



CITY OF RICHMOND
CITY AUDITOR

DATE: July 20, 2021

TO: Mr. Lincoln Saunders
Acting Chief Administrative Officer

FROM: Louis Lassiter *LL*
City Auditor

SUBJECT: APA Comparative Cost Report Analysis FY2020

The City Auditor's Office has completed an analysis of the FY2020 Virginia Auditor of Public Accounts (APA) Comparative Report of Local Government Revenues and Expenditures.

We obtained information from the APA report and performed further analysis to compare the City of Richmond with similar cities in the Commonwealth with populations of approximately 100,000 or more, as well as Arlington County, Virginia. These particular localities were chosen to provide relative benchmarks due to similar services provided by larger more urban localities. This analysis is provided to the Administration and City Council for reference and continued analysis of possible improvement opportunities.

This work provides an objective summary of information from the APA's report. However, as required by Government Auditing Standards (2018 Revision) section 2.02 issued by the U.S. Government Accountability Office, we must communicate that this evaluation does not constitute an audit conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS).

We would like to thank the Finance Department of the City of Richmond for their assistance. Please contact us if you have any questions regarding this analysis.

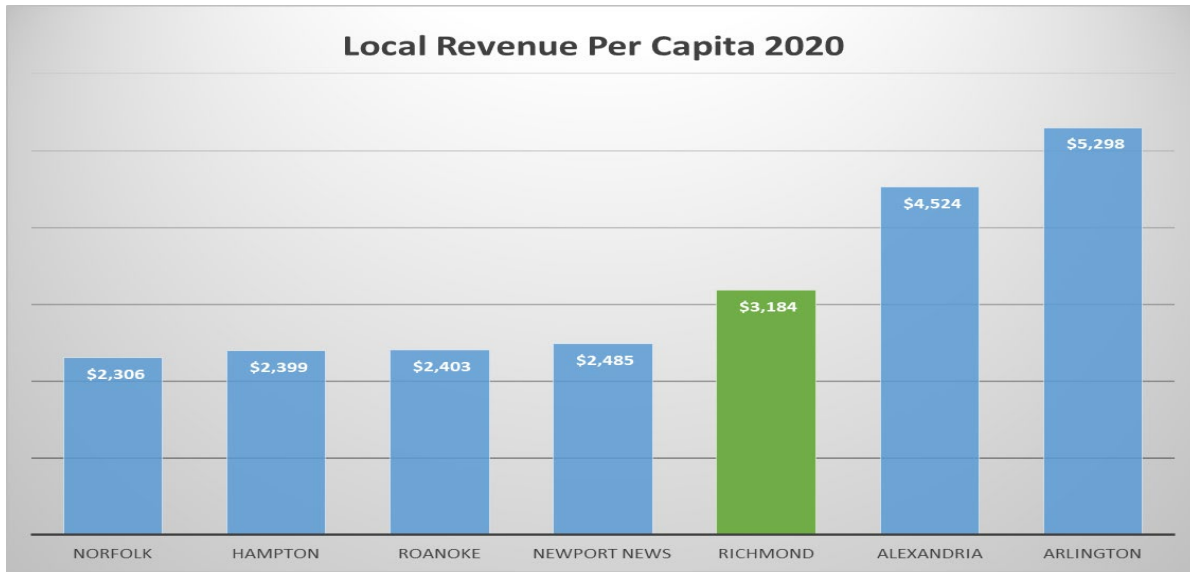
Attachment

cc: The Richmond Audit Committee
The Richmond City Council
Ms. Sheila White, Director of Finance

FY2020 ANALYSIS SUMMARY

The charts and schedules that follow show a high level ranking amongst various categories from the FY20 Comparative Cost Report. ¹ **Please note that numbers in the charts and graphs have been rounded to the nearest dollar which can cause minor differences when summed.**

The chart and table below represent the Local Revenue per Capita for Fiscal Year 2020. As the APA noted the “report provides a uniform presentation of fiscal information; however, we caution users not to base conclusions solely on this report's data.” Therefore this information should not be used solely as an indicator of efficiency or performance without further analysis of the scope of services amongst those entities being ranked.

