



AGENDA REPORT

Finance Department

DATE:	March 1, 2022
TO:	Mayor Butt and Members of the City Council
FROM:	Shasa Curl, Interim City Manager Anil Comelo, Interim Deputy City Manager Belinda Brown, Director of Finance Antonio Bañuelos, Accounting Manager LaShonda White, Interim Director of Library and Community Services Patrick Seals, Associate Administrative Analyst
Subject:	Mid-Year Report on Fiscal Year (FY) 2021-22 Operating and Capital Improvement Budgets
FINANCIAL IMPACT:	The Fiscal Year 2021-2022 General Fund operating budget was adopted on June 29, 2021, with revenues projected at \$188.5 million and expenditures authorized at \$187.8 million. For this mid-year budget review, staff is proposing budget adjustments that will increase the operating revenues to \$190.4 million and expenditures to \$194.3 million. The gap between revenues and expenditures will be funded by appropriating previously approved set asides from FY2020-2021 to FY2021-2022
PREVIOUS COUNCIL ACTION:	June 29, 2021, October 26, 2021
STATEMENT OF THE ISSUE:	The mid-year budget update is an opportunity to look back at what has happened in the past several months since the current budget was adopted. It provides the City Council and public a snapshot of the current fiscal year based on the most currently available revenues and expenditures. It also provides a limited forward-looking

	component updating the year-end projections should current estimates of the remaining months prove to be accurate. Formally updating the current year budget at this time provides staff a starting point from which to make future multi-year projections and begin an annual budget cycle.
RECOMMENDED ACTION:	REVIEW the Fiscal Year 2021-2022 operating and capital improvement budgets at mid-year; and ADOPT a resolution approving the proposed Fiscal Year 2021-2022 budget adjustments. – City Manager’s Office/Finance Department (Shasa Curl/Anil Comelo/Belinda Brown – 510-620-6740).

DISCUSSION:

An important part of managing the City’s budget stability and performance is through the presentation of a mid-year budget review, which includes a financial forecast. A mid-year budget review allows the City to determine if adjustments to revenue projections need to be completed, whether planned expenditures should be modified, and if other changes should be made within the policy direction from the City Council.

Finance staff work with departments to identify additional cost reductions and efficiencies, review all revenue and expenditure line items, and compare actual results against budgeted expectations on a monthly basis. At the mid-point of the fiscal year, staff conducts a detailed analysis to determine if the original budget is still viable, or if adjustments will be necessary. As of December 31, 2021, the expectation is that most budget categories will be at 50 percent, although this may fluctuate based on timing of certain revenue receipts and expenditures. The mid-year budget -- excluding any one-time adjustments -- serves as the revised baseline budget for the subsequent fiscal year and longer-term financial forecasts. Staff is requesting City Council adoption of a resolution approving the proposed Fiscal Year (FY) 2021-2022 budget adjustments (Attachment 1).

General Fund Revenue Revisions

On June 29, 2021, the City Council adopted the General Fund revenue budget totaling \$188.5 million. The revised General Fund revenue budget totals \$190.4 million with mid-year adjustments. Staff is projecting to net an additional \$1.9 million in General Fund revenue based on adjustments as outlined below. Detailed information regarding revenue and expenditure changes can be found in Attachment 2 - Summary of Mid-Year Requests FY2021-2022 and Attachment 5 – General Fund Revenue Summary.

Property Tax – Decrease of \$2.2 million: In preparing the FY2021-2022 budget, staff forecasted Assessed Valuation (AV) growth of 4 percent. This was

based on the new value of properties sold during the last year, the Chevron Refinery AV staying flat, and all other properties going up by 2 percent. When the Equalized Roll, a listing published by Contra Costa County every July showing every property in Richmond with the updated valuation, was posted, the total AV for the City of Richmond had gone up by only 0.15 percent. This Assessed Valuation was much lower than forecasted. The main item causing this lower-than-expected growth was the Chevron refinery valuation decreasing from \$3 billion to \$2.7 billion. Given the increased value of real estate in Richmond, Staff are concerned that the values are not in alignment with the market. In the past, City staff have requested public information from the Contra Costa County Assessor's Office and did not receive adequate responses to support their findings.

