



# Richmond City Council

*The Voice of the People*

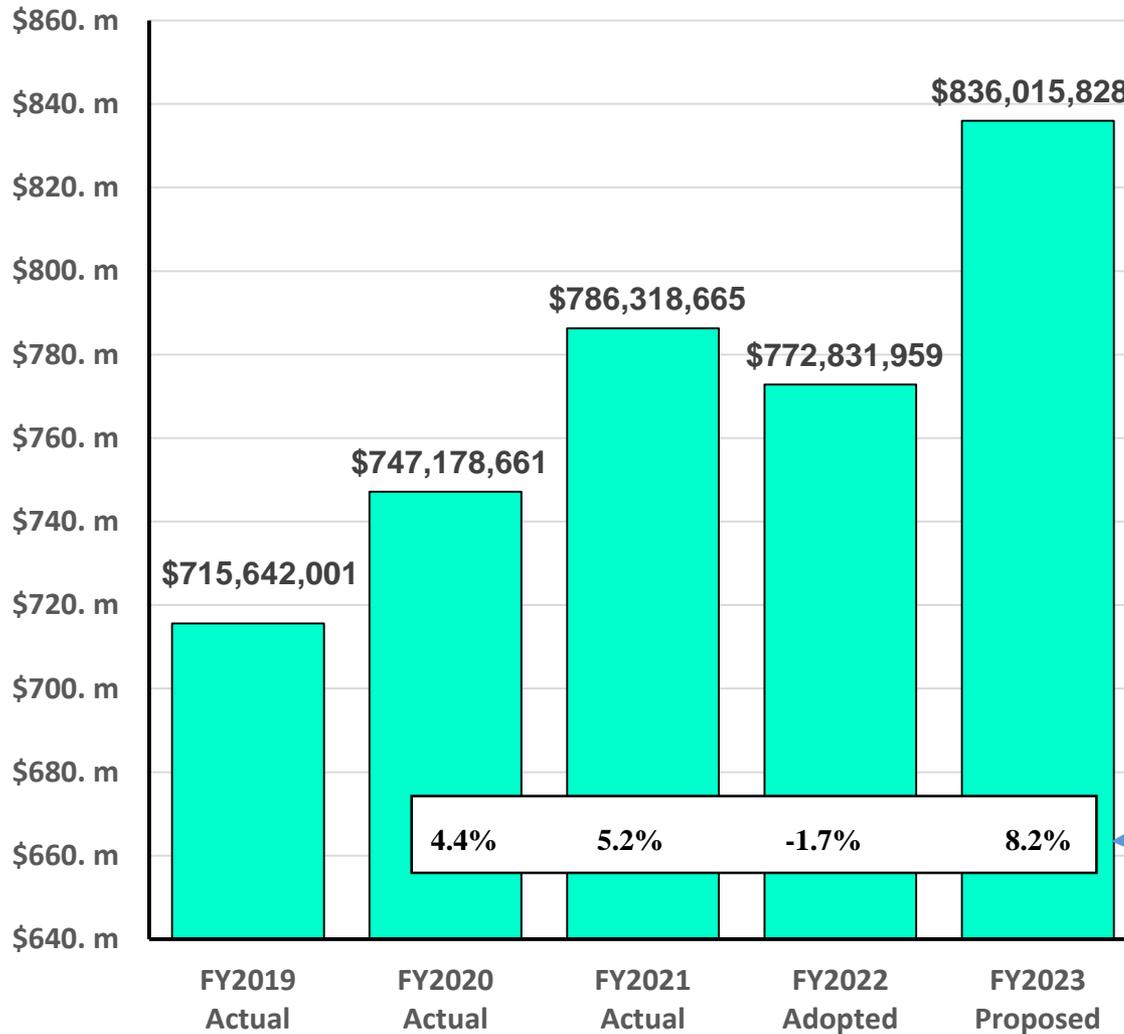
*Richmond, Virginia*

## Analysis of the Proposed FY23 Operating Budget Office of the Council Chief of Staff

Presented  
March 21, 2022  
Budget Work Session 3

## REVENUE OVERVIEW

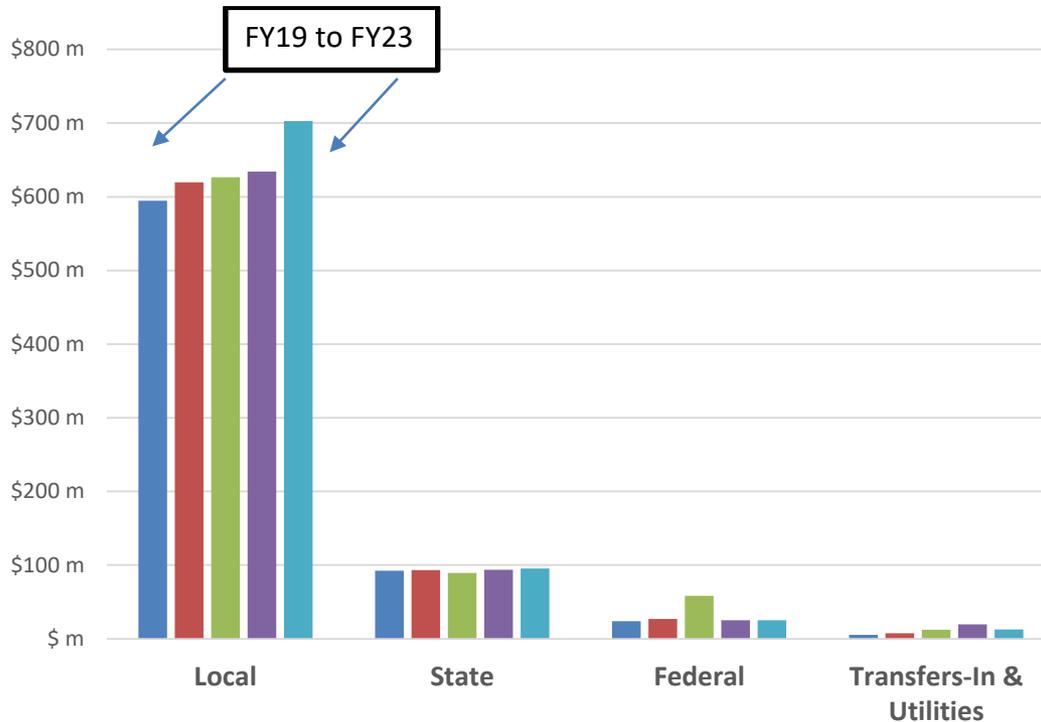
# General Fund Revenue Growth FY2019 – FY2023



General Fund Revenue increase (projected) of \$120m, or 16.8%, from FY2019 Actuals to FY2023 Proposed.