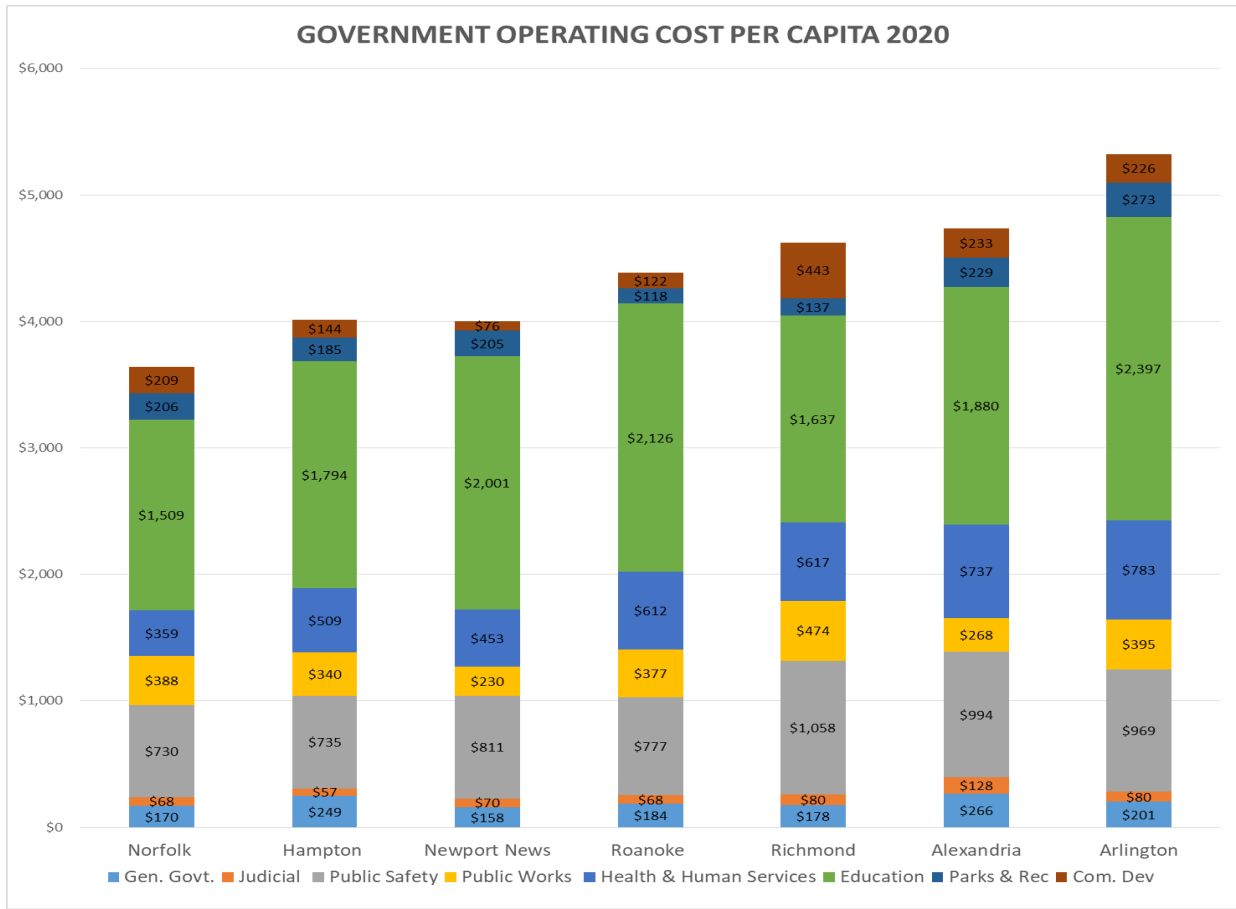


Locality	General Property Taxes	Other Local Taxes	Permits, Privileges, fees, & Regulatory	Fines and Forfeitures	Charges for Service	Revenue From Use of Money and Property	Miscellaneous	Total
Alexandria 2020	\$ 3,276	\$ 778	\$ 95	\$ 25	\$ 179	\$ 61	\$ 109	\$ 4,523
Alexandria 2019	\$ 3,158	\$ 837	\$ 79	\$ 27	\$ 205	\$ 79	\$ 45	\$ 4,431
Arlington 2020	\$ 3,796	\$ 958	\$ 30	\$ 28	\$ 404	\$ 81	\$ 1	\$ 5,298
Arlington 2019	\$ 3,638	\$ 1,005	\$ 27	\$ 32	\$ 492	\$ 88	\$ 1	\$ 5,282
Hampton 2020	\$ 1,313	\$ 544	\$ 15	\$ 8	\$ 403	\$ 32	\$ 83	\$ 2,398
Hampton 2019	\$ 1,270	\$ 536	\$ 16	\$ 11	\$ 392	\$ 35	\$ 74	\$ 2,334
Newport News 2020	\$ 1,517	\$ 526	\$ 18	\$ 8	\$ 282	\$ 73	\$ 63	\$ 2,487
Newport News 2019	\$ 1,468	\$ 533	\$ 22	\$ 10	\$ 304	\$ 79	\$ 65	\$ 2,482
Norfolk 2020	\$ 1,293	\$ 626	\$ 15	\$ 3	\$ 270	\$ 38	\$ 61	\$ 2,306
Norfolk 2019	\$ 1,252	\$ 646	\$ 17	\$ 4	\$ 263	\$ 47	\$ 51	\$ 2,279
Richmond 2020	\$ 1,754	\$ 714	\$ 13	\$ 33	\$ 400	\$ 42	\$ 227	\$ 3,183
Richmond 2019	\$ 1,637	\$ 731	\$ 10	\$ 30	\$ 396	\$ 46	\$ 151	\$ 3,001
Roanoke 2020	\$ 1,248	\$ 756	\$ 12	\$ 11	\$ 355	\$ 12	\$ 9	\$ 2,403
Roanoke 2019	\$ 1,204	\$ 784	\$ 12	\$ 12	\$ 369	\$ 20	\$ 9	\$ 2,409

¹ Figures were used as of May 10, 2021.

