



**CITY OF RICHMOND**  
**Office of the City Auditor**

**DATE:** August 23, 2022

**TO:** Mr. Lincoln Saunders  
Acting Chief Administrative Officer

**FROM:** Louis Lassiter  
City Auditor

**SUBJECT:** APA Comparative Cost Report Analysis FY2021

The City Auditor's Office has completed an analysis of the FY2021 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.

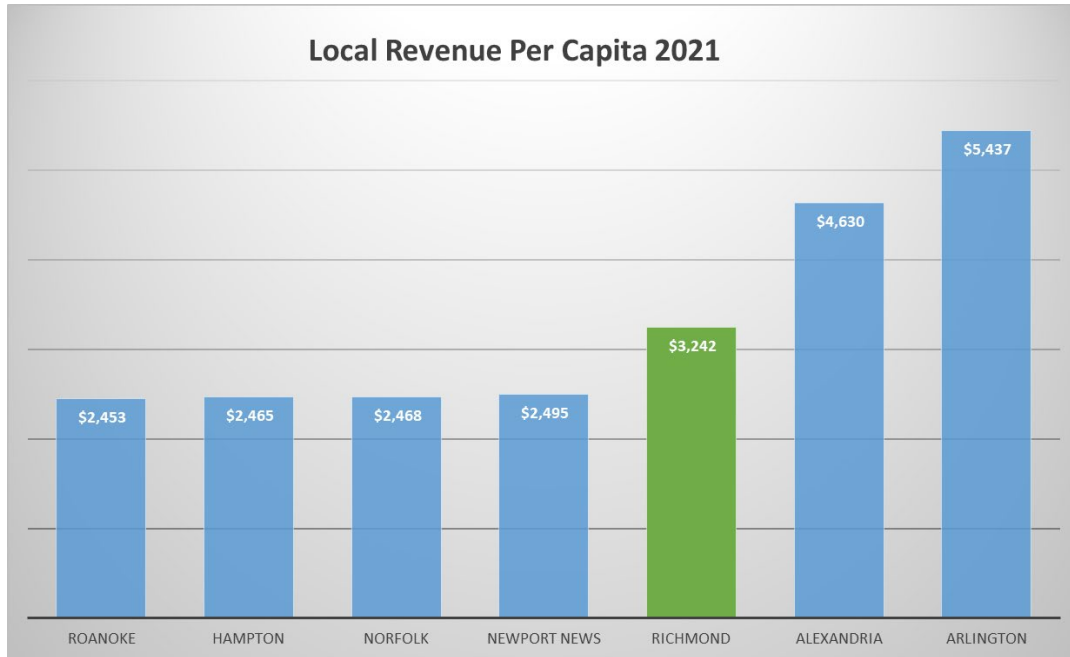
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cc: The Richmond Audit Committee  
The Richmond City Council  
Ms. Sheila White, Director of Finance

## FY2021 ANALYSIS SUMMARY

The charts and schedules that follow, show a high level ranking amongst various categories from the FY21 Comparative Cost Report. <sup>1</sup> **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 2021. 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.

