

The seal of the City of Richmond is a circular emblem. It features a central figure of a person standing on a pedestal, holding a staff or scepter. The figure is surrounded by a wreath. The outer ring of the seal contains the text "CITY OF RICHMOND" at the top and "ESTABLISHED 1737" at the bottom. There are several stars around the inner circle.

Re-Setting the Foundation

Proposed Fiscal Year 2023 Budget

Lincoln Saunders
Chief Administrative Officer
March 14, 2022

Looking Back

March 5, 2020, Proposed Budget is introduced

Country lockdown

\$40 million reduction in the Proposed Budget

For the first time in over a decade, budget with less revenues than the year before is adopted

Crisis management



Two Years Ago This Week, The City of Richmond...

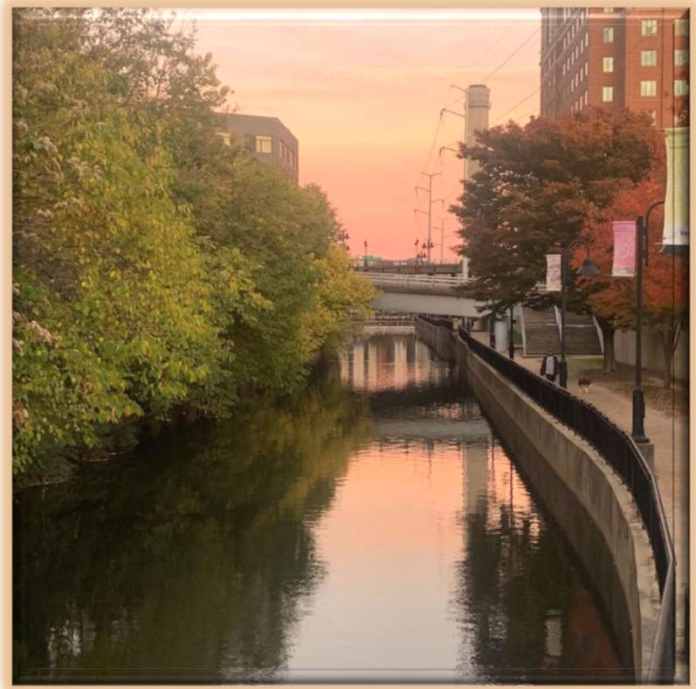
- Closed the city's Libraries
- Adjusted hours for Department of Social Services
- City Hall closed for all non-essential personnel
- Limited restaurant services
- Social gatherings limited



A Year Into The Crisis We Were Still Not Back to Normal

- Increase in COVID-19 infections, hospitalizations, and deaths
- Fall of 2021 the country is averaging over 3,000 deaths a day
- No one had a handle on what the economy was (is) going to do
- Fall of 2021, inflation, supply chain issues, and labor shortages





RVA



Same But Different

- Our neighbors were in a better financial position into the pandemic:
- Larger percentages of cash funded capital projects
- Less poverty; workforce with telework capabilities
- Less fiscal stress than our city
- Suburban environment vs. urban city