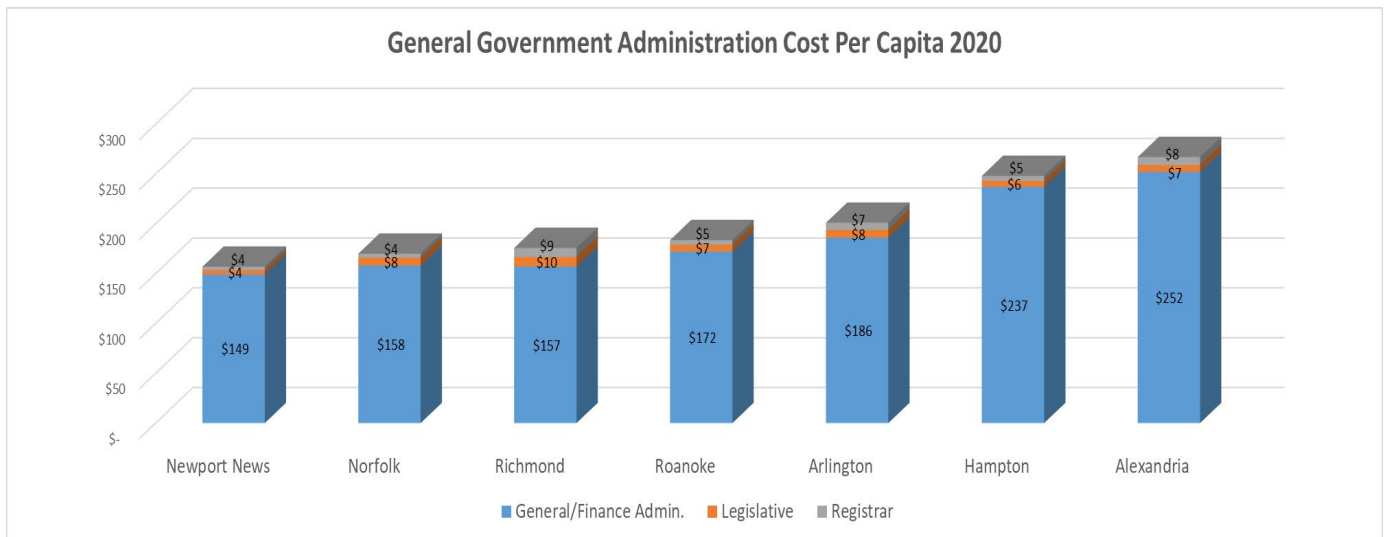
FY2020 Cost Analysis

The first chart below is a roll up for all Government Operations with subsequent charts providing further details for these categories.



Locality	Gen. Govt.	Judicial	Public Safety	Public Works	Health & Human Services	Education	Parks & Rec	Com. Dev	Total
Norfolk 2020	\$ 170	\$ 68	\$ 730	\$ 388	\$ 359	\$ 1,509	\$ 206	\$ 209	\$ 3,639
Norfolk 2019	\$ 162	\$ 63	\$ 705	\$ 356	\$ 337	\$ 1,519	\$ 223	\$ 167	\$ 3,534
Hampton 2020	\$ 249	\$ 57	\$ 735	\$ 340	\$ 509	\$ 1,794	\$ 185	\$ 144	\$ 4,013
Hampton 2019	\$ 270	\$ 53	\$ 710	\$ 329	\$ 492	\$ 1,716	\$ 187	\$ 185	\$ 3,942
Newport News 2020	\$ 158	\$ 70	\$ 811	\$ 230	\$ 453	\$ 2,001	\$ 205	\$ 76	\$ 4,004
Newport News 2019	\$ 147	\$ 69	\$ 775	\$ 228	\$ 448	\$ 1,961	\$ 201	\$ 188	\$ 4,017
Roanoke 2020	\$ 184	\$ 68	\$ 777	\$ 377	\$ 612	\$ 2,126	\$ 118	\$ 122	\$ 4,384
Roanoke 2019	\$ 147	\$ 67	\$ 733	\$ 333	\$ 584	\$ 2,005	\$ 115	\$ 137	\$ 4,121
Alexandria 2020	\$ 266	\$ 128	\$ 994	\$ 268	\$ 737	\$ 1,880	\$ 229	\$ 233	\$ 4,735
Alexandria 2019	\$ 245	\$ 126	\$ 975	\$ 243	\$ 659	\$ 1,842	\$ 224	\$ 200	\$ 4,515
Richmond 2020	\$ 178	\$ 80	\$ 1,058	\$ 474	\$ 617	\$ 1,637	\$ 137	\$ 443	\$ 4,624
Richmond 2019	\$ 200	\$ 83	\$ 1,012	\$ 417	\$ 558	\$ 1,633	\$ 132	\$ 506	\$ 4,542
Arlington 2020	\$ 201	\$ 80	\$ 969	\$ 395	\$ 783	\$ 2,397	\$ 273	\$ 226	\$ 5,324
Arlington 2019	\$ 206	\$ 80	\$ 976	\$ 375	\$ 774	\$ 2,349	\$ 287	\$ 210	\$ 5,257

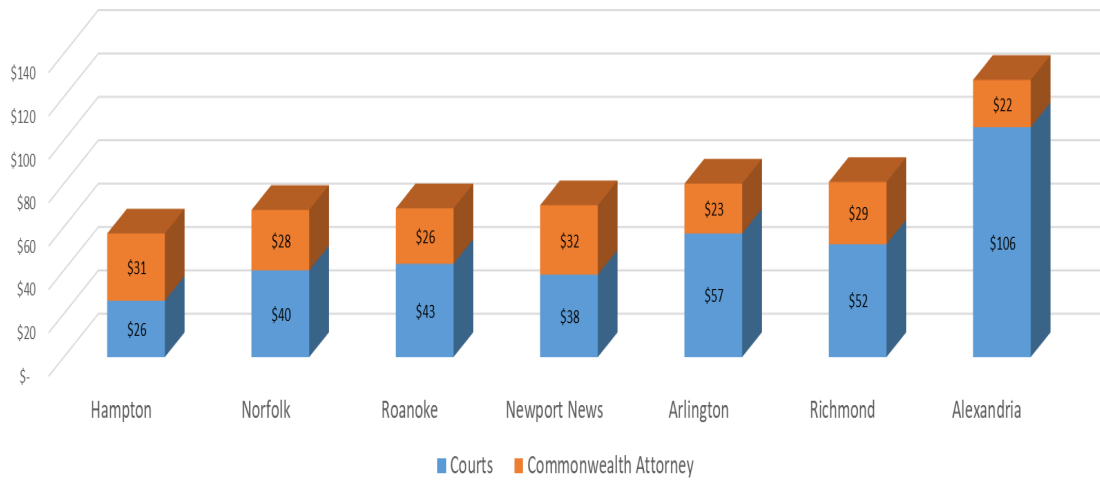
FY2020 ANALYSIS BY FUNCTIONAL AREAS



Locality	General/Finance Admin.	Legislative	Registrar	Total
Newport News	\$ 149	\$ 4	\$ 4	\$ 157
Norfolk	\$ 158	\$ 8	\$ 4	\$ 170
Richmond	\$ 157	\$ 10	\$ 9	\$ 176
Roanoke	\$ 172	\$ 7	\$ 5	\$ 184
Arlington	\$ 186	\$ 8	\$ 7	\$ 201
Hampton	\$ 237	\$ 6	\$ 5	\$ 248
Alexandria	\$ 252	\$ 7	\$ 8	\$ 267