% Change from prior Fiscal Year

# Major General Fund Revenue Sources FY2019 – FY2023



FY22 Adopted to FY23 Proposed

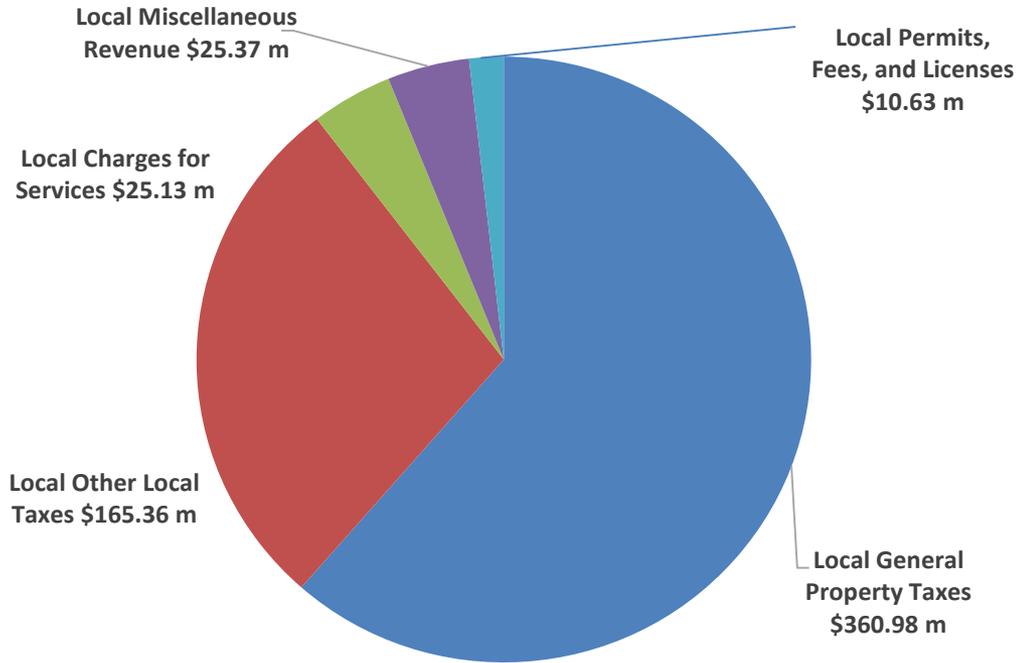
**Total Net Revenue Increase  
\$63.2m**

- Local Revenue  
\$68.6m Increase
- State Revenue  
\$1.3m Increase
- Federal Revenue Flat
- Transfers – In  
\$6.7m Decrease

	FY2019 Actuals	FY2020 Actuals	FY2021 Actuals	FY2022 Adopted	FY2023 Proposed
<b>Local</b>	\$594.48 m	\$619.57 m	\$626.51 m	\$634.29 m	\$702.85 m
<b>State</b>	\$92.18 m	\$93.1 m	\$89.31 m	\$93.89 m	\$95.23 m
<b>Federal</b>	\$23.74 m	\$26.77 m	\$58.37 m	\$25.24 m	\$25.23 m
<b>Transfers-In &amp; Utilities</b>	\$5.25 m	\$7.75 m	\$12.12 m	\$19.41 m	\$12.7 m
<b>Grand Total</b>	<b>\$715.64 m</b>	<b>\$747.18 m</b>	<b>\$786.32 m</b>	<b>\$772.83 m</b>	<b>\$836.02 m</b>

Increase/ Decrease	% Increase/ Decrease
\$68.55 m	10.8%
\$1.35 m	1.4%
-\$0.01 m	0.0%
-\$6.71 m	-34.6%
<b>\$63.18 m</b>	<b>8.2%</b>

# FY2023 Proposed Major General Fund Revenue Sources LOCAL



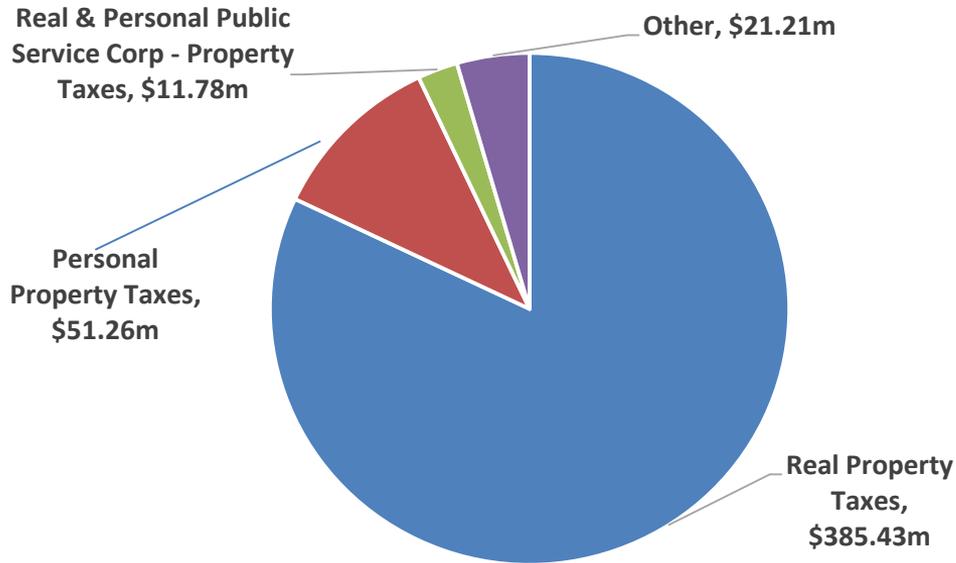
- Property Tax Revenue projects to continue strong growth (12.4% above FY2022 Adopted).
- Other Local Taxes projects to return to pre-COVID ( FY2019 ) level.