Sales Tax – Increase of \$1.9 million: This increase is based on updated estimates provided by the City's sales tax consultants. This increase is in part due to the local economy being strong, bolstered by the big box stores including Costco, Target, The Home Depot, and Wal-Mart.

Utility Users Tax (UUT) – Increase of \$1.1 million: UUT is an "excise" or usage tax imposed on a person or entity using utility services (i.e., electricity, gas or communications). An increase of \$137,114 from Cable UUT, which is trending higher through the first five months, is adjusted accordingly. Additionally, the cap amount paid by Chevron is increasing by \$933,225. The UUT cap amount payment is based on the Consumer Price Index (CPI) for energy services in the San Francisco metropolitan area. The original forecast used a CPI of 3 percent; however, the actual CPI increased by 6.8 percent. Section 13.52.100 of the Richmond Municipal Code entitled Maximum Tax Payable allows taxpayers, such as Chevron, to opt into paying this cap amount rather than the 10 percent of the actual utility usage. As such, the City Council may want to revisit this matter in the near term.

Other Taxes – Net Increase of \$1.1 million: The majority of this increase is in the Documentary Transfer Tax revenue stream. The Documentary Transfer Tax adjustment is based on \$7.1 million received in the first 5 months. Assuming an average of \$700,000 per month for the rest of the year (December – June), this revenue stream could increase to \$12 million. Although staff increased this revenue stream to \$11 million during the budget preparation process, the amount collected year-to-date based on property sales in the first five months of the fiscal year indicates this revenue stream will surpass the budgeted amounts.

Business Taxes – An additional decrease of \$1.6 million: This decrease stems from the business tax exemptions applied to rental properties that pay Rent Control fees. A previous decrease of \$2 million was incorporated last fiscal year due to the implementation of Measure U being delayed from June 1, 2021 to July 1, 2021.

Other Revenues (Includes Fines & Forfeitures, Use of Money & Property, Charges for Services, Other Revenues, Rental Income, Intergovernmental State Taxes & Grants, Loan & Bond Proceeds, and Operating Transfers In) – Net increase of \$1.7 million. Most of these adjustments generate from revenue received year-to-date that were either not expected or are exceeding projections. In some cases, these are one-time revenue increases and decreases that cannot be anticipated, or the amount received is deviating significantly from previous years.

- Decrease to Fines & Forfeitures of \$81,103 stemming from reduced ticketing by Parking Enforcement per initial City Council direction on January 19, 2021.
- Increase to Charges for Services of \$40,528 from False Alarm fees reflecting registration of new alarm systems and current increased volume of false alarms.
- Increase to Other Revenue of \$309,012 stemming primarily from one-time type payments including \$194,106 from PG&E for the Rebuilding Together program.
- Increase of \$27,878 to Intergovernmental State grants stemming from higher-than-expected State Mandated Claims reimbursements and other State grants.
- Increase of \$36,400 to Loan and Bond Proceeds stemming from the loan payoff of Community Development property.
- Increase of \$348,042 in Operating Transfers-In from the Pension Tax Override Fund due to the fact that higher than expected property tax revenue was received in that Fund that exceeded corresponding current year expenses.
- Increase of \$1 million in developer reimbursements stemming from the Campus Bay litigation and Point Molate Community Facilities District formation.

Proposed General Fund revenue adjustments in the mid-year budget from July 1, 2021, are as follows and in Attachment 3.

ACCOUNT DESCRIPTION	ADOPTED FY2021-22	PREVIOUS ADJUSTMENTS	REVISED FY2021-22	MID-YEAR ADJUSTMENTS	PROPOSED FY2021-22
PROPERTY TAXES	47,460,890	-	47,460,890	(2,227,329)	45,233,561
SALES & USE TAXES	50,060,211	-	50,060,211	1,933,525	51,993,736
UTILITY USERS TAXES	45,452,324	-	45,452,324	1,070,339	46,522,663
OTHER TAXES	18,269,102	-	18,269,102	1,101,817	19,370,919
LICENSES, PERMITS & FEES	11,806,326	-	11,806,326	(1,626,991)	10,179,335
FINES & FORFEITURES	550,000	-	550,000	(81,103)	468,897
USE OF MONEY & PROPERTY	236,079	-	236,079	-	236,079
CHARGES FOR SERVICES	3,383,931	-	3,383,931	40,528	3,424,459
OTHER REVENUES	158,977	-	158,977	1,314,950	1,473,927
RENTAL INCOME	733,206	-	733,206	14,062	747,268