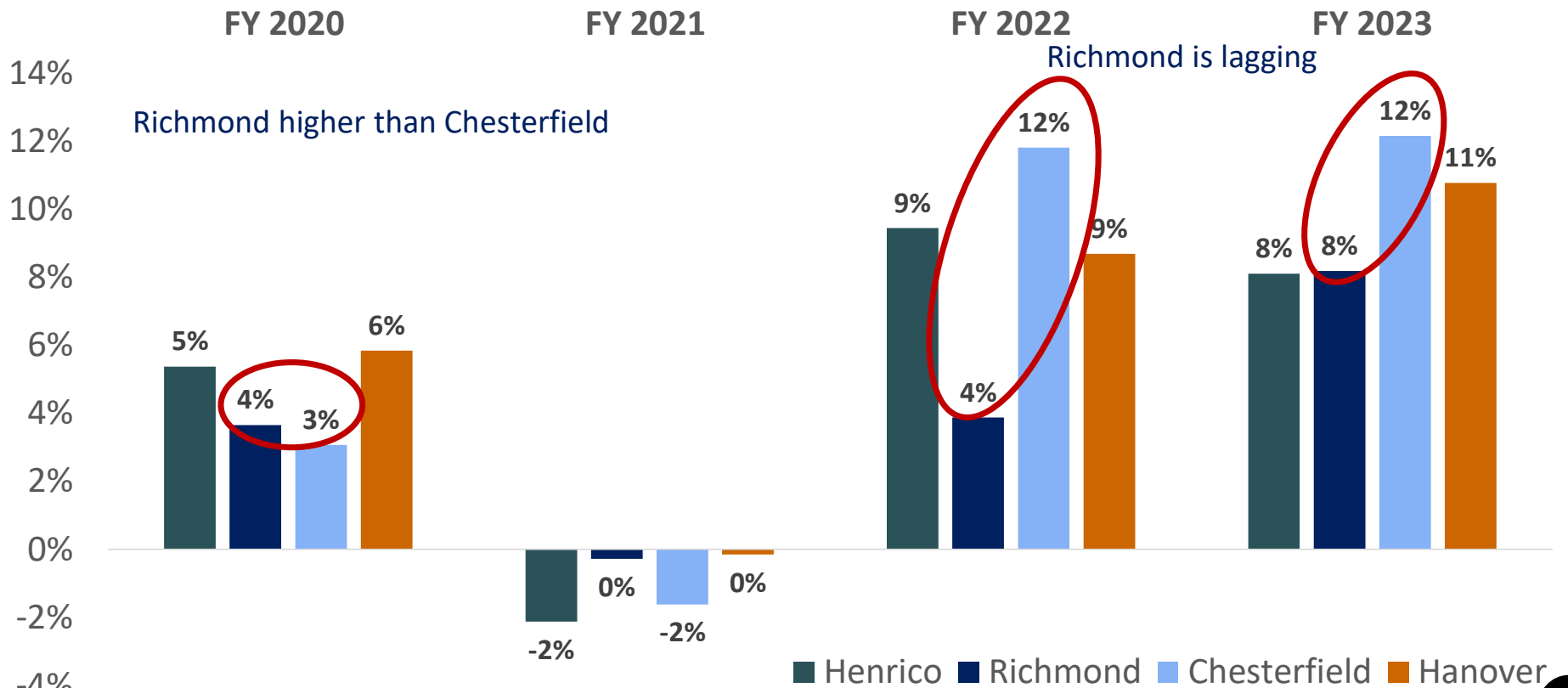
Coming Out On The Other Side



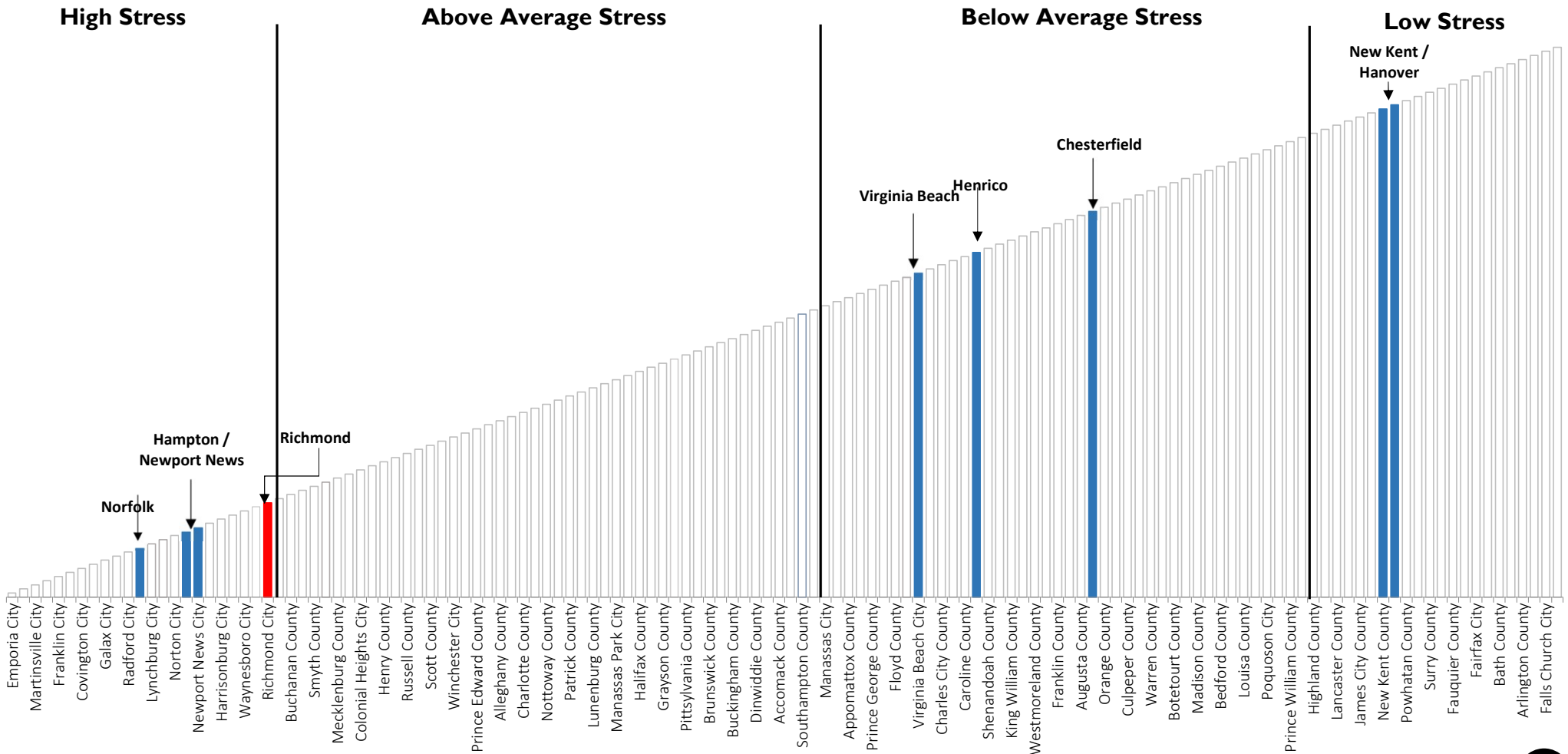
- Our General Fund was higher than Chesterfield going into the pandemic
- Chesterfield's FY 2023 General Fund is nearly \$70 million more than us and reducing their tax rate by three cents
- Neighboring counties are coming out of the pandemic stronger and with higher growth rates than us



Our General Fund Growth Has Been Slower



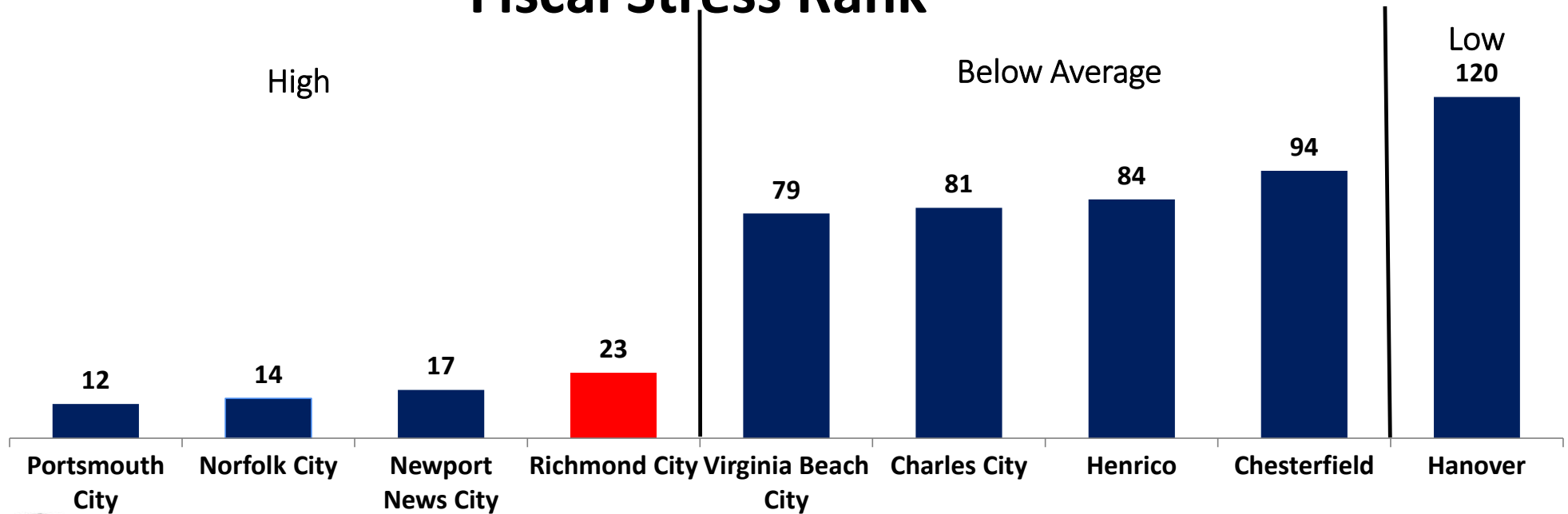
Richmond: 23rd Most Fiscally Stressed in Virginia