	FY2019 Actuals	FY2020 Actuals	FY2021 Actuals	FY2022 Adopted	FY2023 Proposed
General Property Taxes	\$360.98 m	\$388.11 m	\$406.97 m	\$417.78 m	\$469.67 m
Other Local Taxes	\$165.36 m	\$162.55 m	\$152.69 m	\$149.12 m	\$164.16 m
Charges for Services	\$25.13 m	\$26.98 m	\$28.48 m	\$26.17 m	\$27.92 m
Miscellaneous Revenue	\$25.37 m	\$24.13 m	\$20.7 m	\$22.13 m	\$21.76 m
Permits, Fees, and Licenses	\$10.63 m	\$11.54 m	\$12.8 m	\$13.26 m	\$13.29 m
<b>Grand Total</b>	<b>\$587.47 m</b>	<b>\$613.31 m</b>	<b>\$621.64 m</b>	<b>\$628.46 m</b>	<b>\$696.8 m</b>

Increase/ Decrease	% Increase/ Decrease
\$51.9 m	12.4%
\$15.04 m	10.1%
\$1.75 m	6.7%
-\$0.37 m	-1.7%
\$0.03 m	0.2%
<b>\$68.34 m</b>	<b>10.9%</b>

# FY23 Proposed General Fund Revenues

## Property Taxes

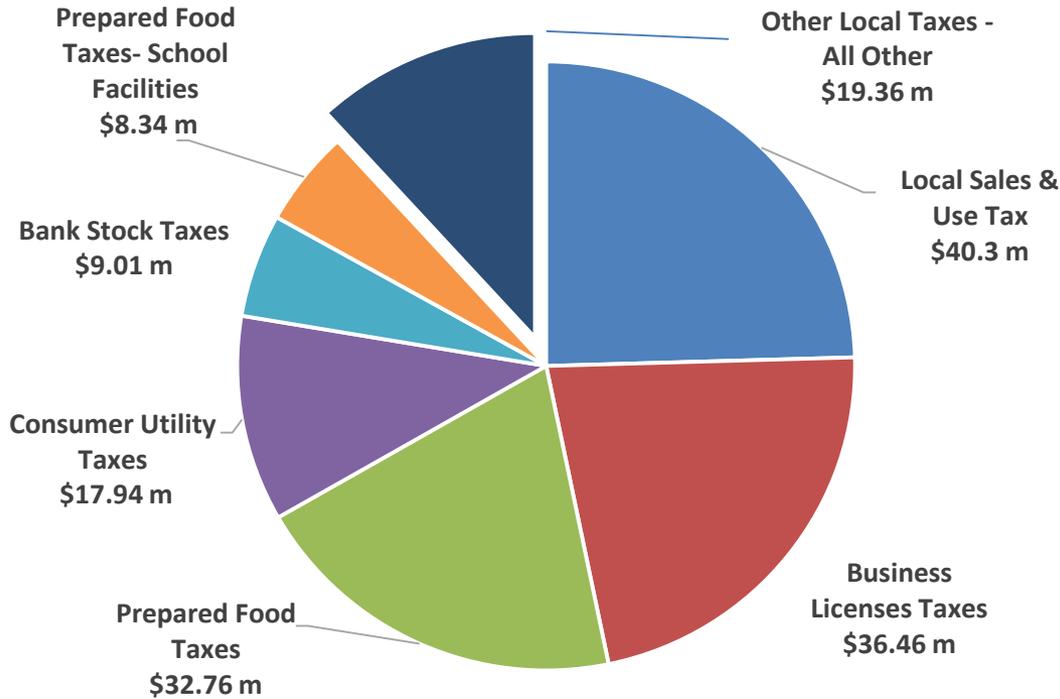


Annual Real Property Tax revenue growth has ranged from 5% to 12% annually from FY2019 to FY2023.

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed	Increase/Decrease	% Increase/Decrease
<b>Real Property Taxes</b>	\$284.35m	\$307.32m	\$325.48m	\$342.56m	\$385.43m	\$42.87m	12.5%
<b>Personal Property Taxes</b>	\$43.45m	\$48.05m	\$49.42m	\$43.71m	\$51.26m	\$7.55m	17.3%
<b>Real &amp; Personal Public Service Corp - Property Taxes</b>	\$12.17m	\$11.47m	\$10.2m	\$11.85m	\$11.78m	-\$0.07m	-0.6%
<b>Other</b>	\$21.01m	\$21.27m	\$21.87m	\$19.66m	\$21.21m	\$1.55m	7.9%
<b>Grand Total</b>	<b>\$360.98 m</b>	<b>\$388.11 m</b>	<b>\$406.97 m</b>	<b>\$417.78 m</b>	<b>\$469.67 m</b>	<b>\$51.9 m</b>	<b>12.4%</b>

# FY23 Proposed General Fund Revenues

## Other Local Taxes



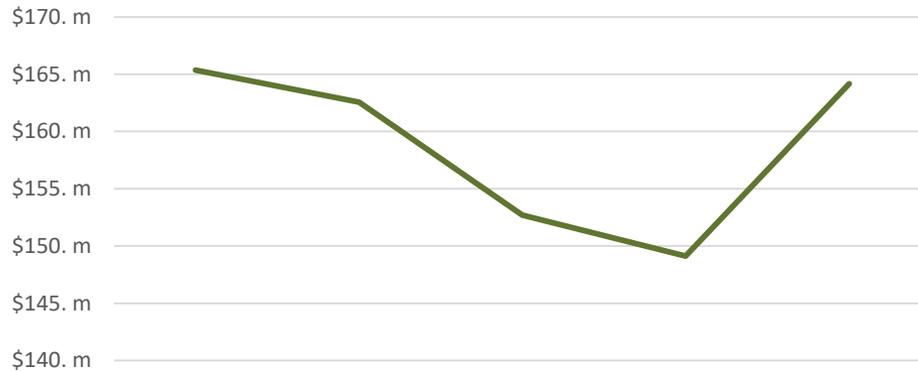
Other Local Taxes are projected to increase by \$15m, or 10.1%, from FY2022 Adopted to FY2023 Proposed.

Other Local Taxes accounts have been significantly impacted by the COVID-19 pandemic. FY2023 revenues are projected to return to FY2019 levels ( last full non-COVID Fiscal Year ).