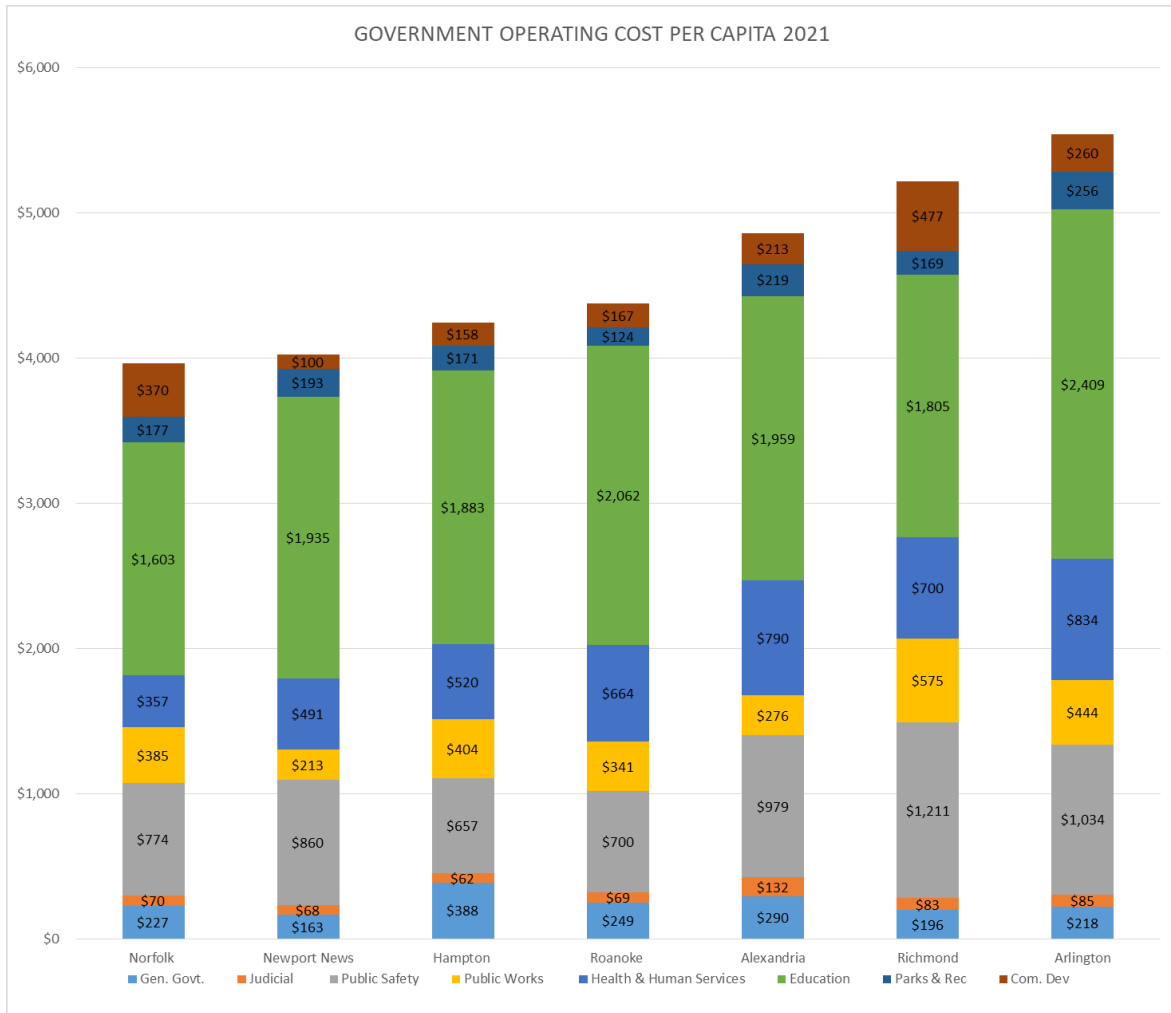


Locality	General Property Taxes	Other Local Taxes	Permits, Privileges, fees, & Regulatory	Fines and Forfeitures	Charges for Service	Revenue From Use of Money and Property	Miscellaneous	Total
Alexandria 2021	\$ 3,380	\$ 794	\$ 117	\$ 19	\$ 235	\$ 33	\$ 53	\$ 4,630
Alexandria 2020	\$ 3,276	\$ 778	\$ 95	\$ 25	\$ 179	\$ 61	\$ 109	\$ 4,523
Arlington 2021	\$ 3,957	\$ 910	\$ 30	\$ 23	\$ 399	\$ 30	\$ 89	\$ 5,437
Arlington 2020	\$ 3,796	\$ 958	\$ 30	\$ 28	\$ 404	\$ 81	\$ 1	\$ 5,298
Hampton 2021	\$ 1,358	\$ 591	\$ 15	\$ 7	\$ 387	\$ 27	\$ 80	\$ 2,465
Hampton 2020	\$ 1,313	\$ 544	\$ 15	\$ 8	\$ 403	\$ 32	\$ 83	\$ 2,398
Newport News 2021	\$ 1,545	\$ 551	\$ 15	\$ 7	\$ 266	\$ 51	\$ 60	\$ 2,495
Newport News 2020	\$ 1,517	\$ 526	\$ 18	\$ 8	\$ 282	\$ 73	\$ 63	\$ 2,485
Norfolk 2021	\$ 1,399	\$ 671	\$ 15	\$ 4	\$ 286	\$ 40	\$ 53	\$ 2,468
Norfolk 2020	\$ 1,293	\$ 626	\$ 15	\$ 3	\$ 270	\$ 38	\$ 61	\$ 2,306
Richmond 2021	\$ 1,799	\$ 671	\$ 13	\$ 41	\$ 419	\$ 39	\$ 260	\$ 3,242
Richmond 2020	\$ 1,754	\$ 714	\$ 13	\$ 33	\$ 400	\$ 42	\$ 227	\$ 3,183
Roanoke 2021	\$ 1,309	\$ 768	\$ 13	\$ 9	\$ 321	\$ 3	\$ 30	\$ 2,453
Roanoke 2020	\$ 1,248	\$ 756	\$ 12	\$ 11	\$ 355	\$ 12	\$ 9	\$ 2,403

<sup>1</sup> Figures were used as of May 16, 2022.