Source: Commission on Local Government FY 2019 Report on Comparative Revenue Capacity, Revenue Effort, and Fiscal Stress of Virginia's Cities and Counties (September 2021). The analysis included 134 cities/counties. The names of some localities do not appear above due to chart size restrictions.

Comparing Neighboring Counties To Us Is Not Reasonable

Fiscal Stress Rank



Source: Commission on Local Government FY 2019 Report on Comparative Revenue Capacity, Revenue Effort, and Fiscal Stress of Virginia's Cities and Counties (September 2021)

Being
Different is
Good!

- Richmond is the urban core and the downtown of the region
- We are primed for even more in the future!

Turning The Corner

No layoffs, no reduction in force
and no furloughs



Richmond 300 Master Plan



Center City Plan



Technology zone



Diamond Area Plan



Costar



With A Little Help...

COVID-19
Relief Funds

Eviction
diversion, small
business loans

American
Rescue Plan

Community centers,
trails, health equity fund,
gun violence, and
affordable housing

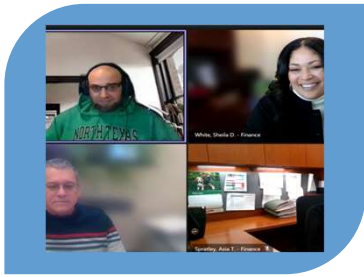
Bi-partisan
Infrastructure

Promises more funding
from bridge repair, road
repair, cybersecurity,
and sustainability

Employee and
citizen
vaccination
clinics

City of
Richmond is
ready for the
future

Positioning Ourselves To Thrive...



ACCLIMATING TO
THE NEW
“NORMAL”



CHANGING
MINDSETS FOR
LEADERSHIP AND
STAFF



UNDERSTANDING
THE PAST WHILE
LOOKING TO THE
FUTURE



READY TO
SPRINGBOARD
OUT OF THE
PANDEMIC



We Are Re-Emphasizing Our Priorities

- Investing in our employees
- Focusing on strategic financial management
- Keeping children, families, and our citizens at the forefront
- Balancing the needs of the city while keeping resources in mind



Taking Care of Our First Responders

\$17.4 Million

Almost 1,000
Sworn
Personnel



PAY

STEP

PUBLIC
SAFETY

One of the largest increases in city history
and one of the most competitive pay plans
in the Commonwealth

New Step Plan with an average
increase **over 18%**

Promotional rate increase from
5% to 10%

Specialty Recognition

Creation of a Community Policing Lead Program

Police Trainer differential

New categories for pay differentials/special assignments in Fire and Police

Removal of the funding dependent career development option

Removal of the two five-year period at the same salary level

Select regrades



Stronger Together

Public Safety Pay Plan Work Group

Police

Chief Gerald Smith

Acting Lieutenant Crystal Simmons

Sergeant Matthew Segal

Detective Brendan Leavy

Detective Amira Sleem

Officer Carol Adams

Fire

Chief Melvin Carter

Deputy Fire Chief Andrew Snead

Battalion Chief Martin Bailey Jr.

