ -	\$ -
-	-	988,310	-	-	2,931,687
-	-	-	-	-	-
12,825	40,996	550,277	-	-	88,652
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	61,209
12,825	1,880,247	1,538,587	27,165,722	-	3,081,548
-	-	-	-	-	-
9,996	-	49,668	-	-	-
-	2,843,117	113,524	-	-	-
-	-	-	-	-	-
-	-	68,755	-	-	-
-	-	-	-	3,345	3,196,142
-	23,000	516,821	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,996	2,866,117	748,768	-	3,345	3,196,142
2,829	(985,870)	789,819	27,165,722	(3,345)	(114,594)
-	-	-	-	-	-
-	799,997	-	-	-	438,726
-	-	-	(29,893,824)	-	-
-	799,997	-	(29,893,824)	-	438,726
2,829	(185,873)	789,819	(2,728,102)	(3,345)	324,132
260,994	1,004,855	11,178,137	5,811,793	67,196	1,285,518
-	-	-	-	779,013	-
260,994	1,004,855	11,178,137	5,811,793	846,209	1,285,518
\$ 263,823	\$ 818,982	\$ 11,967,956	\$ 3,083,691	\$ 842,864	\$ 1,609,650

City of Richmond
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2024

	Special Revenue Funds			
	Cost Recovery Fund	Environmental and Community Investment Agreement Fund	Transformative Climate Grant Fund	Encampment Resolution Grant Fund
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	8,403,057	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	845,879	831,170	-	1,346
Intergovernmental	11,516,096	4,016,500	1,602,563	2,006,596
Charges for services	927,595	-	-	-
Other	100	(42,075)	-	-
Total revenues	21,692,727	4,805,595	1,602,563	2,007,942
EXPENDITURES:				
Current:				
General government	12,526,348	4,389,208	2,356,139	2,006,595
Public safety	1,150	149,509	-	-
Public works	746,823	113,680	-	-
Community development	-	-	-	-
Cultural and recreational	-	-	-	-
Housing and redevelopment	-	-	-	-
Capital outlay	5,465,952	22,031	14,558	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	18,740,273	4,674,428	2,370,697	2,006,595
REVENUES OVER (UNDER)				
EXPENDITURES	2,952,454	131,167	(768,134)	1,347
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	-	-	-	-
Transfers in	808,934	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	808,934	-	-	-
Net change in fund balances	3,761,388	131,167	(768,134)	1,347
FUND BALANCES (DEFICITS):				
Beginning of year	5,331,800	17,801,502	-	-
Prior period adjustments	-	-	-	-
Beginning of year, as restated	5,331,800	17,801,502	-	-
End of year	\$ 9,093,188	\$ 17,932,669	\$ (768,134)	\$ 1,347

Special Revenue Funds		Debt Service Funds			Capital Projects Fund
General Pension Fund	Police and Firemen's Pension Fund	2022 Pension Obligation Bonds Fund	General Debt Service Fund	Civic Center Debt Service Fund	General Capital Improvement Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
52,507	1,084,320	161,707	3,470	12,079	-
-	-	-	-	-	-
-	-	-	-	6,808,174	-
-	-	-	-	-	-
52,507	1,084,320	161,707	3,470	6,820,253	-
252,207	-	-	-	-	-
-	908,890	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	3,865,000	-
-	-	11,403,697	5,133	3,918,598	-
252,207	908,890	11,403,697	5,133	7,783,598	-
(199,700)	175,430	(11,241,990)	(1,663)	(963,345)	-
-	-	-	-	-	-
-	-	11,153,663	-	1,463,868	-
-	-	-	-	-	-
-	-	11,153,663	-	1,463,868	-
(199,700)	175,430	(88,327)	(1,663)	500,523	-
-	-	236,790	80,526	(2,220,140)	23,608,265
1,003,779	10,036,749	-	-	-	(23,608,265)
1,003,779	10,036,749	236,790	80,526	(2,220,140)	-
\$ 804,079	\$ 10,212,179	\$ 148,463	\$ 78,863	\$ (1,719,617)	\$ -

City of Richmond
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2024

	Capital Projects Funds		Total Nonmajor Governmental Funds
	Measure C/J Fund	Harbor Navigation Fund	
REVENUES:			
Property taxes	\$ -	\$ -	\$ 29,004,973
Licenses, permits and fees	-	-	12,355,479
Fines, forfeitures and penalties	-	-	9,443
Use of money and property	79,820	2,246	4,378,204
Intergovernmental	2,967,171	-	44,348,273
Charges for services	-	-	8,240,936
Other	-	-	29,725
Total revenues	3,046,991	2,246	98,367,033
EXPENDITURES:			
Current:			
General government	-	-	23,126,329
Public safety	-	-	4,402,434
Public works	810,032	-	14,672,476
Community development	-	-	6,941,428
Cultural and recreational	-	-	1,321,390
Housing and redevelopment	-	-	3,215,403
Capital outlay	438,229	-	9,600,348
Debt service:			
Principal	-	-	3,865,000
Interest and fiscal charges	-	-	15,327,428
Total expenditures	1,248,261	-	82,472,236
REVENUES OVER (UNDER) EXPENDITURES	1,798,730	2,246	15,894,797
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of property	-	-	8,120
Transfers in	-	-	17,759,579
Transfers out	-	-	(29,893,824)
Total other financing sources (uses)	-	-	(12,126,125)
Net change in fund balances	1,798,730	2,246	3,768,672
FUND BALANCES (DEFICITS):			
Beginning of year	1,902,921	46,530	72,002,432
Prior period adjustments	-	-	(11,788,724)
Beginning of year, as restated	1,902,921	46,530	60,213,708
End of year	\$ 3,701,651	\$ 48,776	\$ 63,982,380

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
State Gas Tax Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 198,480	\$ 198,480
Intergovernmental	6,154,382	6,154,382	6,077,543	(76,839)
Total revenues	6,154,382	6,154,382	6,276,023	121,641
EXPENDITURES:				
Current:				
Public works	5,736,692	5,585,382	2,534,891	3,050,491
Capital outlay	328,057	1,293,102	208,218	1,084,884
Total expenditures	6,064,749	6,878,484	2,743,109	4,135,375
REVENUES OVER (UNDER)				
EXPENDITURES	89,633	(724,102)	3,532,914	4,257,016
Net change in fund balances	\$ 89,633	\$ (724,102)	3,532,914	\$ 4,257,016
FUND BALANCES (DEFICITS):				
Beginning of year			3,473,009	
End of year			<u>\$ 7,005,923</u>	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Purpose Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Licenses, permits and fees	\$ 149,207	\$ 149,207	\$ 18,750	\$ (130,457)
Fines, forfeitures and penalties	-	-	9,443	9,443
Use of money and property	-	-	412,430	412,430
Intergovernmental	32,496,350	41,957,365	12,266,522	(29,690,843)
Charges for services	400,000	400,000	505,167	105,167
Other	-	-	204	204
Total revenues	33,045,557	42,506,572	13,212,516	(29,294,056)
EXPENDITURES:				
Current:				
General government	8,576,163	16,973,791	612,065	16,361,726
Public safety	2,586,778	2,775,465	3,283,221	(507,756)
Public works	1,411,203	2,972,775	7,510,409	(4,537,634)
Community development	-	5,586	-	5,586
Cultural and recreational	1,234,292	1,652,439	1,252,635	399,804
Housing and redevelopment	(152,645)	(171,291)	15,916	(187,207)
Capital outlay	20,293,266	22,012,307	2,911,539	19,100,768
Total expenditures	33,949,057	46,221,072	15,585,785	30,635,287
REVENUES OVER (UNDER)				
EXPENDITURES	(903,500)	(3,714,500)	(2,373,269)	1,341,231
OTHER FINANCING SOURCES (USES):				
Transfers in	75,000	75,000	75,000	-
Total other financing sources (uses)	75,000	75,000	75,000	-
Net change in fund balances	\$ (828,500)	\$ (3,639,500)	(2,298,269)	\$ 1,341,231
FUND BALANCES (DEFICITS):				
Beginning of year			1,677,772	
End of year			\$ (620,497)	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Paratransit Operations Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits and fees	\$ -	\$ -	\$ 13,675	\$ 13,675
Intergovernmental	859,097	859,097	24,000	(835,097)
Other	20,000	20,000	10,102	(9,898)
Total revenues	879,097	879,097	47,777	(831,320)
EXPENDITURES:				
Current:				
General government	848,610	954,445	983,767	(29,322)
Community development	13,400	5,065	1,682	3,383
Total expenditures	862,010	959,510	985,449	(25,939)
REVENUES OVER (UNDER)	17,087	(80,413)	(937,672)	(857,259)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	97,500	97,500	-
Total other financing sources (uses)	-	97,500	97,500	-
Net change in fund balances	\$ 17,087	\$ 17,087	(840,172)	\$ (857,259)
FUND BALANCES (DEFICITS):				
Beginning of year			(837,776)	
End of year			\$ (1,677,948)	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Employment and Training Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 6,045,342	\$ 7,885,472	\$ 3,871,282	\$ (4,014,190)
Other	-	-	185	185
Total revenues	6,045,342	7,885,472	3,871,467	(4,014,005)
EXPENDITURES:				
Current:				
General government	6,000	40,200	-	40,200
Community development	8,332,534	9,609,423	6,939,746	2,669,677
Housing and redevelopment	1,200	1,200	-	1,200
Total expenditures	8,339,734	9,650,823	6,939,746	2,711,077
REVENUES OVER (UNDER)				
EXPENDITURES	(2,294,392)	(1,765,351)	(3,068,279)	(1,302,928)
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	-	-	8,120	8,120
Transfers in	2,466,201	2,966,110	2,921,891	(44,219)
Total other financing sources (uses)	2,466,201	2,966,110	2,930,011	(36,099)
Net change in fund balances	\$ 171,809	\$ 1,200,759	(138,268)	\$ (1,339,027)
FUND BALANCES (DEFICITS):				
Beginning of year			1,292,740	
End of year			\$ 1,154,472	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Public Safety Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 12,825	\$ 12,825
Total revenues	-	-	12,825	12,825
EXPENDITURES:				
Current:				
Public safety	90,000	152,025	9,996	142,029
Capital outlay	50,000	50,000	-	50,000
Total expenditures	140,000	202,025	9,996	192,029
REVENUES OVER (UNDER)				
EXPENDITURES	(140,000)	(202,025)	2,829	204,854
Net change in fund balances	<u>\$ (140,000)</u>	<u>\$ (202,025)</u>	2,829	<u>\$ 204,854</u>
FUND BALANCES (DEFICITS):				
Beginning of year			<u>260,994</u>	
End of year			<u>\$ 263,823</u>	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Lighting and Landscaping Districts Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 1,834,118	\$ 1,834,118	\$ 1,839,251	\$ 5,133
Use of money and property	-	-	40,996	40,996
Total revenues	1,834,118	1,834,118	1,880,247	46,129
EXPENDITURES:				
Current:				
Public works	2,851,161	2,914,161	2,843,117	71,044
Capital outlay	-	1,000	23,000	(22,000)
Total expenditures	2,851,161	2,915,161	2,866,117	49,044
REVENUES OVER (UNDER)				
EXPENDITURES	(1,017,043)	(1,081,043)	(985,870)	95,173
OTHER FINANCING SOURCES (USES):				
Transfers in	712,297	799,997	799,997	-
Total other financing sources (uses)	712,297	799,997	799,997	-
Net change in fund balances	\$ (304,746)	\$ (281,046)	(185,873)	\$ 95,173
FUND BALANCES (DEFICITS):				
Beginning of year			1,004,855	
End of year			<u>\$ 818,982</u>	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Developer Impact Fees Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits and fees	\$ -	\$ 988,310	\$ 988,310	\$ -
Use of money and property	-	-	550,277	550,277
Total revenues	-	988,310	1,538,587	550,277
EXPENDITURES:				
Current:				
Public safety	117,000	118,496	49,668	68,828
Public works	379,188	146,524	113,524	33,000
Cultural and recreational	-	68,757	68,755	2
Capital outlay	1,618,264	2,692,370	516,821	2,175,549
Total expenditures	2,114,452	3,026,147	748,768	2,277,379
REVENUES OVER (UNDER)				
EXPENDITURES	(2,114,452)	(2,037,837)	789,819	2,827,656
Net change in fund balances	\$ (2,114,452)	\$ (2,037,837)	789,819	\$ 2,827,656
FUND BALANCES (DEFICITS):				
Beginning of year			11,178,137	
End of year			\$ 11,967,956	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Secured Pension Override Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 26,391,783	\$ 27,165,723	\$ 27,165,722	\$ (1)
Total revenues	26,391,783	27,165,723	27,165,722	(1)
OTHER FINANCING SOURCES (USES):				
Transfers out	(28,567,497)	(29,893,824)	(29,893,824)	-
Total other financing sources (uses)	(28,567,497)	(29,893,824)	(29,893,824)	-
Net change in fund balances	\$ (2,175,714)	\$ (2,728,101)	(2,728,102)	\$ (1)
FUND BALANCES (DEFICITS):				
Beginning of year			5,811,793	
End of year			\$ 3,083,691	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Richmond Neighborhood Stabilization Corporation Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Other	\$ 15,000	\$ 15,000	\$ -	\$ (15,000)
Total revenues	15,000	15,000	-	(15,000)
EXPENDITURES:				
Current:				
Housing and redevelopment	9,500	9,500	3,345	6,155
Total expenditures	9,500	9,500	3,345	6,155
Net change in fund balances	\$ 5,500	\$ 5,500	(3,345)	\$ (8,845)
FUND BALANCES (DEFICITS):				
Beginning of year			67,196	
Prior period adjustments			779,013	
Beginning of year, as restated			846,209	
End of year			\$ 842,864	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Rent Program Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits and fees	\$ 2,914,945	\$ 3,004,698	\$ 2,931,687	\$ (73,011)
Use of money and property	20,000	20,000	88,652	68,652
Other	50,000	50,000	61,209	11,209
Total revenues	2,984,945	3,074,698	3,081,548	6,850
EXPENDITURES:				
Current:				
Housing and redevelopment	3,235,394	3,758,329	3,196,142	562,187
Total expenditures	3,235,394	3,758,329	3,196,142	562,187
REVENUES OVER (UNDER)				
EXPENDITURES	(250,449)	(683,631)	(114,594)	569,037
OTHER FINANCING SOURCES (USES):				
Transfers in	150,000	438,726	438,726	-
Total other financing sources (uses)	150,000	438,726	438,726	-
Net change in fund balances	\$ (100,449)	\$ (244,905)	324,132	\$ 569,037
FUND BALANCES (DEFICITS):				
Beginning of year			1,285,518	
End of year			\$ 1,609,650	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Cost Recovery Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits and fees	\$ 7,340,038	\$ 7,367,081	\$ 8,403,057	\$ 1,035,976
Use of money and property	32,307	32,307	845,879	813,572
Intergovernmental	16,428,796	26,486,415	11,516,096	(14,970,319)
Charges for services	5,051,000	5,051,000	927,595	(4,123,405)
Other	50	50	100	50
Total revenues	28,852,191	38,936,853	21,692,727	(17,244,126)
EXPENDITURES:				
Current:				
General government	17,807,888	21,355,755	12,526,348	8,829,407
Public safety	-	-	1,150	(1,150)
Public works	988,976	991,964	746,823	245,141
Capital outlay	11,845,956	28,673,395	5,465,952	23,207,443
Total expenditures	30,642,820	51,021,114	18,740,273	32,280,841
REVENUES OVER (UNDER)				
EXPENDITURES	(1,790,629)	(12,084,261)	2,952,454	15,036,715
OTHER FINANCING SOURCES (USES):				
Transfers in	1,800,000	1,800,000	808,934	(991,066)
Total other financing sources (uses)	1,800,000	1,800,000	808,934	(991,066)
Net change in fund balances	\$ 9,371	\$ (10,284,261)	3,761,388	\$ 14,045,649
FUND BALANCES (DEFICITS):				
Beginning of year			5,331,800	
End of year			\$ 9,093,188	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Environmental and Community Investment Agreement Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 831,170	\$ 831,170
Intergovernmental	4,000,000	4,016,500	4,016,500	-
Other	-	-	(42,075)	(42,075)
Total revenues	4,000,000	4,016,500	4,805,595	789,095
EXPENDITURES:				
Current:				
General government	8,913,829	8,622,409	4,389,208	4,233,201
Public safety	198,000	473,000	149,509	323,491
Public works	186,442	224,312	113,680	110,632
Cultural and recreational	432,442	432,442	-	432,442
Capital outlay	-	435,351	22,031	413,320
Total expenditures	9,730,713	10,187,514	4,674,428	5,513,086
REVENUES OVER (UNDER)				
EXPENDITURES	(5,730,713)	(6,171,014)	131,167	6,302,181
Net change in fund balances	\$ (5,730,713)	\$ (6,171,014)	131,167	\$ 6,302,181
FUND BALANCES (DEFICITS):				
Beginning of year			<u>17,801,502</u>	
End of year			<u>\$ 17,932,669</u>	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Transformative Climate Grant Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 1,602,563	\$ 1,602,563
Total revenues	-	-	1,602,563	1,602,563
EXPENDITURES:				
Current:				
General government	310,000	3,010,000	2,356,139	653,861
Public works	1,000,000	12,422,305	-	12,422,305
Cultural and recreational	-	2,017,490	-	2,017,490
Housing and redevelopment	493,750	2,477,983	-	2,477,983
Capital outlay	5,928,890	3,508,113	14,558	3,493,555
Total expenditures	7,732,640	23,435,891	2,370,697	21,065,194
REVENUES OVER (UNDER)				
EXPENDITURES	(7,732,640)	(23,435,891)	(768,134)	22,667,757
Net change in fund balances	\$ (7,732,640)	\$ (23,435,891)	(768,134)	\$ 22,667,757
FUND BALANCES (DEFICITS):				
Beginning of year			-	
End of year			\$ (768,134)	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Encampment Resolution Grant Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,346	\$ 1,346
Intergovernmental	-	35,000,000	2,006,596	(32,993,404)
Total revenues	-	35,000,000	2,007,942	(32,992,058)
EXPENDITURES:				
Current:				
General government	-	30,295,856	2,006,595	28,289,261
Community development	-	81,500	-	81,500
Capital outlay	-	5,095,358	-	5,095,358
Total expenditures	-	35,472,714	2,006,595	33,466,119
REVENUES OVER (UNDER)				
EXPENDITURES	-	(472,714)	1,347	474,061
Net change in fund balances	\$ -	\$ (472,714)	1,347	\$ 474,061
FUND BALANCES (DEFICITS):				
Beginning of year			-	
End of year			\$ 1,347	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Pension Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 52,507	\$ 52,507
Total revenues	-	-	52,507	52,507
EXPENDITURES:				
Current:				
General government	-	-	252,207	(252,207)
Total expenditures	-	-	252,207	(252,207)
REVENUES OVER (UNDER)				
EXPENDITURES	-	-	(199,700)	(199,700)
OTHER FINANCING SOURCES (USES):				
Transfers in	152,897	152,897	-	(152,897)
Total other financing sources (uses)	152,897	152,897	-	(152,897)
Net change in fund balances	\$ 152,897	\$ 152,897	(199,700)	\$ (352,597)
FUND BALANCES (DEFICITS):				
Beginning of year			-	
Prior period adjustments			1,003,779	
Beginning of year, as restated			1,003,779	
End of year			\$ 804,079	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Police and Fire Pension Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,084,320	\$ 1,084,320
Total revenues	-	-	1,084,320	1,084,320
EXPENDITURES:				
Current:				
Public safety	-	-	908,890	(908,890)
Total expenditures	-	-	908,890	(908,890)
REVENUES OVER (UNDER)				
EXPENDITURES	-	-	175,430	175,430
Net change in fund balances	\$ -	\$ -	175,430	\$ 175,430
FUND BALANCES (DEFICITS):				
Beginning of year			-	
Prior period adjustments			10,036,749	
Beginning of year, as restated			10,036,749	
End of year			\$ 10,212,179	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
2022 Pension Obligation Bonds Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 161,707	\$ 161,707
Total revenues	-	-	161,707	161,707
EXPENDITURES:				
Debt service:				
Interest and fiscal charges	11,403,165	11,403,165	11,403,697	(532)
Total expenditures	11,403,165	11,403,165	11,403,697	(532)
REVENUES OVER (UNDER)				
EXPENDITURES	(11,403,165)	(11,403,165)	(11,241,990)	161,175
OTHER FINANCING SOURCES (USES):				
Transfers in	11,403,165	11,403,165	11,153,663	(249,502)
Total other financing sources (uses)	11,403,165	11,403,165	11,153,663	(249,502)
Net change in fund balances	\$ -	\$ -	(88,327)	\$ (88,327)
FUND BALANCES (DEFICITS):				
Beginning of year			236,790	
End of year			\$ 148,463	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Debt Service Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 3,470	\$ 3,470
Total revenues	-	-	3,470	3,470
EXPENDITURES:				
Debt service:				
Interest and fiscal charges	-	-	5,133	(5,133)
Total expenditures	-	-	5,133	(5,133)
REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,663)	(1,663)
Net change in fund balances	\$ -	\$ -	(1,663)	\$ (1,663)
FUND BALANCES (DEFICITS):				
Beginning of year			80,526	
End of year			\$ 78,863	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Civic Center Debt Service Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 12,079	12,079
Charges for services	6,684,183	6,684,183	6,808,174	123,991
Total revenues	6,684,183	6,684,183	6,820,253	136,070
EXPENDITURES:				
Current:				
Debt service:				
Principal	3,865,000	3,865,000	3,865,000	-
Interest and fiscal charges	3,906,713	3,906,713	3,918,598	(11,885)
Total expenditures	7,771,713	7,771,713	7,783,598	(11,885)
REVENUES OVER (UNDER)				
EXPENDITURES	(1,087,530)	(1,087,530)	(963,345)	124,185
OTHER FINANCING SOURCES (USES):				
Transfers in	1,463,868	1,463,868	1,463,868	-
Total other financing sources (uses)	1,463,868	1,463,868	1,463,868	-
Net change in fund balances	\$ 376,338	\$ 376,338	500,523	\$ 124,185
FUND BALANCES (DEFICITS):				
Beginning of year			(2,220,140)	
End of year			\$ (1,719,617)	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Capital Improvement Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,197,428	\$ 1,197,428
Other	-	300,000	300,001	1
Total revenues	-	300,000	1,497,429	1,197,429
EXPENDITURES:				
Current:				
General government	-	760,000	633,832	126,168
Public works	4,015,181	7,624,836	2,413,026	5,211,810
Capital outlay	18,805,268	34,479,865	882,591	33,597,274
Total expenditures	22,820,449	42,864,701	3,929,449	38,935,252
REVENUES OVER (UNDER)				
EXPENDITURES	(22,820,449)	(42,564,701)	(2,432,020)	40,132,681
OTHER FINANCING SOURCES (USES):				
Transfers in	650,000	18,022,656	18,819,926	797,270
Total other financing sources (uses)	650,000	18,022,656	18,819,926	797,270
Net change in fund balances	\$ (22,170,449)	\$ (24,542,045)	16,387,906	\$ 40,929,951
FUND BALANCES (DEFICITS):				
Beginning of year			-	
Prior period adjustments			23,608,265	
Beginning of year, as restated			23,608,265	
End of year			<u>\$ 39,996,171</u>	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Measure C/J Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 79,820	\$ 79,820
Intergovernmental	4,292,882	3,128,821	2,967,171	(161,650)
Total revenues	4,292,882	3,128,821	3,046,991	(81,830)
EXPENDITURES:				
Current:				
Public works	1,190,000	1,873,906	810,032	1,063,874
Capital outlay	4,952,803	1,304,255	438,229	866,026
Total expenditures	6,142,803	3,178,161	1,248,261	1,929,900
REVENUES OVER (UNDER)				
EXPENDITURES	(1,849,921)	(49,340)	1,798,730	1,848,070
Net change in fund balances	\$ (1,849,921)	\$ (49,340)	1,798,730	\$ 1,848,070
FUND BALANCES (DEFICITS):				
Beginning of year			1,902,921	
End of year			\$ 3,701,651	

