

# City of Richmond Budget Kickoff

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DEPARTMENT OF BUDGET & STRATEGIC PLANNING

OCTOBER 13, 2021



# Budget Kickoff Agenda

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Introduction of Staff

FY23 Budget Context

Budget Process Overview

Budget Submission Process

- Instructions and Guidelines
- Template forms
- Software/Submission
- Training

Budget Checklist

Calendar of Events – Key Dates to Remember

Questions & Answers



# Budget Team

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## Budget & Management Analysts

Pearl Anderson

Kiara Jordan

Lauren “Captain” Kirk

## Budget Director

Jason May

## Management Analyst

Katrina Murray

Michael Nixon-Garrison

Terrence Banks

## Senior Policy Analyst

Meghan Brown



# Citywide Budget Context

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**WE ARE IN A PANDEMIC.....**



# Citywide Budget Context

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**WE ARE STILL IN A PANDEMIC.....**

**We are on a TEAMS meeting**

**We are still wearing masks**

**We are still riding elevators with only three people**

**We are moving into the cold season**

**AND, no one knows when this will end!**



# Citywide Budget Context

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We thought this would be over by now! Unfortunately it is not.

But it is getting better! (somewhat)

- No use of revenue stabilization in FY 21
- Admission, lodging, and meals revenues performed better at the fourth quarter but have been a mixed bag for the first part of FY 22
- Every time we think we have an understanding or begin to see trends, the economy does something different!



# Citywide Revenue

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All revenue sources will need to be scrutinized.....including departmental fees

- Still too difficult to determine the implications of COVID-19 to FY2023 revenues – Again much uncertainty



# Citywide Revenue

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- Real Estate (RE) taxes – City’s largest (single) revenue source will be looked at very closely based on Assessor’s feedback on residential and commercial property values for the upcoming year

Consumption taxes (those tied more closely to consumer spending habits) will need to be scrutinized very closely.

- Lodging Taxes
- Sales Taxes
- Meals Taxes
- Admission Taxes

These particular sources of revenues will need to be reviewed regularly – based on FY22 collections and the nature and future of the local economy





# Citywide Expenditures

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Projecting standard growth in general fund, non-discretionary expenditures in the next fiscal year to include:

- Retirement (**iS** projected to increase),
- Debt Service (**iS** projected to increase)
- Health Care (**iS** projected to increase)



# Citywide Revenues vs. Expenditures

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Since resources are limited and agency requests will far exceed resources – how can:

- *We ensure core services are maintained?*
- *Requests for additional funding best be considered?*
- *We enhance performance/Do more?*