INTERGOVT. STATE TAXES	90,000	-	90,000	-	90,000
INTERGOVT. STATE GRANTS	160,000	-	160,000	27,878	187,878
INTERGOVT. OTHER GRANTS	153,569	-	153,569	-	153,569
PROCEEDS: SALE of PROPERTY	100,000	-	100,000	-	100,000
LOAN & BOND PROCEEDS	-	-	-	36,400	36,400
OPERATING TRANSFERS – IN	9,856,182	-	9,856,182	348,042	10,204,224
GF REVENUE TOTAL	188,470,796	-	188,470,796	1,952,118	190,422,915

General Fund Expenditure Revisions

On June 29, 2021, the City Council adopted a General Fund expenditures budget totaling \$187.8 million. At the October 26, 2021 City Council meeting, expenditure adjustments related to *Reimagining Public Safety* were approved, which resulted in a net decrease of \$1.8 million in budgeted expenditure authority (\$187.8 million - \$1.8 million = \$186 million in total expenditure authority as of December 31, 2021). The proposed revised General Fund expenditure budget totals \$194.3 million with mid-year adjustments. Detailed information regarding revenues and expenditures can be found in Attachment 2 – Summary of Mid-Year Requests FY2021-2022. Staff is projecting net additional expenditures in the amount of \$8.3 million (\$186 million + \$8.3 million = \$194.3 million) based on the major adjustments as outlined below including appropriation of previously approved items relating Reimagining Public Safety and use of previously committed Fund Balance. Detailed information regarding revenue and expenditure adjustments can be found in Attachment 2 – Summary of Mid-Year Requests FY2021-2022.

Salaries and Benefits – Increase of \$913,000: The main item impacting this increase is a request from the Fire Department for additional sworn overtime. This request is partially a result of staffing shortages due to COVID and injury leave and is to maintain constant minimum staffing of 8 fire companies costing an estimated \$4.3 million, a \$705,402 increase over the adopted FY2021-2022 budget. Minimum staffing is required per the labor agreement. This increase ultimately supports the full service and safe communities’ strategic goal by providing fire and medical response and coverage to the community. Detailed information for each department can be found in Attachment 4 – Overtime Report.

Professional Services – Increase of \$1.7 million: The increase is due to changes to various contracts including the Classification and Compensation study, Community Benefits policy, finalization of Measure U implementation, bond counsel services, and various legal service agreements. It also includes an increase of \$1 million in expenditures stemming from the Campus Bay litigation that should be reimbursed and Point Molate Community Facilities District formation reimbursements.

Utilities – Increase of \$474,000: The majority of the increase is needed to cover water expenses; \$410,000 of the increase is due to the higher than budgeted water expenditures with East Bay Municipal Utility District (EBMUD).

Cost Pool – Increase of \$325,000: This amount will allow for the purchase of street sweeper that was removed from FY2020-2021 equipment replacement budget.

Operating Transfer Out – Increase of \$4.9 million. The first three items listed below were previously approved by City Council but were not recorded accordingly. The following budget adjustments are needed to transfer funds to the correct accounts.

- \$1.98 million is being transferred from the General Fund to Employment & Training - YouthWORKS as part of the Reimagining Public Safety summer and year-round youth employment program.
- \$1.32 million is being transferred from the General Fund to Planning & Building as part of the Reimagining Public Safety unhoused intervention work.
- \$1.52 million is being transferred for Community Facility Improvements whose budget is currently in General Capital Fund.
- \$116,000 is made up by various smaller appropriations and adjustments.

Proposed General Fund expenditure adjustments from July 1, 2021, are as follows and in Attachment 3 General Fund Revenue and Expenditures.