Captain William Spindle

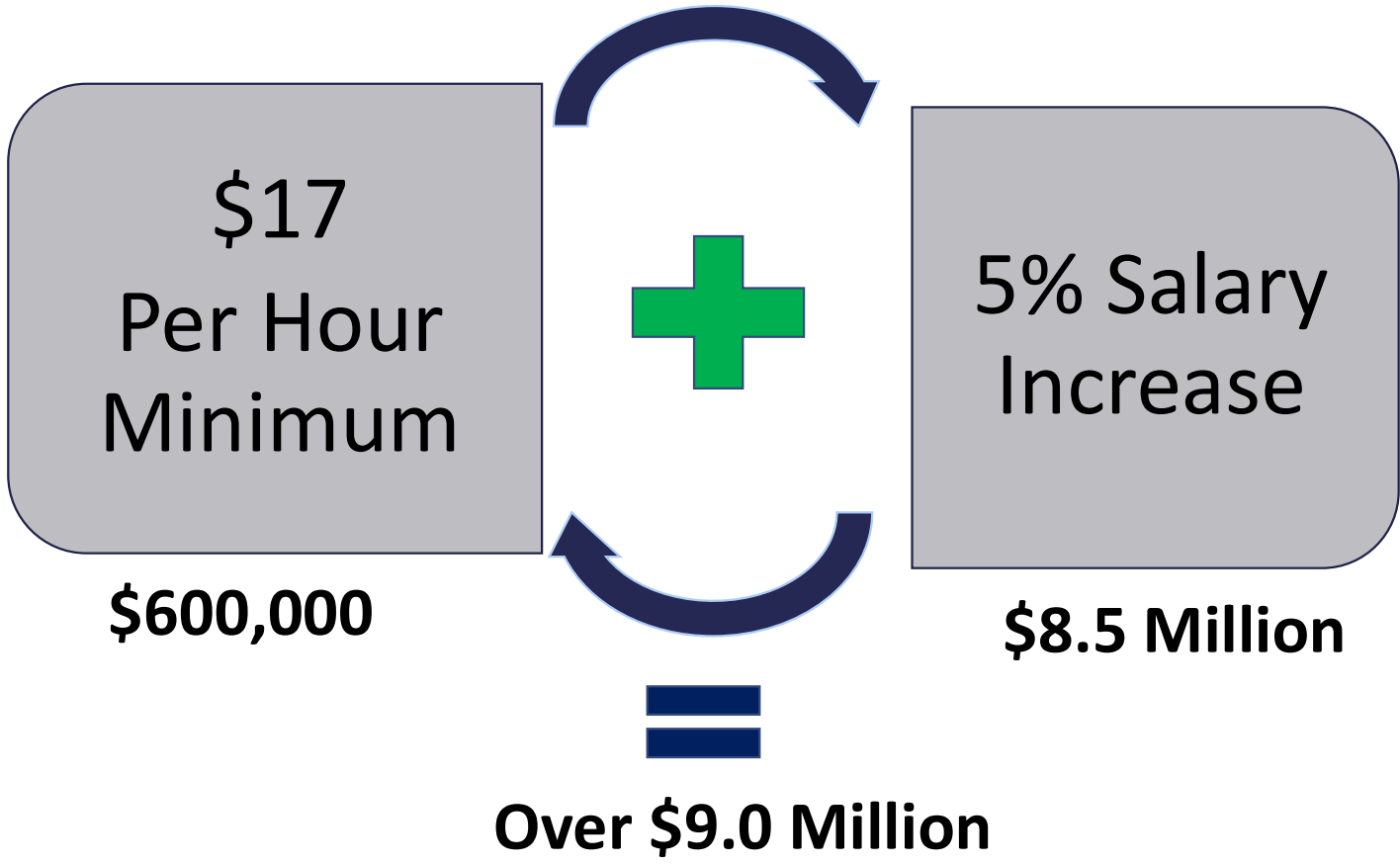
Lt. Robyn Aviles

Firefighter Parker Banks



Investing in Our Team...

Benefits Almost 2,300 Employees



Employee Relations Committee (COR-CONNECT)

- Forum for employees to communicate, engage, and build trust
- Discuss issues with leaders
- Intentionally constructed to allow frontline workers access to senior leadership
- Only non-management positions
- Members are peer elected



Employee Engagement Committee

- Employee group planning engagement activities for the year
- Ideas from fellow employees
- Supported by leadership



We Are Not Done Yet...



- Compensation
- Benefits
- Employee Engagement
- Feedback/Exit Interviews
- Performance Ownership
- Professional Development
- Recruitment



Legislative Support



Assessor

- Two GIS Positions



City Attorney

- One Assistant Attorney



Council Chief of Staff

- One Executive Assistant
- One Senior Management Analyst



Auditor

- \$75,000 Contractual Increases



Striving For Equity



Commonwealth's Attorney

- Three Assistant Commonwealth's Attorneys



Public Defender

- Increase of \$555,515 for a total of \$1.2 million



Reinvesting In Core Services

And

Building Internal Capacity

\$800,000
Restoring
Citywide
Reductions

**In-house studies and
policy analysis**
City Economist and
Two Budget and
Policy Analysts
Budget and Strategic
Planning

**Website
Developer and
Technology
Upgrades**
Information
Technology

**Employee
Engagement**
Human
Resources

Supporting Development In Richmond

Economic Development

- Two Positions – Deputy Director and Economic Development Business Services Manager



Planning and Development Review

- Credit Card Processing
- Enforcement Inspectors
- Five property Maintenance
- Three Planning Specialist
- Permitting software
- Zoning update



Good Financial
Management

Credit Ratings

Agency	General Obligation Bond	Utilities Revenue Bond
Fitch	AA+	AA
Moody's	Aa1	Aa1
S&P	AA+	AA

Strong financial policy guidelines and structurally balanced budgets are key factors to strengthening our finances and credit ratings