# Citywide Budget Context

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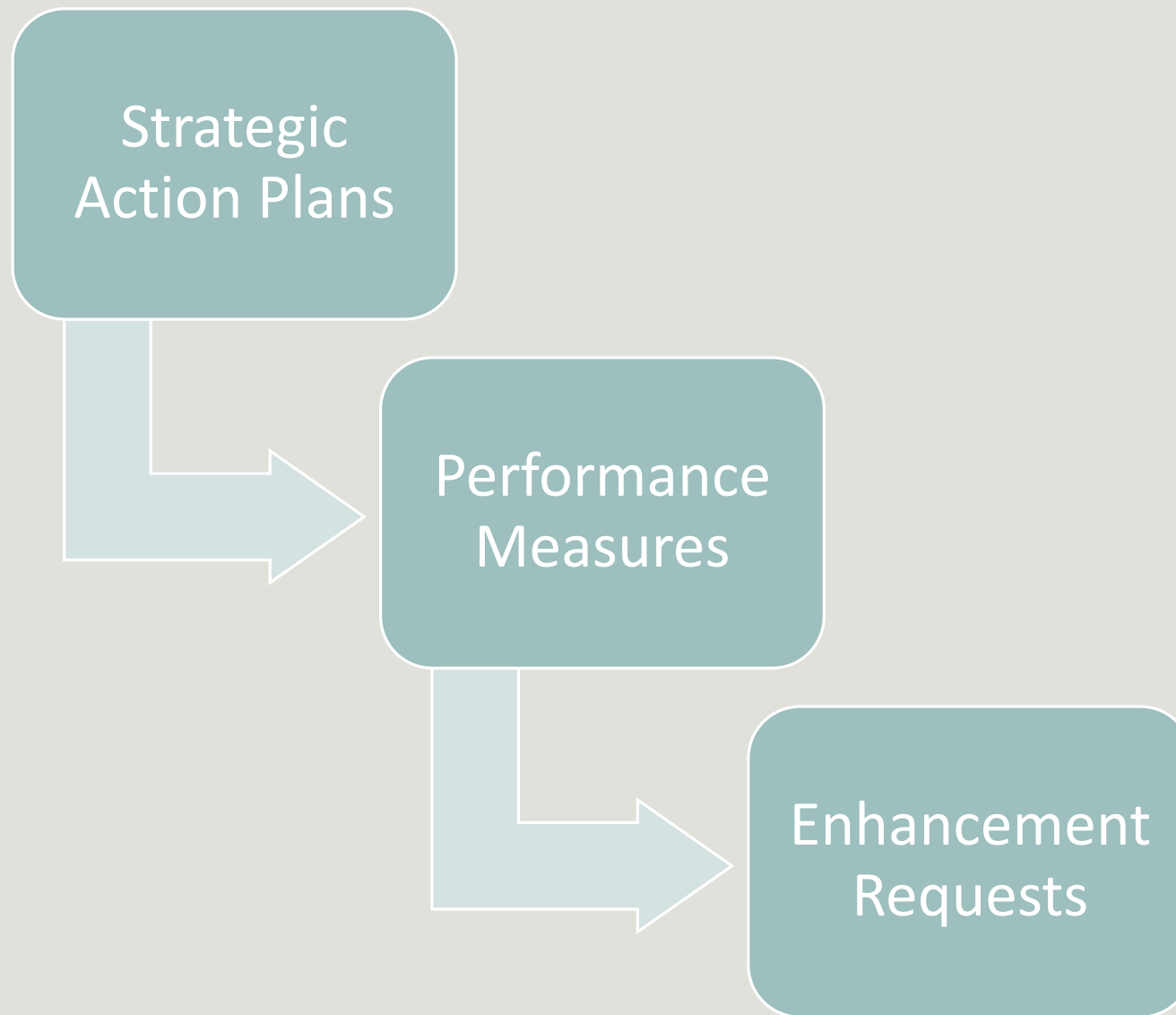
- **Strategic Action Plans**

- Continue to align departmental requests (and requests for additional funds) to organizational priorities and goals
- **Requests not aligned, should not be funded (unless there's a specific requirement/mandate)**

- **Performance Based Budget**

- Making budgetary decisions based on desired and (affordable) performance levels
- ***Moving away from evaluating line item budgets to evaluating performance/service levels and what it costs***









# Budget Submission Process

# Budget Process Overview

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- Combining the Five Year Forecast Request with Budget Submission process for FY 23
- DBSP has taken departmental budgets from zero to a base budget for FY 23
- Enhancements requests moving to OpenGov
- Personnel request will be reviewed through the Position Control Process



# Budget Process Overview

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- Personnel Requests will be filtered through and decisions will be made through the Position Control Process.
- If you have a position, funded in FY 22, you will not need to request for the position in FY 23.
- This is true whether there is a employee in that position in August, or November, or January
- This is true whether there is not an employee in that position in August, or November, or January
- Information on the personnel request process will be provided later this month



# Budget Process Overview

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FY2023 Budget Submission Process includes:

- **General Instructions and Guidelines** – Guide to assist you in completing your submissions
- **Budget Submission Templates** – Forms to capture departmental data and other mandatory and instructional information that will aid you in completing your submissions (separate from submission worksheets). All templates are in OpenGov for you
- **OpenGov**– Houses and maintains budget worksheets/submission forms for departments to key in requests and detailed justifications and where you can find your departmental instructions.
- **Training** (OpenGov and Submission) – Training on how to use OpenGov, key in and submitting your budget requests