ACCOUNT DESCRIPTION	ADOPTED FY2021-22	PREVIOUS ADJUSTMENTS	REVISED FY2021-22	MID-YEAR ADJUSTMENTS	PROPOSED FY2021-22
SALARIES AND WAGES	75,424,602	5,382	75,429,983	913,483	76,343,466
PAYROLL COSTS & BENEFITS	62,145,202	-	62,145,202		62,145,202
PROF & ADMIN	11,201,880	1,602,379	12,804,259	1,666,000	14,470,259
OTHER OPERATING	10,680,893	(3,560,686)	7,120,207		7,120,207
UTILITIES	4,565,743	(6)	4,565,737	473,948	5,039,685
EQUIP. & CONTRACT SVCS	2,628,158	63,986	2,692,144		2,692,144
PROVISION FOR INS LOSS	25,725	87	25,812		25,812
COST POOL	14,130,436	-	14,130,436	325,000	14,455,436
ASSET/CAPITAL OUTLAY	1,602,890	1,333	1,604,223		1,604,223
DEBT SERVICE	1,065,359	-	1,065,359		1,065,359
A87 COST PLAN REIMBURSE	(3,516,104)	-	(3,516,104)		(3,516,104)
GRANT EXPENDITURES	2,500	80,000	82,500		82,500
OPERATING TRANSFERS OUT	7,884,939	-	7,884,939	4,916,480	12,801,419
GF EXPENDITURE TOTAL	187,842,223	(1,807,525)	186,034,698	8,294,911	194,329,609

General Fund Revenues over Expenditures

Including various adjustments completed after budget approval, the proposed mid-year adjustments leave the General Fund Revenues at \$190.4 million while expenditures sit at \$194.3 million. The gap will be closed by the set asides already approved as part of the budget's adoption on June 29, 2021. Departmental summaries of revenues and expenditures can be found in Attachment 6 – General Fund Revenues and Expenditures.

When the City Council approved the budget for FY 2021-2022, they also approved part of the surplus from FY 2021-2022 to be set-aside to help balance the budget to fund items for: One time payments for staff compensation, Community Facilities Improvements, and Reimaging Public Safety. We are appropriating part of this set-aside to balance the budget which includes these items.

ACCOUNT DESCRIPTION	ADOPTED FY2021-22	PREVIOUS ADJUSTMENTS	REVISED FY2021-22	MID-YEAR ADJUSTMENTS	PROPOSED FY2021-22
GF REVENUE TOTAL	188,470,796	-	188,470,796	1,952,118	190,422,915
GF EXPENDITURE TOTAL	187,842,223	(1,807,525)	186,034,698	8,294,911	194,329,609
GENERAL FUND SURPLUS/(DEFICIT)	628,573	1,807,525	2,436,098	(6,342,793)	(3,906,695)
Appropriation of previously approved set asides from FY2020-2021					3,906,695
FINAL GENERAL FUND SURPLUS/(DEFICIT)					-

PERSONNEL AUTHORITY (POSITION COUNT)

As part of the budget process, the City Council establishes the City's maximum full-time-equivalent (FTE) personnel authority. However, the number of active employees changes day-to-day as employees leave and new employees are hired, resulting in a gap between the number of employees authorized (in FTE), and actual staffing levels achieved on any given day. The FY2021-2022 budget authorized the maximum personnel of 829.1. The actual number of employees, or FTE position count as of December 31, 2021, was 579 full-time employees, 10 part-time employees with benefits, and 8 CalPERS annuitants¹, totaling 597 active employees. This number is in comparison to 706.1 authorized and budgeted positions. Not included in this amount are part-time employees without benefits. Many of these are seasonal positions that change often. As of December 31, 2021, the City employed 127 part-time staff without benefits.

¹ A "retired annuitant" is a CalPERS retiree who, without applying for reinstatement from retirement, returns to work with a CalPERS employer in a designated retired annuitant position; retired annuitants are part time employees because the maximum number of hours they are permitted to work as per CalPERS stipulations is strictly capped at 960 hours per fiscal year.

