The seal of the City of Richmond is a circular emblem. It features a central figure of a person standing on a globe, holding a staff. The figure is surrounded by a ring of stars. The outer border of the seal contains the text "CITY OF RICHMOND" at the top and "ESTABLISHED 1737" at the bottom. The seal is rendered in a light gray, semi-transparent style.

BUILDING FOR THE FUTURE PROPOSED FISCAL YEAR 2024 BUDGET

CITY COUNCIL BUDGET WORKSHOP

LINCOLN SAUNDERS

CHIEF ADMINISTRATIVE OFFICER

MARCH 13, 2023

EMERGING FROM THE PANDEMIC

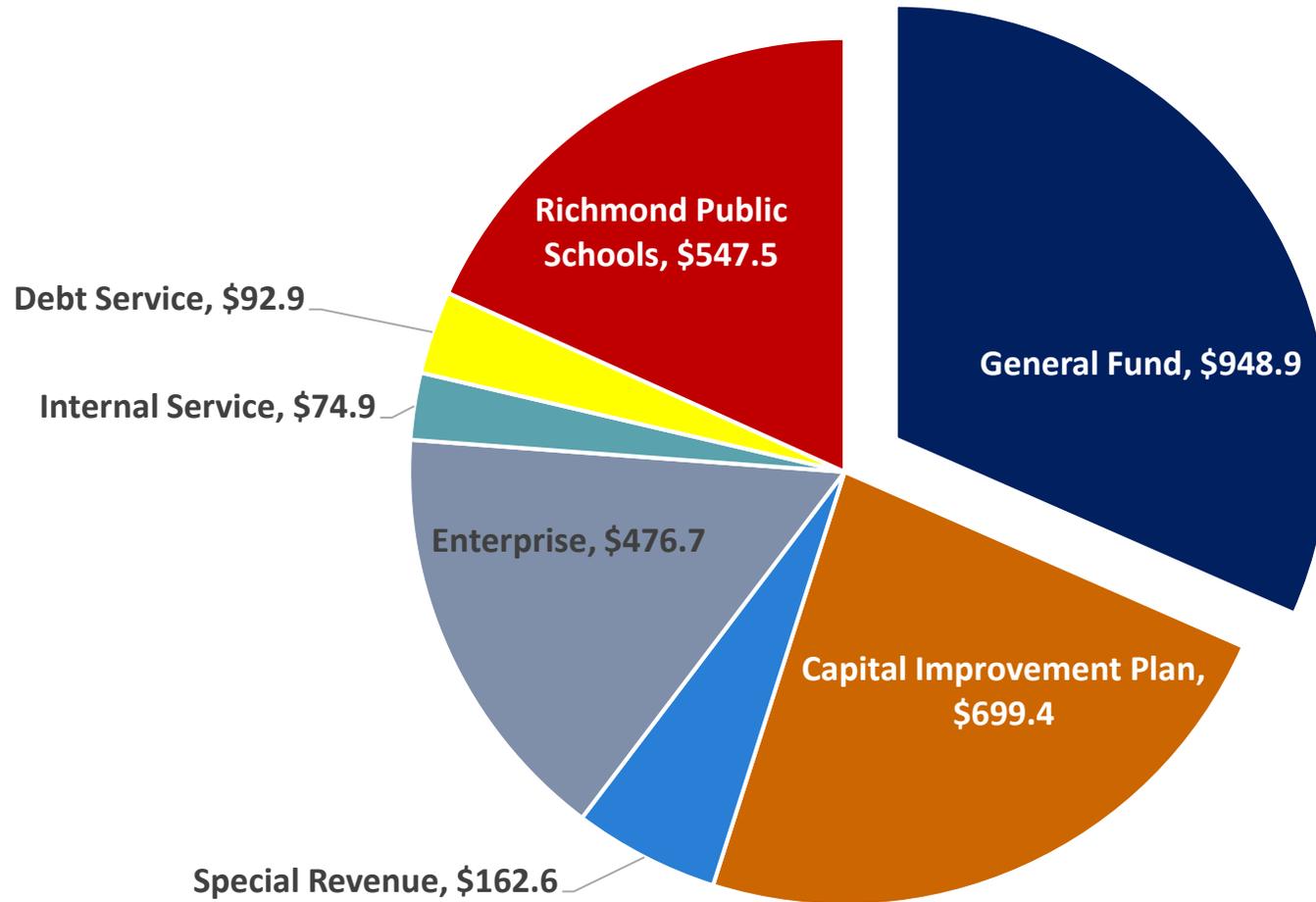
- We are undergoing one of the most significant historical changes experienced in our time.
- The way we operate will change and new businesses will emerge.
- We are already seeing a shift in how we need to provide services.
- Essential services like healthcare, energy and natural resources, water, and emergency services will continue to be in demand, although the business models for these industries may change.