# Budget Process Overview

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FY2023 Budget Submission Process includes:

- **General Instructions and Guidelines** – Instructions are provided for you in **OpenGov**.
  - Instructions provide general guidance on how to complete each template form that will be a part of each department's total, final submission
  - Instructions outlines each template form and describes them
- Please review all instructions and each tab (template) carefully prior to completing your budget submission



# Budget Process Overview

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- Budget Submission Template – Forms to capture departmental overview data and other mandatory information that will aid you in completing your submissions.
  - Forms include:
    - **Instructions** – overall instructions and examples for several templates
    - **Validation Checklist** – list of requirements for OpenGov and the Budget Documents
    - **PBB Template** – pre-populated for you with performance measures from SAPs and Administration focus areas
    - **Anti-poverty** – asking departments to list expenses related to anti-poverty measures
    - **Contracts** – pre-populated for you from the City-Wide Contractual listing on Starnet
    - **Special Funds** – asking departments to list out the special funds you expect in FY 23 and revenues sources
    - **Budget Calendar**
    - **Strategic Priorities**



# Budget Process Overview

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**OpenGov Software (Agency Worksheets - Submissions)** – Houses and maintains Budget Submission Instructions and Template

All Departments will submit their requests and their template - forms in OpenGov



# Budget Process Overview

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FY2023 Budget Submission Process includes:

- **Each General Fund Agency will have a Base Operating Budget.**
- Over the past 6 weeks, DBSP staff have built the base budget for you based on past expenditure rates, removing one time expenses, and reviewing the department's strategic action plans.
- All Agencies will be requested to review the base budget, adjust any funding levels based on departmental needs for FY 23, and maintain the same level of funding.



# Budget Process Overview

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Each Agency will have at least two of the three proposals in OpenGov

- **Operating Base** – this is your base budget; move funding around but ensure request equals the base
- **FY 23 – FY 27 Enhancements & Multi-Year Forecast** – this is where you will request additional funding for FY 23 and provide the long term needs for your agency over the next five years
- **Overtime/Temps/Other Personnel Base** (optional) – if your agency has overtime/temps/other personnel funding, this is where you will review and those areas of your base budget.





Q budget &

Export

Create Proposal

BUDGET & REPORTING

Network

Reports

Budgets

Data

Portal

Stories

BUDGET SUMMARY

Proposals Line Items

Budget Tour

VISUALIZATION

Proposals	Status	Created by	FY2023 Exp	FY2023 Rev	FY2023 Surplus/-Deficit	FY2024 Exp	FY2024 Rev	FY2024 Surplus/-Deficit	FY2025 Exp	FY2025 Rev	FY2025 Surplus/-Deficit
FY 23 - FY 27 Budget & Strategic Planning Enhancements & Multi-Year Forecast	IN PROGRESS	KJ Kiara ... 8 days ...	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
FY 23 Budget & Strategic Planning Operating Base DESCRIPTION: The Department of Budget and Strategic Planning monitors expenditures and revenues to ensure that	IN PROGRESS	KJ Kiara ... 17 hou...	39,529 0.00%	0 0.00%	-39,529 0.00%	39,529 0.00%	0 0.00%	-39,529 0.00%	39,529 0.00%	0 0.00%	-39,529 0.00%
FY 23 Budget & Strategic Planning Overtime/Temps/Other Personnel Base	IN PROGRESS	KJ Kiara ... a day a...	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%	0 0.00%



# Budget Process Overview

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## Operating Base Budgets

- Agencies will need to review for accuracy
- Worksheets are broken out by cost centers
- Total request must match up with the starting base budget allotment
- Base budget is not the avenue to request additional funding





# Budget Process Overview

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## FY 23 – FY 27 Enhancements & Multi-Year Forecast

- FY 23 Enhancements – This is where you will create your request for additional funding
- FY 24 – FY 27 Multi-Year – This is where you will detail the agency's needs for the next four years
- Please be strategic with these requests! Do not want \$100M worth of FY 23 request and no requests in the FY 24-FY 27 Multi-Year requests.
- Keep in mind your agencies capacity, as well as the City's!