# FY23 Proposed General Fund Revenues

## Other Local Taxes

	FY2019 Actuals	FY2020 Actuals	FY2021 Actuals	FY2022 Adopted	FY2023 Proposed	Increase/ Decrease	% Increase/ Decrease
Local Sales & Use Tax	\$36.95 m	\$36.86 m	\$33.17 m	\$36.88 m	<b>\$40.3 m</b>	\$3.42 m	9.3%
Business Licenses Taxes	\$36.33 m	\$37.88 m	\$35.39 m	\$31.45 m	<b>\$36.46 m</b>	\$5.01 m	15.9%
Prepared Food Taxes	\$36.45 m	\$30.37 m	\$29.5 m	\$28.25 m	<b>\$32.76 m</b>	\$4.51 m	15.9%
Consumer Utility Taxes	\$18.27 m	\$18.86 m	\$17.12 m	\$18.32 m	<b>\$17.94 m</b>	-\$ .38 m	-2.1%
Bank Stock Taxes	\$8.81 m	\$8.95 m	\$11.65 m	\$9.5 m	<b>\$9.01 m</b>	-\$ .49 m	-5.2%
Prepared Food Taxes- School Facilities	\$9.29 m	\$7.73 m	\$7.51 m	\$7.2 m	<b>\$8.34 m</b>	\$1.15 m	15.9%
Other Local Taxes - All Other *	\$19.25 m	\$21.9 m	\$18.34 m	\$17.53 m	<b>\$19.36 m</b>	\$1.82 m	86.7%
<b>Grand Total</b>	<b>\$165.36 m</b>	<b>\$162.55 m</b>	<b>\$152.69 m</b>	<b>\$149.12 m</b>	<b>\$164.16 m</b>	<b>\$15.04 m</b>	<b>10.1%</b>

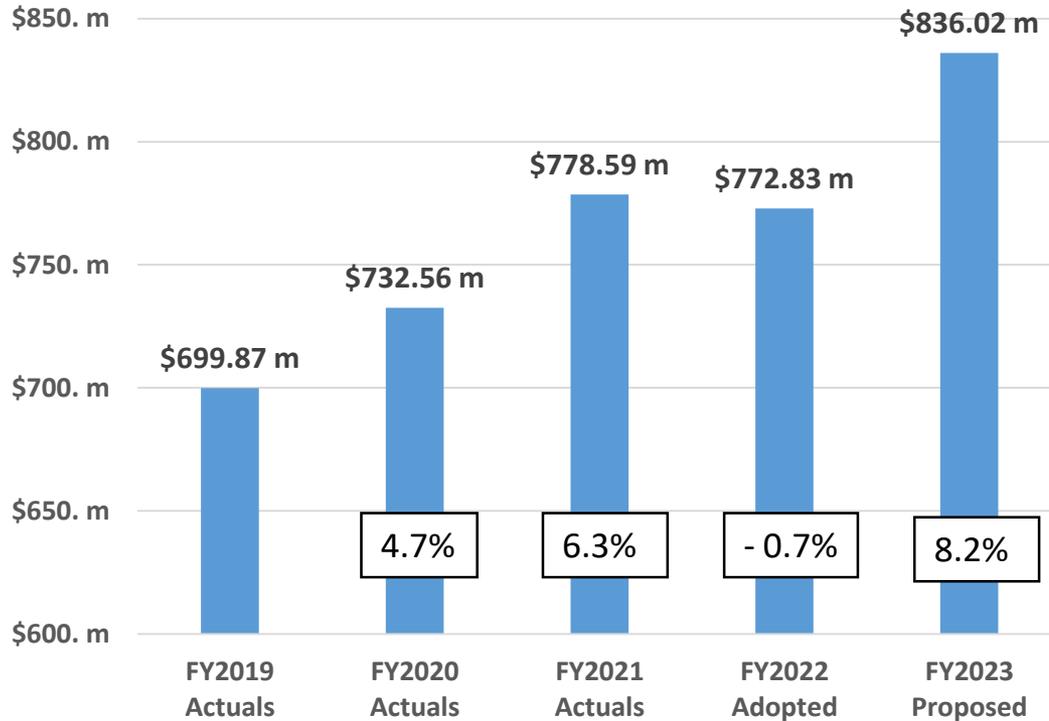


\* "Other Local Taxes - All Other" are Admission, Cigarette, Motor Vehicle, Short-Term Rental, Transient Lodging, and Other

## EXPENDITURE OVERVIEW

# General Fund Expenditures

## FY19 Actual to FY23 Proposed



General Fund Expenditure increase (projected) of \$136m, or 19.5%, from FY2019 Actuals to FY2023 Proposed.

# FY23 Proposed Expenditures

## Compensation Increases - FY22 to FY23

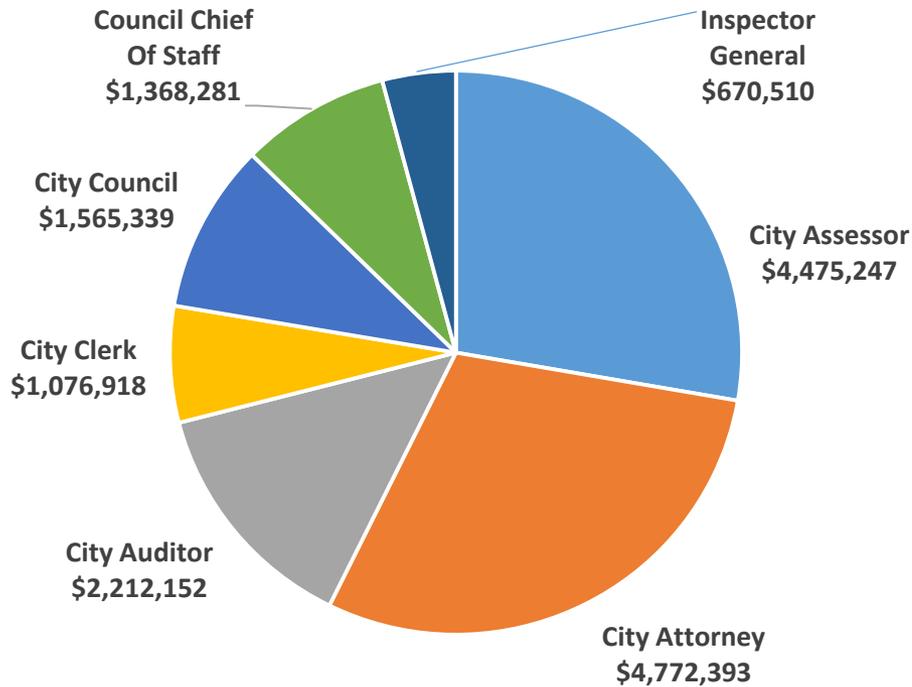
DEPARTMENT	FY 2022 Adopted Budget	FY 2023 Proposed Budget	Increase/ Decrease
Animal Control	\$ 1,348,246	\$ 1,578,256	\$ 230,010
Budget & Strategic Planning	\$ 1,319,260	\$ 1,601,744	\$ 282,484
Chief Administrative Officer	\$ 787,547	\$ 764,861	\$ (22,686)
City Assessor	\$ 3,835,228	\$ 4,175,153	\$ 339,925
City Attorney	\$ 4,058,574	\$ 4,499,972	\$ 441,398
City Auditor	\$ 1,518,143	\$ 1,693,430	\$ 175,287
City Clerk	\$ 730,824	\$ 817,307	\$ 86,483
City Council	\$ 1,085,356	\$ 1,227,550	\$ 142,195
City Sheriff	\$ 26,266,165	\$ 28,277,031	\$ 2,010,866
City Treasurer	\$ 190,737	\$ 203,889	\$ 13,153
Council Chief Of Staff	\$ 1,114,766	\$ 1,342,387	\$ 227,621
Court Services Unit	\$ 102,085	\$ 112,719	\$ 10,634
Department Emergency Communication (DEC)	\$ 3,277,986	\$ 3,783,345	\$ 505,359
Department of Citizen Service and Response	\$ 1,852,867	\$ 1,651,651	\$ (201,216)
Department of Housing and Community Development	\$ 1,013,112	\$ 1,088,798	\$ 75,686
Economic & Comm Development	\$ 1,952,480	\$ 2,478,234	\$ 525,754
Finance	\$ 7,935,507	\$ 8,411,182	\$ 475,675
Fire & Emergency Services	\$ 47,242,615	\$ 54,719,285	\$ 7,476,670
General Registrar	\$ 1,036,425	\$ 1,297,750	\$ 261,325
Human Resources	\$ 3,825,172	\$ 4,177,787	\$ 352,615