Richmond had the 3rd lowest costs and was below the average of \$200.

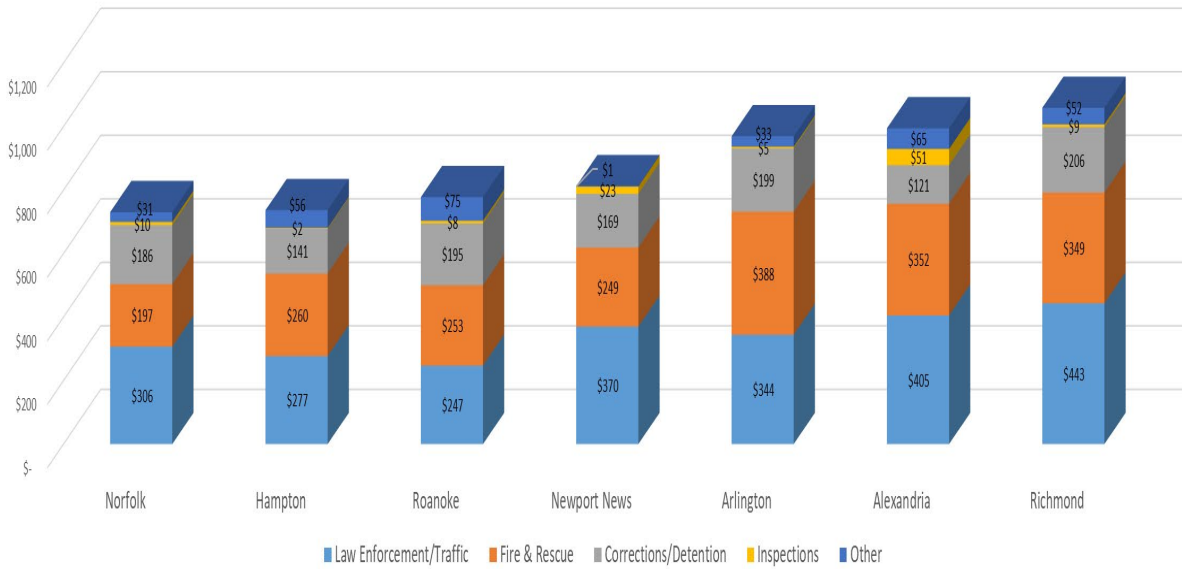
Judicial Administration Cost Per Capita 2020



Locality	Courts	Commonwealth Attorney	Total
Hampton	\$ 26	\$ 31	\$ 57
Norfolk	\$ 40	\$ 28	\$ 68
Roanoke	\$ 43	\$ 26	\$ 69
Newport News	\$ 38	\$ 32	\$ 70
Arlington	\$ 57	\$ 23	\$ 80
Richmond	\$ 52	\$ 29	\$ 81
Alexandria	\$ 106	\$ 22	\$ 128

Richmond had the 2nd highest costs of the seven and just above the average of \$79.

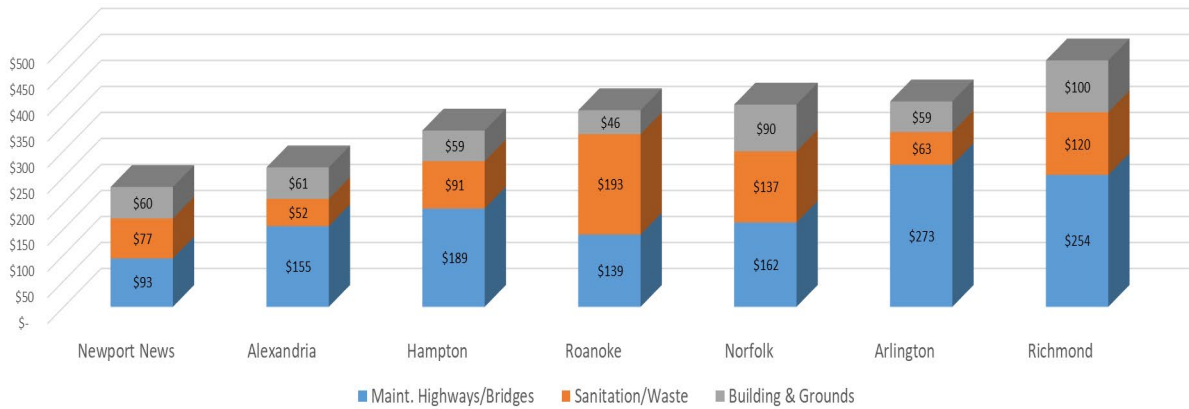
Public Safety Cost Per Capita 2020



Locality	Law Enforcement/Traffic	Fire & Rescue	Corrections/Detention	Inspections	Other	Total
Norfolk	\$ 306	\$ 197	\$ 186	\$ 10	\$ 31	\$ 730
Hampton	\$ 277	\$ 260	\$ 141	\$ 2	\$ 56	\$ 736
Roanoke	\$ 247	\$ 253	\$ 195	\$ 8	\$ 75	\$ 778
Newport News	\$ 370	\$ 249	\$ 169	\$ 23	\$ 1	\$ 812
Arlington	\$ 344	\$ 388	\$ 199	\$ 5	\$ 33	\$ 969
Alexandria	\$ 405	\$ 352	\$ 121	\$ 51	\$ 65	\$ 994
Richmond	\$ 443	\$ 349	\$ 206	\$ 9	\$ 52	\$ 1,059

Richmond had the highest costs of the seven and \$191 above the average of \$868.