Prepared For The Unknown

\$1 Million

- Contractual increases
- Fuel
- Electricity

\$1 Million

- Unforeseen catastrophes
- Emergencies
- Unavoidable



Investing In Capital

\$10 Million

Vehicle/Equipment

- 5 Fire apparatus
- 97 Patrol vehicle
- 7 Refuse trucks
- Radios, vehicle wrap



\$10 Million

Planning

- Courthouse
- Public Safety Campus
- City Hall

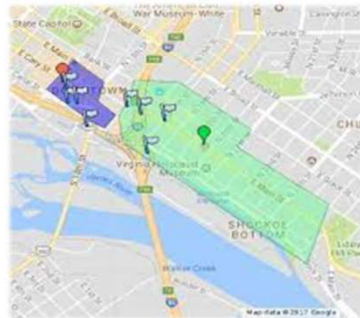


A Total of over \$240 Million for Transportation Over the Five-Years

**\$15 Million
Hull Street**



**\$60 Million
Complete Streets**



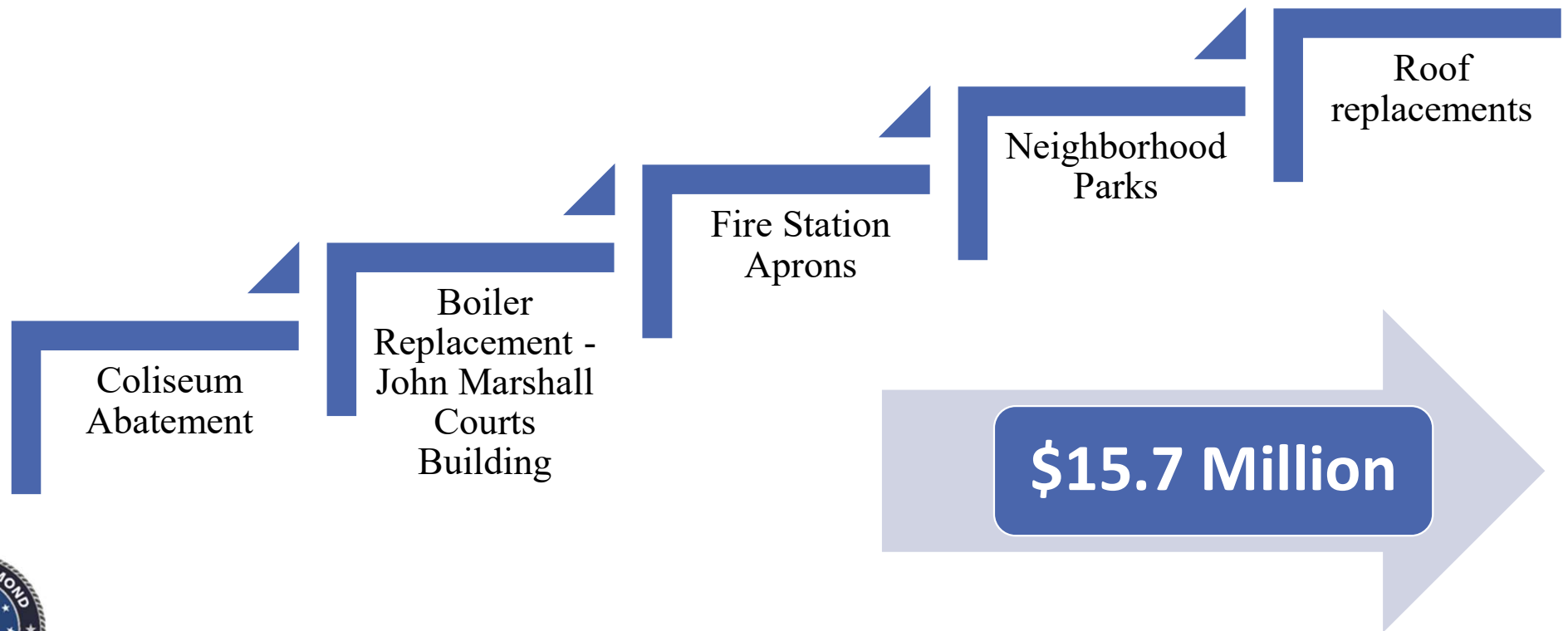
**\$150 Million
Transportation**



**\$16.7 Million
Shockoe Valley**



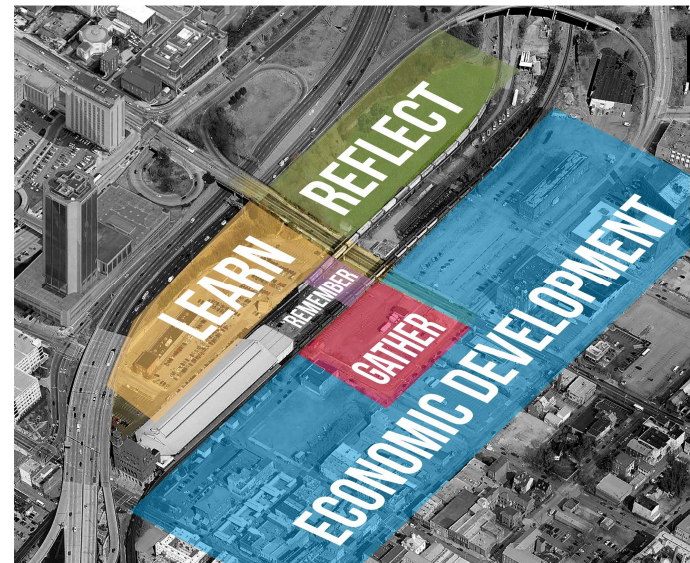
Ignoring Maintenance Needs Costs More Later



Remembering Our History

\$ 28 Million

Multi-use enslaved African cultural and heritage park-like campus in the City's historic Shockoe Bottom.