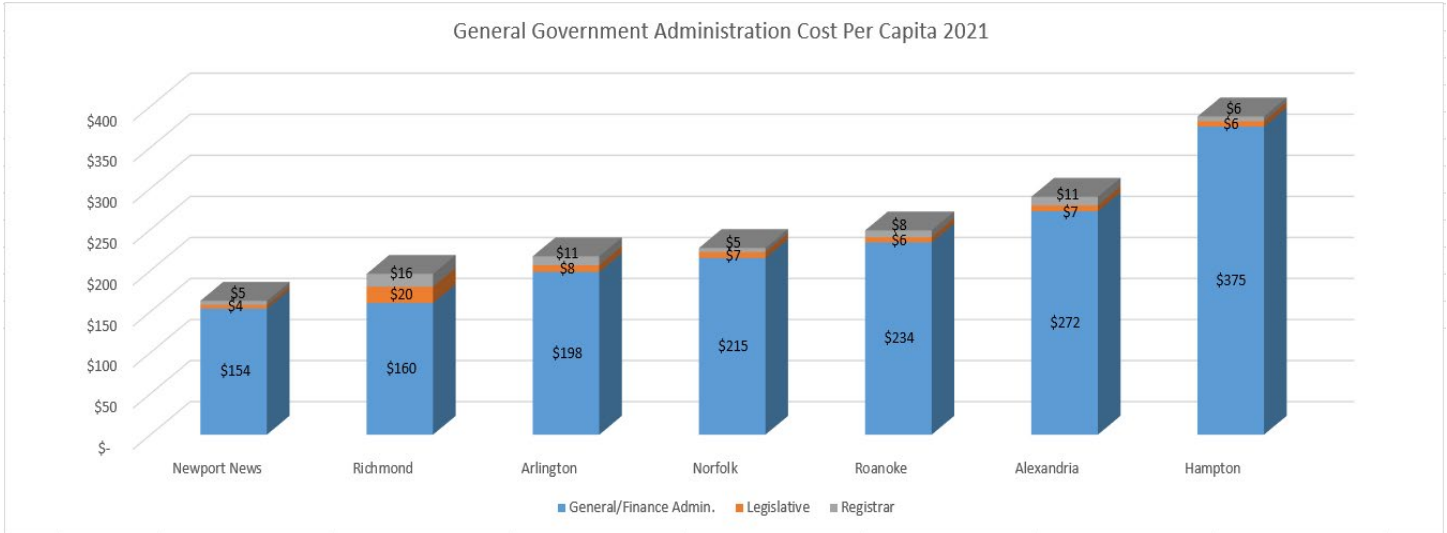
# FY2021 Cost Analysis

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



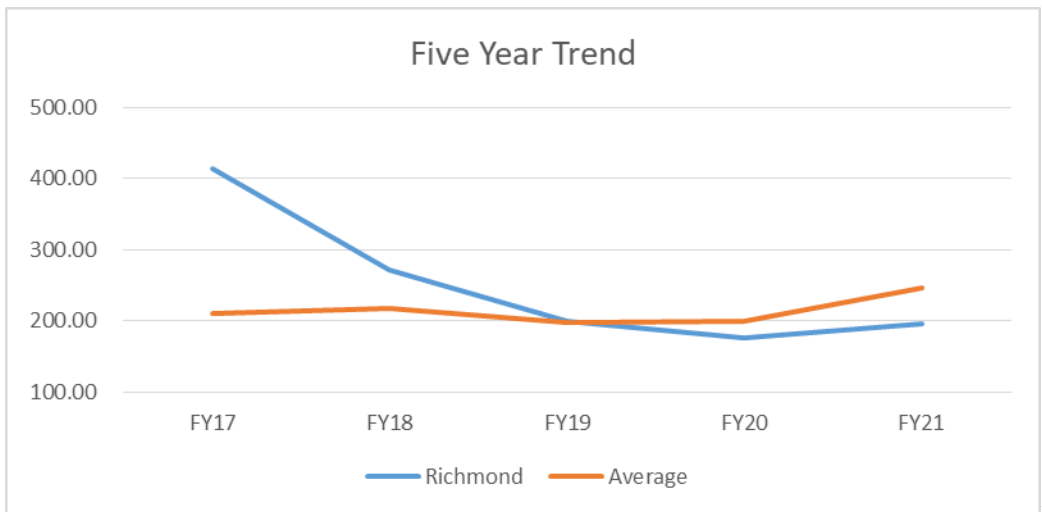
Locality	Gen. Govt.	Judicial	Public Safety	Public Works	Health & Human Services	Education	Parks & Rec	Com. Dev	Total
Norfolk 2020	\$ 170	\$ 68	\$ 730	\$ 388	\$ 359	\$ 1,509	\$ 206	\$ 209	\$ 3,639
Norfolk 2021	\$ 227	\$ 70	\$ 774	\$ 385	\$ 357	\$ 1,603	\$ 177	\$ 370	\$ 3,964
Hampton 2020	\$ 249	\$ 57	\$ 735	\$ 340	\$ 509	\$ 1,794	\$ 185	\$ 144	\$ 4,013
Hampton 2021	\$ 388	\$ 62	\$ 657	\$ 404	\$ 520	\$ 1,883	\$ 171	\$ 158	\$ 4,242
Newport News 2020	\$ 158	\$ 70	\$ 811	\$ 230	\$ 453	\$ 2,001	\$ 205	\$ 76	\$ 4,004
Newport News 2021	\$ 163	\$ 68	\$ 860	\$ 213	\$ 491	\$ 1,935	\$ 193	\$ 100	\$ 4,023
Roanoke 2020	\$ 184	\$ 68	\$ 777	\$ 371	\$ 612	\$ 2,126	\$ 118	\$ 122	\$ 4,384
Roanoke 2021	\$ 249	\$ 69	\$ 700	\$ 341	\$ 664	\$ 2,062	\$ 124	\$ 167	\$ 4,375
Alexandria 2020	\$ 266	\$ 128	\$ 994	\$ 268	\$ 737	\$ 1,880	\$ 229	\$ 233	\$ 4,735
Alexandria 2021	\$ 290	\$ 132	\$ 979	\$ 276	\$ 790	\$ 1,959	\$ 219	\$ 213	\$ 4,858
Richmond 2020	\$ 178	\$ 80	\$ 1,058	\$ 474	\$ 617	\$ 1,637	\$ 137	\$ 443	\$ 4,624
Richmond 2021	\$ 196	\$ 83	\$ 1,211	\$ 575	\$ 700	\$ 1,805	\$ 169	\$ 477	\$ 5,215
Arlington 2020	\$ 201	\$ 80	\$ 969	\$ 395	\$ 783	\$ 2,397	\$ 273	\$ 226	\$ 5,324
Arlington 2021	\$ 218	\$ 85	\$ 1,034	\$ 444	\$ 834	\$ 2,409	\$ 256	\$ 260	\$ 5,540