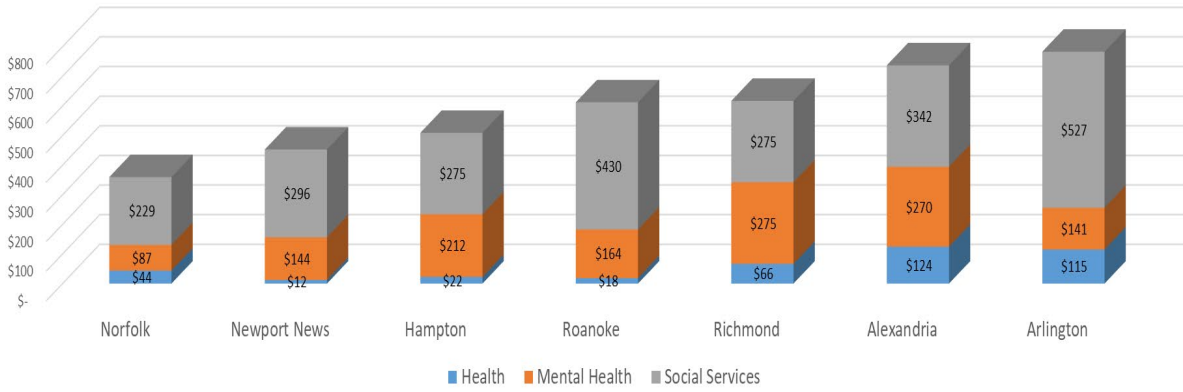
Public Works Cost Per Capita 2020



Locality	Maint. Highways/Bridges	Sanitation/Waste	Building & Grounds	Total
Newport News	\$ 93	\$ 77	\$ 60	\$ 230
Alexandria	\$ 155	\$ 52	\$ 61	\$ 268
Hampton	\$ 189	\$ 91	\$ 59	\$ 339
Roanoke	\$ 139	\$ 193	\$ 46	\$ 378
Norfolk	\$ 162	\$ 137	\$ 90	\$ 389
Arlington	\$ 273	\$ 63	\$ 59	\$ 395
Richmond	\$ 254	\$ 120	\$ 100	\$ 474

Richmond had the highest costs of the seven and \$121 above the average of \$353. The Administration provided that Richmond’s Public Works Buildings and Grounds numbers include approximately \$1.3 million in grounds maintenance costs for Parks and Recreation. This raises Public Works cost per capita and reduces Parks and Recreation cost per capita by \$6. Public Works Expenditures increased from last year in part due to a definition change causing special revenue funds to be included in this category.

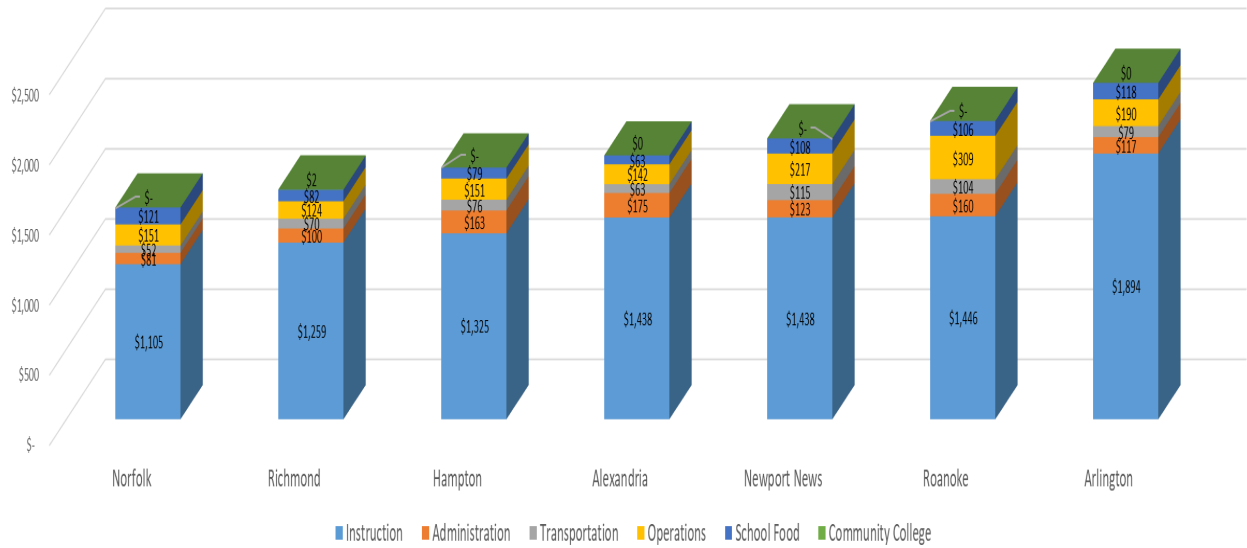
Health & Welfare Cost Per Capita



Locality	Health	Mental Health	Social Services	Total
Norfolk	\$ 44	\$ 87	\$ 229	\$ 359
Newport News	\$ 12	\$ 144	\$ 296	\$ 453
Hampton	\$ 22	\$ 212	\$ 275	\$ 509
Roanoke	\$ 18	\$ 164	\$ 430	\$ 612
Richmond	\$ 66	\$ 275	\$ 275	\$ 617
Alexandria	\$ 124	\$ 270	\$ 342	\$ 737
Arlington	\$ 115	\$ 141	\$ 527	\$ 783

Richmond had the 3rd highest costs of the seven and \$36 above the average of \$581.