City of Richmond
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Harbor Navigation Fund
For the year ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 2,246	\$ 2,246
Total revenues	-	-	2,246	2,246
Net change in fund balances	\$ -	\$ -	2,246	\$ 2,246
FUND BALANCES (DEFICITS):				
Beginning of year			46,530	
End of year			\$ 48,776	

NONMAJOR 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 records the revenues from storm sewer 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 was setup 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.

City of Richmond
Combining Statement of Net Position
Nonmajor Enterprise Funds
For the year ended June 30, 2024

	Richmond Marina Fund	Storm Sewer Fund	Cable TV Fund	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash and investments	\$ 5,416,573	\$ -	\$ 323,040	\$ 5,739,613
Restricted cash and investments	91,320	-	-	91,320
Receivables:				
Accounts, net	85,786	2,683	218,332	306,801
Interest	8,667	-	618	9,285
Grants	-	1,195,958	-	1,195,958
Leases	110,682	4,847	-	115,529
Total current assets	5,713,028	1,203,488	541,990	7,458,506
Noncurrent assets:				
Receivables:				
Lease receivables	5,072,772	41,903	-	5,114,675
Capital assets:				
Nondepreciable	330,794	6,332,078	-	6,662,872
Depreciable	4,338,356	31,106,167	140,882	35,585,405
Less accumulated depreciation	(3,404,280)	(30,197,615)	(126,786)	(33,728,681)
Net capital assets	1,264,870	7,240,630	14,096	8,519,596
Total noncurrent assets	6,337,642	7,282,533	14,096	13,634,271
Total assets	12,050,670	8,486,021	556,086	21,092,777
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	-	24,893	382,804	407,697
Deferred outflows of resources - OPEB	-	86	1,431	1,517
Total deferred outflows of resources	-	24,979	384,235	409,214
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	-	881,440	584	882,024
Interest payable	83,241	-	-	83,241
Due to other funds	-	76,910	-	76,910
Refundable deposits	94,121	1,200	-	95,321
Compensated absences - current	-	-	33,841	33,841
Long-term debt - current	116,007	-	-	116,007
Total current liabilities	293,369	959,550	34,425	1,287,344
Noncurrent liabilities:				
Compensated absences	-	-	42,913	42,913
Long-term debt	1,901,953	-	-	1,901,953
Net pension liability	-	93,149	1,432,459	1,525,608
Net OPEB liability	-	33,877	564,618	598,495
Total noncurrent liabilities	1,901,953	127,026	2,039,990	4,068,969
Total liabilities	2,195,322	1,086,576	2,074,415	5,356,313
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	-	2,634	40,507	43,141
Deferred inflows of resources - OPEB	-	4,072	67,873	71,945
Deferred inflows of resources - leases	5,046,082	43,763	-	5,089,845
Total deferred inflows of resources	5,046,082	50,469	108,380	5,204,931
NET POSITION (DEFICIT)				
Net investment in capital assets	(753,090)	7,240,630	14,096	6,501,636
Restricted for debt service	91,320	-	-	91,320
Unrestricted	5,471,036	133,325	(1,256,570)	4,347,791
Total net position	\$ 4,809,266	\$ 7,373,955	\$ (1,242,474)	\$ 10,940,747

City of Richmond
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the year ended June 30, 2024

	Richmond Marina Fund	Storm Sewer Fund	Cable TV Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES:				
Rental	\$ 162,777	\$ 5,865	\$ -	\$ 168,642
Service charges	-	3,756,338	922,077	4,678,415
Lease income	366,762	19	-	366,781
Total operating revenues	529,539	3,762,222	922,077	5,213,838
OPERATING EXPENSES:				
Salaries and benefits	-	8,100	616,822	624,922
General and administrative	37,833	1,865,020	278,672	2,181,525
Maintenance	-	758,622	-	758,622
Depreciation	84,278	131,077	1,990	217,345
Other	-	(11,212)	824	(10,388)
Total operating expenses	122,111	2,751,607	898,308	3,772,026
OPERATING INCOME (LOSS)	407,428	1,010,615	23,769	1,441,812
NONOPERATING REVENUES (EXPENSES):				
Interest income	374,878	61,828	25,845	462,551
Interest expense	(91,224)	(128)	-	(91,352)
Total nonoperating revenues (expenses)	283,654	61,700	25,845	371,199
Income (loss) before contributions and transfers	691,082	1,072,315	49,614	1,813,011
CONTRIBUTIONS AND TRANSFERS:				
Transfers out	(86,778)	-	-	(86,778)
Total contributions and transfers	(86,778)	-	-	(86,778)
Change in net position	604,304	1,072,315	49,614	1,726,233
NET POSITION:				
Beginning of year	4,204,962	6,301,640	(1,292,088)	9,214,514
End of year	\$ 4,809,266	\$ 7,373,955	\$ (1,242,474)	\$ 10,940,747

City of Richmond
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the year ended June 30, 2024

	Richmond Marina Fund	Storm Sewer Fund	Cable TV Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 481,847	\$ 2,067,201	\$ 957,407	\$ 3,506,455
Payments to suppliers	(34,383)	(2,189,261)	(285,456)	(2,509,100)
Payments to employees	-	(61,811)	(960,722)	(1,022,533)
Net cash provided by (used in) operating activities	447,464	(183,871)	(288,771)	(25,178)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interfund receipts (payments)	-	76,910	-	76,910
Transfers out	(86,778)	-	-	(86,778)
Net cash provided by (used in) noncapital financing activities	(86,778)	76,910	-	(9,868)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	-	(1,870,502)	-	(1,870,502)
Principal payments on capital debt	(111,011)	(89,568)	-	(200,579)
Interest paid	(95,802)	(128)	-	(95,930)
Net cash provided by (used in) capital and related financing activities	(206,813)	(1,960,198)	-	(2,167,011)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest	375,219	65,119	26,390	466,728
Net cash provided by (used in) investing activities	375,219	65,119	26,390	466,728
Net cash flows	529,092	(2,002,040)	(262,381)	(1,735,329)
CASH AND INVESTMENTS - Beginning of year	4,978,801	2,002,040	585,421	7,566,262
CASH AND INVESTMENTS - End of year	\$ 5,507,893	\$ -	\$ 323,040	\$ 5,830,933
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 407,428	\$ 1,010,615	\$ 23,769	\$ 1,441,812
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	84,278	131,077	1,990	217,345
Changes in assets and liabilities:				
Receivables, net	7,216	(1,101,769)	35,330	(1,059,223)
Accounts payable and accrued liabilities	-	423,169	(5,960)	417,209
Refundable deposits	3,450	-	-	3,450
Unearned revenue	-	(591,867)	-	(591,867)
Compensated absences payable	-	-	14,070	14,070
Net pension liability and deferred outflows/inflows	-	27,328	(139,719)	(112,391)
Net OPEB liability and deferred outflows/inflows	-	(81,039)	(218,251)	(299,290)
lease receivable and deferred outflows/inflows	(54,908)	(1,385)	-	(56,293)
Net cash provided by (used in) operating activities	\$ 447,464	\$ (183,871)	\$ (288,771)	\$ (25,178)

INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

The concept of major funds introduced by GASB Statement No. 34 does not extend to internal service funds because they do not do business with outside parties. GASB Statement No. 34 requires that for the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

However, internal service funds are still presented separately in the fund financial statements, including the funds below.

Insurance Reserves Fund is used to report activities related to employees' claims due to industrial injuries and activities related to general claims against the City for damages incurred.

Equipment Services and Replacement Fund is used to report activities related to maintenance and replacement of City vehicles.

Compensated Absences Fund is used to account for sick, vacation and compensatory time leave payouts related to employee retirements.

City of Richmond
Combining Statement of Net Position
Internal Service Funds
For the year ended June 30, 2024

	Insurance Reserves	Equipment Services and Replacement	Compensated Absences	Total Internal Service Funds
ASSETS				
Current assets:				
Cash and investments	\$ 59,038,357	\$ 3,716,733	\$ 2,092,647	\$ 64,847,737
Receivables:				
Interest	96,513	-	3,215	99,728
Grants	923,341	-	-	923,341
Prepays	219,680	-	-	219,680
Total current assets	<u>60,277,891</u>	<u>3,716,733</u>	<u>2,095,862</u>	<u>66,090,486</u>
Noncurrent assets:				
Capital assets:				
Nondepreciable	-	5,459,255	-	5,459,255
Depreciable	-	34,915,889	-	34,915,889
Less accumulated depreciation	-	<u>(23,877,792)</u>	-	<u>(23,877,792)</u>
Net capital assets	<u>-</u>	<u>16,497,352</u>	<u>-</u>	<u>16,497,352</u>
Total noncurrent assets	<u>-</u>	<u>16,497,352</u>	<u>-</u>	<u>16,497,352</u>
Total assets	<u>60,277,891</u>	<u>20,214,085</u>	<u>2,095,862</u>	<u>82,587,838</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	276,413	-	-	276,413
Deferred outflows of resources - OPEB	859	-	-	859
Total deferred outflows of resources	<u>277,272</u>	<u>-</u>	<u>-</u>	<u>277,272</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	1,446,110	495,527	-	1,941,637
Interest payable	-	5,874	-	5,874
Compensated absences - current	4,549	-	-	4,549
Claims payable - current	14,192,093	-	-	14,192,093
Long-term debt - current	-	283,146	-	283,146
Total current liabilities	<u>15,642,752</u>	<u>784,547</u>	<u>-</u>	<u>16,427,299</u>
Noncurrent liabilities:				
Compensated absences	8,477	-	-	8,477
Claims payable	37,979,471	-	-	37,979,471
Long-term debt	-	918,646	-	918,646
Net pension liability	1,034,345	-	-	1,034,345
Net OPEB liability	338,771	-	-	338,771
Total noncurrent liabilities	<u>39,361,064</u>	<u>918,646</u>	<u>-</u>	<u>40,279,710</u>
Total liabilities	<u>55,003,816</u>	<u>1,703,193</u>	<u>-</u>	<u>56,707,009</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	29,249	-	-	29,249
Deferred inflows of resources - OPEB	40,724	-	-	40,724
Total deferred inflows of resources	<u>69,973</u>	<u>-</u>	<u>-</u>	<u>69,973</u>
NET POSITION (DEFICIT)				
Net investment in capital assets	-	15,295,560	-	15,295,560
Unrestricted	5,481,374	3,215,332	2,095,862	10,792,568
Total net position	<u>\$ 5,481,374</u>	<u>\$ 18,510,892</u>	<u>\$ 2,095,862</u>	<u>\$ 26,088,128</u>

City of Richmond
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the year ended June 30, 2024