# FY2021 ANALYSIS BY FUNCTIONAL AREAS



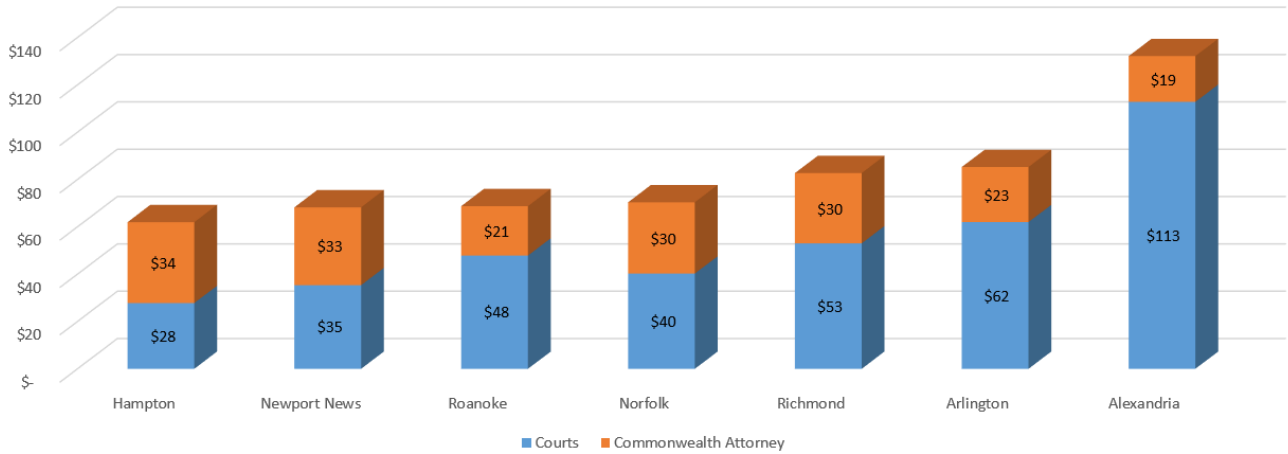
Locality	General/Finance Admin.	Legislative	Registrar	Total
Newport News	\$ 154	\$ 4	\$ 5	\$ 163
Richmond	\$ 160	\$ 20	\$ 16	\$ 196
Arlington	\$ 198	\$ 9	\$ 11	\$ 218
Norfolk	\$ 215	\$ 7	\$ 5	\$ 227
Roanoke	\$ 234	\$ 6	\$ 8	\$ 249
Alexandria	\$ 272	\$ 7	\$ 11	\$ 290
Hampton	\$ 375	\$ 6	\$ 6	\$ 388

Richmond had the 2<sup>nd</sup> lowest costs and was below the average of \$247.



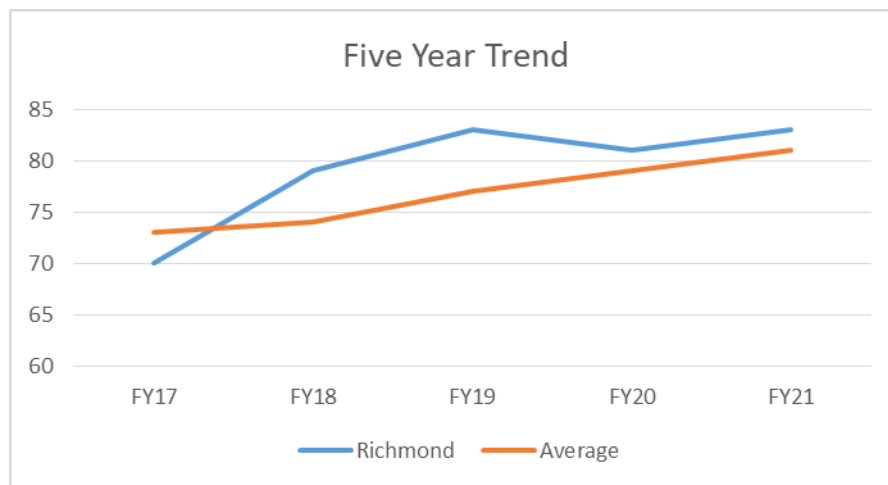
<sup>2</sup> The primary cause of the decrease from FY17 to FY18 was proper categorization for GRTC and GRCCA costs to the Payments to Enterprise Type Authorities section of the report. These costs had been incorrectly captured in both areas for the FY2017 report.