Working With Our Partners

\$8.7 Million



\$3.7 Million



\$6.8 Million



\$16.7 Million

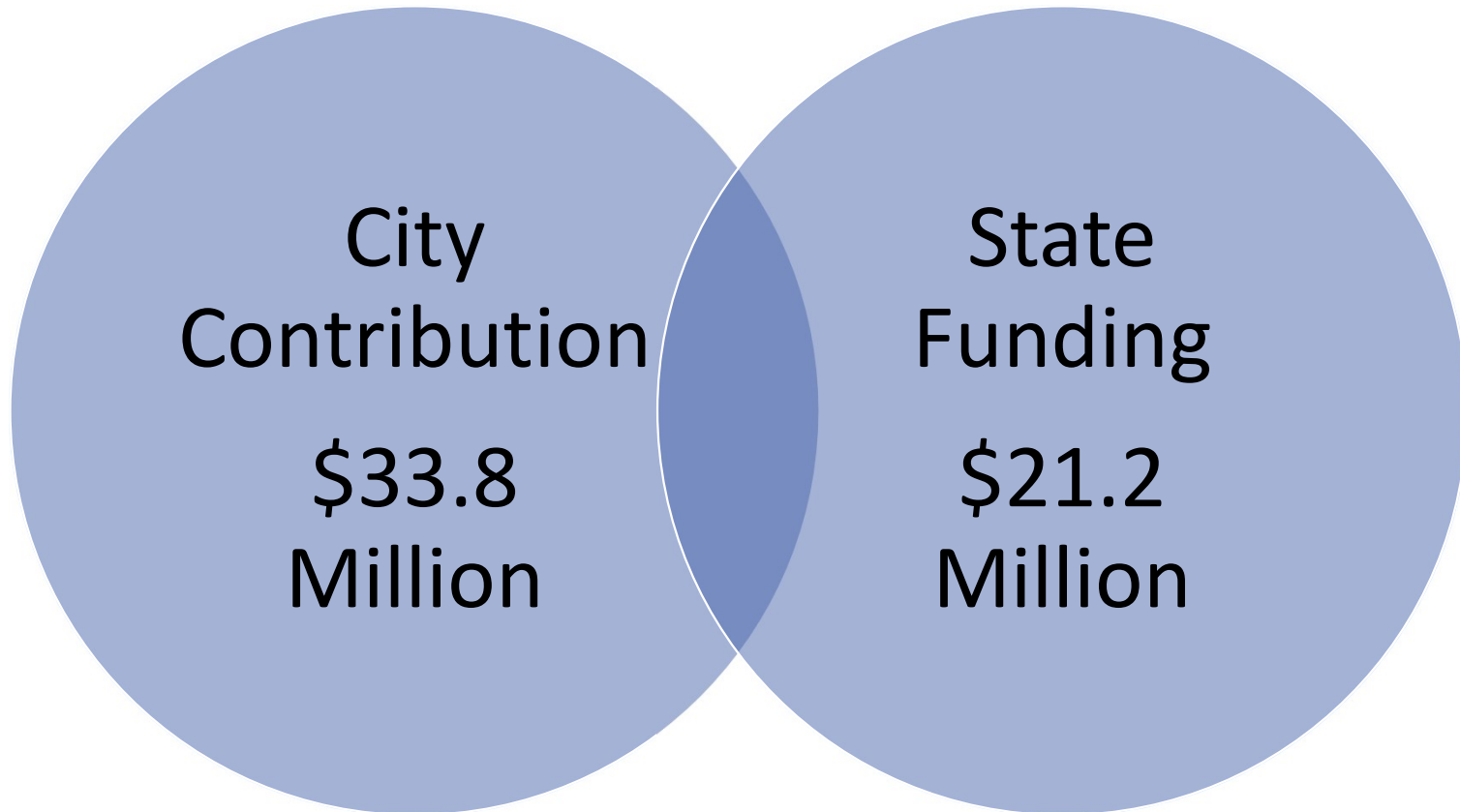


Keeping Children, Families, And Our Citizens At The Forefront

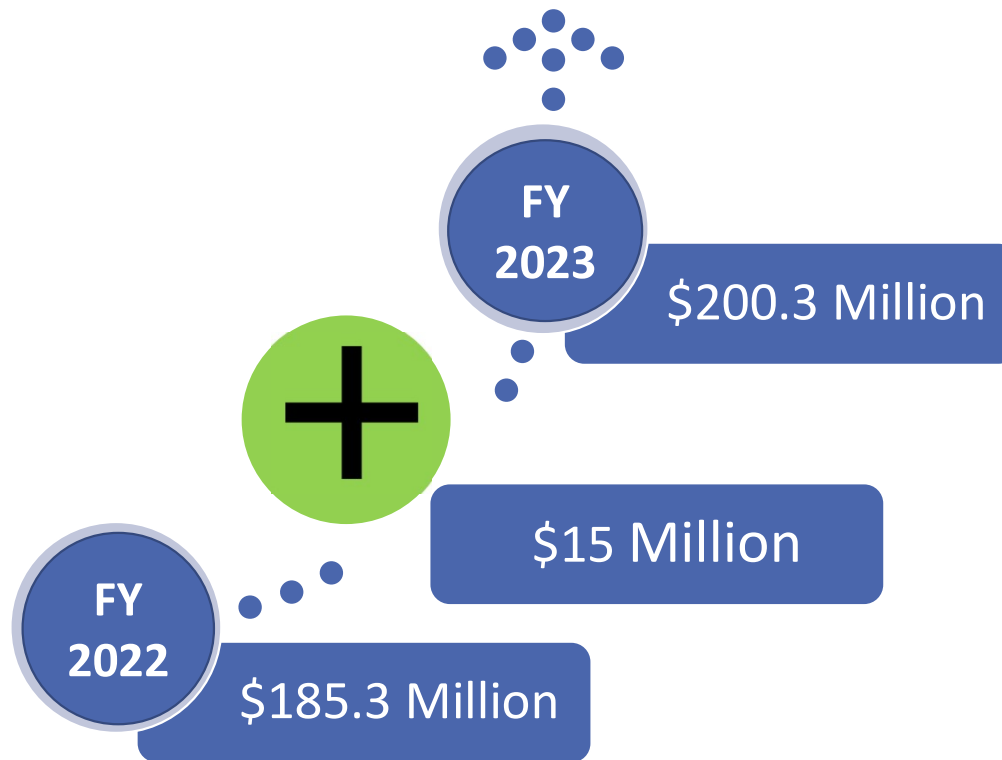
- \$727,710: Eviction diversion – state program expires on June 30, 2022
- \$500,000: Create the first-ever Children’s Fund
- \$1.5 Million: Continue extended day programming for school age children
- \$250,000: Implement Pilot Ranger Program



Since 2017, Investment in Schools Has Steadily Increased



Additional \$15 Million Is Included For Schools



Need Breakdown to Appropriate Local Contribution, State, Sales Tax, Federal, And Other Local Funds

Received

Excerpt of pages of the Schools FY 2022 Budget Appropriation



March 1, 2022

Mayor Levar M. Stoney
City of Richmond
900 East Broad Street, Suite 201
Richmond, Virginia 23219

Dear Mayor Stoney:

Thank you for your continued investment with Richmond Public Schools (RPS). On Monday, February 28, the Richmond School Board approved in a roll call vote our FY23 budget. Thank you for allowing the grace for the school board and school's administration to continue to demystify the budget.

On behalf of the Richmond City School Board, it is my pleasure to submit our FY23 budget and spending plan. This budget is the culmination of months to include collaboration with the school board and school division leadership, of organizational assessment, long range planning and public input. The School Board's approved budget for FY23 is outlined below:

General Fund Budget	\$356,635,763
Special Revenue Fund Budget	\$191,772,552
Capital Improvement Fund Budget - FY23	\$9,086,800

The School Board is ready to work with your administration and the City Council to refine items in the budget after careful consideration. I look forward to speaking with you soon.