Status	Active as of 12/31/2021	Authorized & Proposed Budgeted
Full-Time Employees	579	706.1 ²
Part-Time Employees with Benefits	10	0
Retired Annuitants (Part-Time without Benefits)	8	0
Total Active vs. Authorized Employees	597	706.1

At mid-year, staff is requesting the following position changes. In addition, a Senior Civil Engineer position was budgeted, but not included on the original position listing and is now included. The Multi-Year Position Listing details can be found in Attachment 10. Below is a summary of the requested changes.

Department	Mid-Year Position Changes	
	From	To
City Attorney	Reclass promotional from Executive Secretary II	Administrative Services Analyst
Finance	Reclass from Accounting Manager	Deputy Finance Director
Finance	Reclass from Budget Analyst II	Accountant II
Library	New	Librarian II
Community Services - Recreation	Reclass from Admin Aide	Assistant Admin Analyst
Employment & Training	Reclass from Finance Manager	Sr. Accountant
Economic Development	Promotion from Associate Admin Analyst	Sr. Admin Analyst
Economic Development	Remove Management Analyst I	No position
Economic Development/RHA	Promotion from Management Analyst II	Sr. Management Analyst (0.5)
City Manager and Public Works	Reallocate Community Engagement Manager	Deputy Public Works Director
Children & Youth	Promotion Associate Admin Analyst	Sr. Management Analyst
City Council	Promotion from Sr. Admin Analyst	Project Coordinator
RHA	Remove RHA Sr. Property Manager	Partially fund Sr. Management Analyst (0.5)

² Part-time employees with benefits and retired annuitants are included in the total 706.1 number

Richmond Housing Authority

FY2021-2022 Mid-Year Budget

Richmond Housing Authority (RHA) requested approval of the mid-year adjustments to the FY2021-2022 Operating Budget that included an increase of \$21,481 to revenues and a decrease of \$349,975 to expenditures. This created a reduction and savings to the General Fund's subsidy of the RHA in the amount of \$371,456. The RHA mid-year budget adjustments were approved at a joint meeting of the Richmond Housing Authority and the Richmond City Council on January 25, 2022.

Repayment Agreement with the City of Richmond

On February 28, 2021, CVR Associates, Inc. prepared and submitted to RHA, the City of Richmond, and HUD a report entitled "Report of Recommendations – Debts Owed Write Off/Repayment" addressing the scope of, and recommendations regarding, repayment of funds advanced by the City for the benefit of RHA. At a joint meeting of the Richmond Housing Authority and the Richmond City Council on January 25, 2022, a repayment agreement was approved and authorized to be executed. A resolution has been drawn up to have the RHA agree to repay the City of Richmond a net amount of \$531,473 (plus any recovered duplicate Housing Choice Vouchers (HCV), which are also known as Section 8 payments).

General Fund Reserve

As part of the FY 2021-2022 budget adoption, the City Council approved a set-aside of \$4.2 million from the FY 2020-2021 excess revenues for reserves. With this allocation, the reserves would have been approximately 14.3 percent (projection) based upon the expenditure amount of \$171.6 million and coupled with the previous year's reserve of \$20.3 million. During the last few months, staff determined (in consultation with the City's Auditor, Badawi & Associates), that the City would need to write-off as uncollectable a total of \$10.4 million owed by the Richmond Housing Authority. As such, instead of using the \$4.2 million for reserves, the amount was used to write-off part of the RHA liability. Per the Annual Comprehensive Financial Report (ACFR) for the Year Ended June 30, 2021, the Unassigned Fund Balance stands at \$22.5 million. The methodology used by the Auditor in the ACFR defines the Reserves (Unassigned Fund Balance) as a percentage of the next year's budgeted General Fund expenditures. Based upon the Original Adopted FY2021-2022 General Fund Expenditures excluding Operating Transfers-Out, the current reserve level stands at 12.5 percent.

Fiscal Year	Date	GF Budgeted Expenditures*	Reserves per ACFR	Percent of Expenditures
FY2018-19	6/30/2019	176,208,966	19,534,660	11.1%
FY2019-20	6/30/2020	160,198,985	20,326,889	12.7%
FY2020-21	6/30/2021	179,948,582	22,477,829	12.5%

*GF Budgeted Expenditures are for following fiscal year.