Judicial Administration Cost Per Capita 2021

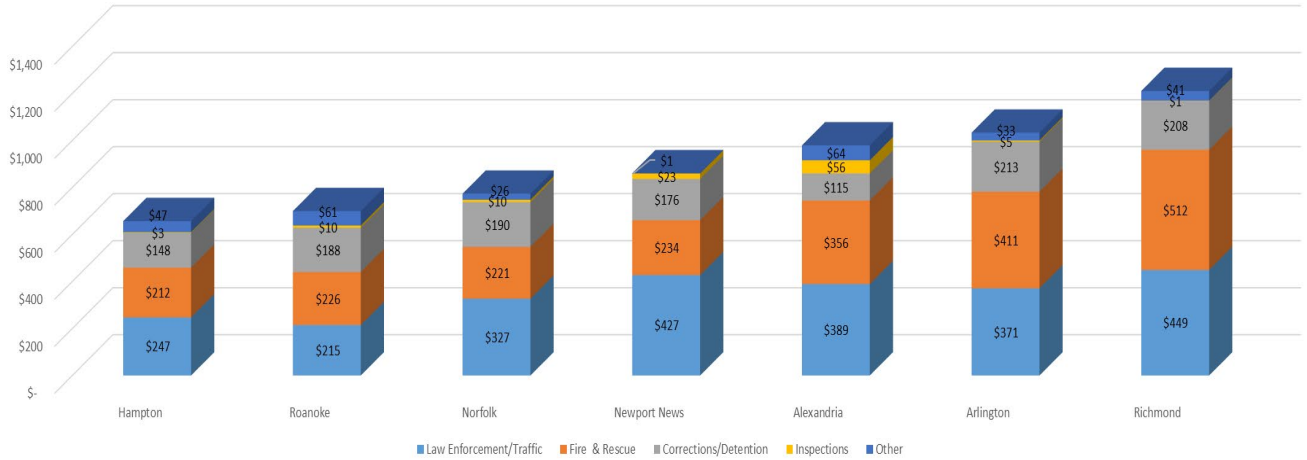


Locality	Courts	Commonwealth Attorney	Total
Hampton	\$ 28	\$ 34	\$ 62
Newport News	\$ 35	\$ 33	\$ 68
Roanoke	\$ 48	\$ 21	\$ 69
Norfolk	\$ 40	\$ 30	\$ 70
Richmond	\$ 53	\$ 30	\$ 83
Arlington	\$ 62	\$ 23	\$ 85
Alexandria	\$ 113	\$ 19	\$ 132

Richmond had the 3<sup>rd</sup> highest costs of the seven and just above the average of \$81.