PROPOSED FY 2024 BUDGET IS \$3.0 BILLION



Proposed FY 2024 All Funds



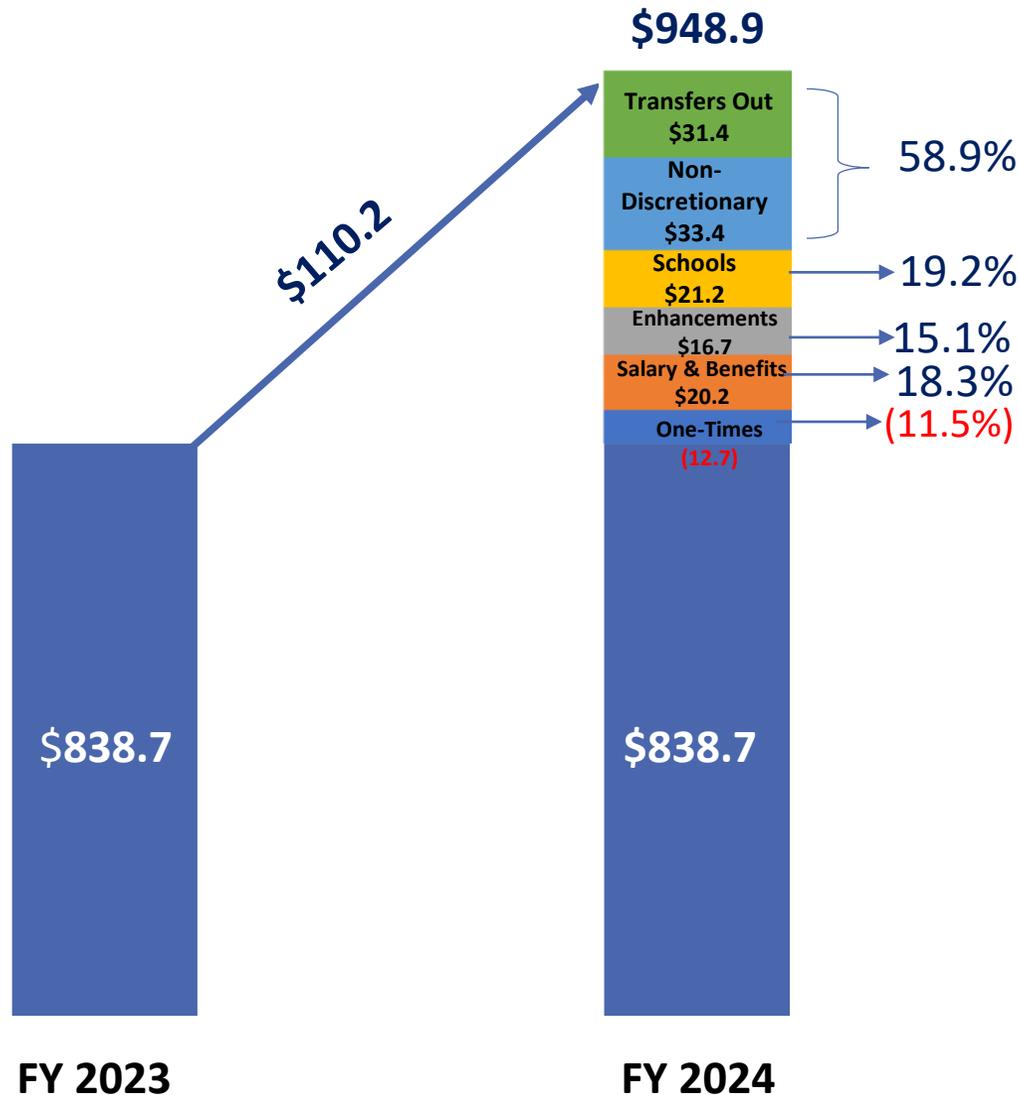
**General Fund is
31.6 percent**

- General Fund
- Capital Improvement Plan
- Special Revenue
- Enterprise