# Budget Process Overview

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## FY 23 – FY 27 Enhancements & Multi-Year Forecast

- Enhancement requests must align with Strategic Action Plans
- Enhancement requests must align with Performance Measures
- If you request a recurring expense in FY 25, please include request in FY 26 and FY 27
- Last year we had enhancement request for FY 22 of over \$150M; capacity was ~\$5M



# Budget Process Overview

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## Enhancement & FY 24 - FY 27 Multi-Year requests:

- Analyst have created 3 enhancement worksheets to get your started
- If you need more than 3 enhancements, your analyst can and will create additional enhancement sheets
- For both the enhancements and the multi-year requests, please itemize your request by account code
- For the multi-year request, if making a recurring expenditure request, please ensure the request is found in each subsequent year
  - For example, if I am request \$100,000 for management services in FY 25, and this is a recurring expense; I need to ensure the request is also found in FY 26 and FY 27.



BUDGET & REPORTING >



Network



Reports



Budgets



Data



Portal



Stories

PROPOSAL SUMMARY

Proposal Details **Expenses** Revenues Activity

> VISUALIZATION

**Expenses** Select a worksheet below to view details and/or make adjustments

Name	FY2023 Base	FY2023 Adjustments	FY2023 %	FY2023 Proposed	FY2024 Base	FY2024 Adjustments	FY2024 %	FY2024 Proposed	FY2025 Base	FY2025 Adjustments	FY2025 %	FY2025 Proposed
<b>Worksheet Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>
FY 23 Enhancement #1	0	0	0.00%	0	0	0	0.00%	0	0	0	0.00%	0
FY 23 Enhancement #2	0	0	0.00%	0	0	0	0.00%	0	0	0	0.00%	0
FY 23 Enhancement #3	0	0	0.00%	0	0	0	0.00%	0	0	0	0.00%	0
FY24 - FY27 Multi-Year	0	0	0.00%	0	0	0	0.00%	0	0	0	0.00%	0

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# Budget Process Overview

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## Overtime/Temps/Other Personnel Base

- If you have no Overtime/Temps/Other Personnel you may not have this proposal
- If you do have these expenses, please review and modify the budget; while remaining under the base budget amount.
- Additional requests will be listed as an enhancement and placed within the enhancement and multi-year forecast



# Budget Process Overview

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## Revenues

- Agencies will need to review for accuracy
- Worksheets are not broken out by cost centers; revenues are department wide
- Increases in revenues or increases in fees should be discussed with your analyst



# Budget Process – Training Overview

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- **Training (OpenGov and Submission)** – Training on how to use OpenGov, key in and submit your budget requests, and review template forms.
  - Training will be provided on OpenGov and its features to use in submitting your requests, etc.
  - Training includes a general overview of each submission template that is to be completed
  - Training will be a video – link to be provided that can be viewed at any time

**Please reach out to your analyst to ensure all members of your team who need OpenGov access have OpenGov access.**



# Budget Process – Training Overview

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- **Training (OpenGov and Submission)** – Training on how to use OpenGov, key in and submit your budget requests, and review template forms
  - A live Q and A session via Microsoft Teams for all agencies will be held on October 20<sup>th</sup> at 3pm
  - A general follow-up on the overall budget process to be held via a live Q and A session on Microsoft Teams on this Thursday October 27<sup>th</sup> from 10:30 – 11:30am





# UPCOMING TRAINING

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## DEPARTMENTAL TRAINING

Virtual training on how to complete your FY2023 budget submission in OpenGov.