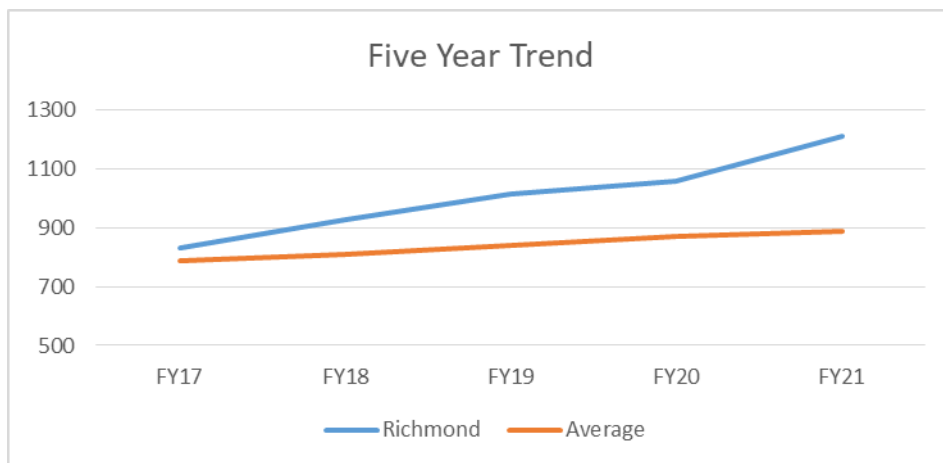


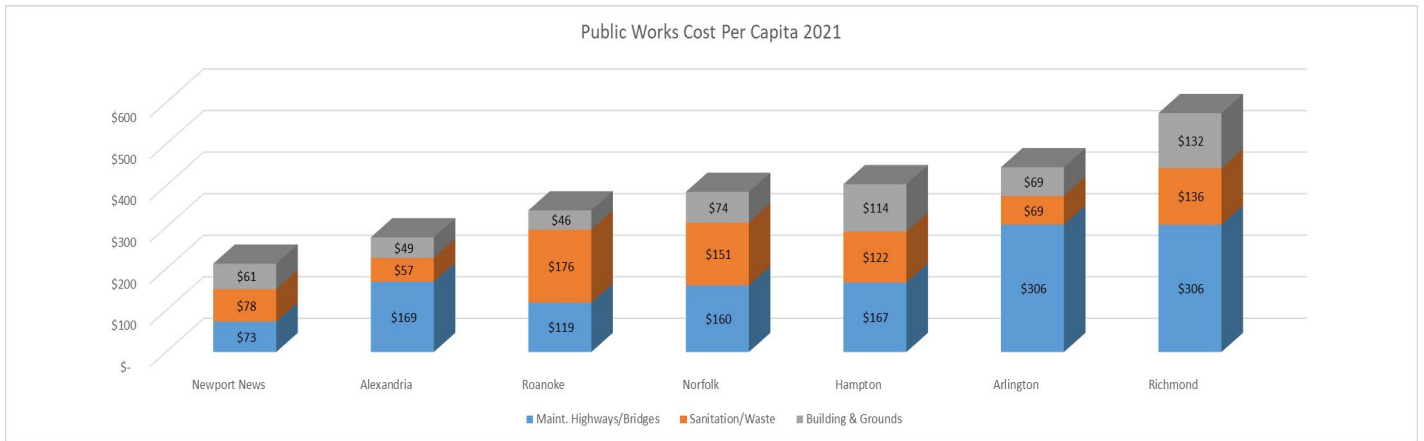
Public Safety Cost Per Capita 2021



Locality	Law Enforcement/Traffic	Fire & Rescue	Corrections/Detention	Inspections	Other	Total
Hampton	\$ 247	\$ 212	\$ 148	\$ 3	\$ 47	\$ 657
Roanoke	\$ 215	\$ 226	\$ 188	\$ 10	\$ 61	\$ 700
Norfolk	\$ 327	\$ 221	\$ 190	\$ 10	\$ 26	\$ 774
Newport News	\$ 427	\$ 234	\$ 176	\$ 23	\$ 1	\$ 860
Alexandria	\$ 389	\$ 356	\$ 115	\$ 56	\$ 64	\$ 979
Arlington	\$ 371	\$ 411	\$ 213	\$ 5	\$ 33	\$ 1,033
Richmond	\$ 449	\$ 512	\$ 208	\$ 1	\$ 41	\$ 1,211

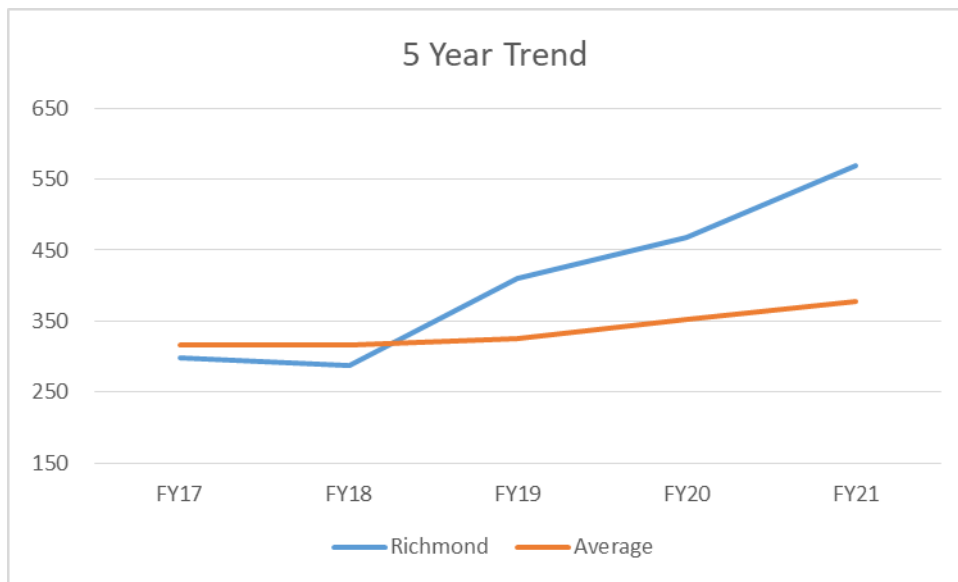
Richmond had the highest costs of the seven and \$323 above the average of \$888.



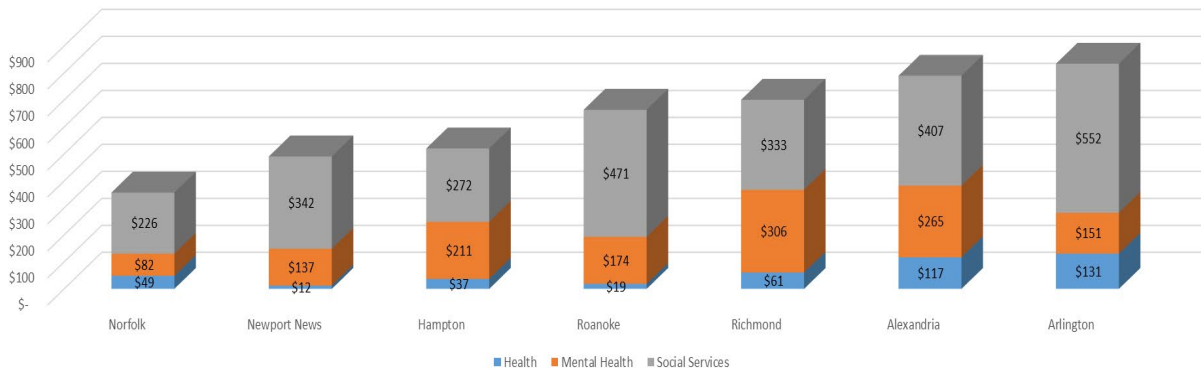


Locality	Maint. Highways/Bridges	Sanitation/Waste	Building & Grounds	Total
Newport News	\$ 73	\$ 78	\$ 61	\$ 213
Alexandria	\$ 169	\$ 57	\$ 49	\$ 276
Roanoke	\$ 119	\$ 176	\$ 46	\$ 341
Norfolk	\$ 160	\$ 151	\$ 74	\$ 385
Hampton	\$ 167	\$ 122	\$ 114	\$ 404
Arlington	\$ 306	\$ 69	\$ 69	\$ 444
Richmond	\$ 306	\$ 136	\$ 132	\$ 575

Richmond had the highest costs of the seven and \$198 above the average of \$377. The Administration provided that Richmond’s Public Works Buildings and Grounds numbers include approximately \$1.2 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.