- Internal Service
- Debt Service
- Richmond Public Schools

Amounts shown in millions



FY 2024 PROPOSED BUDGET



FY 2023

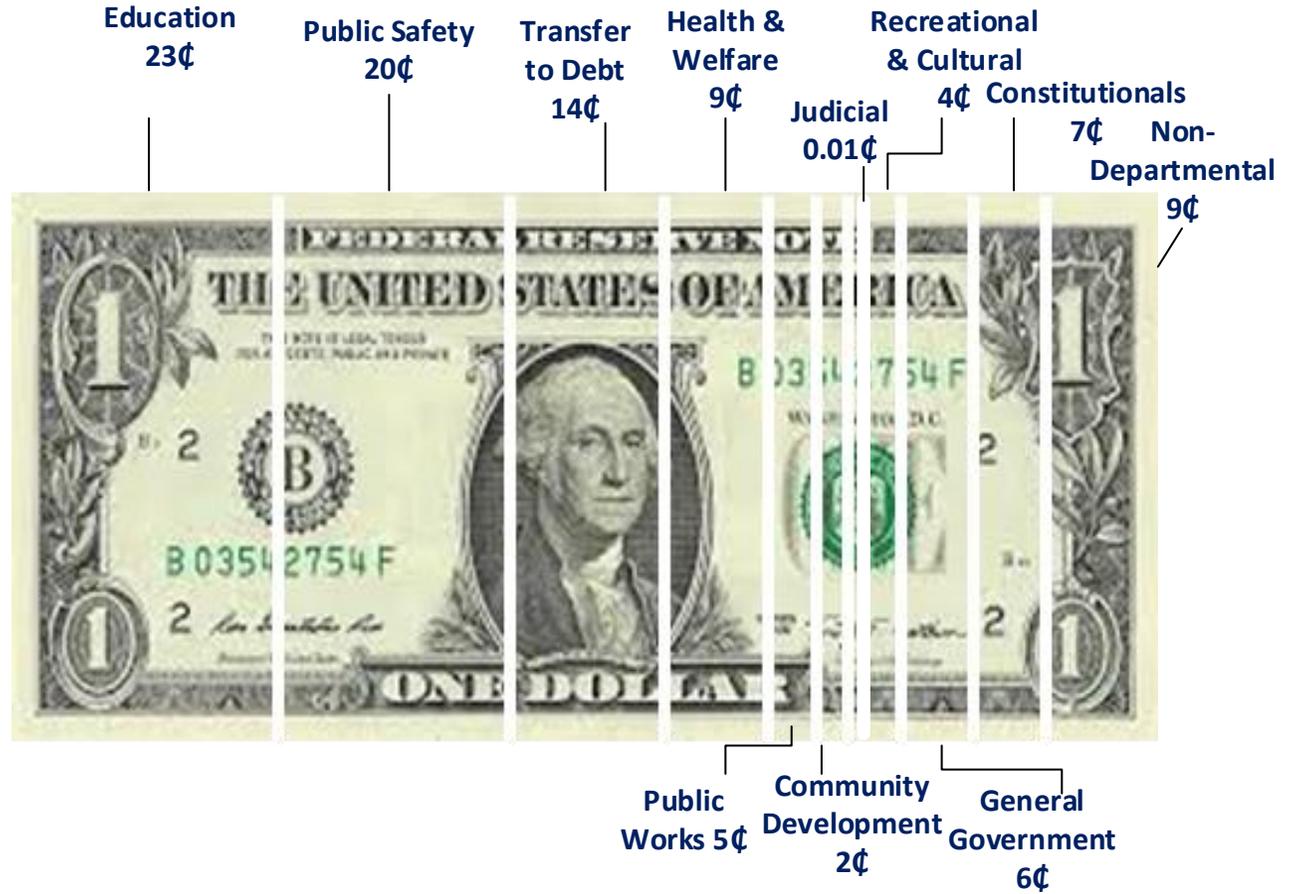
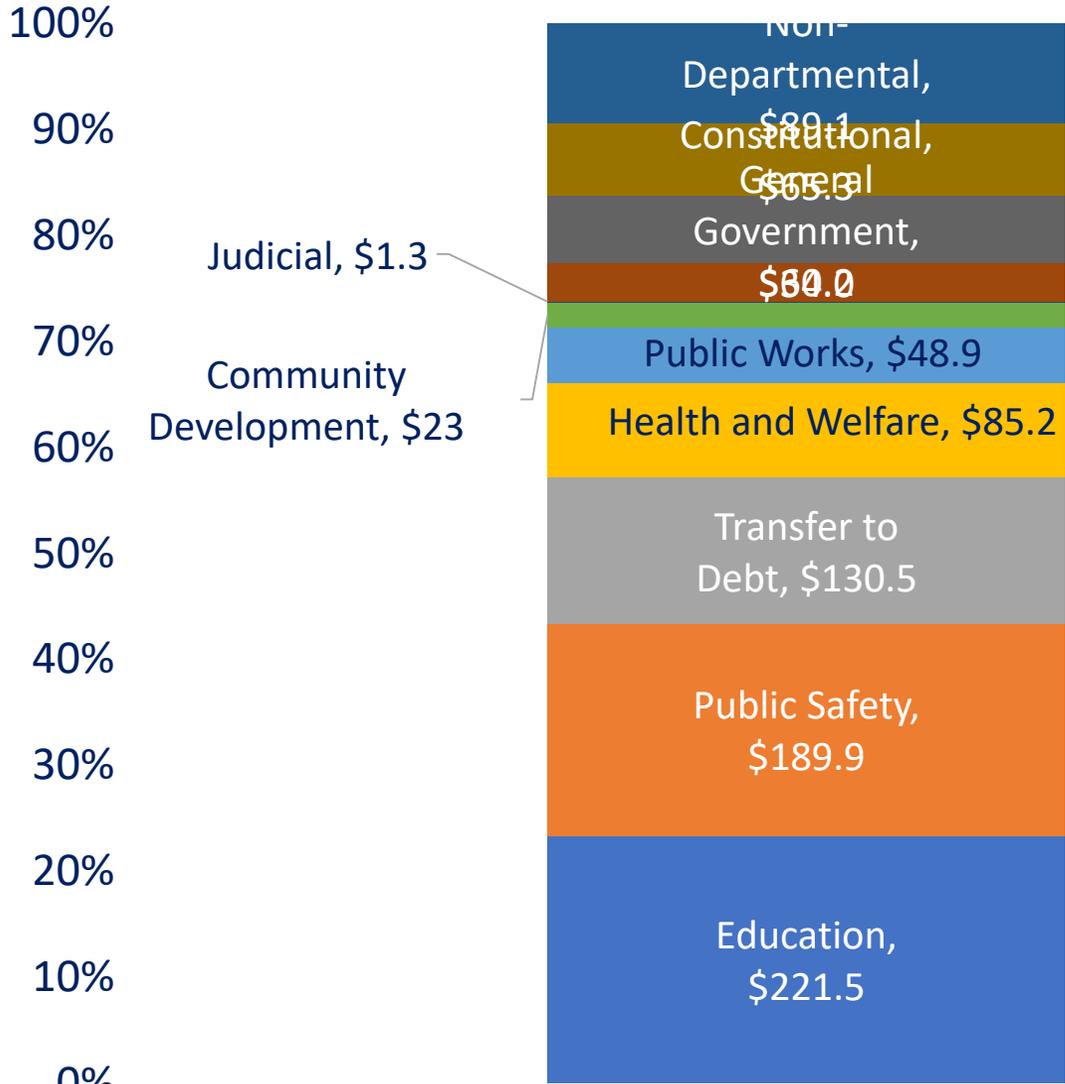
FY 2024