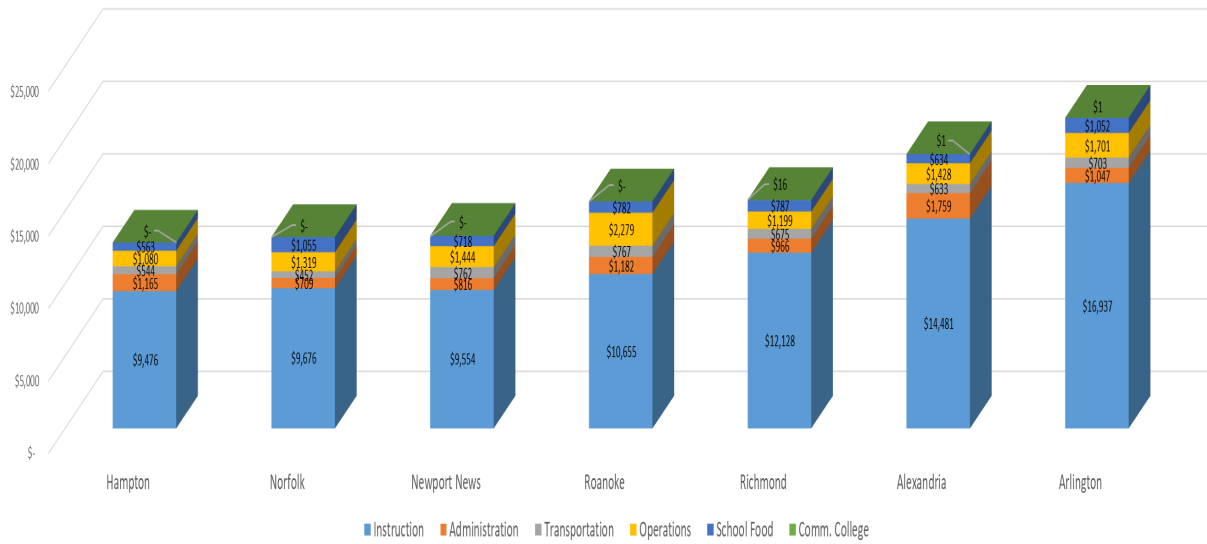
Education Cost Per Capita



Locality	Instruction	Administration	Transportation	Operations	School Food	Community College	Total
Norfolk	\$ 1,105	\$ 81	\$ 52	\$ 151	\$ 121	\$ -	\$ 1,509
Richmond	\$ 1,259	\$ 100	\$ 70	\$ 124	\$ 82	\$ 2	\$ 1,637
Hampton	\$ 1,325	\$ 163	\$ 76	\$ 151	\$ 79	\$ -	\$ 1,794
Alexandria	\$ 1,438	\$ 175	\$ 63	\$ 142	\$ 63	\$ 0	\$ 1,880
Newport News	\$ 1,438	\$ 123	\$ 115	\$ 217	\$ 108	\$ -	\$ 2,001
Roanoke	\$ 1,446	\$ 160	\$ 104	\$ 309	\$ 106	\$ -	\$ 2,126
Arlington	\$ 1,894	\$ 117	\$ 79	\$ 190	\$ 118	\$ 0	\$ 2,397

Richmond had the 2nd lowest costs of the seven and \$269 below the average of \$1,906.