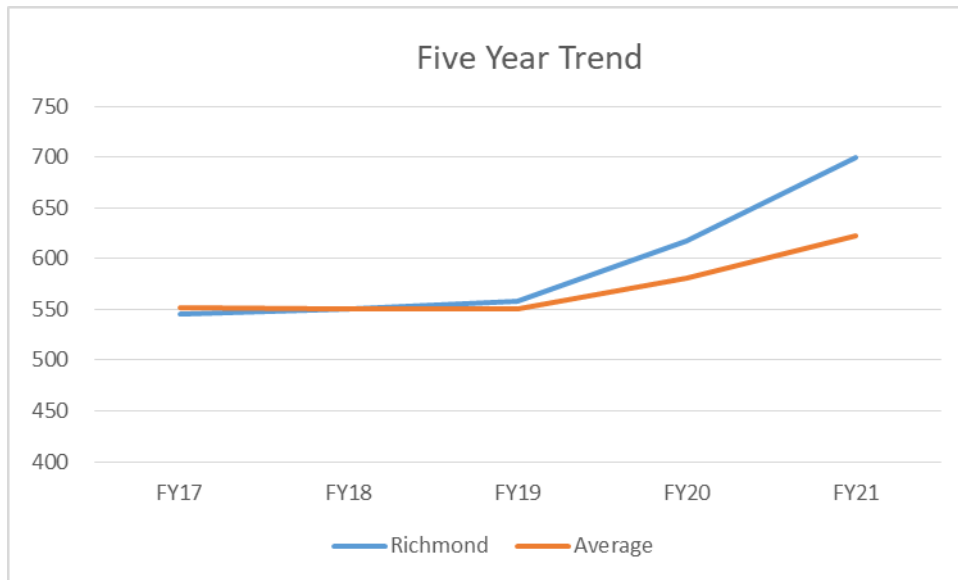


Health & Welfare Cost Per Capita 2021



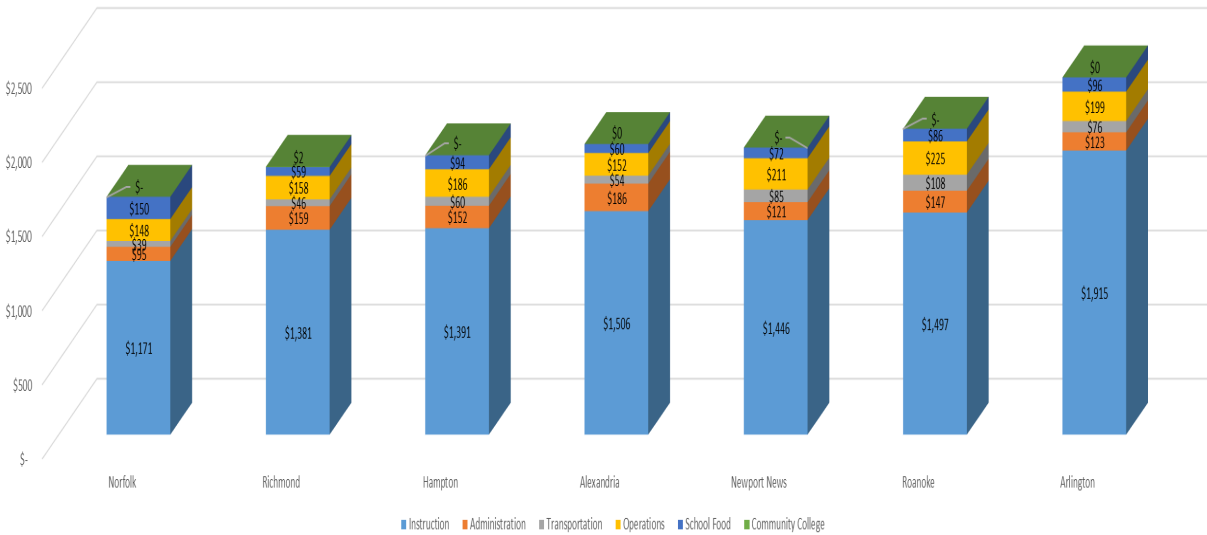
Locality	Health	Mental Health	Social Services	Total
Norfolk	\$ 49	\$ 82	\$ 226	\$ 357
Newport News	\$ 12	\$ 137	\$ 342	\$ 491
Hampton	\$ 37	\$ 211	\$ 272	\$ 520
Roanoke	\$ 19	\$ 174	\$ 471	\$ 664
<b>Richmond</b>	<b>\$ 61</b>	<b>\$ 306</b>	<b>\$ 333</b>	<b>\$ 700</b>
Alexandria	\$ 117	\$ 265	\$ 407	\$ 790
Arlington	\$ 131	\$ 151	\$ 552	\$ 834

Richmond had the 3<sup>rd</sup> highest costs of the seven and \$88 above the average of \$622.