Amounts shown in millions

- Total growth is 10.6%
(less transfers and one-times = \$21,630,954)
- 59% or \$64.9 million of the growth is non-discretionary
- Local contribution to Richmond Public Schools is the second largest expenditure
- Employee salary increases and benefits are third



HOW A DOLLAR IS SPENT



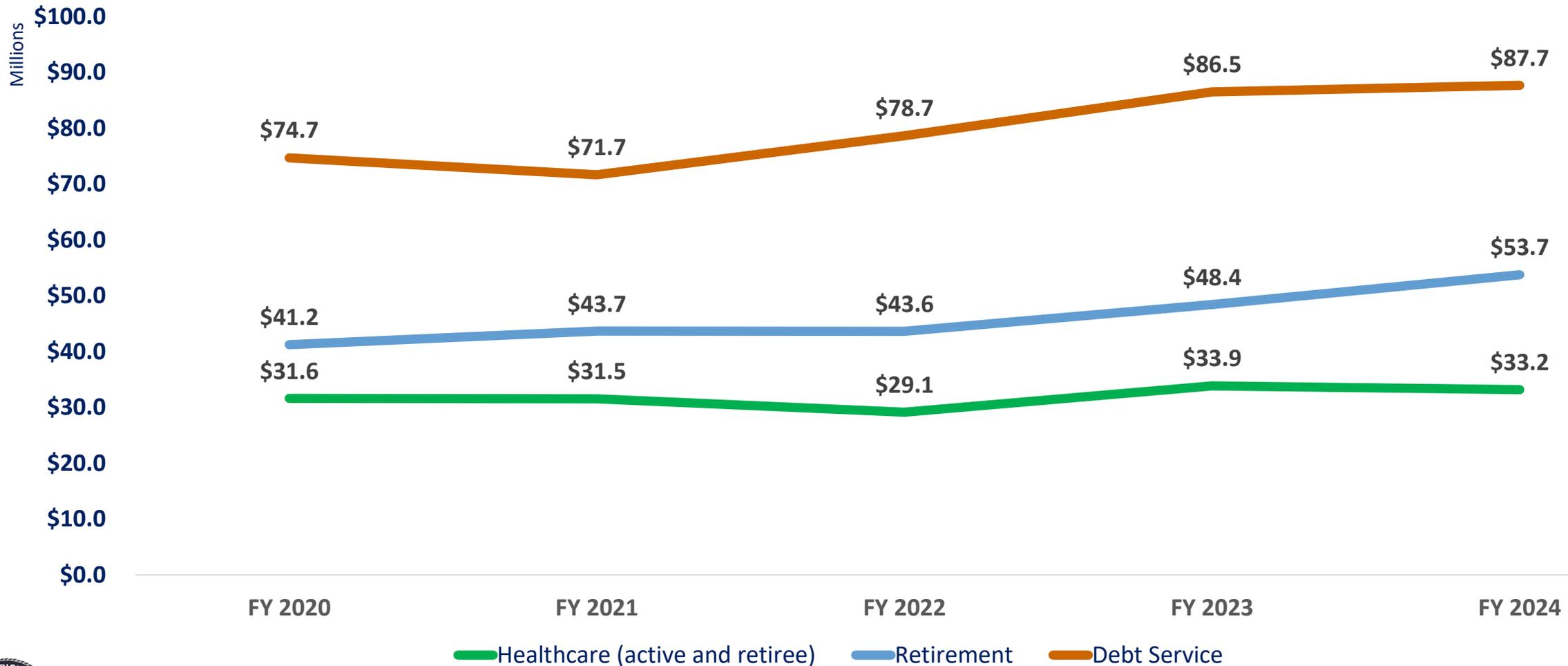
Amounts shown in millions



BUDGET DRIVERS ARE MORE THAN 18% OF EXPENSES IN FY 2024



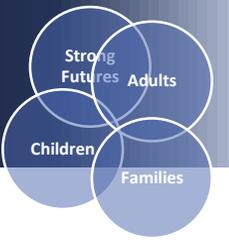
General Fund Budget Drivers



Amounts shown in millions. FY 2020 – FY 2022 reflect actual amounts and FY 2023 – FY 2024 represent budget amounts.



ENGAGING YOUTH AND COMMUNITIES



Over \$3.0 Million Additional

\$1.0 million

- Next UP Positive Youth Development

\$501,102

- Trauma Healing Response Network

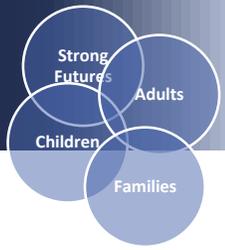
\$244,000

- We Matter Program

\$1.2 million

- 3 additional Out of School Time Centers

RICHMOND PUBLIC SCHOOLS SUPPORT

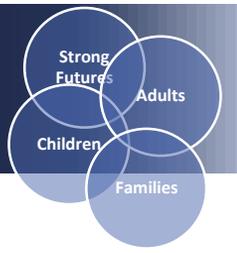


- March 31 Average Daily Membership, or ADM, is the student enrollment count that drives most state funding
- ADM is the total days in membership for all students, grades K through 12, over the school year divided by the number of days school was in session.
- School divisions receive state funding based on their students' ADM as of March 31 of the fiscal year.
- The budget is based on a projected FY2024 March 31 student ADM of 19,158.

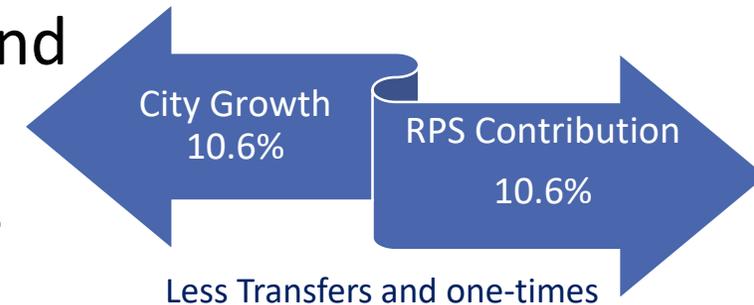
Source: Richmond Public Schools, FY 2024 School Board Approved Budget.



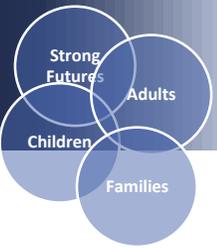
METHODOLOGY FOR FUNDING SCHOOLS



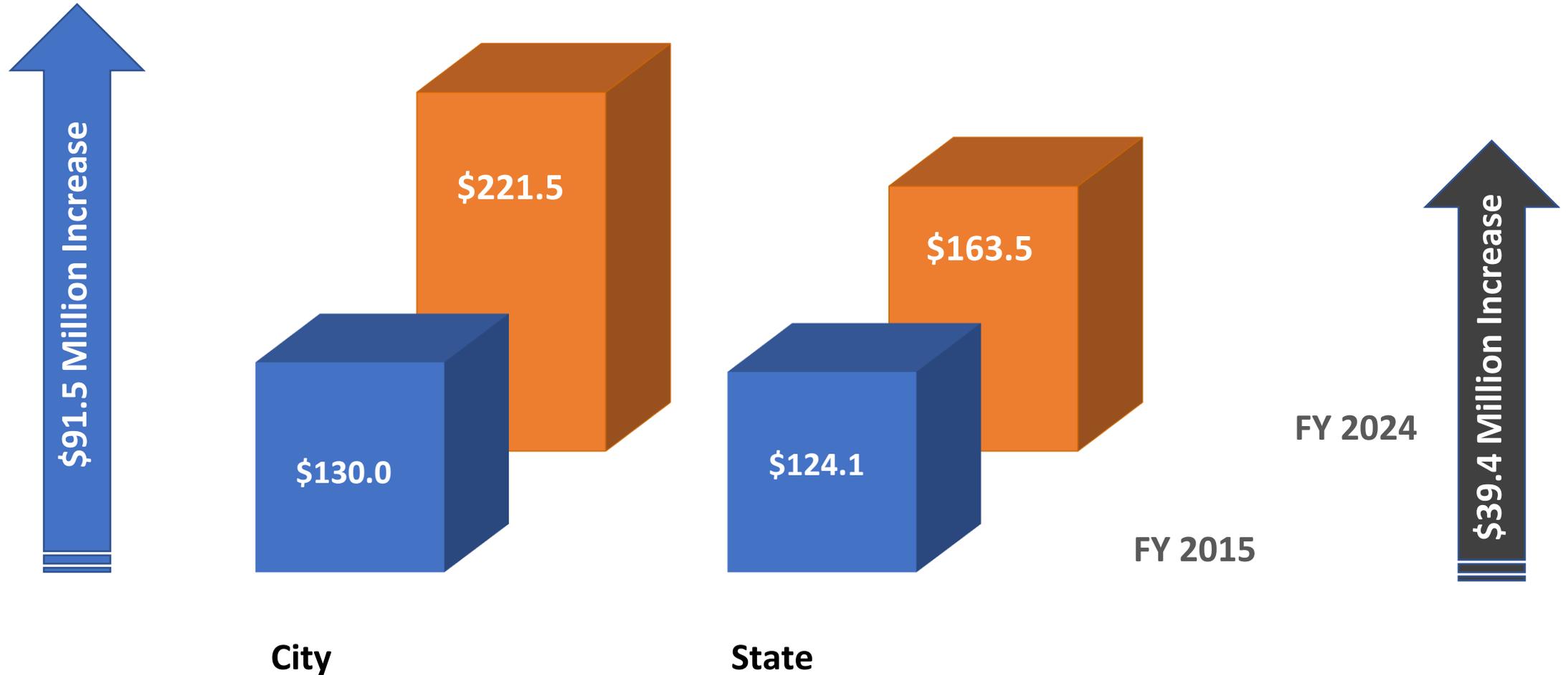
- School divisions are fiscally dependent on the local government.
- Richmond Public Schools (RPS) cannot levy taxes or issue debt.
- All funds are appropriated by City Council
- The state mainly uses an enrollment-based formula to fund schools.
- School funding is apportioned between the state and the locality.
- The Proposed FY 2024 Budget uses a new methodology to allocate funding to schools.
 - Needs refinement to account for dedicated revenue which can only be used for specific purposes.