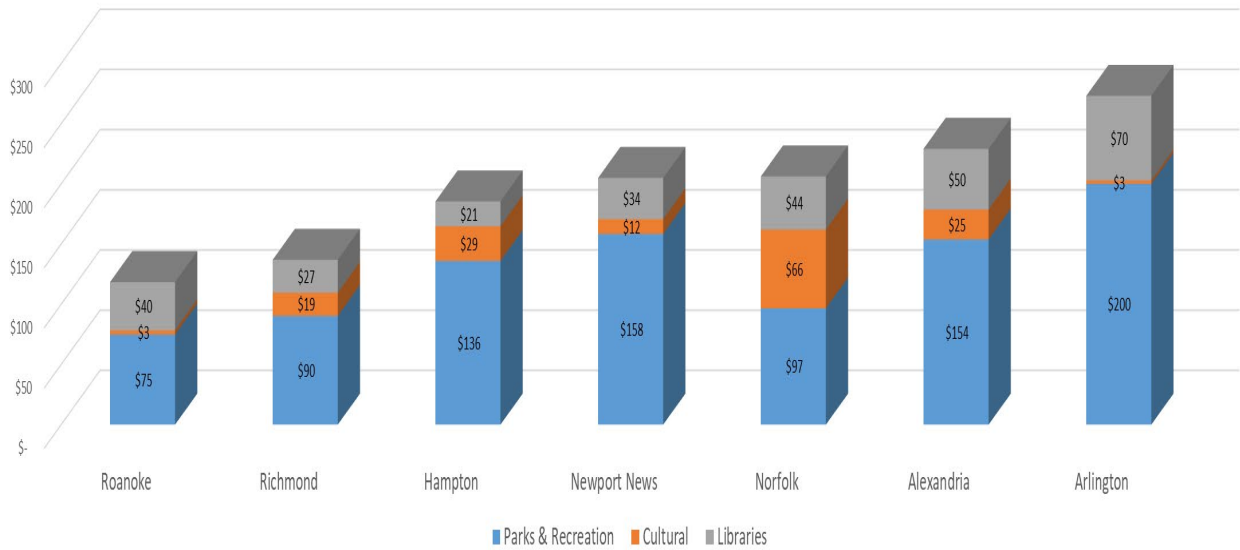
Education Cost Per Student



Locality	Instruction	Administration	Transportation	Operations	School Food	Comm. College	Total
Hampton	\$ 9,476	\$ 1,165	\$ 544	\$ 1,080	\$ 563	\$ -	\$ 12,827
Norfolk	\$ 9,676	\$ 709	\$ 452	\$ 1,319	\$ 1,055	\$ -	\$ 13,212
Newport News	\$ 9,554	\$ 816	\$ 762	\$ 1,444	\$ 718	\$ -	\$ 13,293
Roanoke	\$ 10,655	\$ 1,182	\$ 767	\$ 2,279	\$ 782	\$ -	\$ 15,664
Richmond	\$ 12,128	\$ 966	\$ 675	\$ 1,199	\$ 787	\$ 16	\$ 15,770
Alexandria	\$ 14,481	\$ 1,759	\$ 633	\$ 1,428	\$ 634	\$ 1	\$ 18,934
Arlington	\$ 16,937	\$ 1,047	\$ 703	\$ 1,701	\$ 1,052	\$ 1	\$ 21,441

Richmond had the 3rd highest costs of the seven and \$107 below the average of \$15,877.

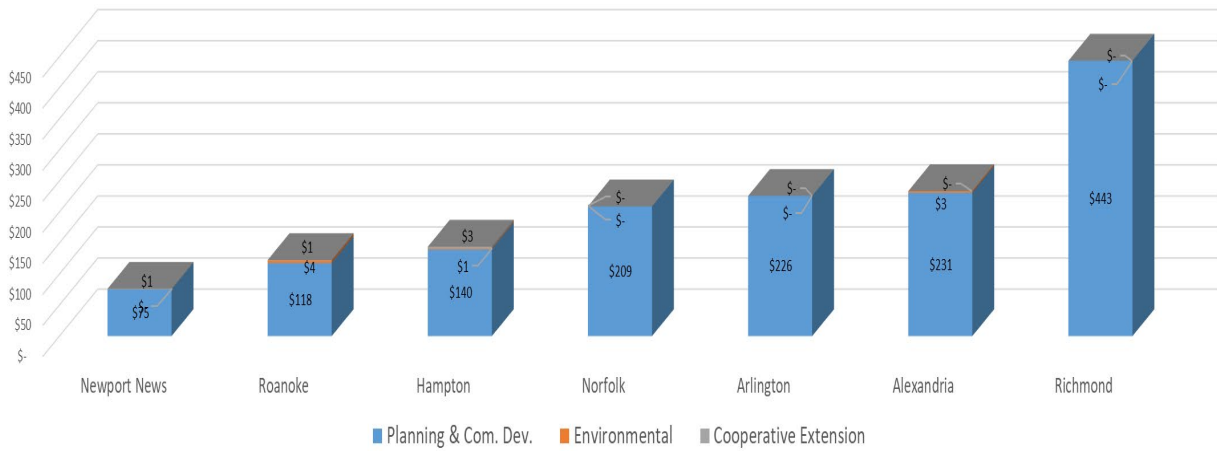
Parks & Recreation Cost Per Capita



Locality	Parks & Recreation	Cultural	Libraries	Total
Roanoke	\$ 75	\$ 3	\$ 40	\$ 118
Richmond	\$ 90	\$ 19	\$ 27	\$ 137
Hampton	\$ 136	\$ 29	\$ 21	\$ 185
Newport News	\$ 158	\$ 12	\$ 34	\$ 205
Norfolk	\$ 97	\$ 66	\$ 44	\$ 206
Alexandria	\$ 154	\$ 25	\$ 50	\$ 229
Arlington	\$ 200	\$ 3	\$ 70	\$ 273