	Insurance Reserves	Equipment Services and Replacement	Compensated Absences	Total Internal Service Funds
OPERATING REVENUES:				
Service charges - internal	\$ 21,832,182	\$ 5,665,733	\$ 2,600,000	\$ 30,097,915
Other	-	119,656	-	119,656
Total operating revenues	21,832,182	5,785,389	2,600,000	30,217,571
OPERATING EXPENSES:				
Salaries and benefits	464,999	-	1,814,344	2,279,343
General and administrative	2,612,725	-	-	2,612,725
Maintenance	1,309,542	123,538	-	1,433,080
Depreciation	-	2,023,873	-	2,023,873
Claims losses	16,614,347	-	-	16,614,347
Other	28	-	-	28
Total operating expenses	21,001,641	2,147,411	1,814,344	24,963,396
OPERATING INCOME (LOSS)	830,541	3,637,978	785,656	5,254,175
NONOPERATING REVENUES (EXPENSES):				
Interest income	2,622,307	23,411	69,314	2,715,032
Grants	(310,411)	-	-	(310,411)
Interest expense	-	(52,347)	-	(52,347)
Total nonoperating revenues (expenses)	2,311,896	(28,936)	69,314	2,352,274
Income (loss) before contributions and transfers	3,142,437	3,609,042	854,970	7,606,449
CONTRIBUTIONS AND TRANSFERS:				
Transfers in	-	426,018	-	426,018
Transfers out	(1,240,000)	-	-	(1,240,000)
Total contributions and transfers	(1,240,000)	426,018	-	(813,982)
Change in net position	1,902,437	4,035,060	854,970	6,792,467
NET POSITION:				
Beginning of year	3,578,937	14,475,832	1,240,892	19,295,661
End of year	<u>\$ 5,481,374</u>	<u>\$ 18,510,892</u>	<u>\$ 2,095,862</u>	<u>\$ 26,088,128</u>

City of Richmond
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2024

	Insurance Reserves	Equipment Services and Replacement	Compensated Absences	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from interfund services	\$ 21,832,182	\$ 5,785,389	\$ 2,600,000	\$ 30,217,571
Payments to suppliers	(4,012,949)	166,196	-	(3,846,753)
Payments to employees	(867,598)	-	(1,814,344)	(2,681,942)
Insurance premiums and claims paid	(14,124,469)	-	-	(14,124,469)
Net cash provided by (used in) operating activities	2,827,166	5,951,585	785,656	9,564,407
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in	-	426,018	-	426,018
Transfers out	(1,240,000)	-	-	(1,240,000)
Net cash provided by (used in) noncapital financing activities	(1,240,000)	426,018	-	(813,982)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Grant receipts	1,291,464	-	-	1,291,464
Acquisition of capital assets	-	(9,029,275)	-	(9,029,275)
Principal payments on capital debt	-	(272,340)	-	(272,340)
Interest paid	-	(53,678)	-	(53,678)
Net cash provided by (used in) capital and related financing activities	1,291,464	(9,355,293)	-	(8,063,829)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest	2,625,764	35,222	66,099	2,727,085
Net cash provided by (used in) investing activities	2,625,764	35,222	66,099	2,727,085
Net cash flows	5,504,394	(2,942,468)	851,755	3,413,681
CASH AND INVESTMENTS - Beginning of year	53,533,963	6,659,201	1,240,892	61,434,056
CASH AND INVESTMENTS - End of year	\$ 59,038,357	\$ 3,716,733	\$ 2,092,647	\$ 64,847,737
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 830,541	\$ 3,637,978	\$ 785,656	\$ 5,254,175
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	-	2,023,873	-	2,023,873
Changes in assets and liabilities:				
Prepays and other assets	(219,680)	-	-	(219,680)
Accounts payable and accrued liabilities	129,026	289,734	-	418,760
Compensated absences payable	(59,123)	-	-	(59,123)
Claims payable	2,489,878	-	-	2,489,878
Net pension liability and deferred outflows/inflows	(71,540)	-	-	(71,540)
Net OPEB liability and deferred outflows/inflows	(271,936)	-	-	(271,936)
Net cash provided by (used in) operating activities	\$ 2,827,166	\$ 5,951,585	\$ 785,656	\$ 9,564,407

TRUST FUNDS

Pension Trust Funds

General Pension Fund records the activity of the General Pension Plan, a defined benefit plan that covers 28 former City employees not covered by PERS, all of whom have retired. 3 participants remain in the Plan.

Police and Firemen's Pension Fund records the activity of the Police and Firemen's Pension Plan, a defined benefit pension plan that covers 75 police and fire personnel employed prior to October 1964, all of whom have retired. 12 participants remain in the Plan.

Private-Purpose Trust Funds

Pt. Molate Fund is used to account for assets held by the City as an agent for the U.S. Navy and a private developer for the cleanup of Point Molate.

Successor Agency to the Richmond Community Redevelopment Agency Fund accounts for the activities of the Successor Agency to the former Redevelopment Agency.

City of Richmond
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2024

	Pension		
	General Pension	Police and Firemen's Pension	Total
ASSETS			
Restricted cash and investments	\$ -	\$ -	\$ -
Pension and OPEB plan cash and investments:			
Mutual fund investments	-	-	-
Interest receivable	-	-	-
Total assets	-	-	-
NET POSITION:			
Restricted for employees' pension and OPEB benefits	-	-	-
Total net position	\$ -	\$ -	\$ -

City of Richmond
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the year ended June 30, 2024

	Pension		
	General Pension	Police and Firemen's Pension	Total
ADDITIONS:			
Net investment income:			
Net increase (decrease) in fair value of investments	\$ -	\$ -	\$ -
Interest income	-	-	-
Less investment management fees	-	-	-
Total additions	-	-	-
DEDUCTIONS:			
Pension benefits	-	-	-
Total deductions	-	-	-
Change in net position	-	-	-
NET POSITION:			
Beginning of year	1,003,779	10,036,749	11,040,528
Prior Period Adjustments	(1,003,779)	(10,036,749)	(11,040,528)
Beginning of year, restated	-	-	-
End of year	\$ -	\$ -	\$ -

City of Richmond
Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
June 30, 2024

	Pt. Molate	Successor Agency to the Richmond Community Redevelopment Agency	Total
ASSETS			
Cash and investments	\$ -	\$ 9,776,691	\$ 9,776,691
Restricted cash and investments	628,484	15,499,277	16,127,761
Accounts receivable	-	854	854
Interest receivable	2,530	-	2,530
Prepays and other assets	-	4,997,462	4,997,462
Total assets	631,014	30,274,284	30,905,298
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - deferred loss on refunding	-	301,218	301,218
Total deferred outflows of resources	-	301,218	301,218
LIABILITIES			
Accounts payable and accrued liabilities	68,393	44,636	113,029
Interest payable	-	446,519	446,519
Long-term debt:			
Due within one year	-	6,855,000	6,855,000
Due in more than one year	-	32,647,830	32,647,830
Total liabilities	68,393	39,993,985	40,062,378
NET POSITION:			
Held in trust for other governments	562,621	(9,418,483)	(8,855,862)
Total net position	\$ 562,621	\$ (9,418,483)	\$ (8,855,862)

City of Richmond
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the year ended June 30, 2024

	Pt. Molate	Successor Agency to the Richmond Community Redevelopment Agency	Total
ADDITIONS:			
Property taxes	\$ -	\$ 10,171,374	\$ 10,171,374
Net investment income:			
Interest income	37,808	872,273	910,081
Gain from sale of property	-	357,223	357,223
Total additions	37,808	11,400,870	11,438,678
DEDUCTIONS:			
Community development	-	1,219,365	1,219,365
Payments in accordance with trust agreements	273,544	-	273,544
Interest and fiscal charges	-	1,566,348	1,566,348
Total deductions	273,544	2,785,713	3,059,257
Change in net position	(235,736)	8,615,157	8,379,421
NET POSITION:			
Beginning of year	798,357	(18,033,640)	(17,235,283)
End of year	\$ 562,621	\$ (9,418,483)	\$ (8,855,862)

City of Richmond
Subcombining Statement of Fiduciary Net Position
Successor Agency to the Richmond Community Redevelopment Agency
June 30, 2024

	Redevelopment		Capital	Bond Funded
	Property Tax	Administration	Projects	Capital Projects
	Trust Fund			
ASSETS				
Cash and investments	\$ 4,255,376	\$ 408	\$ 5,520,907	\$ -
Restricted cash and investments	-	-	3,341,316	-
Accounts receivable	-	-	854	-
Prepays and other assets	-	-	4,997,462	-
Total assets	4,255,376	408	13,860,539	-
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - deferred loss on refunding	-	-	-	-
Total deferred outflows of resources	-	-	-	-
LIABILITIES				
Accounts payable and accrued liabilities	-	408	40,278	-
Interest payable	-	-	-	-
Long-term debt:				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total liabilities	-	408	40,278	-
NET POSITION:				
Held in trust for successor agency	4,255,376	-	13,820,261	-
Total net position	\$ 4,255,376	\$ -	\$ 13,820,261	\$ -

Bond Payments	Intrafund Eliminations	Total
\$ -	\$ -	\$ 9,776,691
12,157,961	-	15,499,277
-	-	854
-	-	4,997,462
<u>12,157,961</u>	<u>-</u>	<u>30,274,284</u>
<u>301,218</u>	<u>-</u>	<u>301,218</u>
<u>301,218</u>	<u>-</u>	<u>301,218</u>
3,950	-	44,636
446,519	-	446,519
6,855,000	-	6,855,000
32,647,830	-	32,647,830
<u>39,953,299</u>	<u>-</u>	<u>39,993,985</u>
<u>(27,494,120)</u>	<u>-</u>	<u>(9,418,483)</u>
<u>\$ (27,494,120)</u>	<u>\$ -</u>	<u>\$ (9,418,483)</u>

City of Richmond
Subcombining Statement of Changes in Fiduciary Net Position
Successor Agency to the Richmond Community Redevelopment Agency
For the year ended June 30, 2024

	Redevelopment Property Tax Trust Fund	Administration	Capital Projects	Bond Funded Capital Projects
ADDITIONS:				
Property taxes	\$ 10,171,374	\$ -	\$ -	\$ -
Net investment income:				
Interest income	-	-	329,872	-
Transfers from other funds	-	250,000	260,446	-
Gain from sale of property	-	-	357,223	-
Total additions	10,171,374	250,000	947,541	-
DEDUCTIONS:				
Community development	-	250,000	413,164	-
Interest and fiscal charges	-	-	-	-
Transfers to other funds	8,764,409	-	21,781	-
Total deductions	8,764,409	250,000	434,945	-
Change in net position	1,406,965	-	512,596	-
NET POSITION:				
Beginning of year	2,848,411	-	13,307,665	-
End of year	\$ 4,255,376	\$ -	\$ 13,820,261	\$ -

Bond Payments	Intrafund Eliminations	Total
\$ -	\$ -	\$ 10,171,374
542,401	-	872,273
8,492,639	(9,003,085)	-
-	-	357,223
<u>9,035,040</u>	<u>(9,003,085)</u>	<u>11,400,870</u>
556,201	-	1,219,365
1,566,348	-	1,566,348
216,895	(9,003,085)	-
<u>2,339,444</u>	<u>(9,003,085)</u>	<u>2,785,713</u>
6,695,596	-	8,615,157
<u>(34,189,716)</u>	<u>-</u>	<u>(18,033,640)</u>
<u>\$ (27,494,120)</u>	<u>\$ -</u>	<u>\$ (9,418,483)</u>

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CUSTODIAL FUNDS

Custodial Funds

Special Assessment Fund accounts for the monies collected and disbursed for land-based debt, where the City is not obligated for the debt.

General Agency Fund accounts for the assets held by the City as an agent for individuals, private organizations, and other governments.

Johnson Library Fund accounts for nonexpendable funds to be used to provide funding for special library projects.

Senior Center Fund accounts for assets held by the City in an agent capacity for programs benefiting the senior citizens residing within the City.

JPFA Reassessment Fund receives secured tax payments (from assessment rolls), and makes payments on the JPFA Revenue Reassessment Bonds; Series 2011A.

2016 A&B Reassessment District Fund receives payments of principal and interest on prior assessment bonds, and makes payment on the JPFA Reassessment Revenue Bonds Series A and B.

City of Richmond
Combining Statement of Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2024

	Special Assessment	General Agency	Johnson Library
ASSETS			
Cash and investments	\$ 911,327	\$ 2,001,374	\$ 11,536
Restricted cash and investments	356,021	17,660	-
Interest receivable	1,398	3,197	18
Total assets	1,268,746	2,022,231	11,554
LIABILITIES			
Accounts payable and accrued liabilities	-	50	-
Total liabilities	-	50	-
NET POSITION			
Restricted for: Individuals, organizations, and other governments	1,268,746	2,022,181	11,554
Total net position	\$ 1,268,746	\$ 2,022,181	\$ 11,554

Senior Center	JPFA Reassessment	2016 A&B Reassessment District	Total Custodial Funds
\$ 91,415	\$ 1,977,652	\$ 788,434	\$ 5,781,738
-	-	475,473	849,154
144	3,161	1,112	9,030
<u>91,559</u>	<u>1,980,813</u>	<u>1,265,019</u>	<u>6,639,922</u>
3,097	-	-	3,147
<u>3,097</u>	<u>-</u>	<u>-</u>	<u>3,147</u>
88,462	1,980,813	1,265,019	6,636,775
<u>\$ 88,462</u>	<u>\$ 1,980,813</u>	<u>\$ 1,265,019</u>	<u>\$ 6,636,775</u>

City of Richmond
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2024

	Special Assessment	General Agency	Johnson Library
ADDITIONS:			
Property taxes	\$ 292,597	\$ -	\$ -
Contributions	-	154,644	-
Net investment income:			
Interest income	55,478	120,948	532
Total additions	348,075	275,592	532
DEDUCTIONS:			
Interest and fiscal charges	317,800	-	-
Other	-	1,211,998	-
Total deductions	317,800	1,211,998	-
Change in net position	30,275	(936,406)	532
NET POSITION:			
Beginning of year	1,238,471	2,958,587	11,022
End of year	\$ 1,268,746	\$ 2,022,181	\$ 11,554

Senior Center	JPFA Reassessment	2016 A&B Reassessment District	Total Custodial Funds
\$ -	\$ -	\$ 753,563	\$ 1,046,160
30,120	-	-	184,764
3,716	91,197	41,584	313,455
33,836	91,197	795,147	1,544,379
-	-	563,487	881,287
18,436	-	-	1,230,434
18,436	-	563,487	2,111,721
15,400	91,197	231,660	(567,342)
73,062	1,889,616	1,033,359	7,204,117
\$ 88,462	\$ 1,980,813	\$ 1,265,019	\$ 6,636,775

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**STATISTICAL
SECTION (UNAUDITED)**

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CITY OF RICHMOND
JUNE 30, 2024

STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and wellbeing have changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

1. Assessed and Estimated Actual Value of Taxable Property
2. Property Tax Rates, All Overlapping Governments
3. Principal Property Tax Payers
4. Property Tax Levies and Collections
5. Utility Users Tax Collections
6. Utility Users Tax Direct Rates
7. Top Ten Utility Users Taxpayers

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Computation of Legal Bonded Debt Margin
3. Revenue Bond Coverage - 1999, 2006, 2008, 2010A, 2010B, 2017A, 2019A, and 2019B Wastewater Revenue Bonds
4. Revenue Bond Coverage - 1996, 1999, 2004, 2007, and 2009 Port Terminal Lease Revenue Bonds, Note and Point Potrero Lease Revenue Bonds.
5. Bonded Debt Pledged Revenue Coverage - Tax Allocation Bonds Refunding Bonds
6. General Bonded Debt - Pension Obligation Bonds
7. Computation of Direct and Overlapping Debt

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic and Economic Statistics
2. Principal Employers

CITY OF RICHMOND
JUNE 30, 2024

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

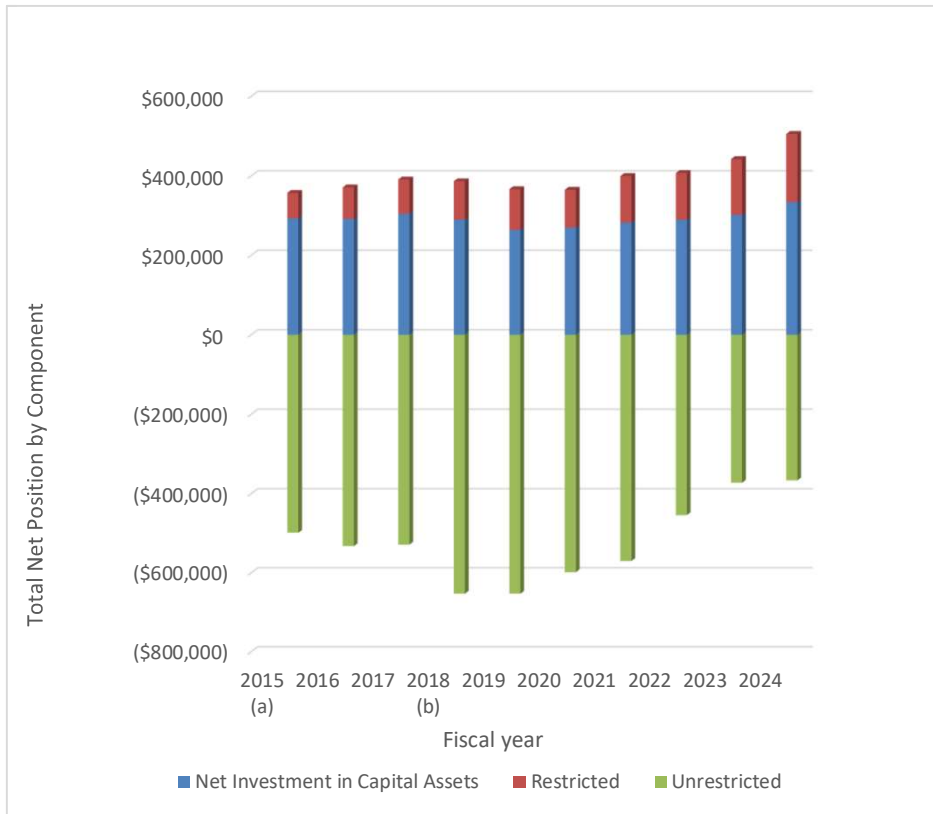
1. Full-Time Equivalent City Government Employees by Function
2. Operating Indicators by Function/Program
3. Capital Asset Statistics by Function/Program

Sources

Unless otherwise noted, the information in these schedules is derived from the Annual Financial Reports for the relevant year.