LOCAL FUNDING HAS ALMOST DOUBLED IN TEN YEARS



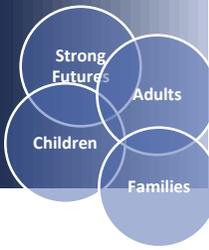
Ten-Year Look at State and Local Funding for RPS FY 2015 to FY 2024



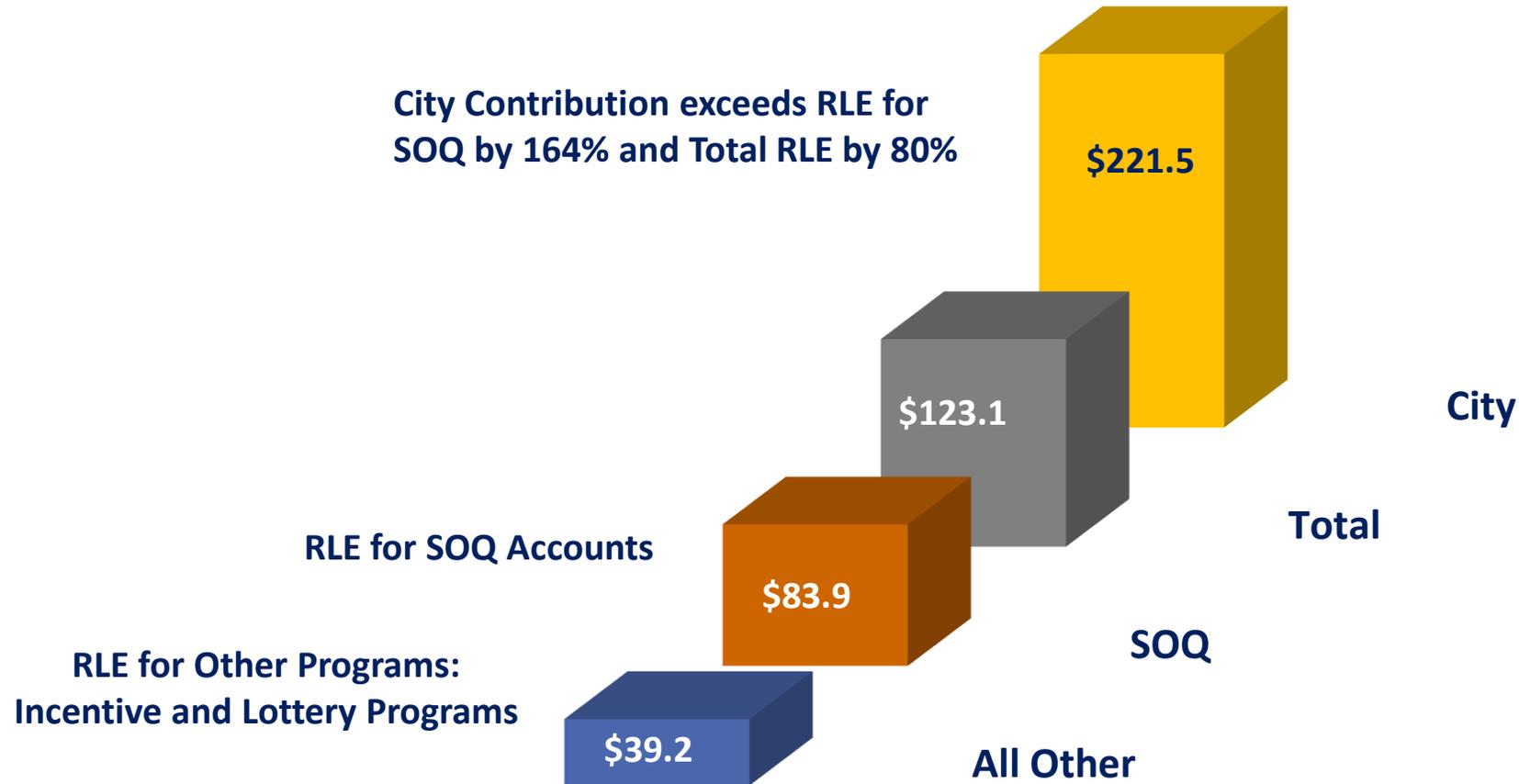
Amounts shown in millions. Source: FY 2015, Table 15 of the Superintendent's Annual Report for Virginia for state amount and ADM.
FY 2024 amounts are from VADOE, amendments adopted by 2022 Special Session I, GA 2022-2024 Budget and RPS ADM projection of 19,158



CITY PROVIDES ALMOST THREE TIMES MORE THAN THE STATE REQUIRED LOCAL EFFORT FOR STANDARDS OF QUALITY (SOQ)



Comparison of Required Local Effort (RLE) and City Contribution



Amounts shown in millions. Amounts are based on Virginia Department of Education's Projected FY 2024 RLE, Special Session I, 2022-2024, and RPS ADM projection of 19,158.