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# FY23 Proposed Expenditures Compensation

DEPARTMENT	FY 2022 Adopted Budget	FY 2023 Proposed Budget	Increase/Decrease
Human Services	\$ 1,657,475	\$ 1,885,478	\$ 228,003
Inspector General	\$ 556,493	\$ 618,294	\$ 61,801
Judiciary	\$ 11,231,663	\$ 12,131,963	\$ 900,299
Justice Services	\$ 8,056,584	\$ 8,992,012	\$ 935,428
Juvenile & Domestic Relations Court	\$ 107,937	\$ 115,103	\$ 7,166
Mayor's Office	\$ 1,103,403	\$ 1,226,886	\$ 123,483
Minority Business Development	\$ 699,586	\$ 763,946	\$ 64,361
Non Departmental	\$ 3,300,000	\$ 2,300,000	\$ (1,000,000)
Office of Community Wealth Building	\$ 1,681,323	\$ 2,952,350	\$ 1,271,026
Office of Strategic Communications & Civic Engagement	\$ -	\$ 534,395	\$ 534,395
Office of Sustainability	\$ -	\$ 538,088	\$ 538,088
Parks & Recreation	\$ 13,547,093	\$ 15,038,334	\$ 1,491,241
Planning & Development Review	\$ 9,958,806	\$ 11,303,881	\$ 1,345,076
Police Department	\$ 86,902,648	\$ 100,517,428	\$ 13,614,780
Procurement Services	\$ 1,531,609	\$ 1,695,220	\$ 163,611
Public Library	\$ 4,480,680	\$ 5,151,659	\$ 670,979
Public Works	\$ 11,688,837	\$ 12,459,733	\$ 770,896
Social Services	\$ 26,496,432	\$ 28,531,986	\$ 2,035,554
<b>Grand Total</b>	<b>\$ 293,493,663</b>	<b>\$ 330,659,087</b>	<b>\$ 37,165,424</b>

# FY23 Proposed Budget Council Agencies



## Highlights/Changes

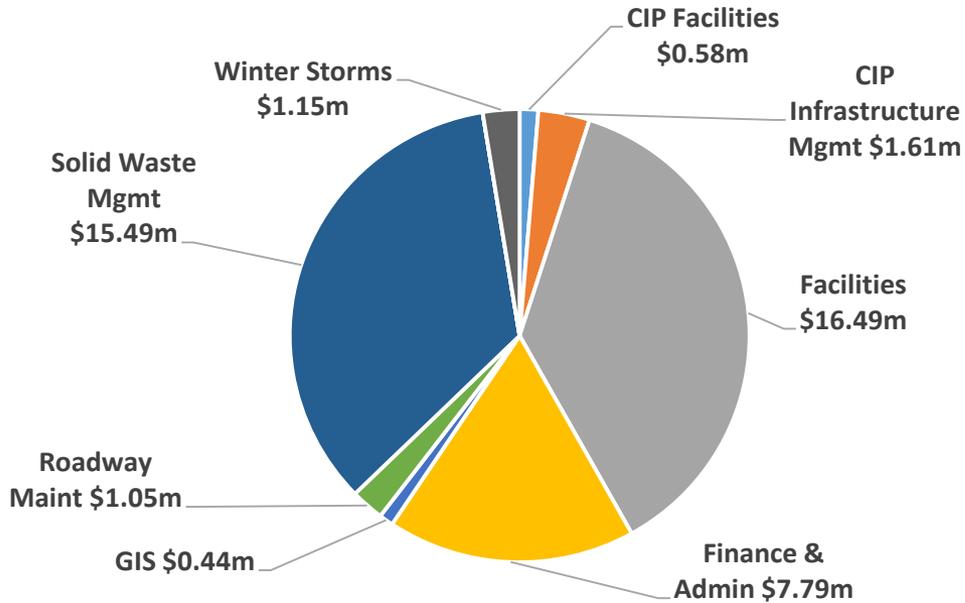
### Council Priorities

- City Employee Compensation  
Minimum wage & 5% wage increase

	Total \$ Increase	New items in addition to Wage Increases
<b>Assessor</b>	\$ 339,000	1 new position & 1 previously frozen position
<b>Attorney</b>	\$ 441,000	1 new Asst City Attorney
<b>Auditor</b>	\$ 175,000	
<b>City Council</b>	\$ 217,000	Adds funding for AV Equipment & Conference Attendance
<b>City Council Chief of Staff</b>	\$ 227,000	2 previously frozen positions
<b>City Clerk</b>	\$ 126,000	Increased advertising cost
<b>Inspector General</b>	\$ 62,000	

FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed	Increase/Decrease	% Increase/Decrease
\$16.91m	\$13.69m	\$13.39m	\$14.68m	\$16.14m	\$1.46m	9.9%

# FY23 Proposed Budget Public Works



## Highlights/Changes

### Council Priorities

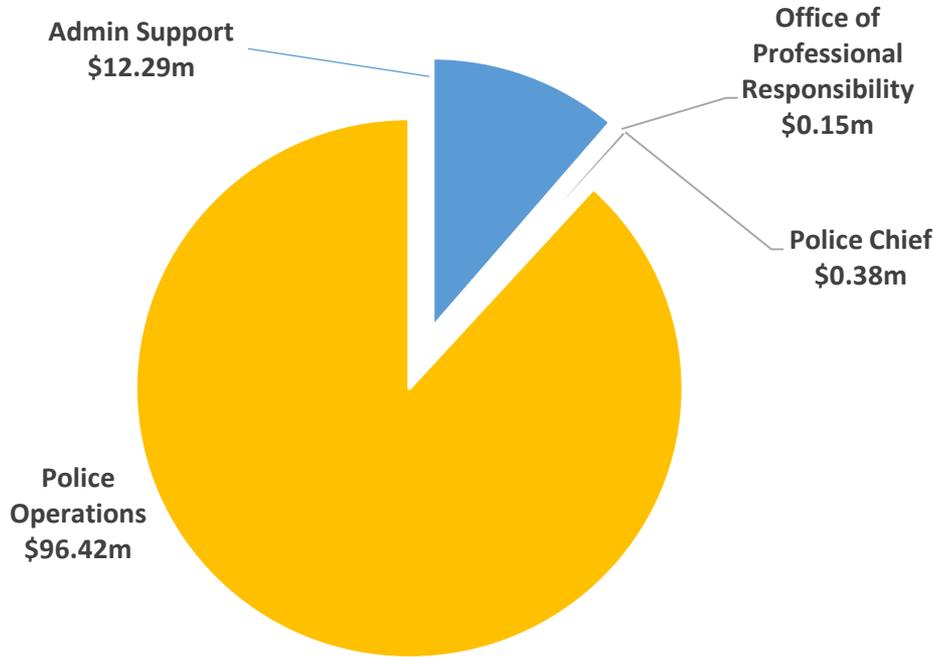
- City Employee Compensation  
\$770k – Minimum wage; 5% wage increase; and two (2) new refuse operators

FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed
\$36.44m	\$36.45m	\$44.97m	\$43.41m	\$44.61m

Increase/Decrease	% Increase/Decrease
\$1.2m	2.8%



# FY2023 Proposed Budget Richmond Police Department



## Highlights/Changes

### Council Priorities

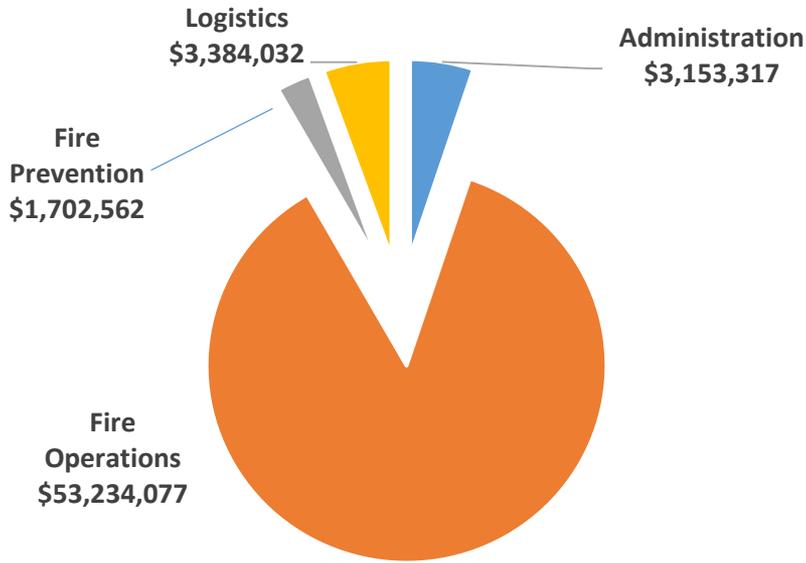
- Public Safety Pay Plan ( \$9.2m )
- City Employee Compensation ( \$ 1.55m )

FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed
\$95.4m	\$100.38m	\$95.08m	\$95.82m	\$109.25m

Increase/ Decrease	% Increase/ Decrease
\$13.43m	14.0%



# FY2023 Proposed Budget Fire & Emergency Services



## Highlights/Changes

### Council Priorities

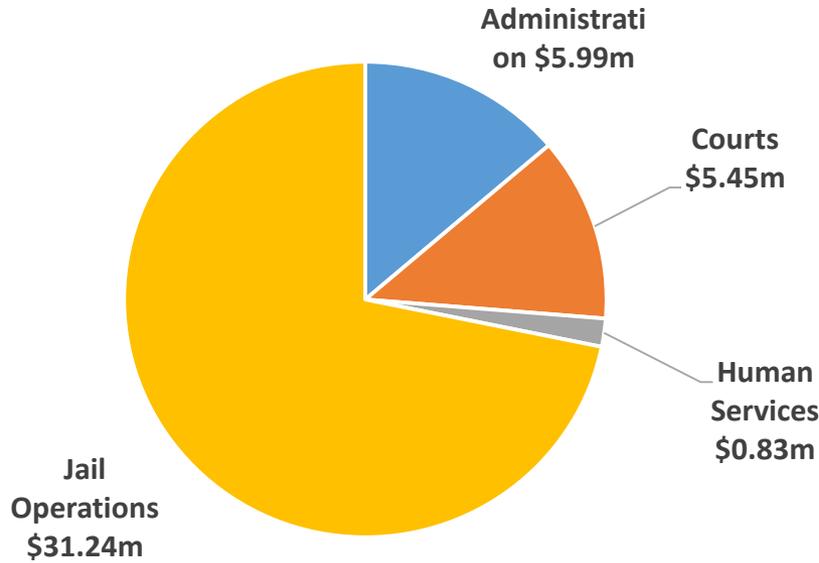
- Public Safety Pay Plan ( \$5.6m )
- City Employee Compensation ( \$950k )

FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed
\$52.24m	\$54.97m	\$90.23m	\$54.76m	\$61.47m