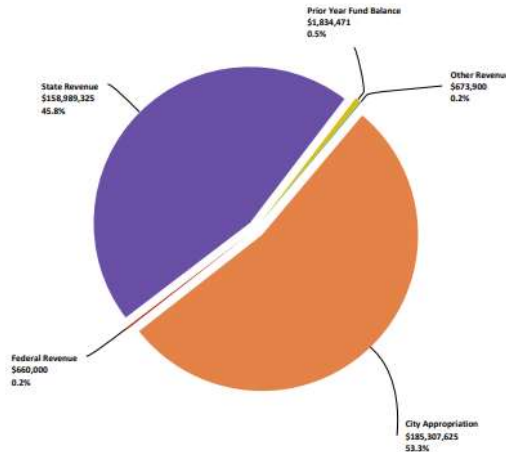
Sincerely,

Dr. Shonda M. Harris-Muhammed
School Board Chair
Sixth District School Board Representative



RICHMOND PUBLIC SCHOOLS
FY2021-2022 BUDGET
GENERAL FUND OPERATING BUDGET REVENUE

SOURCE	ACTUAL FY20	BUDGET FY20	BUDGET FY21	BUDGET FY22	\$ Change	% Change
Prior Year Fund Balance	—	—	974,584	1,834,471	859,887	88.2 %
City Appropriation	175,193,144	175,193,143	180,719,490	185,307,625	4,588,135	2.5 %
State Revenue	130,358,370	134,522,121	148,118,201	158,989,325	10,871,124	7.3 %
Other Revenue	758,216	868,496	648,900	673,900	25,000	3.9 %
Federal Revenue	500,363	630,000	660,000	660,000	—	— %
Total Revenue	306,810,093	311,213,760	331,121,175	347,465,321	16,344,146	4.9 %



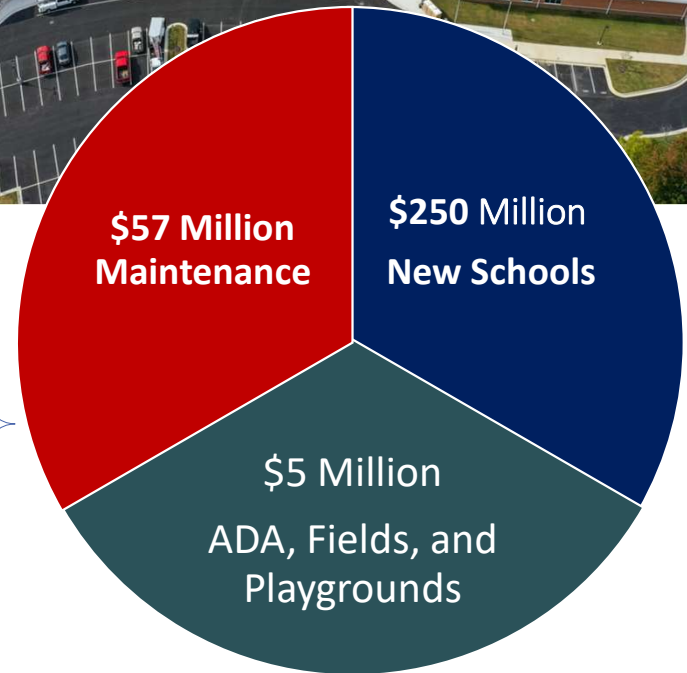
RICHMOND PUBLIC SCHOOLS
FY2021-2022 BUDGET REPORT
GENERAL FUND OPERATING REVENUES

SOURCE	Actual FY20	Budget FY20	Budget FY21	Budget FY22	\$ Change	% Change
LOCAL REVENUE						
Prior Year Fund Balance	—	—	974,584	1,834,471	859,887	88.2 %
Total Reserves	—	—	974,584	1,834,471	859,887	88.2 %
Operations - City Funds	175,193,144	175,193,143	180,719,490	185,307,625	4,588,135	2.5 %
Total City Appropriation	175,193,144	175,193,143	180,719,490	185,307,625	4,588,135	2.5 %
STANDARDS OF QUALITY PROGRAMS						
Basic Aid SOQ	47,608,100	51,427,307	56,866,890	58,065,646	1,198,756	2.1 %
Sales Tax	28,580,607	28,247,705	28,471,367	29,278,672	807,305	2.8 %
Textbooks	1,281,235	1,119,094	1,227,393	1,227,393	—	— %
Career & Technical Education	1,071,026	1,122,539	1,084,976	1,084,976	—	— %
Gifted Education	519,607	544,598	593,882	593,882	—	— %
Special Education	8,763,772	9,769,426	10,906,864	10,895,443	(11,421)	(0.1)%
Remedial Education	4,718,877	4,945,841	4,933,786	4,933,786	—	— %
VRS Retirement	7,751,683	8,168,974	9,342,214	9,399,318	57,104	0.6 %
Social Security	3,509,996	3,701,045	4,008,701	4,031,542	22,841	0.6 %
Group Life	243,897	255,628	285,520	285,520	—	— %
English As A Second Language	1,845,747	1,224,011	2,614,884	2,369,406	(245,478)	(9.4)%
Sub-Total SOQ Revenues	105,894,547	110,526,168	120,336,477	122,165,584	1,829,107	1.5 %
INCENTIVE PROGRAMS						
Bonus Payment - Compensation Supplement	3,748,163	3,802,941	—	4,343,242	4,343,242	— %
At-Risk	6,640,667	6,747,426	9,208,142	12,196,395	2,988,253	32.5 %
Virginia Preschool Initiative	2,605,734	2,568,357	3,840,904	4,688,485	847,581	22.1 %
Community Provider Add-on Funds - Mixed Delivery	—	—	—	—	—	— %
Math/Reading Instructional Specialists	142,589	—	533,650	558,284	24,634	4.6 %
Early Reading Specialists Initiatives	—	—	298,500	312,256	13,756	4.6 %
Sub-Total Incentive Revenues	13,137,153	13,118,724	13,881,196	22,098,662	8,217,466	63.8 %
CATEGORICAL PROGRAMS						
Spec Educ: Homebound	100,539	114,298	106,733	72,713	(34,020)	(31.9)%
Sub-Total Categorical Revenues	100,539	114,298	106,733	72,713	(34,020)	(31.9)%