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CITY OF RICHMOND
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)



	Fiscal Year Ended June 30			
	2015 (a)	2016	2017	2018 (b)
Governmental activities				
Net investment in capital assets	\$218,144,811	\$228,292,389	\$233,619,046	\$221,336,363
Restricted	54,578,939	70,322,707	76,810,440	87,380,363
Unrestricted	(479,961,080)	(508,981,299)	(504,602,583)	(625,067,289)
Total governmental activities net position	(207,237,330)	(210,366,203)	(194,173,097)	(316,350,563)
Business-type activities				
Net investment in capital assets	\$74,922,303	\$63,405,228	\$71,000,240	\$68,213,687
Restricted	9,408,237	9,008,038	9,441,288	9,514,522
Unrestricted	(18,432,590)	(23,382,659)	(24,096,174)	(27,908,968)
Total business-type activities net position	\$65,897,950	\$49,030,607	\$56,345,354	\$49,819,241
Primary government				
Net investment in capital assets	\$293,067,114	\$291,697,617	\$304,619,286	\$289,550,050
Restricted	63,987,176	79,330,745	86,251,728	96,894,885
Unrestricted	(498,393,670)	(532,363,958)	(528,698,757)	(652,976,257)
Total primary government net position	(141,339,380)	(161,335,596)	(137,827,743)	(266,531,322)

NOTES:

- (a) The City implemented the provisions of GASB Statement No. 68 in fiscal year 2015. Years prior to 2015 have not been restated.
- (b) The City implemented the provisions of GASB Statement No. 75 in fiscal year 2018. Years prior to 2018 have not been restated.

Fiscal Year Ended June 30

2019	2020	2021	2022	2023	2024
\$211,717,676	\$205,374,054	\$206,419,763	\$213,930,154	\$219,126,138	\$232,570,273
93,157,922	93,703,974	103,401,613	117,136,516	139,687,095	170,342,723
(644,341,826)	(597,270,745)	(568,565,683)	(491,415,035)	(422,860,978)	(417,343,443)
<u>(\$339,466,228)</u>	<u>(\$298,192,717)</u>	<u>(\$258,744,307)</u>	<u>(\$160,348,365)</u>	<u>(\$64,047,745)</u>	<u>(\$14,430,447)</u>
\$52,161,380	\$64,270,898	\$75,738,268	\$75,469,292	\$82,405,234	\$101,268,931
9,440,965	1,517,087	13,859,999	607,958	879,457	1,180,210
(8,644,683)	(1,045,003)	(1,417,443)	37,774,604	50,575,898	50,866,242
<u>\$52,957,662</u>	<u>\$64,742,982</u>	<u>\$88,180,824</u>	<u>\$113,851,854</u>	<u>\$133,860,589</u>	<u>\$153,315,383</u>
\$263,879,056	\$269,644,952	\$282,158,031	\$289,399,446	\$301,531,372	\$333,839,204
102,598,887	95,221,061	117,261,612	117,744,474	140,566,552	171,522,933
(652,986,509)	(598,315,748)	(569,983,126)	(453,640,431)	(372,285,080)	(366,477,201)
<u>(\$286,508,566)</u>	<u>(\$233,449,735)</u>	<u>(\$170,563,483)</u>	<u>(\$46,496,511)</u>	<u>\$69,812,844</u>	<u>\$138,884,936</u>

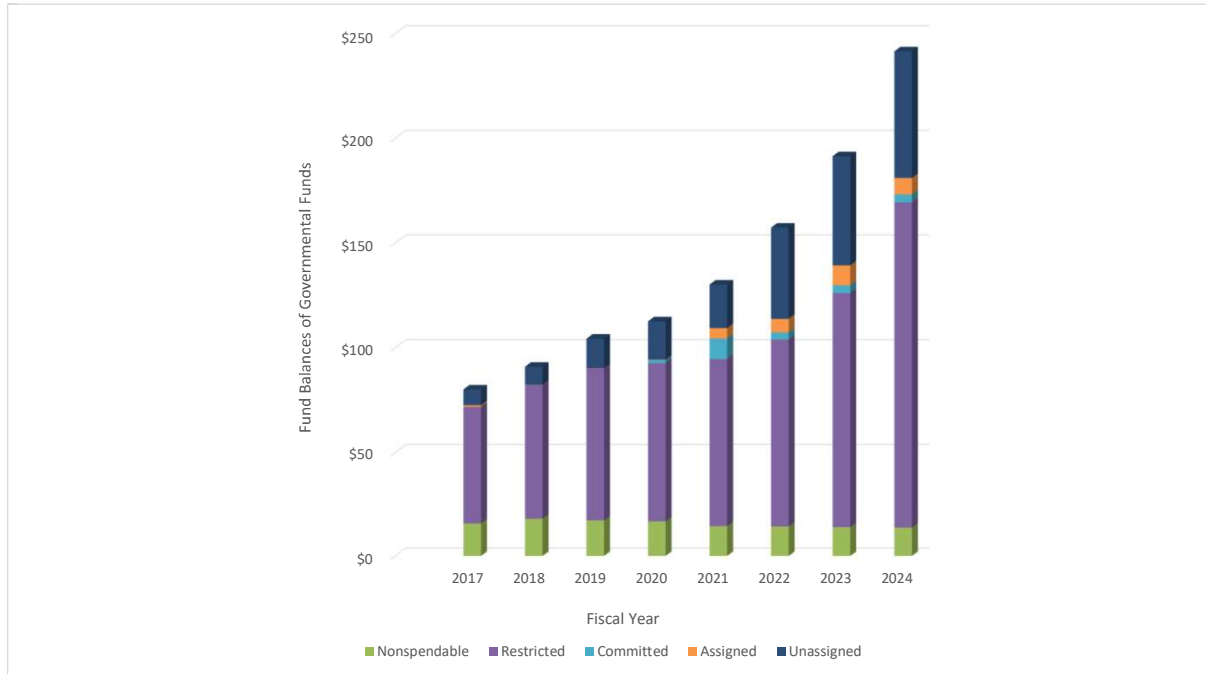
CITY OF RICHMOND
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015 (a)	2016	2017	2018 (b)
Expenses				
Governmental Activities:				
General Government	\$28,879,074	\$32,197,941	\$34,851,005	\$45,715,329
Public Safety	102,732,652	107,380,286	104,919,259	114,932,219
Public Works	43,363,799	44,410,102	41,558,084	48,617,290
Community Development	4,771,875	5,003,045	3,290,142	4,589,328
Cultural and Recreational	10,492,020	11,021,226	10,996,526	14,280,985
Housing and Redevelopment	2,751,290	2,051,898	7,449,423	3,442,239
Interest and Fiscal Charges	17,219,905	18,902,831	16,387,887	16,127,479
Total Governmental Activities Expenses	<u>210,210,615</u>	<u>220,967,329</u>	<u>219,452,326</u>	<u>247,704,869</u>
Business-Type Activities:				
Richmond Housing Authority	28,049,474	26,385,133	26,241,916	30,978,813
Port of Richmond	9,923,282	11,132,997	10,102,104	10,257,553
Richmond Marina	235,054	237,129	230,621	327,442
Municipal Sewer	15,965,608	16,446,626	17,720,735	21,696,370
Storm Sewer	3,282,406	2,465,929	2,320,723	1,661,808
Cable TV	948,426	2,114,436	1,028,185	1,697,155
Total Business-Type Activities Expenses	<u>58,404,250</u>	<u>58,782,250</u>	<u>57,644,284</u>	<u>66,619,141</u>
Total Primary Government Expenses	<u>\$268,614,865</u>	<u>\$279,749,579</u>	<u>\$277,096,610</u>	<u>\$314,324,010</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$11,107,654	\$12,468,525	\$15,543,381	\$16,838,782
Public Safety	10,466,292	7,271,472	8,932,212	8,147,458
Public Works	3,609,577	3,936,242	4,796,586	6,529,172
Community Development	1,385,689	1,069,767	615,388	1,748,222
Cultural and Recreational	475,091	1,128,267	1,252,192	1,545,399
Housing and Redevelopment		42,040		1,878,958
Operating Grants and Contributions	9,231,039	20,994,534	16,083,370	20,556,989
Capital Grants and Contributions	21,097,186	17,534,992	14,008,833	10,471,376
Total Government Activities Program Revenues	<u>57,372,528</u>	<u>64,445,839</u>	<u>61,231,962</u>	<u>67,716,356</u>
Business-Type Activities:				
Charges for Services:				
Richmond Housing Authority	1,917,602	1,851,337	3,067,020	1,740,399
Port of Richmond	9,480,367	10,581,419	10,182,777	10,580,246
Municipal Sewer	19,033,406	19,757,863	20,767,925	22,447,439
Richmond Marina	488,201	517,108	540,567	537,438
Storm Sewer	1,845,648	1,966,537	1,992,758	2,068,110
Cable TV	1,376,194	1,320,486	1,339,104	1,281,952
Operating Grants and Contributions	22,112,391	21,951,328	22,636,922	26,098,804
Capital Grants and Contributions	2,189,724	2,155,686	969,910	1,155,536
Total Business-Type Activities Program Revenue	<u>58,443,533</u>	<u>60,101,764</u>	<u>61,496,983</u>	<u>65,909,924</u>
Total Primary Government Program Revenues	<u>\$115,816,061</u>	<u>\$124,547,603</u>	<u>\$122,728,945</u>	<u>\$133,626,280</u>
Net (Expense)/Revenue				
Governmental Activities	(\$152,838,087)	(\$156,521,490)	(\$158,220,364)	(\$179,988,513)
Business-Type Activities	39,283	1,319,514	3,852,699	(709,217)
Total Primary Government Net Expense	<u>(\$152,798,804)</u>	<u>(\$155,201,976)</u>	<u>(\$154,367,665)</u>	<u>(\$180,697,730)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes:				
Current Collections	\$45,129,392	\$51,302,638	\$56,588,547	59,441,796
Sales Taxes	33,155,376	40,877,125	41,620,189	44,474,973
Utility User Taxes	48,299,958	43,365,249	44,966,489	46,079,755
Documentary Transfer Taxes	4,818,936	6,187,096	7,452,985	6,486,347
Other Taxes	5,099,511	5,734,802	5,329,465	6,144,968
Unrestricted Intergovernmental	1,806,532	43,312	49,448	58,842
Use of Money and Property	(4,752,198)	1,198,266	12,230,256	7,000,785
Gain From Sale of Capital Assets	268,927	262,667	64,651	39,226
Miscellaneous	2,151,042	4,258,061	5,138,724	4,195,794
Pension Stabilization Revenue	954,202	915,860	885,938	
Transfers	178,487	600,000	86,778	86,778
Special/Extraordinary Items:				
Swap Termination		(16,321,171)		
Transfer of Loans to Housing Successor				1,208,259
Assets Transferred To/Liabilities Assumed By Housing Successor/Successor Agency		14,968,712		
Total Government Activities	<u>137,110,165</u>	<u>153,392,617</u>	<u>174,413,470</u>	<u>175,217,523</u>
Business-Type Activities:				
Taxes:				
Property Taxes				
Use of Money and Property	(563,129)	(3,076,857)	3,548,826	3,431,293
Special Item		(14,510,000)		
Transfers	(178,487)	(600,000)	(86,778)	(86,778)
Extraordinary Items				
Total Business-Type Activities	<u>(741,616)</u>	<u>(18,186,857)</u>	<u>3,462,048</u>	<u>3,344,515</u>
Total Primary Government	<u>\$136,368,549</u>	<u>\$135,205,760</u>	<u>\$177,875,518</u>	<u>\$178,562,038</u>
Change in Net Position				
Governmental Activities	(\$15,727,922)	(\$3,128,873)	\$16,193,106	(\$4,770,990)
Business-Type Activities	(702,333)	(16,867,343)	7,314,747	2,635,298
Total Primary Government	<u>(\$16,430,255)</u>	<u>(\$19,996,216)</u>	<u>\$23,507,853</u>	<u>(\$2,135,692)</u>

(a) The City implemented the provisions of GASB Statement No. 68 in fiscal year 2015. Years prior to 2015 have not been restated.
(b) The City implemented the provisions of GASB Statement No. 75 in fiscal year 2018. Years prior to 2018 have not been restated.

Fiscal Year Ended June 30					
2019	2020	2021	2022	2023	2024
	(re-stated)				
\$45,626,305	\$43,495,871	\$46,917,122	\$48,312,143	\$60,377,362	\$70,311,954
116,621,006	108,947,688	94,378,715	68,259,779	76,926,512	114,081,723
49,893,124	45,051,479	33,979,639	35,554,874	36,475,877	51,215,494
5,791,630	4,115,214	4,534,280	3,552,363	4,515,446	6,710,315
15,074,312	10,409,881	9,006,470	9,969,799	9,263,762	12,963,405
2,676,897	2,807,611	3,007,152	3,375,875	3,234,605	3,441,920
15,380,005	14,896,558	12,825,356	12,322,289	4,841,105	19,980,774
<u>251,063,279</u>	<u>229,724,302</u>	<u>204,648,734</u>	<u>181,347,122</u>	<u>195,634,669</u>	<u>278,705,585</u>
36,766,319	5,834,686	3,607,603	(1,750,799)	4,986,560	4,444,837
8,811,486	7,744,773	6,263,232	4,763,557	5,500,092	6,438,177
273,929	21,767,690	20,466,640	246,064	217,343	213,335
19,259,997	241,445	227,391	18,140,943	20,762,028	24,835,079
1,643,453	1,965,353	1,796,422	1,282,576	1,803,217	2,751,735
973,747	671,790	788,957	664,656	735,080	898,308
<u>67,728,931</u>	<u>38,225,737</u>	<u>33,150,245</u>	<u>23,346,997</u>	<u>34,004,320</u>	<u>39,581,471</u>
<u>\$318,792,210</u>	<u>\$267,950,039</u>	<u>\$237,798,979</u>	<u>\$204,694,119</u>	<u>\$229,638,989</u>	<u>\$318,287,056</u>
\$15,310,347	\$13,211,033	\$13,777,010	\$18,422,370	\$26,604,156	\$25,343,470
7,124,227	6,631,900	3,674,412	3,448,026	2,820,319	2,040,106
5,118,216	7,792,157	7,198,221	4,405,851	4,897,532	4,702,336
1,603,581	827,055	665,999	110,552	581,864	915,396
2,200,702	1,111,472	814,073	577,978	758,252	921,946
2,189,703					
20,514,833	25,354,387	29,316,141	37,756,494	38,164,874	50,286,760
<u>5,778,572</u>	<u>4,987,273</u>	<u>4,386,950</u>	<u>10,787,022</u>	<u>1,785,082</u>	<u>5,089,140</u>
<u>59,840,181</u>	<u>59,915,277</u>	<u>59,832,806</u>	<u>75,508,293</u>	<u>75,612,079</u>	<u>89,299,154</u>
3,329,072	841,319	861,943	782,951	1,344,324	358,327
10,629,229	10,454,061	10,704,024	10,530,653	11,383,930	12,255,674
24,476,967	27,934,684	27,759,474	28,168,977	30,312,526	32,563,772
602,591	564,988	574,453	524,652	541,632	529,539
1,942,171	2,087,561	2,103,928	2,061,815	2,052,546	3,762,222
1,240,754	1,203,837	1,145,936	1,103,873	1,037,515	922,077
28,666,300	4,027,791	3,771,674	2,211,712	4,341,092	3,426,450
<u>2,170,137</u>	<u>322,164</u>	<u>13,167</u>			
<u>73,057,221</u>	<u>47,436,405</u>	<u>46,934,599</u>	<u>45,384,633</u>	<u>51,013,565</u>	<u>53,818,061</u>
<u>\$132,897,402</u>	<u>\$107,351,682</u>	<u>\$106,767,405</u>	<u>\$120,892,926</u>	<u>\$126,625,644</u>	<u>\$143,117,215</u>
(\$191,223,098)	(\$169,809,025)	(\$144,815,928)	(\$105,838,829)	(\$120,022,590)	(\$189,406,431)
5,328,290	9,210,668	13,784,354	22,037,636	17,009,245	14,236,590
<u>(\$185,894,808)</u>	<u>(\$160,598,357)</u>	<u>(\$131,031,574)</u>	<u>(\$83,801,193)</u>	<u>(\$103,013,345)</u>	<u>(\$175,169,841)</u>
60,592,022	63,004,942	65,075,408	65,248,507	71,089,739	74,255,275
47,659,481	44,537,156	48,998,406	53,453,323	55,541,366	61,319,980
45,905,937	45,552,523	45,240,705	48,373,587	54,676,023	59,120,237
8,011,672	8,707,564	19,857,680	18,612,087	10,416,847	8,565,938
6,227,213	7,127,375	7,424,135	8,176,511	9,206,830	10,189,053
4,705,047	5,367,784	6,593,602	7,241,103	8,744,324	8,695,225
(6,825,744)	2,946,978	1,461,004	1,593,846	5,516,787	14,918,668
71,779	82,036	71,458	88,477	20,207	49,657
1,980,973	1,992,600	1,357,022	2,140,211	1,993,535	1,801,175
(220,947)	86,778	(11,279,988)	(3,516,663)	(882,448)	(1,076,221)
<u>168,107,433</u>	<u>179,405,736</u>	<u>184,799,432</u>	<u>201,410,989</u>	<u>216,323,210</u>	<u>237,838,987</u>
(1,015,459)	770,319	145,810	909,597	2,083,188	4,093,449
220,947	(86,778)	11,279,988	3,516,663	882,448	1,076,221
<u>(794,512)</u>	<u>683,541</u>	<u>11,425,798</u>	<u>4,426,260</u>	<u>2,965,636</u>	<u>5,169,670</u>
<u>\$167,312,921</u>	<u>\$180,089,277</u>	<u>\$196,225,230</u>	<u>\$205,837,249</u>	<u>\$219,288,846</u>	<u>\$243,008,657</u>
(\$23,115,665)	\$9,596,711	\$39,983,504	\$95,572,160	\$96,300,620	\$48,432,556
4,533,778	9,894,209	25,210,152	26,463,896	19,974,881	19,406,260
<u>(\$18,581,887)</u>	<u>\$19,490,920</u>	<u>\$65,193,656</u>	<u>\$122,036,056</u>	<u>\$116,275,501</u>	<u>\$67,838,816</u>