### Training Objectives Include:

- Review of OpenGov and its features for use in submitting requests
- How to modify operating bases and ensure the total request remains unchanged
- How to enter enhancement requests and five year requests
- Demonstrating editing, sorting, and filtering data by accounting fields
- Overview on how to complete template forms (will need to be downloaded and re-uploaded in OpenGov)

All submissions are now cloud based



# Budget Checklist

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## BUDGET PREPARATION CHECKLIST:

### OpenGov Items

- ✓ Revenue Base Budget Worksheet review
- ✓ Operating Base Budget Worksheet review
- ✓ Overtime/Temps/Other Personnel Worksheet review
- ✓ FY 23 – FY 27 Enhancements & Multi-Year Forecast completed
- ✓ Budget Submission Template upload
- ✓ Mission, vision, and other departmental information reviewed on OpenGov



# Budget Checklist

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## BUDGET PREPARATION CHECKLIST:

### Budget Submission Documents

- ✓ Performance Based Budget Template
- ✓ Anti-Poverty Initiative Listing
- ✓ Contracts
- ✓ Special Revenue Fund Request



# KEY DATES TO REMEMBER

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**October 13<sup>th</sup>** – Budget Kickoff (Budget training link live)

**October 20<sup>th</sup>** – General budget process Q&A session

**October 27<sup>th</sup>** – General budget process Q&A session

**November 12<sup>th</sup>** – FY2023 Departmental Operating Budget Submissions Due (Mandatory)



# BUDGET CALENDAR – UPCOMING EVENTS

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- September:** Capital Budget Requests (new and active) due back to Budget through OpenGov
- October:** FY23 Operating Budget and Multi-Year Forecast Kickoff - To include guidance on budget process and instructions on submissions
- OpenGov training on submitting requests and training on budget instructions
- Base Budget and Base Revenues Presented to ACAO
- CIP Departmental presentations to Task Force and Team
- November:** 1st Quarter Reports submitted to City Council
- Budget and Finance meet to discuss Debt affordability, all CIP funding sources, and recommended projections to be included or excluded in upcoming CIP
- Debt budget due (General Fund Contribution as well as Debt Service budget)
- Department operating and multi-year submission due - No submissions will be accepted after the deadline
- Department of Public Utilities budget due (including rate recommendations)



# BUDGET CALENDAR – UPCOMING EVENTS

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## December:

DBSP presents preliminary balanced CIP, with taskforce's recommendations to Mayor and Mayor's staff

Preliminary FY23 - FY27 Revenue projection completed

Preliminary 5 Year Forecast complete

**Budget meetings with Department Directors (to include CAO and Cabinet)**

## January:

Draft Citywide revenue and expenditure summary completed

Preliminary budget recommendations (operating and CIP) showing alignment with Mayoral priorities and citizen priorities drafted for Mayor/CAO

5 Year Forecast presented to City Council

## February:

Operating Budget Balancing Meeting (s) with CAO and Mayor

**Meet with Department Directors to review initial recommendations**

Final budget meeting(s) with Mayor to solidify final recommendations for all funds. Deadline for balanced budget

Budget document development (Operating and Capital)



# BUDGET CALENDAR – UPCOMING EVENTS

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March: Mayor's Proposed FY23-FY27 CIP presented to Planning Commission

Mayor presents FY23 Budget to Council by 3pm

City Council Budget Work Sessions (Schedule set by City Council)

April: City Council Budget Work Sessions (Schedule set by City Council)

Council Public Hearing on Budget, including HUD funds (Schedule set by City Council)

City Council submits Budget amendments to City Council Chief of Staff (Schedule set by City Council)

City Council Budget Work Sessions on amendments

May: City Council introduces budget amendments (Schedule set by City Council)

Public Hearing & Council Budget Adoption of RPS (All Funds including General Fund could be adopted as well). Pursuant to VA Code: 22.1-93, City Council must adopt a budget for Richmond Public Schools by May 15 or within 30 days of receipt of state school funding estimates to localities, whichever shall occur later.

Public Hearing & City Council Budget Adoption of all funds (exclusive of RPS and Federal Funds). Last date for City Council to adopt the budget or Mayor's Proposed Budget is adopted



# QUESTIONS & ANSWERS

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