Capital Investment In Schools

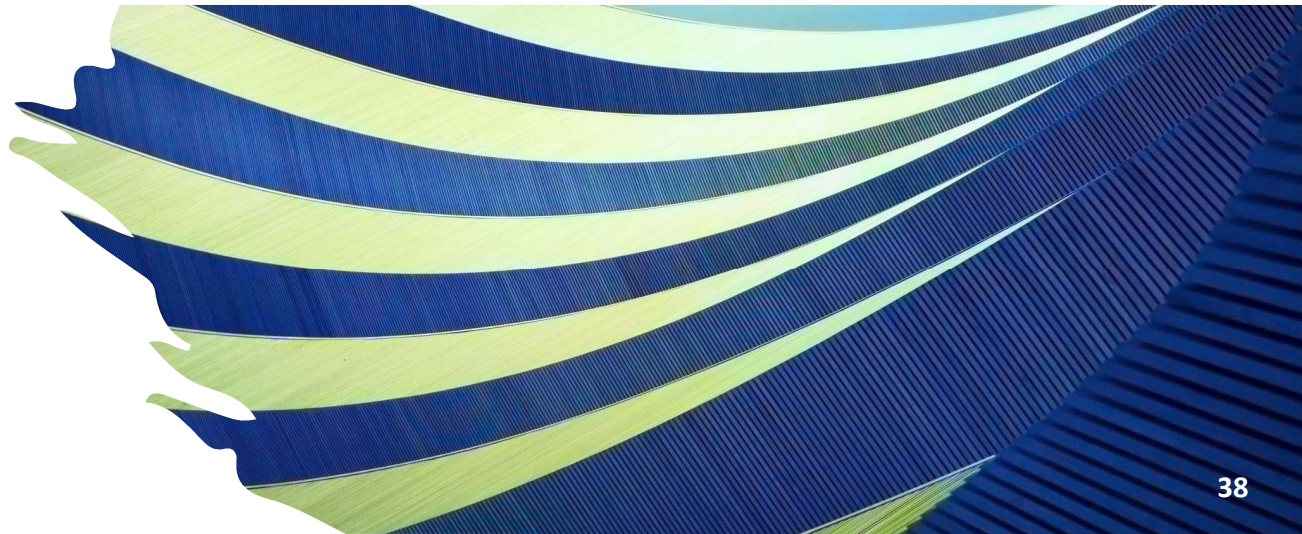
Since
2013,
**\$312
Million**



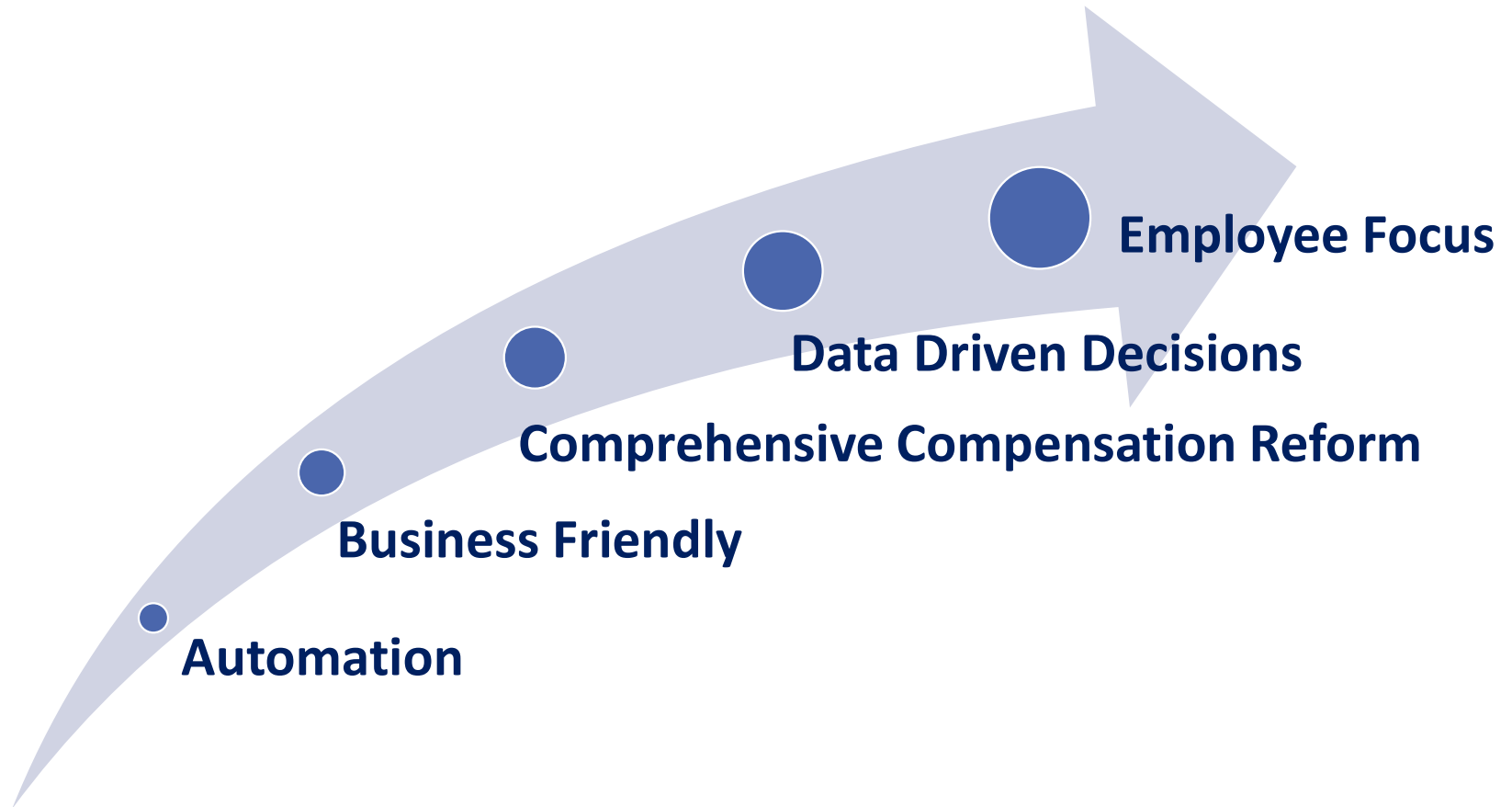
FY 2023-2027 CIP
Continues Our
Commitment

**\$200 Million for
New Schools**

**\$10 Million in
Maintenance**



Looking Ahead





ONE RICHMOND!

THANK YOU