Please note that while the reserve percentage is nearly the same as at the close of FY 2019-2020, the actual amount in cash reserves increased by approximately \$2 million.

Non-General Funds Revisions

Staff is recommending increases in non-general fund revenue totaling \$24.8 million and expenditures totaling \$6 million. These adjustments are primarily due to appropriation of pass-through funding, appropriation of Fund Balance reserves for operating and capital improvement needs, and adjustments to impact fee revenue based on current receipts (Attachment 2 and 7).

Capital Improvement Plan Budget

The Capital Improvement Plan (CIP) is a five-year projection of the City's highest priority capital improvement projects. At this time, staff is recommending a few administrative adjustments to the CIP budget. The CIP documents provide an update and information on individual projects and their sources and uses of funding (Attachments 8 and 9). The CIP is managed continuously by measuring progress and anticipating future needs; and the budget is adopted annually alongside the operating budget.

For FY2021-2022, expenditures budgeted in CIP funds total \$49.6 million. The major sources of funding for these projects are as follows:

State Gas Taxes, which are monies paid by taxpayers to the State under the provision of the Streets and Highway Code, and distributed to local agencies for streets and road maintenance. The City's gas tax allocation increased by \$2.1 million to \$4.9 million due to Senate Bill 1 - the Road Repair and Accountability Act of 2017.

Notable projects are:

- o Street paving program - \$2.5 million
- o Cutting Blvd. and Harbour Way S. Bikeway - \$900,000

Measure C/J was established when the electorate of Contra Costa County passed Measure C approving the creation of the Contra Costa County Transportation Authority (Authority). The original half-cent transportation sales tax approved with Measure C was renewed by Measure J, effective April 1, 2009. The Authority collects one-half of one percent sales and use tax on taxable goods and services. 20 percent of this tax is allocated to the City of Richmond to be used for the improvement of local transportation, including streets and roads in accordance with Measure C and Measure J requirements.

Notable projects are:

- o I-80 Central Interchange Phase II - \$2.3 million

- o Americans with Disabilities Act (ADA) Miscellaneous Sidewalk Repairs - \$994,774
- Detailed information on the Capital Budget can be found in Attachment 8 – Capital Improvement Projects

Loan Proceeds are used to fund large enterprise projects, mainly capital improvements in the Wastewater system. Notable projects are:

- o Grit and Aeration Replacement - \$34 million

Grants that fund CIP projects are mostly awarded by state and local granting agencies. Notable projects are:

- o Boorman Park Revitalization - \$3.9 million
- o Carlson Crosstown Connections - \$421,268
- o Greening the Yellow Brick Road - \$3.5 million
- o Harbour 8 Park Expansion - \$7.4 million

Detailed information on the Grants Budget can be found in Attachment 9 – Capital Improvement Projects.

Other capital projects are funded by operating funds, including enterprise funds. For FY2021-2022, these expenditures total \$71.1 million. On-going operations and maintenance costs of capital projects are budgeted in operating budgets.

American Rescue Plan Act (ARPA)

The City received a \$27.7 million ARPA allocation and received its first installment of \$13.9 million in August 2021. Per City Council approval, \$10.5 million of the \$27.7 million was allocated to the various projects listed in the chart below. Although only \$180,000 in ARPA funds have been spent and/or encumbered as of December 31, 2021, City staff are currently working to support the development, design, and/or implementation of all the projects. For example:

- Public Works staff is working on the design of heating, ventilation, and air conditioning (HVAC) systems at four (4) City facilities (Nevin Community Center, Recreation Complex, Richmond Museum, and Main Library).
- On February 15, 2022, the Community Development Department brought forth a contract with EdFund West to distribute funds via the Richmond Rapid Response Fund to support rent relief and direct disbursements for basic needs for Richmond residents.
- On February 15, 2022, the Community Services Department brought forth a contract with HR&A consulting firm to conduct a Community Needs Assessment and develop a strategic investment plan to support the distribution of remaining ARPA funds.
- The City Manager's Office, Economic Development division is currently negotiating a contract with a consultant, which is budgeted at \$300,000, to develop a Workforce

Development Plan with a Green-Blue New Deal and Just Transition framework informed by a comprehensive community engagement process.