CITY OF RICHMOND
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$18,708,682	\$18,404,669	\$15,697,680	\$17,967,653	\$17,170,714	\$16,705,993	\$14,399,738	\$14,242,186	\$13,867,445	\$13,638,218
Restricted								\$1,505,053	\$3,996,614	\$10,667,506
Committed						\$1,500,000	\$9,800,000	\$3,383,453	\$3,720,697	\$3,748,566
Assigned	23,934	4,460	10,013	72,506	63,180	113,349	2,436,475	6,397,688	9,530,225	6,106,044
Unassigned	9,949,120	10,988,266	19,709,197	17,590,764	19,534,660	20,326,889	22,477,829	44,935,389	55,196,962	65,262,325
Total General Fund	<u>\$28,681,736</u>	<u>\$29,397,395</u>	<u>\$35,416,890</u>	<u>\$35,630,923</u>	<u>\$36,768,554</u>	<u>\$38,646,231</u>	<u>\$49,114,042</u>	<u>\$70,463,769</u>	<u>\$86,311,943</u>	<u>\$99,422,659</u> (a)
All Other Governmental Funds										
Nonspendable	\$484	\$550								
Restricted	41,017,602	53,752,247	\$56,052,014	\$64,125,353	\$72,865,392	\$75,880,927	\$80,161,994	\$88,191,500	\$108,207,093	\$145,127,325
Committed										
Assigned	430,083	431,867	782,617	43,906	44,602	45,264	2,521,099	45,618		1,750,000
Unassigned	(9,755,130)	(13,824,433)	(12,190,388)	(8,939,781)	(5,403,755)	(2,000,302)	(1,677,775)	(1,375,327)	(3,057,916)	(4,786,196)
Total all other governmental funds	<u>\$31,693,039</u>	<u>\$40,360,231</u>	<u>\$44,644,243</u>	<u>\$55,229,478</u>	<u>\$67,506,239</u>	<u>\$73,925,889</u>	<u>\$81,005,318</u>	<u>\$86,861,791</u>	<u>\$105,149,177</u>	<u>\$142,091,129</u> (a)

(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.
(b) Balance was restated in fiscal year 2014. Years prior to 2013 have not been restated.

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CITY OF RICHMOND
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2015	2016	2017	2018
Revenues				
Property taxes	\$46,498,061	\$52,714,540	\$58,042,766	\$60,963,189
Sales taxes	33,131,486	40,877,125	41,620,189	44,474,973
Utility user fees	48,299,958	43,365,249	44,966,489	46,079,755
Other taxes	9,918,447	11,628,519	12,566,579	12,413,127
Licenses, permits and fees	12,409,625	12,235,483	16,577,695	21,552,883
Fines, forfeitures and penalties	1,353,518	901,838	1,065,421	1,001,927
Use of money and property	225,529	212,787	422,324	746,525
Intergovernmental	19,228,997	14,440,543	19,913,858	20,137,593
Private grants		12,971,138	5,000,000	9,000,000
Charges for services	13,607,840	13,462,270	15,947,909	17,045,201
Pension stabilization revenue	954,202	915,860	885,938	
Rent	809,113	768,753	839,821	852,940
Other	1,977,688	4,300,150	5,472,719	4,418,779
Total Revenues	188,414,464	208,794,255	223,321,708	238,686,892
Expenditures				
Current:				
General government	29,786,089	31,819,369	36,973,645	44,009,256
Public safety	90,219,981	94,774,545	95,479,682	96,546,035
Public works	25,806,437	25,690,663	30,327,553	35,016,495
Community development	4,586,333	4,843,687	6,374,607	8,057,638
Cultural and recreational	10,021,481	10,551,337	10,786,216	11,347,436
Housing and redevelopment	2,625,533	3,038,135	7,672,540	1,942,637
Capital outlay	8,178,649	8,566,563	3,667,134	10,000,595
Debt service:				
Principal repayment	7,842,830	9,148,909	9,966,416	11,032,933
Interest and fiscal charges	13,407,604	12,503,442	11,471,169	10,785,342
Debt defeasance using existing resources				
Swap termination payment		28,554,000	0	0
Total Expenditures	192,474,937	229,490,650	212,718,962	228,738,367
Excess (deficiency) of revenues over (under) expenditures	(4,060,473)	(20,696,395)	10,602,746	9,948,525
Other Financing Sources (Uses)				
Proceeds from sale of property	268,927	262,667	181,022	39,226
Transfers in	12,879,975	12,124,166	18,770,780	14,472,164
Transfers out	(13,815,569)	(12,091,206)	(19,251,041)	(14,868,906)
Payment to refund bond escrow agent				
Issuance of long-term debt	11,175,436	28,390,000		
Bond issuance premium	82,880	1,393,619		
Other financing sources - SBITAs				
Total other financing sources (uses)	10,591,649	30,079,246	(299,239)	(357,516)
Special and Extraordinary Items				
Assets transferred to/liabilities assumed by Housing Successor/Successor Agency				
Transfer of loans to housing successor				1,208,259
Total Special and Extraordinary Items	0	0	0	1,208,259
Net Change in fund balances	\$6,531,176	\$9,382,851	\$10,303,507	\$10,799,268
Debt service as a percentage of noncapital expenditures				
	11.4%	9.8%	10.3%	10.0%

Fiscal Year Ended June 30,

2019	2020	2021	2022	2023	2024
\$66,816,032	\$68,285,321	\$70,294,487	\$72,362,382	\$79,715,269	\$82,807,346
47,659,481	44,537,156	48,998,406	53,453,323	55,541,366	61,319,980
45,905,937	45,552,523	45,240,705	48,373,588	54,676,023	59,120,237
14,020,347	15,619,151	27,066,292	26,573,077	19,623,678	18,754,991
18,865,730	15,385,538	18,316,552	20,710,335	31,439,148	27,813,991
964,255	815,910	455,470	407,493	259,035	239,379
1,302,922	1,302,020	472,216	622,268	3,555,012	11,350,285
17,691,976	24,284,779	23,912,334	28,014,581	27,338,796	47,509,648
9,000,000					
16,625,733	16,807,806	15,371,589	13,551,503	13,125,077	13,189,520
988,741	892,579	699,301	723,596	817,496	864,042
2,999,947	1,998,535	1,491,314	2,157,113	2,074,641	1,829,377
<u>242,841,101</u>	<u>235,481,318</u>	<u>252,318,666</u>	<u>266,949,259</u>	<u>288,165,541</u>	<u>324,798,796</u>
42,470,628	47,122,400	47,429,988	48,844,022	61,881,734	68,430,785
99,824,574	100,037,206	97,682,457	96,752,490	93,999,040	110,066,352
37,133,097	34,207,196	32,067,844	33,922,641	38,916,970	49,259,684
5,126,848	5,189,613	5,606,322	5,680,870	6,486,694	7,382,329
12,713,460	11,482,027	9,717,875	10,583,266	10,833,071	13,509,037
3,436,988	3,544,492	3,225,876	3,357,987	3,484,198	3,474,506
5,774,234	4,871,461	6,135,189	13,403,045	10,860,450	12,820,284
12,518,807	12,552,283	14,423,082	17,234,527	19,860,477	7,691,278
10,026,887	10,431,652	7,044,795	6,117,847	5,856,744	15,468,833
0	0	0	0	2,163,313	0
0	0	0	0	0	0
<u>229,025,523</u>	<u>229,438,330</u>	<u>223,333,428</u>	<u>235,896,695</u>	<u>254,342,691</u>	<u>288,103,088</u>
13,815,578	6,042,988	28,985,238	31,052,564	33,822,850	36,695,708
71,779	82,036	71,458	88,477	20,207	49,658
19,215,848	18,336,677	15,524,305	20,744,118	50,312,870	58,217,010
(19,688,813)	(18,221,126)	(27,033,761)	(24,861,799)	(51,673,336)	(58,479,249)
	(77,315,000)			(152,904,036)	
	79,171,752			154,140,000	
				417,005	
<u>(401,186)</u>	<u>2,054,339</u>	<u>(11,437,998)</u>	<u>(4,029,204)</u>	<u>312,710</u>	<u>(212,581)</u>
0	0	0	0	0	0
<u>\$13,414,392</u>	<u>\$8,097,327</u>	<u>\$17,547,240</u>	<u>\$27,023,360</u>	<u>\$34,135,560</u>	<u>\$36,483,127</u>
10.2%	10.3%	9.9%	10.5%	11.5%	8.4%

CITY OF RICHMOND
ASSESSED AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(In Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
ASSESSED VALUE ⁽¹⁾										
Land	\$3,781,609	\$4,186,239	\$4,520,312	\$4,946,654	\$5,423,245	\$5,888,775	\$6,277,934	\$6,573,641	\$7,191,720	\$7,678,837
Improvements	8,187,280	8,683,770	9,216,704	9,400,903	10,129,347	10,214,867	10,541,291	10,494,291	11,281,579	12,047,139
Total Real Property	11,968,889	12,870,009	13,737,016	14,347,557	15,552,592	16,103,642	16,819,225	17,067,932	18,473,299	19,725,976
Personal Property	460,661	669,634	585,832	\$589,457	\$584,968	\$617,157	\$652,386	\$635,202	\$617,274	\$687,202
TOTAL	\$12,429,550	\$13,539,643	\$14,322,848	\$14,937,014	\$16,137,560	\$16,720,799	\$17,471,611	\$17,703,134	\$19,090,573	\$20,413,178
EXEMPTIONS ⁽²⁾										
Homeowners ⁽³⁾	\$98,456	\$96,539	\$95,052	\$94,266	\$93,219	\$91,907	\$91,372	\$91,348	\$89,300	\$87,227
Other ⁽³⁾	587,350	641,475	688,713	760,841	809,325	932,222	1,008,837	1,214,858	1,258,758	1,373,120
TOTAL	\$685,806	\$738,014	\$783,765	\$855,107	\$902,544	\$1,024,129	\$1,100,209	\$1,306,206	\$1,348,058	\$1,460,347
ASSESSED VALUE										
(Net of Exemptions)	\$11,743,744	\$12,801,629	\$13,539,083	\$14,081,907	\$15,235,016	\$15,696,670	\$16,371,402	\$16,396,928	\$17,742,515	\$18,952,831
Redevelopment Tax Increments ⁽³⁾	1,799,831	2,055,811	2,248,742	2,567,061	2,892,823	3,175,294	3,175,294	3,175,294	4,093,194	4,431,395
NET ASSESSED VALUE	\$9,943,913	\$10,745,818	\$11,290,341	\$11,514,846	\$12,342,193	\$12,521,376	\$13,196,108	\$13,221,634	\$13,649,321	\$14,521,436
NET INCREASE (DECREASE)	\$1,713,704	\$801,905	\$544,523	\$224,505	\$827,347	\$179,183	\$674,732	\$25,526	\$427,687	\$872,115
% OF INCREASE (DECREASE)	20.82%	8.06%	5.07%	1.99%	7.19%	1.45%	5.47%	0.19%	3.23%	6.39%
Total Direct Tax Rate⁽⁴⁾	0.43929%	0.43781%	0.43675%	0.43591%	0.43540%	0.43473%	0.43394%	0.43360%	0.42978%	0.42978%

⁽¹⁾ Assessed value (full cash value) of taxable property represents all property within the City. For the fiscal year 1981-82 and thereafter, the assessed value is 100% of the full cash value in accordance with State legislation. The maximum tax rate is 1% of the full cash value or \$1/\$100 of the assessed value, excluding the tax rate for debt service.

⁽²⁾ Exemptions are summarized as follows:
(a) Homeowners' exemption arises from Article XIII(25) which reimburses local governments for revenues lost through the homeowners' exemption in Article XIII(3)(k).
(b) Other exemptions are revenues lost to the City because of provisions of California Constitution, Article XIII(3).

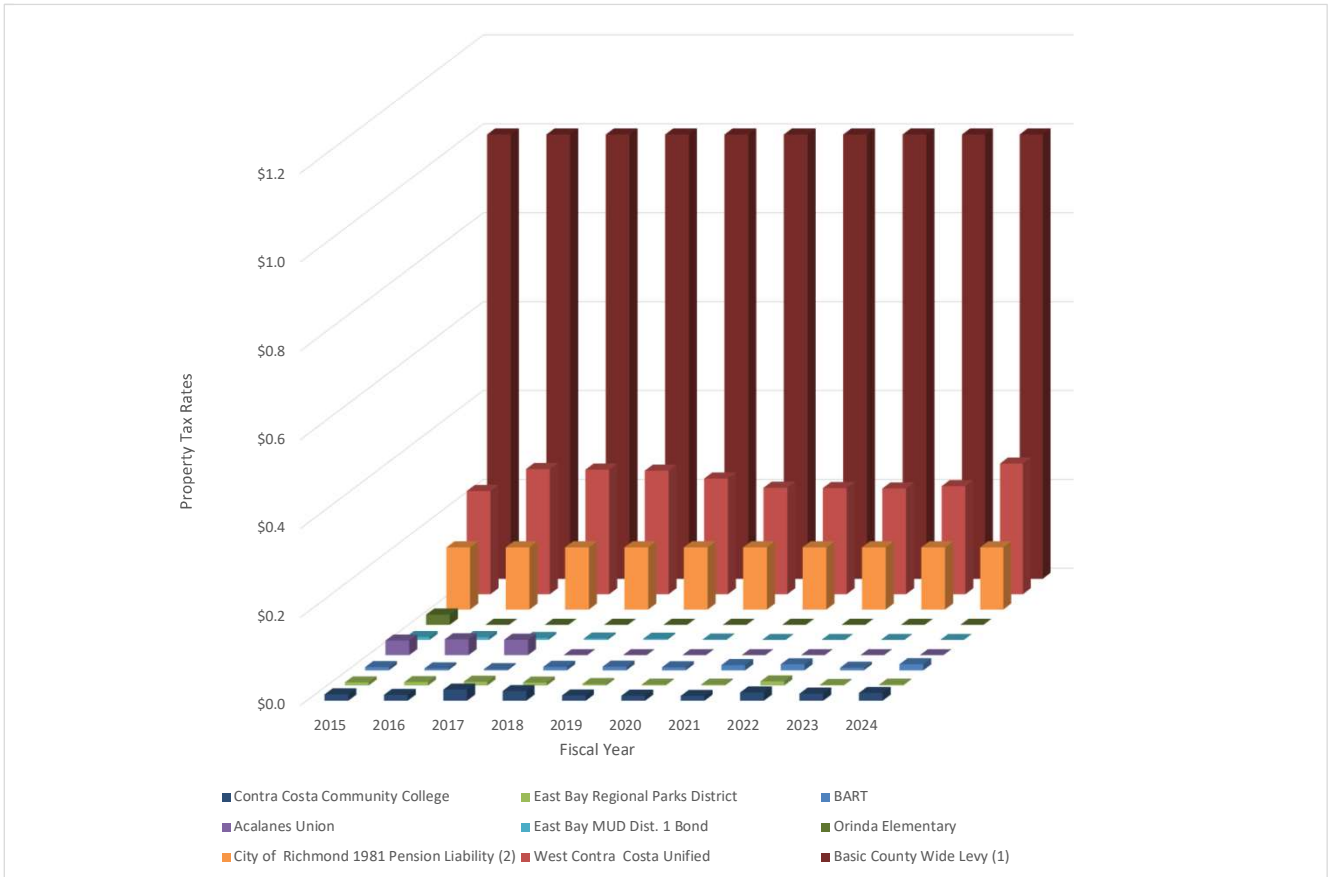
⁽³⁾ Tax increments are allocations made to the Redevelopment Agency under authority of California Constitution, Article XVI.

⁽⁴⁾ California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. The City of Richmond encompasses more than 92 tax rate areas. See Property Tax Rates statistics for additional information.