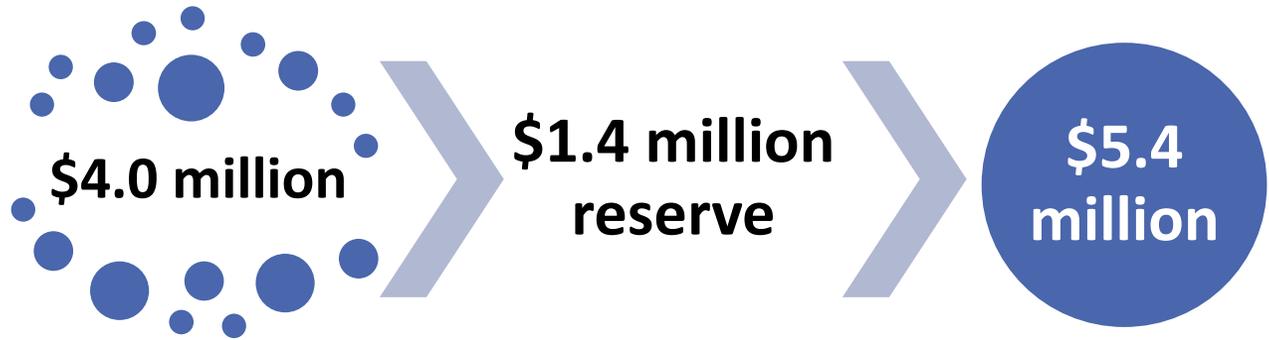


EMERGENCY RESPONSE SERVICES

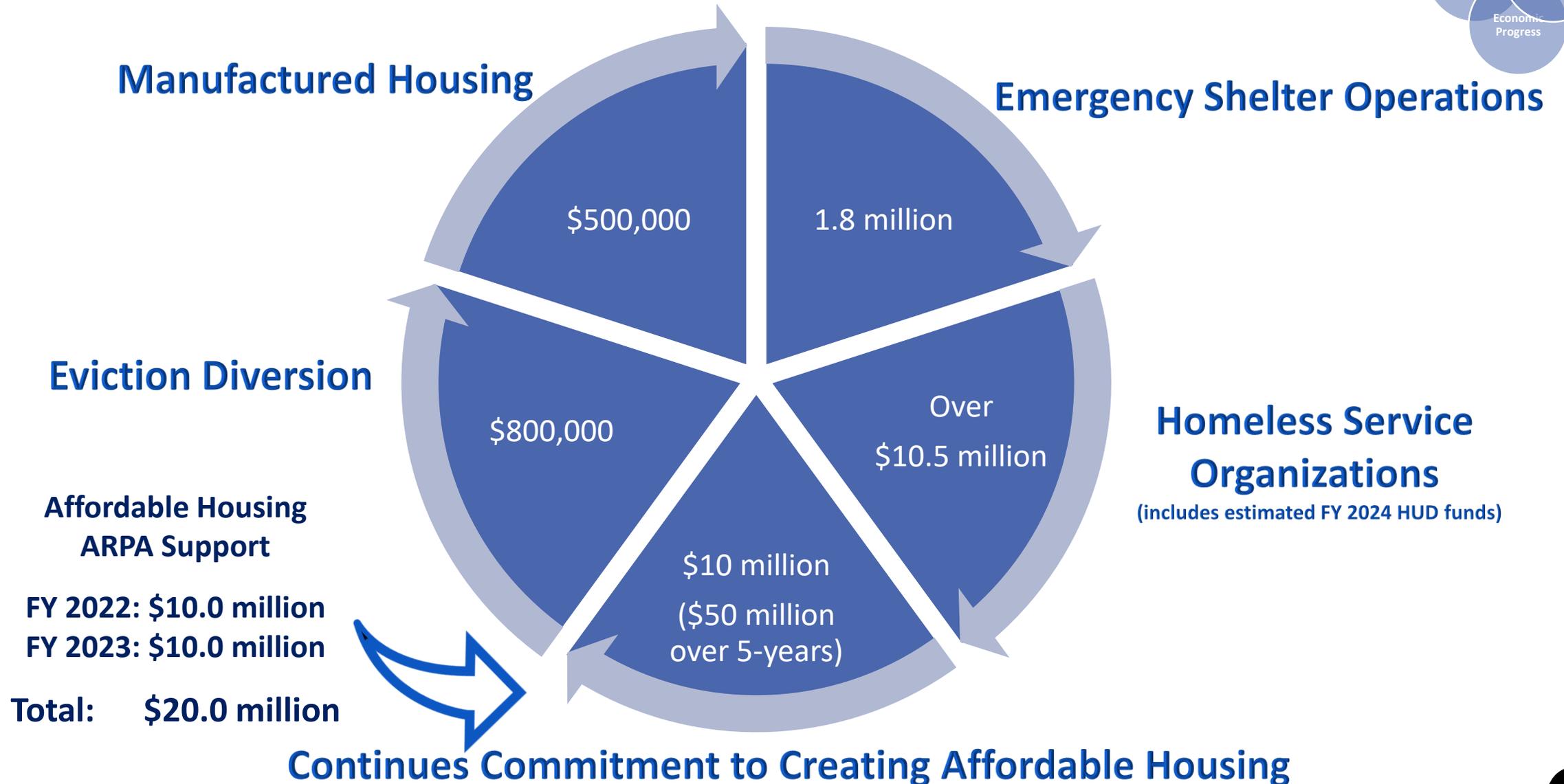


- Assessment conducted by Accenture of Richmond Ambulance Authority
- Additional funds placed in reserve account to be released based on implementation of recommendations from the assessment