- Public Works and Community Services are moving forward with capital projects related to the North Richmond Pump Station and Martin Luther King, Jr. Park projects, respectively.

Below is a summary of the approved projects related to ARPA and the year-to-date expenditures for each project. Detailed information on the ARPA Budget can be found in Attachment 10 – ARPA and Reimagining Public Safety.

FY2021-22 through December 2021	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>REMAINING</u>
<u>ARPA REVENUE -TOTAL</u>	\$27,740,723	\$13,870,362*	\$ -	\$13,870,361
<u>ARPA EXPENDITURES</u>				
MAIN LIBRARY - HVAC IMPROVEMENTS	\$500,000	-	\$48,000	\$452,000
NEVIN COMMUNITY CENTER - HVAC IMPROVEMENTS	\$500,000	\$10,250	\$39,750	\$450,000
RECREATION COMPLEX - HVAC IMPROVEMENTS	\$500,000	\$9,750	\$39,250	\$451,000
RICHMOND MUSEUM - HVAC IMPROVEMENTS	\$500,000	-	\$32,600	\$467,400
COMMUNITY BEAUTIFICATION	\$1,000,000	-	-	\$1,000,000
COMMUNITY NEEDS ASSESSMENT	\$250,000	-	-	\$250,000
ENVIRONMENTAL PLANNING CONSULTANT	\$300,000	-	-	\$300,000
HOUSING & DEVELOPMENT INITIATIVES/RICHMOND RAPID RESPONSE FUND	\$1,000,000	-	-	\$1,000,000
FY2020-2021 REVENUE RECOVERY APPLIED TO BALANCE FY2021-2022 GENERAL FUND BUDGET	\$4,000,000	-	-	\$4,000,000
NORTH RICHMOND PUMP STATION	\$1,800,000	-	-	\$1,800,000
MLK PARK TURF FIELD	\$150,000	-	-	\$150,000
Total - ARPA FY2021-2022	\$10,500,000	\$20,000	\$159,600	\$10,320,400
REMAINING ARPA ALLOCATION				
	\$17,240,723			

* Additional \$7,487.59 received in interest through December 2021

Reimagining Public Safety Community Task Force

In June 2021, the City Council approved the recommendations of the Reimagining Public Safety Community Task Force, which included an allocation of \$6.38 million for

the four (4) interventions listed below. As with ARPA, the year-to-date expenditures have been low through December 2021, but City staff are working diligently to implement all programs. Detailed information on the interventions can be found in Attachment 10 – ARPA and Reimagining Public Safety.

FY2021-22 through December 2021	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>REMAINING</u>
YouthWORKS	\$1,980,000	\$352,026	-	\$1,627,974
Office of Neighborhood Safety (ONS)	\$1,600,000	-	-	\$1,600,000
UNHOUSED INTERVENTION	\$1,800,000	-	\$983,975	\$816,025
COMMUNITY CRISIS RESPONSE	\$1,000,000	-	-	\$1,000,000
Total - Reimagining Public Safety FY2021-2022 Expenditures	\$6,380,000	\$352,026	\$983,975	\$5,043,999

Next Steps

City staff members will continue to monitor both current year revenues and expenditures and report monthly to City Council with updates. The goal remains to have a structurally balanced budget and long-term fiscal sustainability for the City of Richmond.

DOCUMENTS ATTACHED:

- Attachment 1 – Mid-Year Budget Resolution
- Attachment 2 – Summary of Mid-Year Budget Requests
- Attachment 3 – General Fund Summary of Revenue and Expenditures
- Attachment 4 – Overtime Report
- Attachment 5 – General Fund Revenue Summary
- Attachment 6 – General Fund Revenues and Expenditures
- Attachment 7 – Non-General Fund Revenues and Expenditures
- Attachment 8 – Capital Improvement Projects
- Attachment 9 – Grants Listing
- Attachment 10 – Multi-Year Position Listing
- Attachment 11 – Mid-Year Presentation
- Attachment 12 – American Rescue Plan and Reimagining Public Safety Task Force
FY2021-2022 Budgets