Source: County of Contra Costa, Office of the Auditor-Controller
HDL reports

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**CITY OF RICHMOND
PROPERTY TAX RATES
ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**



Fiscal Year	Basic County Wide Levy (1)	City of Richmond 1981 Pension Liability (2)	BART	East Bay Regional Parks District	Acalanes Union	East Bay MUD Dist. 1 Bond	Orinda Elementary	West Contra Costa Unified	Contra Costa Community College	Total Direct & Overlapping Tax Rates (2)
2015	1.00000	0.14000	0.00450	0.00850	0.03500	0.00470	0.02320	0.28030	0.02520	1.52140
2016	1.00000	0.14000	0.00260	0.00670	0.00000	0.00340	0.00000	0.27810	0.02200	1.45280
2017	1.00000	0.14000	0.00800	0.00320	0.00000	0.00280	0.00000	0.26040	0.01200	1.42640
2018	1.00000	0.14000	0.00840	0.00210	0.00000	0.00110	0.00000	0.23970	0.01140	1.40270
2019	1.00000	0.14000	0.00700	0.00210	0.00000	0.00000	0.00000	0.23900	0.01100	1.39910
2020	1.00000	0.14000	0.01200	0.00940	0.00000	0.00000	0.00000	0.23790	0.01880	1.41810
2021	1.00000	0.14000	0.01390	0.00140	0.00000	0.00000	0.00000	0.24320	0.01610	1.41460
2022	1.00000	0.14000	0.00600	0.00200	0.00000	0.00000	0.00000	0.29390	0.01760	1.45950
2023	1.00000	0.14000	0.01400	0.00580	0.00000	0.00000	0.00000	0.25640	0.01620	1.43240
2024	1.00000	0.14000	0.01340	0.00570	0.00000	0.00000	0.00000	0.24640	0.01460	1.42010

NOTES:

- (1) In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.
- (3) City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest next taxable value within the City. The ERAF portion of the City's Levy has been subtracted where known.
- (4) Redevelopment Rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California state statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.
- (5) Total Direct Rate is the weighted average of all individual direct rates applied by the City preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Source: County of Contra Costa Assessor

City's Share of 1% Levy Per Prop 13 (3)	General Obligation Debt Rate	Redevelopment Rate (4)	Total Direct Rate (5)
0.28784	0.14000	0.00000	0.43929
0.28784	0.14000	0.00000	0.43781
0.28784	0.14000	0.00000	0.43675
0.28784	0.14000	0.00000	0.43591
0.28784	0.14000	0.00000	0.43540
0.28784	0.14000	0.00000	0.43473
0.28784	0.14000	0.00000	0.43394
0.28784	0.14000	0.00000	0.43360
0.28784	0.14000	0.00000	0.42978
0.28784	0.14000	0.00000	0.42915

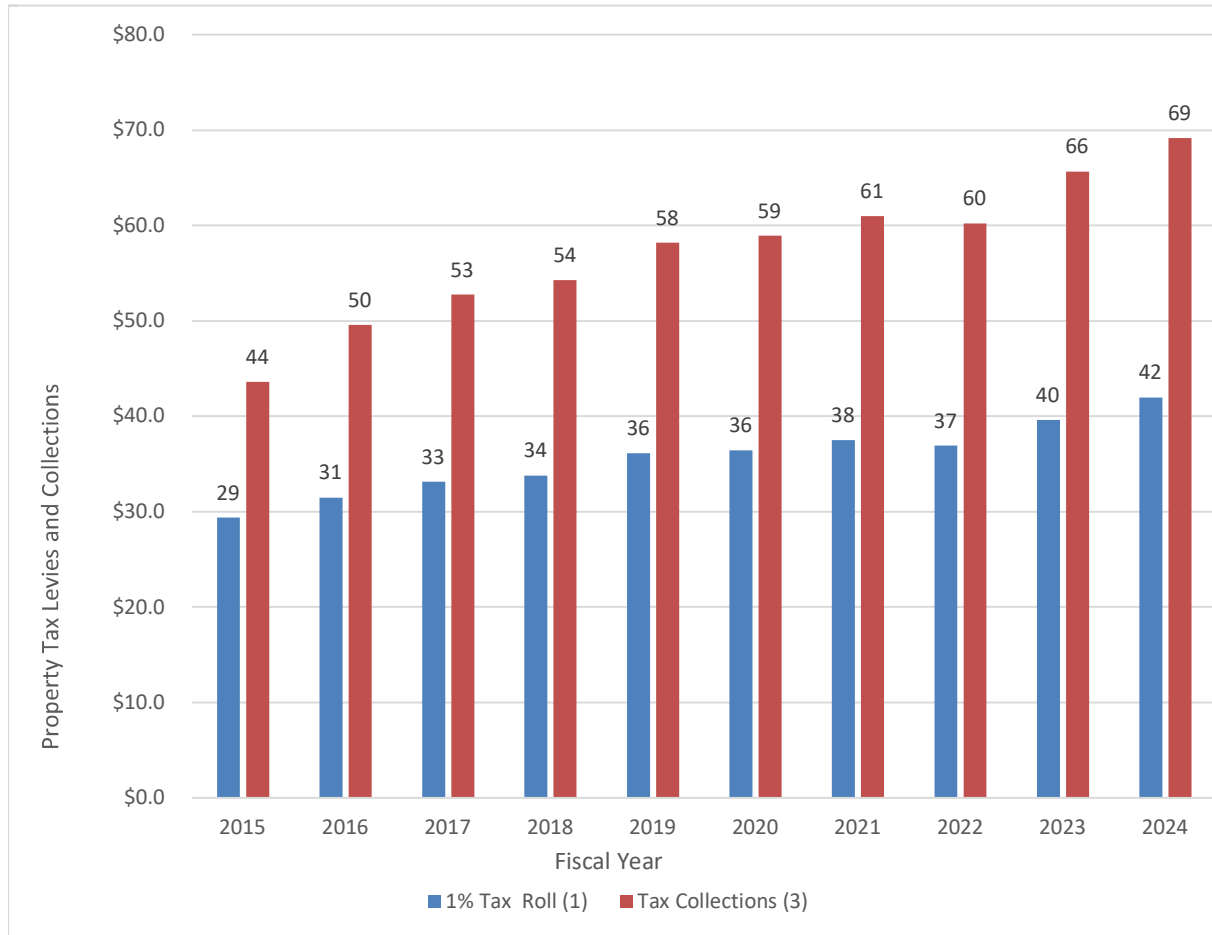
CITY OF RICHMOND
Principal Property Tax Payers
Current Year and Nine Years Ago
(In Thousands)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2023-2024</u>			<u>2014-2015</u>		
		<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Chevron USA Inc.	Industrial	\$3,660,193	1	19.22%	\$3,189,277	1	26.93%
Guardian KW Hilltop LLC	Residential	221,357	2	1.16%	147,086	2	1.24%
CenterPoint Properties Trust	Industrial	152,529	3	0.80%			
Hilltop Comm Partners Sub 1	Commercial	112,790	4	0.59%			
MC MP FORD POINT REALTY LLC	Industrial	105,725	5	0.56%			
LIPT Giant Road Inc.	Industrial	98,722	6	0.52%			
IPT Richmond DC LP	Industrial	92,432	7	0.49%			
Richmond Essex, LP	Residential	86,123	8	0.45%	72,919	5	0.62%
Kaiser	Industrial	80,871	9	0.42%	76,107	4	0.64%
TransMontaigne Partners LP	Industrial	72,093	10	0.38%			
KM Phoenix Holdings LLC	Industrial						
Lennar Emerald Marina Bay LLC	Residential				112,189	3	0.95%
US Bank	Commercial				39,831	8	0.34%
BP West Coast Products	Commercial				40,147	7	0.34%
BRE Piper MF TIDES CA LLC	Residential				37,911	10	0.32%
DiCon Fiberoptics Inc	Industrial				43,107	6	0.36%
Ford Point LLC	Industrial				39,001	9	0.33%
Subtotal		<u>\$4,682,836</u>		<u>24.59%</u>	<u>\$3,797,576</u>		<u>32.07%</u>

Total Net Assessed Valuation:
Fiscal Year 2023-2024 \$19,040,058
Fiscal Year 2014-2015 \$11,842,201

Source: Contra Costa County Assessor Fiscal Year Combined Tax Rolls and the SBE Non Unitary Tax Roll

**CITY OF RICHMOND
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(In Thousands)**

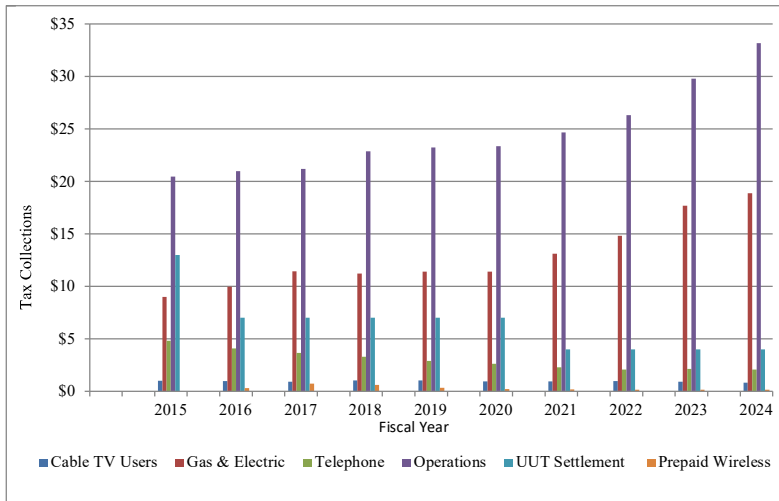


Fiscal Year	1% Tax Roll (1)	Voter Approve Debt Tax Rolls (2)	Total Tax Collections (3)	Percent of Total Tax Collections to Tax Levy
2015	29,392	14,225	43,617	100%
2016	31,490	18,071	49,561	100%
2017	33,152	19,618	52,770	100%
2018	33,780	20,481	54,261	100%
2019	36,116	22,078	58,194	100%
2020	36,435	22,513	58,948	100%
2021	37,506	23,477	60,983	100%
2022	36,930	23,269	60,199	100%
2023	39,634	26,011	65,645	100%
2024	41,978	27,166	69,144	100%

Source: City of Richmond Records

- NOTES: (1) The maximum tax rate is 1% of the assessed value or \$1/\$100 of the assessed value, excluding the tax rate for debt.
- (2) Voter approved tax roll for debt is in addition to the 1% rate shown in note (1).
- (3) During fiscal year 1995, the County began providing the City 100% of its tax levy under an agreement which allows the County to keep all interest and delinquency charges collected.

**CITY OF RICHMOND
UTILITY USERS TAX COLLECTIONS
LAST TEN FISCAL YEARS**



	Fiscal Year Ended June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cable TV Users	\$1,016,552	\$988,547	\$924,912	\$1,036,854	\$1,025,549	951,147	961,286	975,219	909,810	845,031
Gas & Electric	9,003,928	9,966,642	11,433,006	11,250,415	11,404,175	11,416,601	13,118,252	14,833,325	17,686,168	18,874,694
Telephone	4,807,499	4,093,128	3,668,092	3,300,001	2,910,450	2,621,565	2,302,969	2,065,243	2,124,673	2,092,755
Operations	20,471,979	21,004,080	21,209,540	22,884,443	23,230,610	23,351,283	24,657,999	26,330,964	29,785,913	33,161,970
UUT Settlement	13,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Prepaid Wireless		312,852	730,939	608,042	335,153	211,927	200,199	168,836	169,459	145,787
Combined (A)										
	<u>\$48,299,958</u>	<u>\$43,365,249</u>	<u>\$44,966,489</u>	<u>\$46,079,755</u>	<u>\$45,905,937</u>	<u>\$45,552,523</u>	<u>\$45,240,705</u>	<u>\$48,373,587</u>	<u>\$54,676,023</u>	59,120,237

NOTES:

(A) Components of collections by type are not available, therefore amount represents total UUT collections for the fiscal year, and these amounts have been excluded from the graph

SOURCE: City of Richmond, Finance Department (Revenue)

**CITY OF RICHMOND
UTILITY USERS TAX DIRECT RATES
ON CHARGES FOR SERVICES
LAST TEN FISCAL YEARS (A)**

		2015	2016	2017	2018	2019	2020	2021	2022	2023	#	2024
Cable TV Users	#	5%	5%	5%	5%	5%	5%	5%	5%	5%		5%
Gas & Electric	#	10%	10%	10%	10%	10%	10%	10%	10%	10%		10%
Telephone	#	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%		9.50%
Operations	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)	(A)		(A)
UUT Settlement	(B)	(B)	(B)	(B)	(B)	(B)	(B)	(B)	(B)	(B)		(B)

NOTES:

- (A) Based on the Cap Provision in the City of Richmond Municipal Code
Section 13.52.100 - Maximum Tax Payable of the Richmond Municipal Code.
- (B) Annual amount is per agreement signed by a Major Taxpayer and the City in 2010.

SOURCE: City of Richmond, Finance Department (Revenue)

**CITY OF RICHMOND
TOP TEN UTILITY USERS TAXPAYERS
(ALPHABETICAL ORDER)
Current Year**

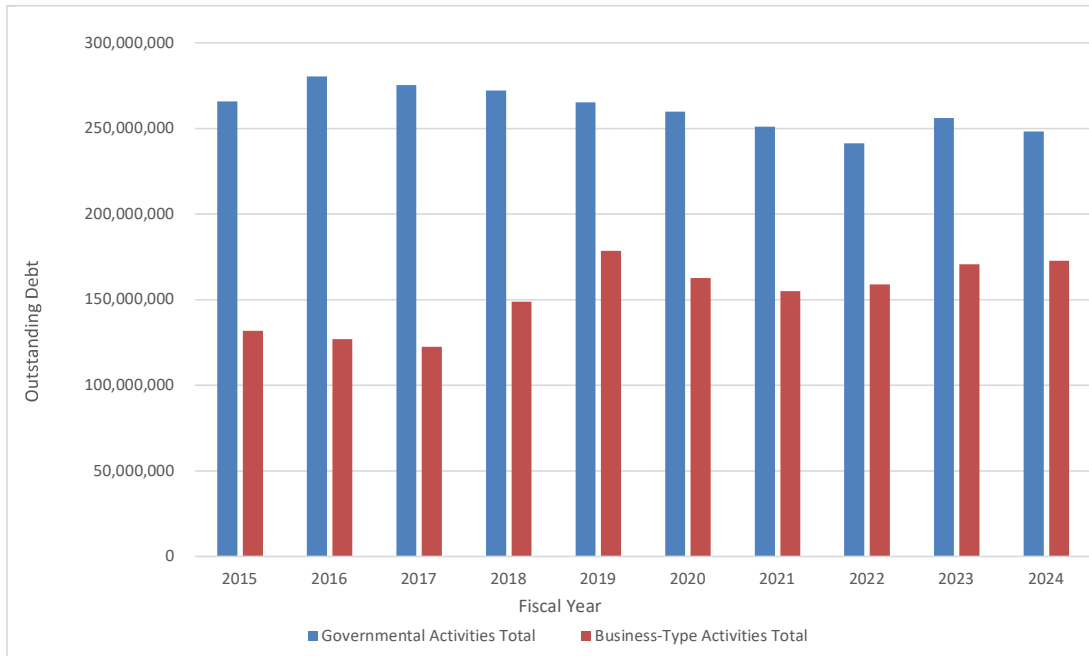
Taxpayer	Type of Business (A)
CHEVRON	Industrial
COMCAST	Cable
CONSTELLATION NEW ENERGY	Utility
DIRECT ENERGY	Utility
GTE MOBILNET OF CALIFORNIA	Telecommunications
MARIN CLEAN ENERGY	Utility
NEW CINGULAR WIRELESS	Telecommunications
PACIFIC BELL	Telecommunications
PG & E	Utility
T-MOBILE WEST LLC	Telecommunications

NOTES:

(A) Revenue base information by taxpayer is confidential.

SOURCE: City of Richmond, Finance Department (Revenue)

CITY OF RICHMOND
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years



Governmental Activities						
Fiscal Year	Tax Allocation Bonds	Pension Obligation Bonds	Revenue Bonds	Loans and Notes Payable	Capital Leases	Total
2015	(B)	156,491,679	87,121,545	12,970,813	9,295,123	265,879,160
2016	(B)	155,070,539	115,218,619	2,143,560	7,944,891	280,377,609
2017	(B)	153,058,033	113,275,266	1,993,820	6,872,843	275,199,962
2018	(B)	150,485,289	111,241,920	1,844,775	8,650,840	272,222,824
2019	(B)	147,275,826	109,098,574	1,287,277	7,640,339	265,302,016
2020	(B)	144,339,640	107,666,888	1,156,441	6,661,805	259,824,774
2021	(B)	140,816,305	103,543,450	1,023,224	5,642,605	251,025,583
2022	(B)	136,976,076	99,240,012	1,023,224	4,209,138	241,448,449
2023	(B)	154,140,000	94,726,574	749,584	6,462,613	256,078,770
2024	(B)	154,140,000	89,998,136	609,073	3,591,103	248,338,311

Business-Type Activities							
Fiscal Year	Wastewater Revenue Bonds	Port Lease Revenue Bonds (D)	Loans and Notes Payable	Total	Total Primary Government	Percentage of Personal Income (A)	Per Capita (A)
2015	86,867,520	41,984,610	2,861,189	131,713,319	397,592,479	14.62%	3,746
2016	84,637,983	39,354,875	2,783,127	126,775,985	407,153,594	15.04%	3,827
2017	82,313,447	36,588,791	3,401,553	122,303,791	397,503,753	14.49%	3,601
2018	111,698,772	33,587,707	3,316,308	148,602,787	420,825,611	15.04%	3,765
2019	144,811,738	30,331,623	3,227,227	178,370,588	443,672,604	15.19%	3,998
2020	141,391,552	17,940,892	3,134,137	162,466,581	422,291,355	13.95%	3,824
2021	137,886,366	13,604,419	3,338,388	154,829,173	405,854,756	12.53%	3,649
2022	134,416,180	9,112,946	15,229,299	158,758,424	400,206,873	11.72%	3,634
2023	130,825,994	4,451,473	35,314,142	170,591,609	426,670,379	12.05%	3,727
2024	127,020,808	0	45,593,391	172,614,198	420,952,510	10.25%	3,708

Notes: Debt amounts exclude any premiums, discounts, or other amortization amounts.

- (A) See Demographic Statistics for personal income and population data.
- (B) Due to the dissolution of the Redevelopment Agency, the Tax Allocation Bonds and the Loans and Notes Payable that were related to the Redevelopment Agency were transferred to the Successor Agency as of February 1, 2012 and are no longer governmental commitments.
- (C) With the implementation of GASB Statement No. 65, the deferred amount on refunding previously reported as a component of the long-term debt balance is not reported as a deferred inflows of resources.
- (D) 2019B Point Potrero Taxable Lease Revenue bonds paid off in FY2024.