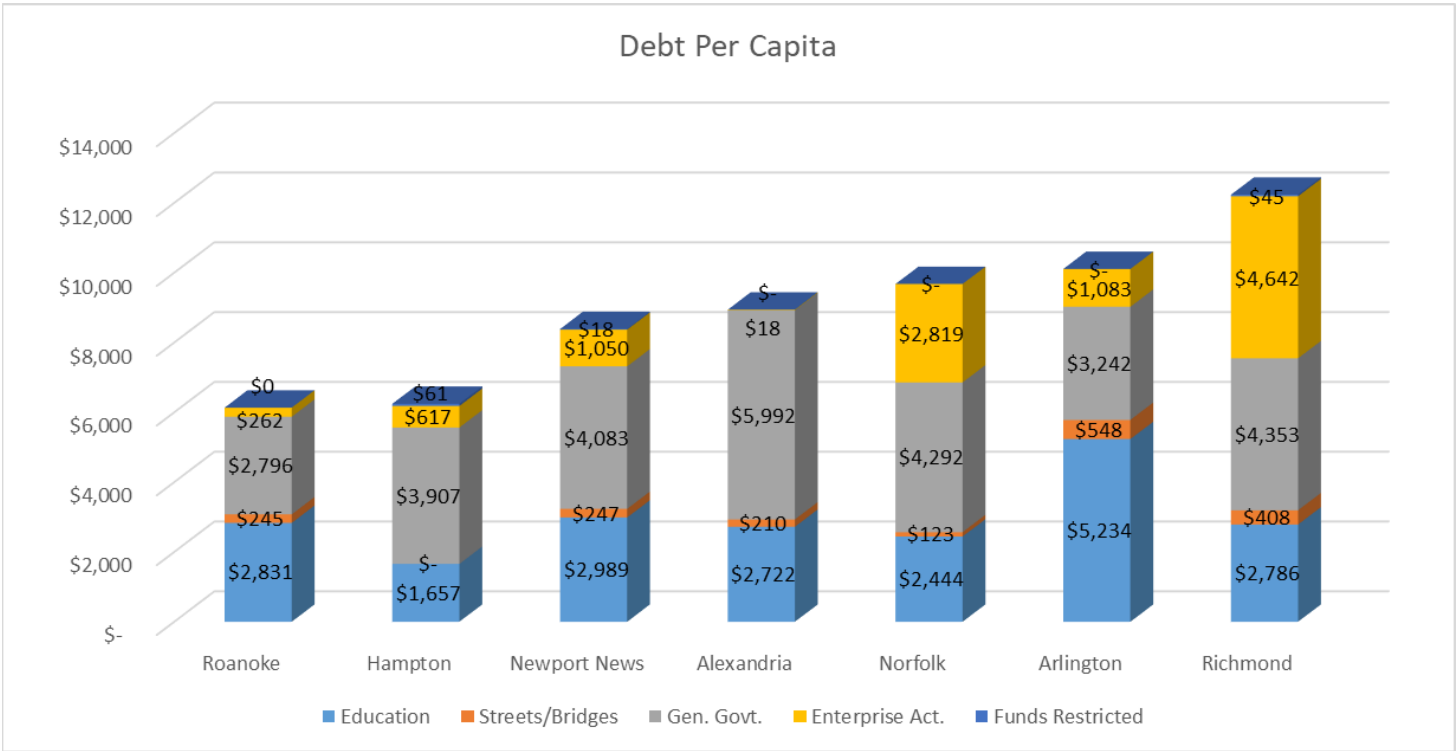
Richmond had the 2nd lowest costs of the seven and well below the average of \$193. The Administration provided that Richmond’s Public Works Buildings and Grounds numbers include approximately \$1.3 million in grounds maintenance costs for Parks and Recreation. This raises Public Works cost per capita and reduces Parks and Recreation cost per capita by \$6.

Community Development Cost Per Capita



Locality	Planning & Com. Dev.	Environmental	Cooperative Extension	Total
Newport News	\$ 75	\$ -	\$ 1	\$ 76
Roanoke	\$ 118	\$ 4	\$ 1	\$ 122
Hampton	\$ 140	\$ 1	\$ 3	\$ 144
Norfolk	\$ 209	\$ -	\$ -	\$ 209
Arlington	\$ 226	\$ -	\$ -	\$ 226
Alexandria	\$ 231	\$ 3	\$ -	\$ 233
Richmond	\$ 443	\$ -	\$ -	\$ 443

Richmond had the highest costs of the seven and well above the average of \$208. The primary cost driver for the cost per capita (\$443) for Richmond is the Richmond Redevelopment and Housing Authority with \$67.6 million of the \$100.6 million reported for this category. RRHA has other revenues that offset these expenses.



Locality	Education	Streets/Bridges	Gen. Govt.	Enterprise Act.	Funds Restricted	Total
Roanoke	\$ 2,831	\$ 245	\$ 2,796	\$ 262	\$ 0	\$ 6,134
Hampton	\$ 1,657	\$ -	\$ 3,907	\$ 617	\$ 61	\$ 6,243
Newport News	\$ 2,989	\$ 247	\$ 4,083	\$ 1,050	\$ 18	\$ 8,386
Alexandria	\$ 2,722	\$ 210	\$ 5,992	\$ 18	\$ -	\$ 8,941
Norfolk	\$ 2,444	\$ 123	\$ 4,292	\$ 2,819	\$ -	\$ 9,677
Arlington	\$ 5,234	\$ 548	\$ 3,242	\$ 1,083	\$ -	\$ 10,107
Richmond	\$ 2,786	\$ 408	\$ 4,353	\$ 4,642	\$ 45	\$ 12,235

Richmond had the highest costs of the seven and well above the average of \$8,818. Richmond’s Enterprise Activities are a primary reason debt per capita is higher and this debt is supported by user fees. Enterprise activities also serve customers outside of the city limits but in the Richmond region which can be a factor for this cost. The table to the right shows that Richmond’s General Government debt service to capita costs were the third lowest out of the seven.

General Gov't Debt Service Per Capita	
Hampton	\$ 247
Roanoke	\$ 253
Richmond	\$ 316
Newport News	\$ 356
Norfolk	\$ 370
Alexandria	\$ 441
Arlington	\$ 542

The chart below lists demographic information for the localities selected for comparison in this report. Like localities were chosen based on similarities in population, urban and industrial regions, and services provided. Localities selected were cities approximately 100,000 in population or more, from various regions of the Commonwealth of Virginia. The County of Arlington was also included due to its similarity as an urban locality like the City of Richmond.

Locality	Population (2019)	Land Area (Square Miles) (2010)	Population Density (2019)	Unemployment Rate (%) (2020)	Average Daily Membership in Public Schools (2020)
Alexandria	159,152	15	10,589	9%	15,801
Arlington	242,152	26	9,324	6%	27,074
Hampton	135,753	51	2,641	12%	18,982
Newport News	181,000	69	2,634	12%	27,249
Norfolk	245,054	54	4,528	12%	27,988
Richmond	226,841	60	3,793	13%	23,544
Roanoke	99,348	43	2,334	11%	13,481