Increase/ Decrease	% Increase/ Decrease
\$6.71m	12.3%



# FY2023 Proposed Budget Richmond Sheriff's Office



## Highlights/Changes

- 5% Employee Pay Increase ( \$2.0m )

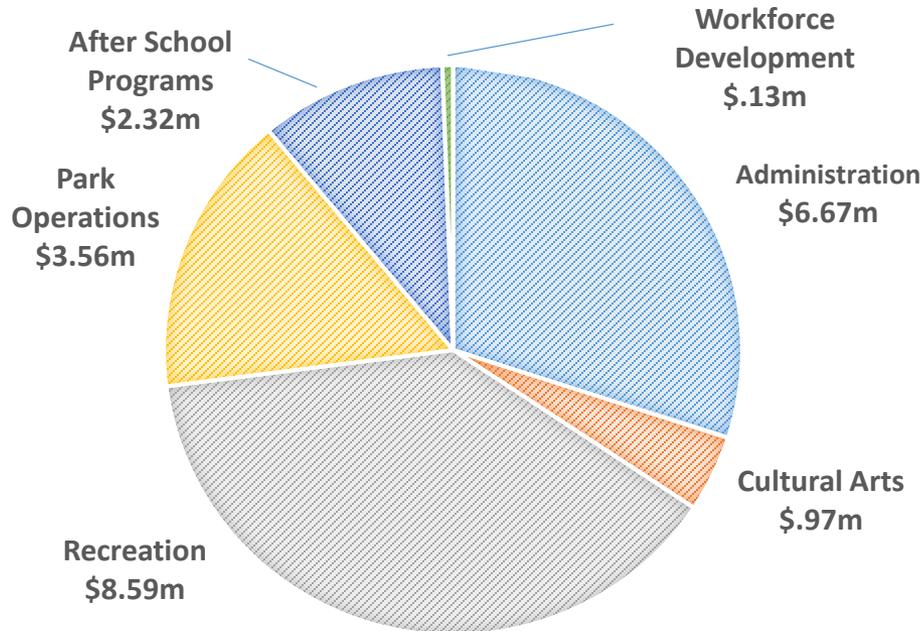
FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed
\$40.63m	\$41.12m	\$41.76m	\$41.43m	\$43.51m

Increase/Decrease	% Increase/Decrease
\$2.08m	5.0%



# FY23 Proposed Budget

## Parks, Recreation & Community Facilities



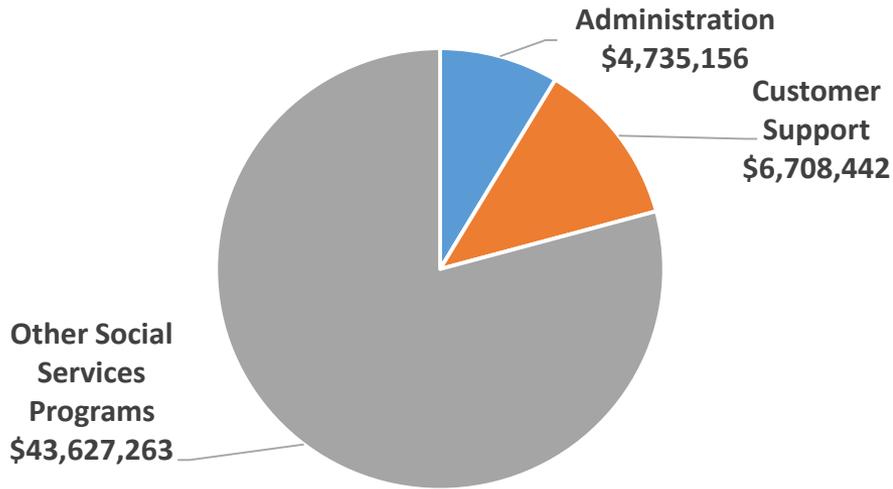
### Highlights/Changes

#### Council Priorities

- City Employee Compensation ( \$1.4m ) – minimum wage & 5% increase
- Two (2) new Park Ranger positions
- Increased funding for After-School/ Extended Day program ( \$1.4m )

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed	Increase/ Decrease	% Increase/ Decrease
Administration	\$5.23m	\$6.03m	\$6.34m	\$6.16m	\$6.67m	\$0.51m	8.3%
Cultural Arts	\$0.83m	\$0.79m	\$0.82m	\$0.91m	\$0.97m	\$0.06m	6.1%
Recreation	\$7.04m	\$6.79m	\$6.98m	\$7.59m	\$8.59m	\$1.00m	13.2%
Park Operations	\$3.00m	\$3.50m	\$3.33m	\$3.22m	\$3.56m	\$0.35m	10.7%
After School Programs	\$0.92m	\$0.99m	\$0.60m	\$0.83m	\$2.32m	\$1.48m	177.7%
Workforce Development	\$0.00m	\$0.00m	\$0.00m	\$0.10m	\$0.13m	\$0.03m	29.8%
<b>GRAND TOTAL</b>	<b>\$17.03m</b>	<b>\$18.10m</b>	<b>\$18.06m</b>	<b>\$18.81m</b>	<b>\$22.23m</b>	<b>\$3.43m</b>	<b>18.2%</b>

# FY23 Proposed Budget Social Services



## Highlights/Changes

### Council Priorities

- City Employee Compensation  
\$2.0m additional funding for \$17 minimum wage & 5% wage increase

Less \$190k in net Operations funding related to:

- \$ 14k Adjustments for fleet management
- \$120k Partial restoration of FY2021 reductions
- ( \$325k ) Reduction in the local match for the Children's Services Act (CSA)

FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed
\$50.15m	\$47.45m	\$52.94m	\$53.23m	\$55.07m