Sources: City of Richmond
State of California, Department of Finance (population)
U.S. Department of commerce, Bureau of the Census (income)

**CITY OF RICHMOND
COMPUTATION OF LEGAL BONDED DEBT MARGIN
JUNE 30, 2024**

ASSESSED VALUATION:

Secured property assessed value, net of exempt real property	\$18,952,831,000
---	------------------

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)	\$710,731,163
---	---------------

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt	\$0
Less Tax Allocation Bonds and Sales Tax Revenue Bonds, Certificate of Participation not subject to limit	0

Amount of debt subject to limit	0
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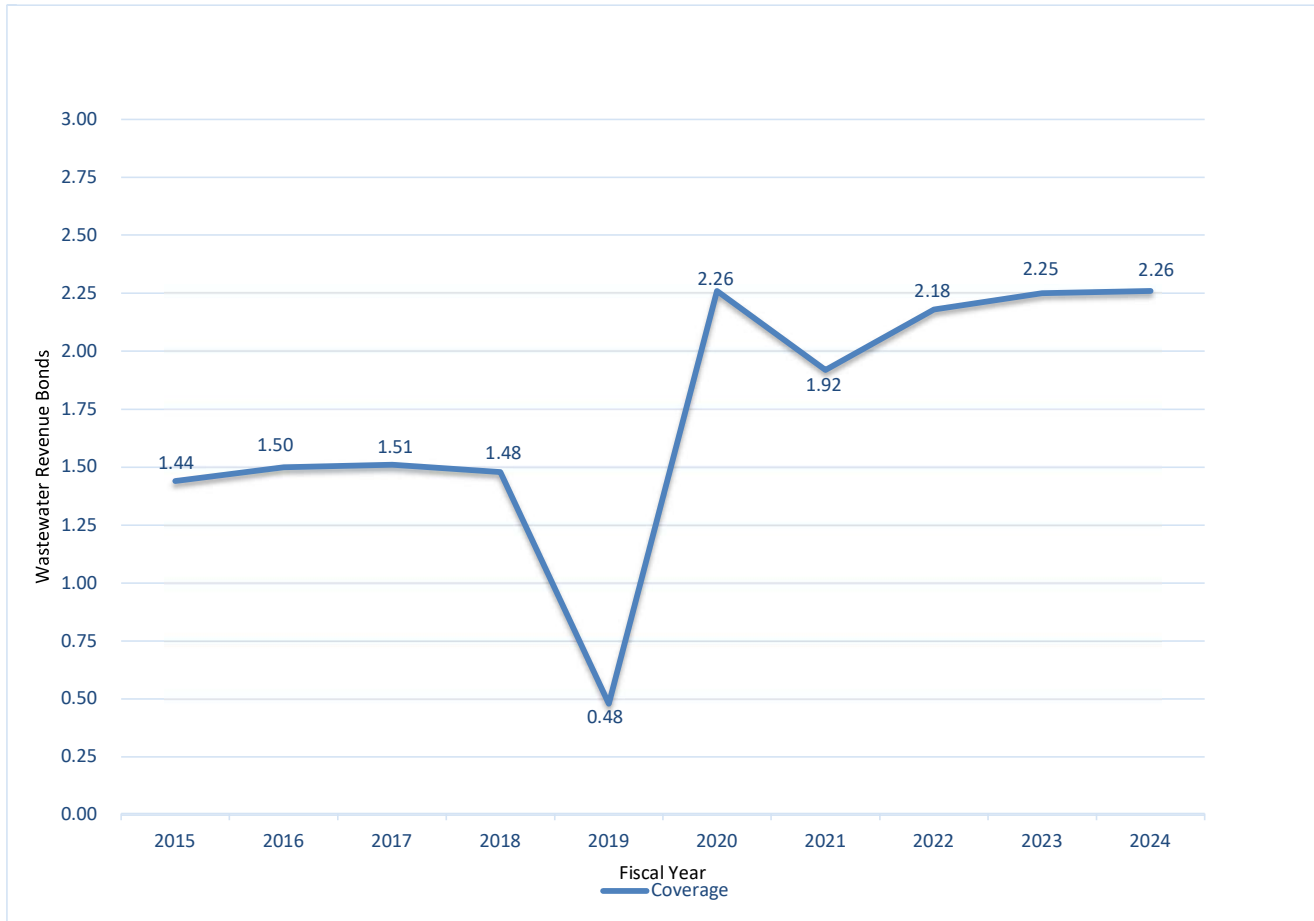
LEGAL BONDED DEBT MARGIN	\$710,731,163
--------------------------	---------------

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2015	440,390,400	0	440,390,400	0.00%
2016	480,061,088	0	480,061,088	0.00%
2017	507,715,613	0	507,715,613	0.00%
2018	528,071,513	0	528,071,513	0.00%
2019	571,313,100	0	571,313,100	0.00%
2020	588,625,125	0	588,625,125	0.00%
2021	613,927,575	0	613,927,575	0.00%
2022	614,884,800	0	614,884,800	0.00%
2023	665,344,313	0	665,344,313	0.00%
2024	710,731,163	0	710,731,163	0.00%

NOTE:

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

**CITY OF RICHMOND
REVENUE BOND COVERAGE
1999, 2006, 2008, 2010A, 2010B, 2017A, 2019A and 2019B WASTEWATER REVENUE BONDS
LAST TEN FISCAL YEARS**

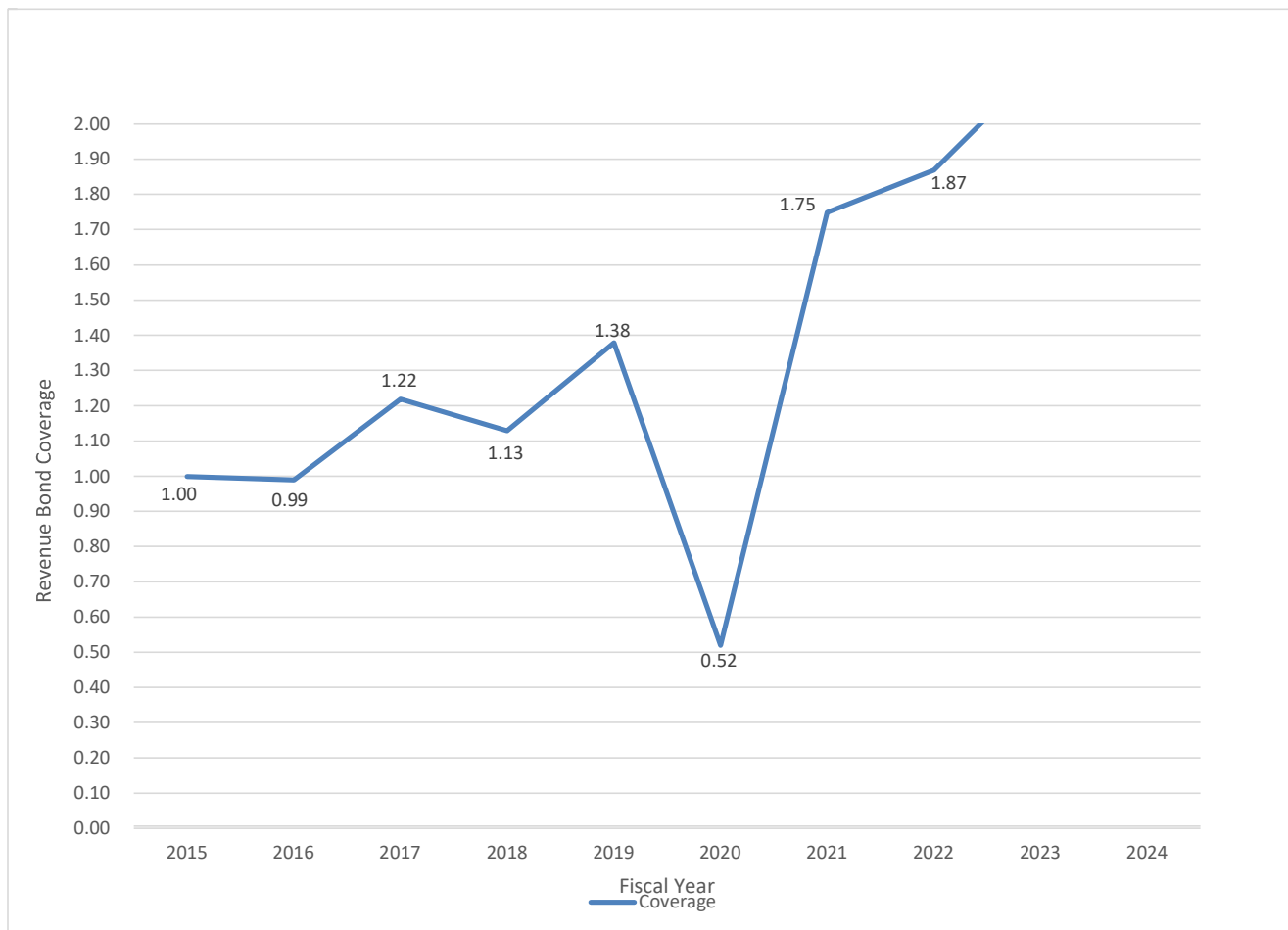


Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	19,098,835	9,524,878	9,573,957	2,115,000	4,536,302	6,651,302	1.44
2016	19,843,677	9,954,037	9,889,640	2,200,000	4,393,375	6,593,375	1.50
2017	20,880,739	10,831,250	10,049,489	2,295,000	4,344,233	6,639,233	1.51
2018	23,752,946	11,885,819	11,867,127	2,400,000	5,599,008	7,999,008	1.48
2019	29,993,700	10,647,739	19,345,961	35,240,000	5,286,578	40,526,578	0.48
2020	28,589,996	13,183,065	15,406,931	3,420,186	3,386,178	6,806,364	2.26 (3)
2021	27,876,716	12,214,607	15,662,109	2,515,000	5,633,851	8,148,851	1.92
2022	28,277,557	10,874,658	17,402,899	2,480,000	5,516,663	7,996,663	2.18
2023	31,156,875	13,172,834	17,984,041	2,600,000	5,393,712	7,993,712	2.25
2024	34,547,622	16,311,333	18,236,289	2,815,000	5,258,061	8,073,061	2.26

- Notes:
- (1) Includes all Municipal Sewer Operating Revenues and Non-operating Interest Revenue excluding Derivative Investment Interest.
 - (2) Includes all Municipal Sewer Operating Expenses less Depreciation and Pension and OPEB Expense related to GASB Statements 68 and 75.
 - (3) Includes the current refunding of the 2008A Wastewater Revenue Refunding Bonds

Source: City of Richmond Annual Financial Statements

**CITY OF RICHMOND
REVENUE BOND COVERAGE
1996, 1999, 2004, 2007 AND 2009 PORT TERMINAL LEASE REVENUE BONDS, NOTE
AND POINT POTRERO LEASE REVENUE BONDS
LAST TEN FISCAL YEARS**

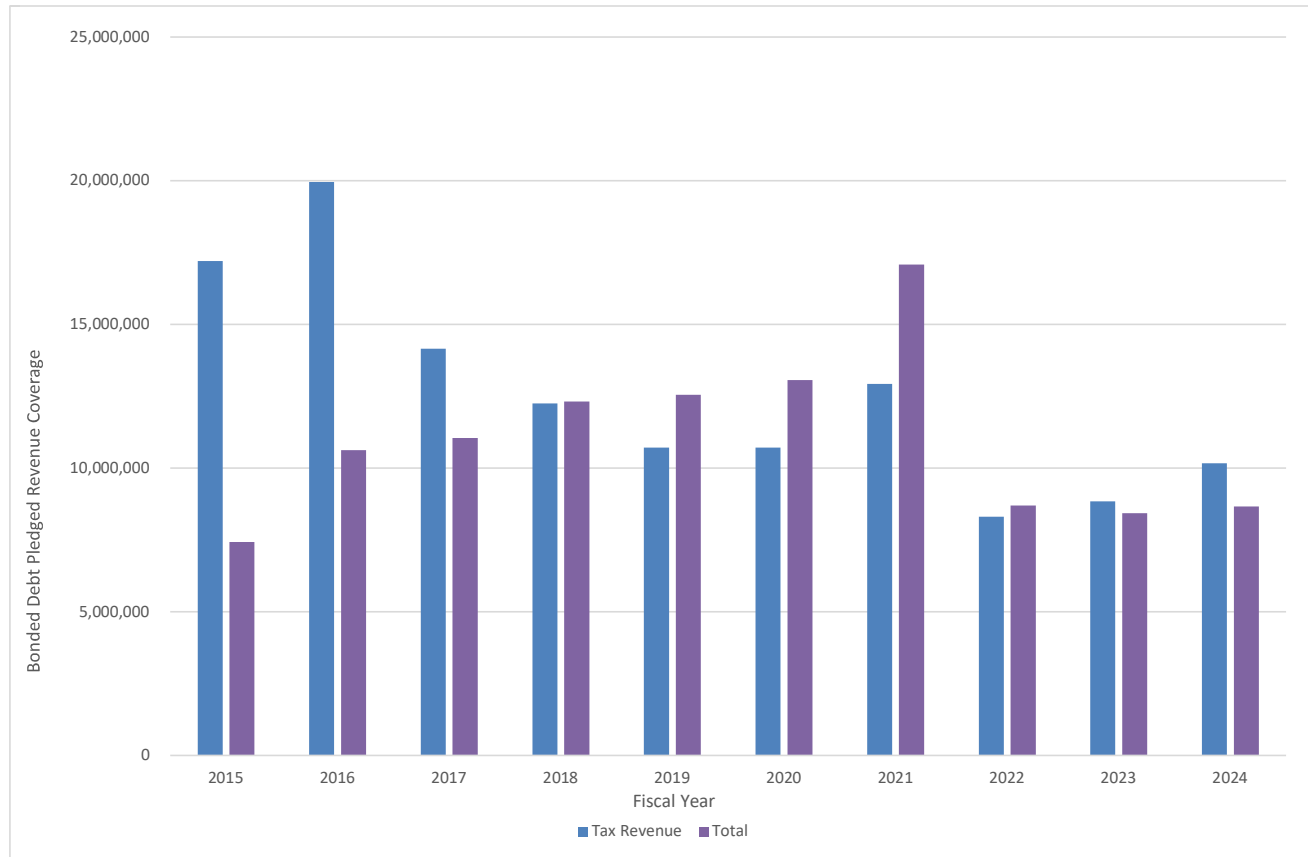


Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	9,481,315	3,380,916	6,100,399	3,025,000	3,077,165	6,102,165	1.00
2016	10,081,074	4,533,796	5,547,278	2,723,455	2,869,343	5,592,798	0.99
2017	10,194,121	3,522,216	6,671,905	2,830,000	2,641,797	5,471,797	1.22
2018	10,633,233	4,450,592	6,182,641	3,065,000	2,393,977	5,458,977	1.13
2019	10,783,561	3,289,965	7,493,596	3,320,000	2,126,229	5,446,229	1.38
2020	10,511,283	2,972,218	7,539,065	12,390,731	2,141,506	14,532,237	0.52
2021	10,707,743	2,495,128	8,212,615	3,945,000	748,210	4,693,210	1.75
2022	11,193,765	2,442,047	8,751,718	4,100,000	587,679	4,687,679	1.87
2023	12,347,504	2,148,773	10,198,731	4,270,000	422,270	4,692,270	2.17
2024	13,902,664	3,187,510	10,715,154	4,060,000	208,779	4,268,779	2.51

- Notes:
- (1) Includes all Port of Richmond Operating Revenues and Non-operating Interest Revenue excluding Derivative Investment Interest.
 - (2) Includes all Port of Richmond Operating Expenses, less Depreciation and Pension and OPEB Expense related to GASB Statements 68 and 75.
 - (3) Bond paid off in 2024.