FY 2024



OVER \$21.4 MILLION IN HOUSING SERVICES IN FY 2024



**Affordable Housing
ARPA Support**
FY 2022: \$10.0 million
FY 2023: \$10.0 million
Total: \$20.0 million



SUPPORTING OUR ECONOMIC DEVELOPMENT PARTNERS

Planned Growth

Affordable Housing

Economic Progress

\$3.0 Million Additional



GRCCA
\$1.5 million
Total =
\$8.2 million



GRTC
\$240,000
Total = \$8.9 million



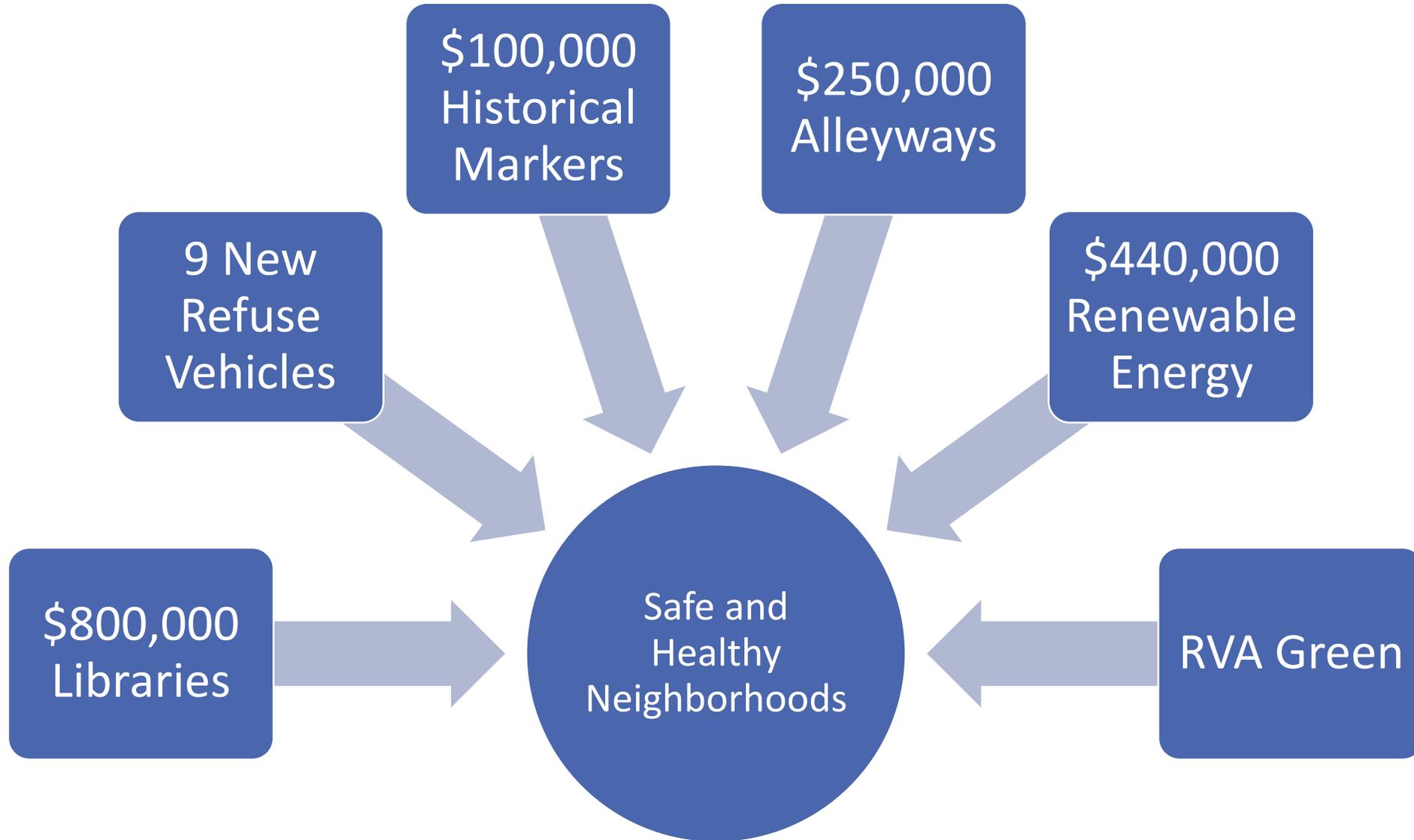
Richmond Region
Tourism
\$1.0 million
Total = \$1.9 Total