Increase/ % Increase  
Decrease / Decrease

\$1.84m 3.5%



# FY23 Proposed Budget

## All other Departments

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed	Increase/ Decrease	% Increase/ Decrease
Animal Control	\$ 2,052,639	\$ 2,002,198	\$ 2,103,191	\$ 1,932,887	\$ 2,171,983	\$ 239,096	12.4%
Budget & Strategic Planning	\$ 1,162,802	\$ 1,232,118	\$ 1,322,631	\$ 1,358,789	\$ 1,871,922	\$ 513,133	37.8%
Chief Administrative Officer	\$ 944,617	\$ 469,159	\$ 586,055	\$ 904,437	\$ 931,751	\$ 27,314	3.0%
City Debt	\$ 68,451,233	\$ 74,445,368	\$ 75,569,824	\$ 84,422,421	\$ 104,636,356	\$ 20,213,935	23.9%
City Treasurer	\$ 186,343	\$ 185,635	\$ 220,701	\$ 229,039	\$ 330,265	\$ 101,227	44.2%
Court Services Unit	\$ 210,023	\$ 207,900	\$ 194,723	\$ 242,134	\$ 239,290	\$ (2,844)	-1.2%
Department Emergency Communication (DEC)	\$ 4,716,334	\$ 5,104,896	\$ 5,428,690	\$ 6,587,923	\$ 6,355,577	\$ (232,346)	-3.5%
Department of Citizen Service and Response	\$ 921,695	\$ 1,282,264	\$ 2,005,957	\$ 2,479,071	\$ 2,148,595	\$ (330,476)	-13.3%
Department of Housing and Community Development	\$ 3,296,705	\$ 1,708,916	\$ 1,312,551	\$ 1,619,229	\$ 1,695,778	\$ 76,549	4.7%
Economic & Comm Development	\$ 3,723,460	\$ 2,799,033	\$ 2,381,838	\$ 3,095,149	\$ 3,653,693	\$ 558,544	18.0%
Finance	\$ 10,548,535	\$ 9,285,691	\$ 8,698,806	\$ 10,273,687	\$ 12,841,153	\$ 2,567,466	25.0%
General Registrar	\$ 1,581,747	\$ 2,075,320	\$ 3,572,772	\$ 3,872,008	\$ 4,043,401	\$ 171,393	4.4%
Human Resources	\$ 3,052,240	\$ 3,291,232	\$ 3,979,425	\$ 4,784,088	\$ 5,233,237	\$ 449,149	9.4%
Human Services	\$ 1,326,626	\$ 1,357,944	\$ 2,448,832	\$ 1,882,381	\$ 2,114,294	\$ 231,913	12.3%

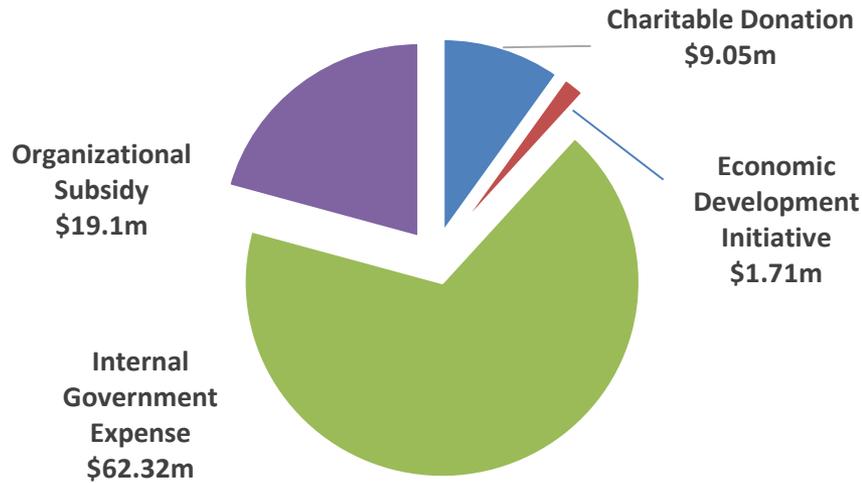
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# FY23 Proposed Budget

## All other Departments

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed	Increase/ Decrease	% Increase/ Decrease
Judiciary	\$ 11,001,332	\$ 11,234,394	\$ 11,299,093	\$ 12,045,442	\$ 12,918,618	\$ 873,175	7.2%
Justice Services	\$ 9,103,448	\$ 9,049,739	\$ 8,275,650	\$ 9,613,244	\$ 10,614,497	\$ 1,001,253	10.4%
Juvenile & Domestic Relations Court	\$ 238,809	\$ 239,698	\$ 208,058	\$ 231,775	\$ 255,346	\$ 23,571	10.2%
Mayor's Office	\$ 1,166,739	\$ 1,093,961	\$ 1,156,434	\$ 1,143,469	\$ 1,297,271	\$ 153,802	13.5%
Minority Business Development	\$ 746,768	\$ 771,121	\$ 802,718	\$ 836,001	\$ 962,824	\$ 126,824	15.2%
Office of Community Wealth Building	\$ 1,783,467	\$ 1,801,030	\$ 1,931,599	\$ 2,191,589	\$ 4,107,616	\$ 1,916,026	87.4%
Office of Strategic Communications & Civic Engagement	\$ -	\$ -	\$ -	\$ -	\$ 885,181	\$ 885,181	
Office of Sustainability	\$ -	\$ -	\$ -	\$ -	\$ 618,088	\$ 618,088	
Planning & Development Review	\$ 10,503,609	\$ 10,218,013	\$ 10,797,272	\$ 11,659,415	\$ 13,183,977	\$ 1,524,563	13.1%
Press Secretary	\$ 484,119	\$ 628,316	\$ 419,443	\$ -	\$ -	\$ -	
Procurement Services	\$ 1,260,256	\$ 1,372,207	\$ 1,556,462	\$ 1,557,585	\$ 1,748,525	\$ 190,940	12.3%
Public Health	\$ 4,030,490	\$ 4,863,490	\$ 4,563,490	\$ 4,633,490	\$ 4,633,490	\$ -	0.0%
Public Library	\$ 6,037,435	\$ 6,120,455	\$ 5,624,142	\$ 5,656,459	\$ 6,763,983	\$ 1,107,524	19.6%
Richmond Public Schools	\$ 156,721,265	\$ 175,193,143	\$ 181,694,074	\$ 187,142,096	\$ 185,307,625	\$ (1,834,471)	-1.0%
<b>Grand Total</b>	<b>\$ 305,256,986</b>	<b>\$ 327,720,484</b>	<b>\$ 338,081,537</b>	<b>\$ 360,393,807</b>	<b>\$ 391,564,337</b>	<b>\$ 31,170,529</b>	<b>8.6%</b>

# FY23 Proposed General Fund Expenditures Non-Departmental



**Highlights / Changes**

- Eviction Diversion Program
- Children's Fund Creation
- GRTC increase
- Loan to EDA for Black History Museum

FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Adopted	FY2023 Proposed
\$84.64m	\$92.68m	\$84.08m	\$90.31m	\$92.17m

Increase/Decrease	% Increase/Decrease
\$1.87m	2.1%