Source: City of Richmond Annual Financial Statements

**CITY OF RICHMOND
BONDED DEBT PLEDGED REVENUE COVERAGE
TAX ALLOCATION BONDS AND REFUNDING BONDS (1)
LAST TEN FISCAL YEARS**

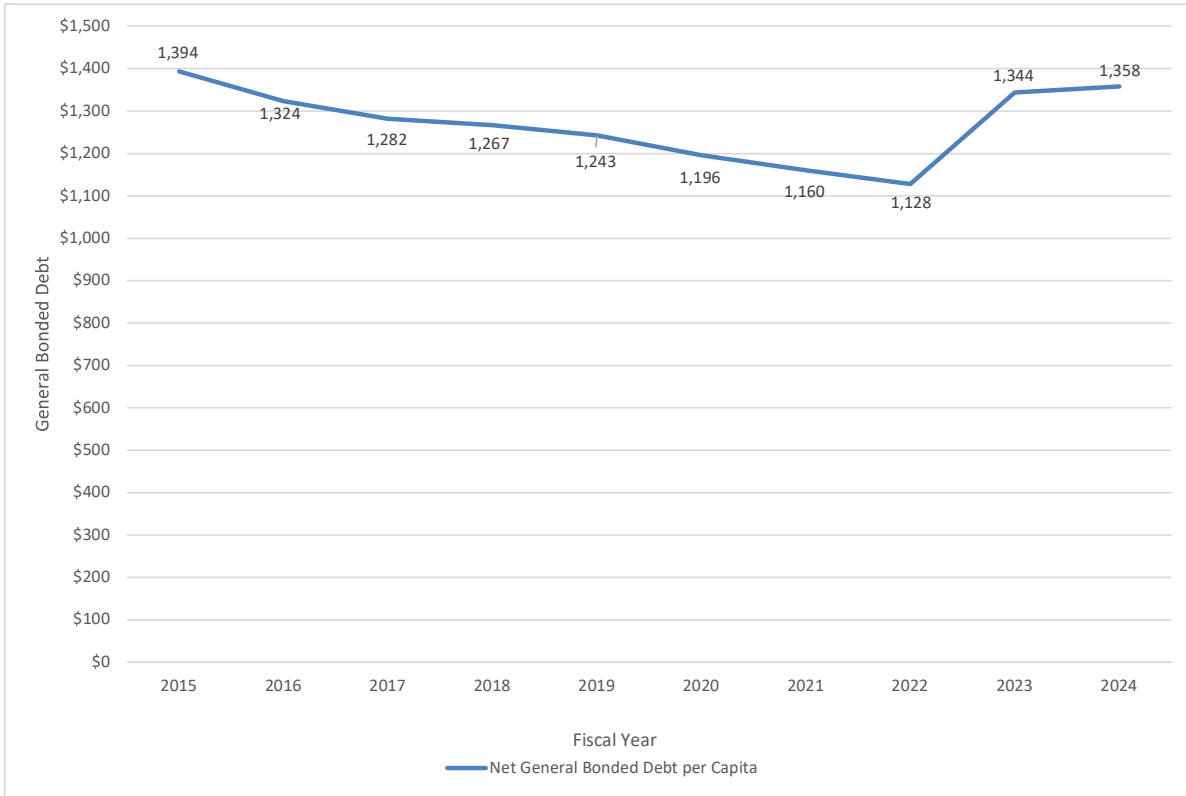


Fiscal Year	Tax Revenue		Debt Service Requirements			Coverage
			Principal	Interest	Total	
2015	17,206,306	(2)	2,930,000	4,500,409	7,430,409	2.32
2016	19,953,198	(2)	6,180,000	4,445,674	10,625,674	1.88
2017	14,156,746	(2)	6,395,000	4,653,678	11,048,678	1.28
2018	12,255,069	(2)	7,575,000	4,746,564	12,321,564	0.99
2019	10,714,239	(2)	7,895,000	4,662,021	12,557,021	0.85
2020	10,720,489	(2)	8,820,000	4,244,580	13,064,580	0.82
2021	12,927,768	(2)	12,949,294	4,128,651	17,077,945	0.76
2022	8,306,100	(2)	6,645,000	2,052,525	8,697,525	0.95
2023	8,846,005	(2)	6,590,000	1,832,049	8,422,049	1.05
2024	10,171,374	(2)	7,102,474	1,566,348	8,668,822	1.17

Note: (1) Includes the 1991, 1998, 2000, 2003, 2004, 2007, 2010, 2014 and 2021 Bonds.
(2) Beginning in fiscal year 2012, tax increment reported in this table is the amount calculated by the County Auditor-Controller. Under the provisions of the laws dissolving the Redevelopment Agency, the Successor Agency only receives the funds necessary to fulfill its approved obligations.

Source: City of Richmond Annual Financial Statements

**CITY OF RICHMOND
GENERAL BONDED DEBT
PENSION OBLIGATION BONDS (1)
LAST TEN FISCAL YEARS**



Fiscal Year	Bonds Outstanding	Restricted Cash and Investments (2)	Net Bonds Outstanding	Net Assessed Value of Property	Ratio of General Bonded Debt to Net Assessed Value of Property	Net General Bonded Debt per Capita
2015	156,491,679	8,148,121	148,343,558	9,943,913,000	1.49%	1,394
2016	155,070,539	8,936,523	146,134,016	10,745,818,000	1.36%	1,324
2017	153,058,033	9,777,863	143,280,170	11,290,341,000	1.27%	1,282
2018	150,485,289	9,844,431	140,640,858	11,514,846,000	1.22%	1,267
2019	147,275,826	10,041,550	137,234,276	12,342,193,000	1.11%	1,243
2020	144,339,640	11,315,256	133,024,384	12,521,376,000	1.06%	1,196
2021	140,816,305	11,845,153	128,971,152	13,196,108,000	0.98%	1,160
2022	136,976,076	12,779,202	124,196,874	13,221,634,000	0.94%	1,128
2023	154,140,000	234,805	153,905,195	13,649,321,000	1.13%	1,344
2024	154,140,000	5,947	154,134,053	14,521,436,000	1.06%	1,358

Note: (1) 2022 Bonds issued in fiscal year 2023 to refinance the 2005 Bonds.
(2) Restricted cash is being held with the City's fiscal agent, US Bank, and is restricted for the payment of the bonds.

Source: City of Richmond Annual Financial Statements

**CITY OF RICHMOND
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2024**

2023-2024 Assessed Valuation: \$19,040,057,926

	Total Debt June 30, 2024	% Applicable (1)	City's Share of Debt June 30, 2024
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Bay Area Rapid Transit District	\$2,445,575,000	1.885%	\$46,099,089
Contra Costa Community College District	618,770,000	7.120%	\$44,056,424
West Contra Costa Unified School District	1,107,363,504	46.090%	\$510,383,839
West Contra Costa Healthcare District Parcel Tax Obligations	41,605,000	43.239%	\$17,989,586
East Bay Regional Park District	144,520,000	2.963%	\$4,282,128
City of Richmond Community Facilities District No. 1998-1	1,335,000	100%	\$1,335,000
City of Richmond 1915 Act Bonds	3,545,000	100%	\$3,545,000
California Statewide Community Development Authority 1915 Act Bonds	1,238,207	100%	\$1,238,207
TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT			628,929,273
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Contra Costa County General Fund Obligations	\$171,495,000	7.097%	12,171,000
Alameda-Contra Costa Transit District Certificates of Participation	10,420,000	5.519%	575,080
West Contra Costa Unified School District Certificates of Participation	3,205,000	46.090%	1,477,185
City of Richmond General Fund Obligations	77,910,000	100%	77,910,000
City of Richmond Pension Obligations Bonds	154,140,000	100%	154,140,000
TOTAL DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			246,273,265
Less: Contra Costa County general fund obligations supported by revenue funds			3,017,990
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			243,255,275
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	\$32,005,419	100%	32,005,419
TOTAL NET DIRECT DEBT			232,050,000
TOTAL GROSS OVERLAPPING DEBT			\$675,157,957
TOTAL NET OVERLAPPING DEBT			\$672,139,967
GROSS COMBINED TOTAL DEBT			\$907,207,957 (2)
NET COMBINED TOTAL DEBT			\$904,189,967

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt 3.30%

Ratios to 2023-24 Adjusted Assessed Valuation:

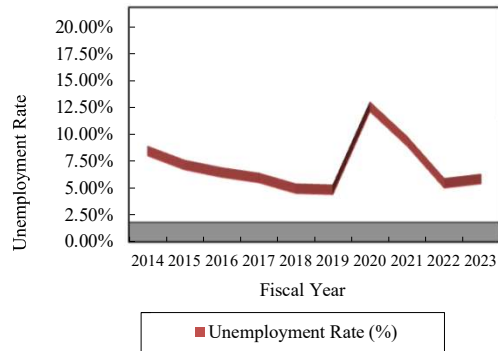
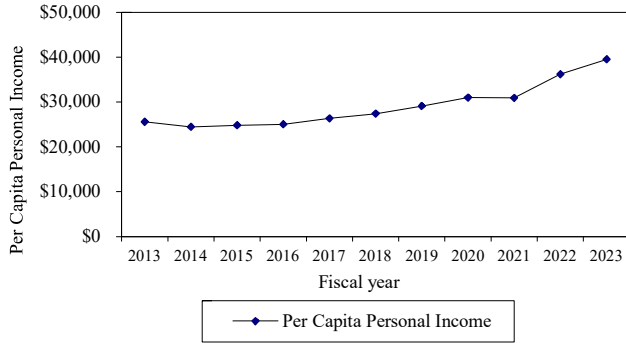
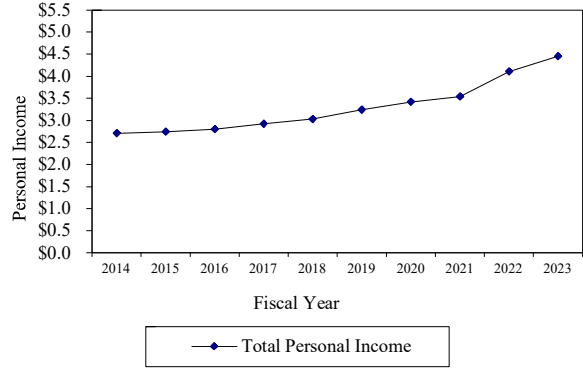
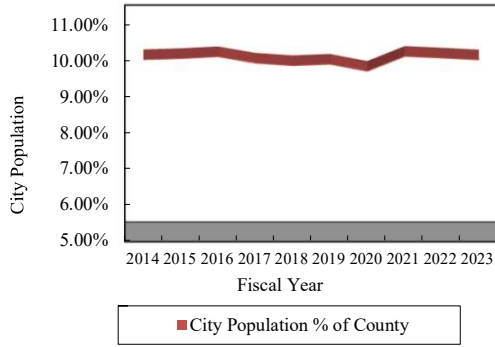
Total Direct Debt (\$232,050,000) 1.22%
Gross Combined Total Debt 4.76%
Net Combined Total Debt 4.75%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$4,431,395,043):

Total Overlapping Tax Increment Debt 0.72%

Source: California Municipal Statistics, Inc.

**CITY OF RICHMOND
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**



Calendar Year	City Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate (%)	Contra Costa County Population	City Population % of County
2014	106,388	2,707,894,000	24,453	7.1%	1,089,291	9.77%
2015	110,378	2,743,560,000	24,856	5.8%	1,126,745	9.80%
2016	111,785	2,797,360,000	25,024	5.1%	1,135,127	9.85%
2017	110,967	2,920,370,000	26,317	4.6%	1,147,439	9.67%
2018	110,436	3,027,471,000	27,413	3.6%	1,150,215	9.60%
2019	111,217	3,240,034,000	29,132	3.5%	1,153,526	9.64%
2020	110,130	3,416,146,000	31,019	11.2%	1,165,927	9.45%
2021	114,489	3,541,074,000	30,929	8.0%	1,161,413	9.86%
2022	113,518	4,107,076,000	36,180	4.1%	1,156,966	9.81%
2023	112,735	4,453,896,000	39,507	4.5%	1,155,025	9.76%

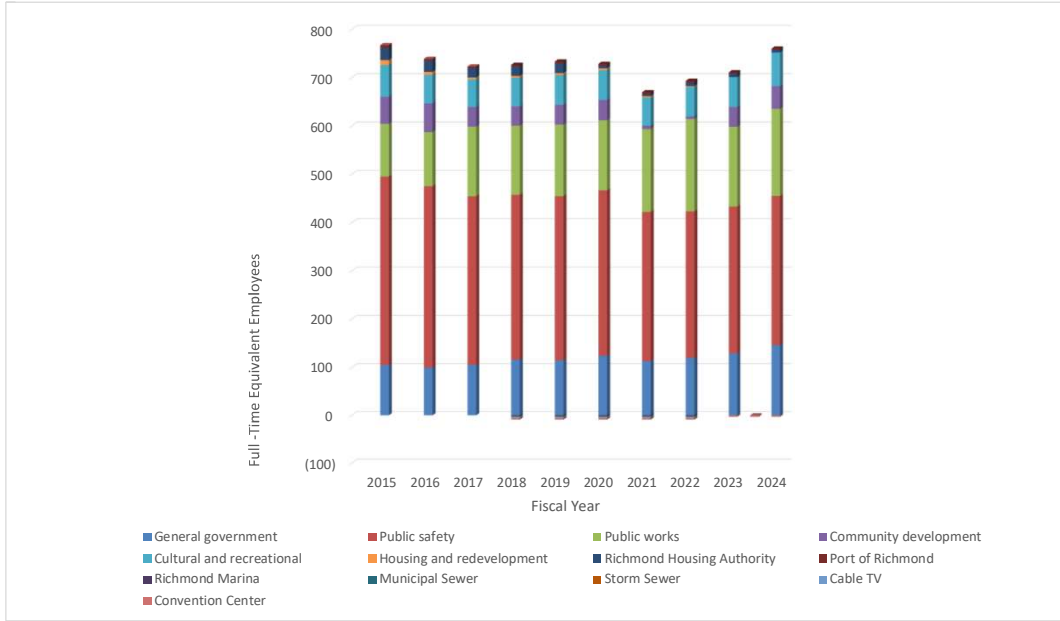
Source: HdL, Coren & Cone

CITY OF RICHMOND
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2023-2024</u>			<u>2014-2015</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Chevron Refinery	3,157	1	9.1%	3,456	1	3.6%
Kaiser Foundation Hospitals	1,442	3	4.2%	506	8	0.5%
United Parcel Service	1,332	4	3.9%			
Social Security Administration	1,259	5	3.6%	1,276	3	1.3%
West Contra Costa Unified School District	1,167	2	3.4%	1,689	2	1.8%
Amazon.com Services	1,121	6	3.2%			
The Permanente Medical Group	1,051	7	3.0%	698	7	0.7%
U.S. Postal Service	1,047	8	3.0%	1,050	4	1.1%
Home Express Delivery Service, LLC	903	9	2.6%			
Contra Costa County	844	10	2.4%	850	5	0.9%
City of Richmond				703	6	0.7%
Costco Wholesale #482				371	9	0.4%
Blue Apron, Inc.				325	10	0.3%
Subtotal	<u>13,323</u>		<u>38.5%</u>	<u>10,924</u>		<u>11.4%</u>
Total City Day Population	<u>106,929</u>			<u>95,716</u>		

Source: City of Richmond

CITY OF RICHMOND
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years



	2015	2016	2017	2018	2019	2020 (re-stated)	2021	2022	2023	2024
Function										
General government	105.2	99.8	105.4	116.5	114.7	124.7	113.1	120.1	129.0	146.1
Public safety	390.0	375.5	349.0	341.0	340.0	342.0	309.0	303.0	304.0	309.0
Public works	109.0	112.0	144.0	143.0	148.0	145.0	171.5	191.4	165.2	180.2
Community development	56.0	59.5	41.0	40.0	41.0	42.0	7.0	5.0	41.0	47.0
Cultural and recreational	66.0	59.0	57.0	59.1	61.7	61.7	58.1	60.7	61.7	69.7
Housing and redevelopment	10.0	5.9	3.8	3.8	3.8	3.8	2.8	2.0	0.0	0.0
Richmond Housing Authority and RHA Properties	25.0	23.0	19.0	19.0	20.0	5.3	4.0	7.0	7.0	5.0
Port of Richmond	6.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0
Richmond Marina	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Municipal Sewer	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Storm Sewer	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Cable TV	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Convention Center	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Total	767.2	738.7	723.2	726.4	733.2	728.5	669.5	693.2	710.9	760.0

Source: City of Richmond Budget

Notes:

- (1) These services are provided by outside contractors.
- (2) Convention Center closed during renovation and staff moved under cultural and recreational.
- (3) Staff that perform these functions are included under General Government and Cultural and Recreational.

CITY OF RICHMOND
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public safety:										
Fire:										
Fire calls for service	13,670	14,497	14,372	14,375	13,900	14,318	18,150	18,210	14,020	14,768
Primary fire inspections conducted	1,569	1,134	1,160	5,378	3,929	2,919	3,320	1,510	1,082	1,397
Number of firefighters	94	91	90	91	90	89	89	89	91	91
Number of firefighters and civilians per thousand population	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Police:										
Number of police officers per thousand population	1.8	1.7	1.6	1.6	1.6	1.6	1.3	1.3	1.3	1.2
Number of sworn officers	196	185	182	178	178	178	157	145	146	145
Water										
Daily average consumption in gallons per family	250	250	250	250	250	160	194	145	140	137

Source: City of Richmond

CITY OF RICHMOND
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/Program										
Public safety:										
Fire stations	7	7	7	7	7	7	7	7	7	7
Police stations	4	4	4	4	4	4	4	4	1	1
Library (#) of Locations	3	3	3	3	3	3	3	3	3	3
Public works										
Miles of streets	280	280	280	280	280	290	280	289	280	291
Street lights	8,343	8,543	9,000	9,000	9,000	7,801	9,000	9,000	9,000	9,000
Urban Forest (trees) (a)	22,009	35,620	35,782	36,231	36,499	36,766	36,700	38,000	37,000	37,000
Culture and recreation:										
Community services:										
City parks	55	55	55	55	55	55	55	56	55	55
City parks acreage	336.6	336.6	336.6	336.6	336.6	336.6	336.6	340.0	336.6	336.6
Open Space & Public Landscapes acreage	510.0	510.0	510.0	510.0	510.0	510.0	510.0	510.0	510.0	510.0
Lawn bowling	1	1	1	1	1	1	1	0	0	0
Recreation centers	8	8	8	8	8	8	8	8	8	8
Auditorium/Theater	1	1	1	1	1	1	1	1	1	1
Gymnasiums	3	3	3	3	3	3	3	2	3	3
Senior centers	2	2	2	2	2	2	2	2	2	2
Head start centers/day cares	6	6	6	6	6	6	6	6	6	6
Putting green	1	1	1	1	1	1	1	0	0	0
Basketball courts	28	28	28	28	28	28	28	28	28	28
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	20	20	20	20	20	20	20	20	20	20
Baseball/softball diamonds	26	26	26	26	26	26	26	26	26	26
Soccer/football fields	17	17	17	17	17	17	17	17	17	17
Cricket fields	2	2	2	2	2	2	2	0	0	0
Water										
Fire hydrants	3,153	3,153	3,153	3,153	3,153	3,153	3,153	2,163	2,787	2,207
Wastewater										
Miles of sanitary sewers	183	183	183	183	230	189	194	194	194	194
Miles of storm sewers	310	310	310	310	310	198	310	173	310	173
Land Area (square miles)	33.7	33.7	33.7	33.7	33.7	33.7	33.7	33.7	33.7	13.5
Miles of waterfront	32	32	32	32	32	32	32	32	32	32

Source: City of Richmond

(a) Trees managed by the City for 2013 to present.

Data Prior to 2013 includes trees managed by other entities, such as East Bay Regional Park District, National Parks and Privately owned.