Venture Richmond
\$175,000
(Manchester)
Total = 1.1 million

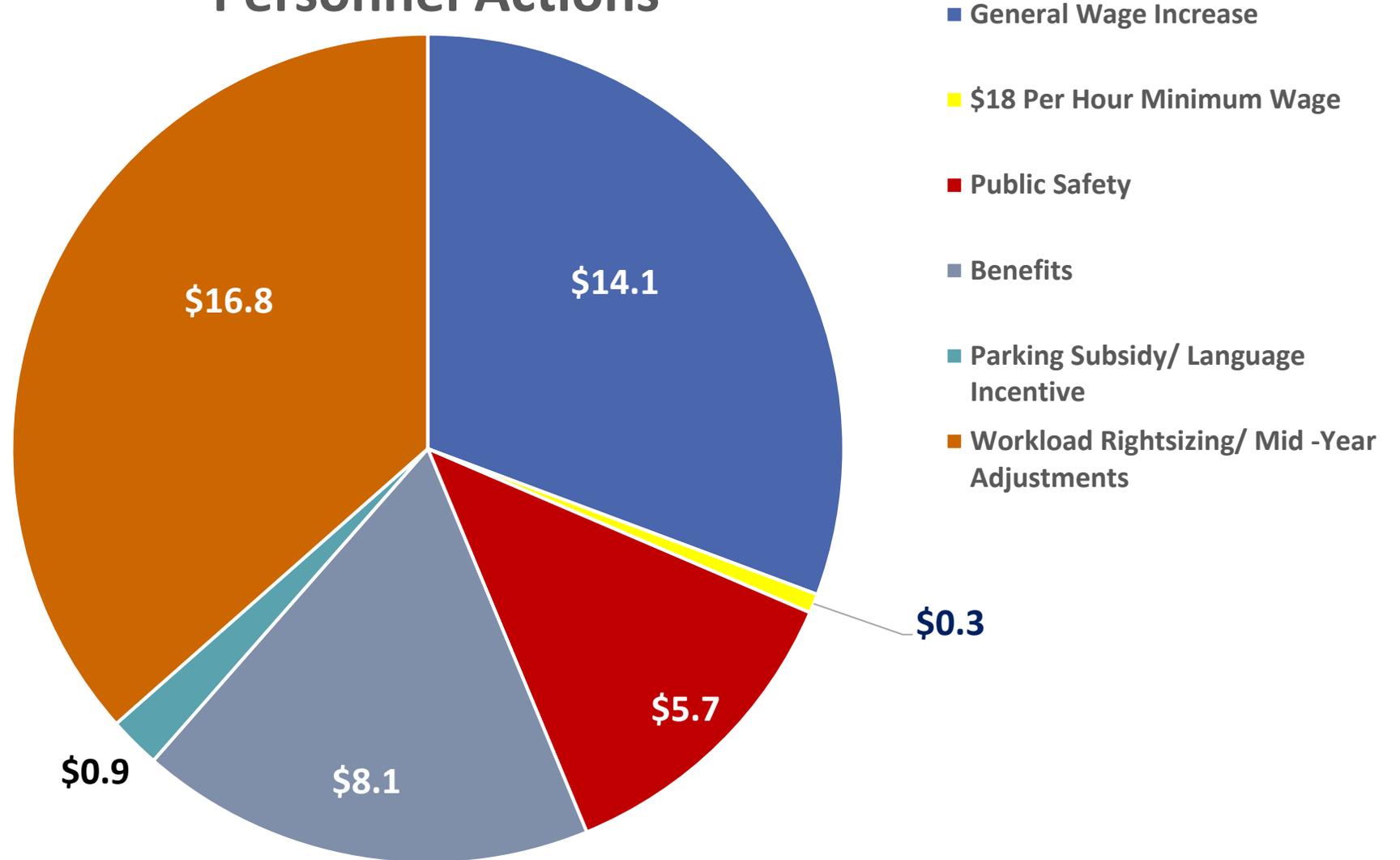


INVESTING IN OUR NEIGHBORHOODS





Personnel Actions



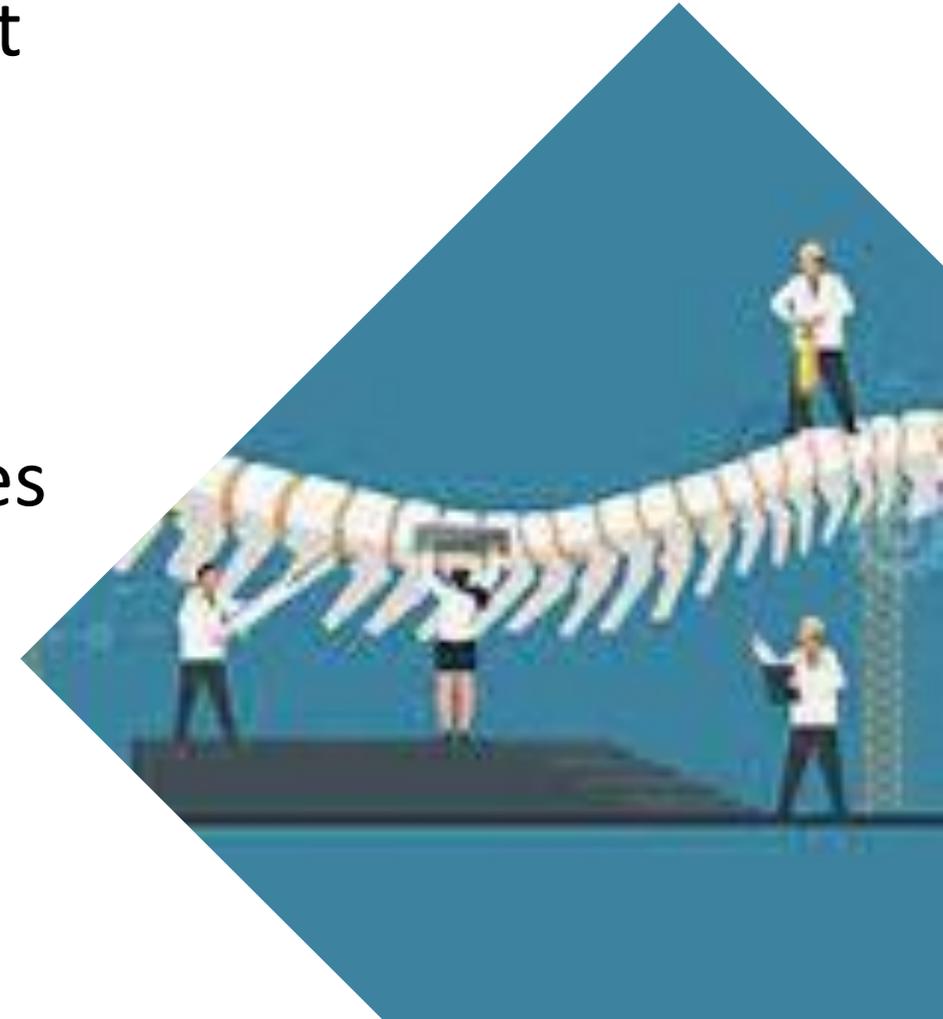
Amounts shown in millions



STRENGTHENING OUR FOUNDATION



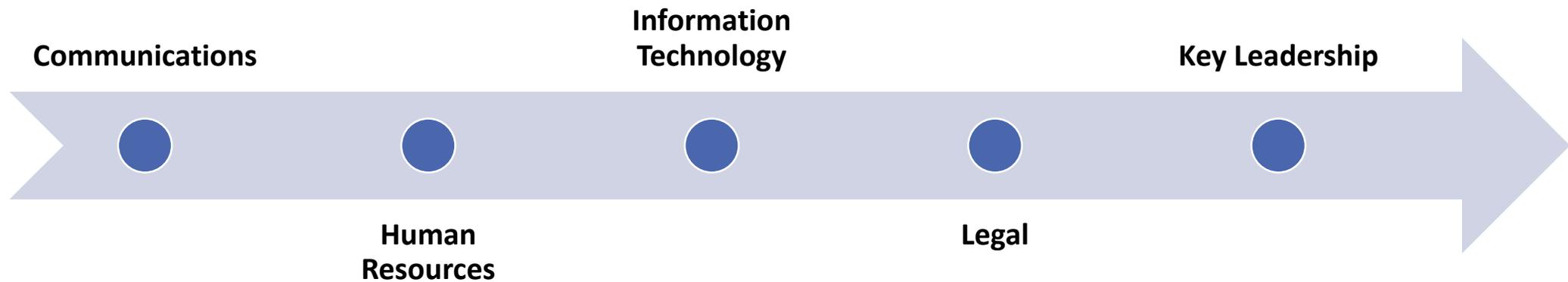
- To achieve our goals of becoming an Employer of Choice of a well-managed, efficient and effective government, we must have a strong support system.
- Internal service departments have been underfunded and understaffed.
- The proposed budget takes incredible strides to align these departments to meet the growing demands.
- Total of nineteen new positions.



CENTRALIZING FOR CONSISTENCY



- Ensure services are delivered consistently and accurately.
- Standardize service delivery.
- Provide training and professional development.



BUILD INTERGOVERNMENTAL RELATIONS



- Establish an Office of Intergovernmental Affairs.
- Coordinate legislative advocacy for the city.
- Work with regional, state, and federal decision makers to advance our priorities.
- Promote legislation, advocate for funding, and pursue projects that are of interest to us.
- Centralize funding for lobbying contracts and services.
- \$250,000 and one professional staff is included to start-up the office.





DISCUSSION