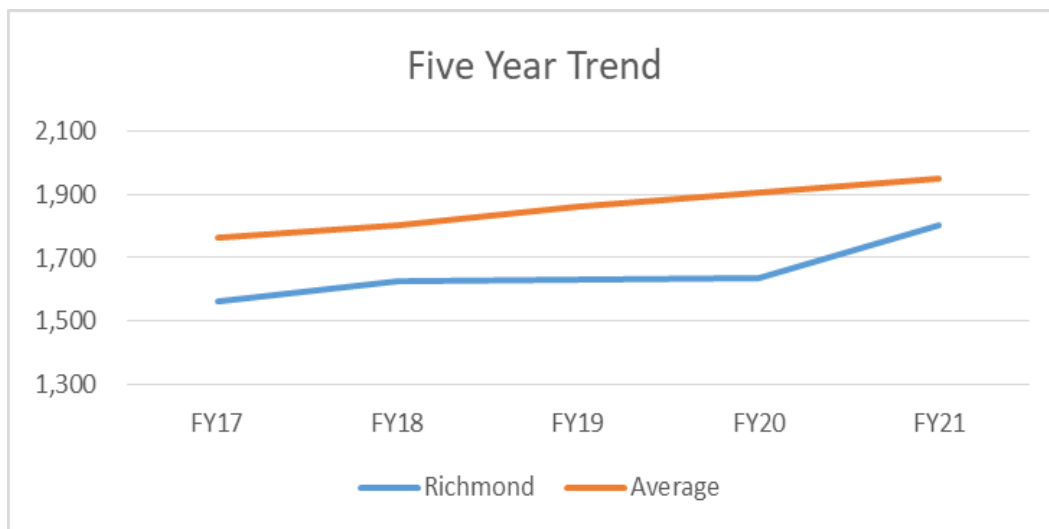


Education Cost Per Capita

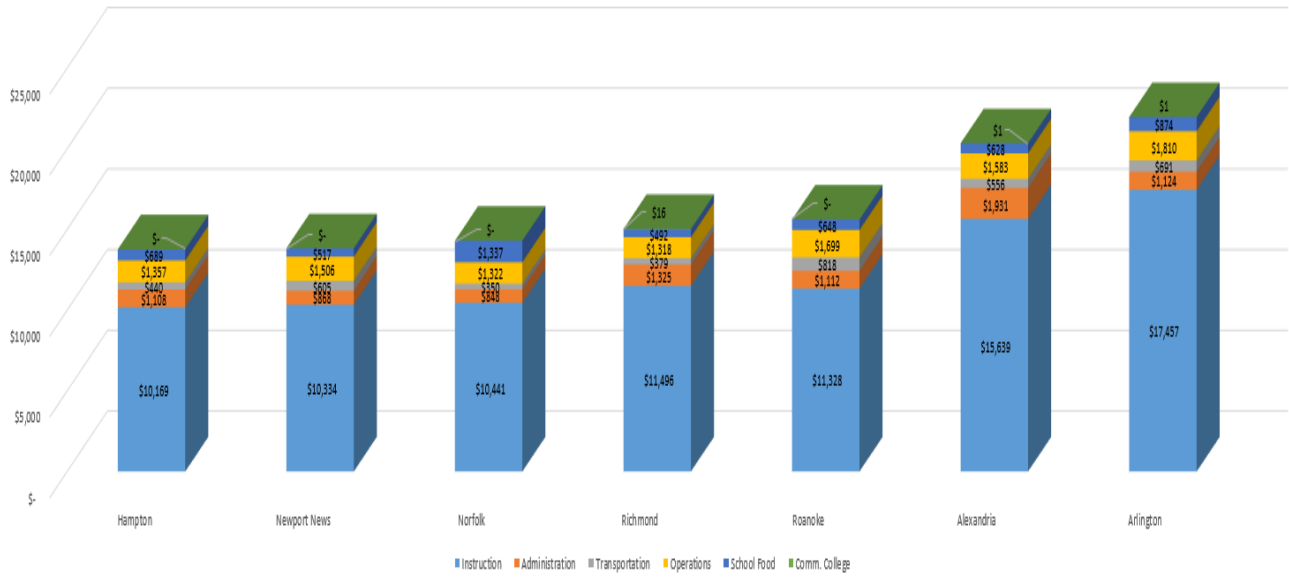


Locality	Instruction	Administration	Transportation	Operations	School Food	Community College	Total
Norfolk	\$ 1,171	\$ 95	\$ 39	\$ 148	\$ 150	\$ -	\$ 1,603
Richmond	\$ 1,381	\$ 159	\$ 46	\$ 158	\$ 59	\$ 2	\$ 1,805
Hampton	\$ 1,391	\$ 152	\$ 60	\$ 186	\$ 94	\$ -	\$ 1,883
Alexandria	\$ 1,506	\$ 186	\$ 54	\$ 152	\$ 60	\$ 0	\$ 1,959
Newport News	\$ 1,446	\$ 121	\$ 85	\$ 211	\$ 72	\$ -	\$ 1,935
Roanoke	\$ 1,497	\$ 147	\$ 108	\$ 225	\$ 86	\$ -	\$ 2,062
Arlington	\$ 1,915	\$ 123	\$ 76	\$ 199	\$ 96	\$ 0	\$ 2,409

Richmond had the 2<sup>nd</sup> lowest costs of the seven and \$146 below the average of \$1,951.

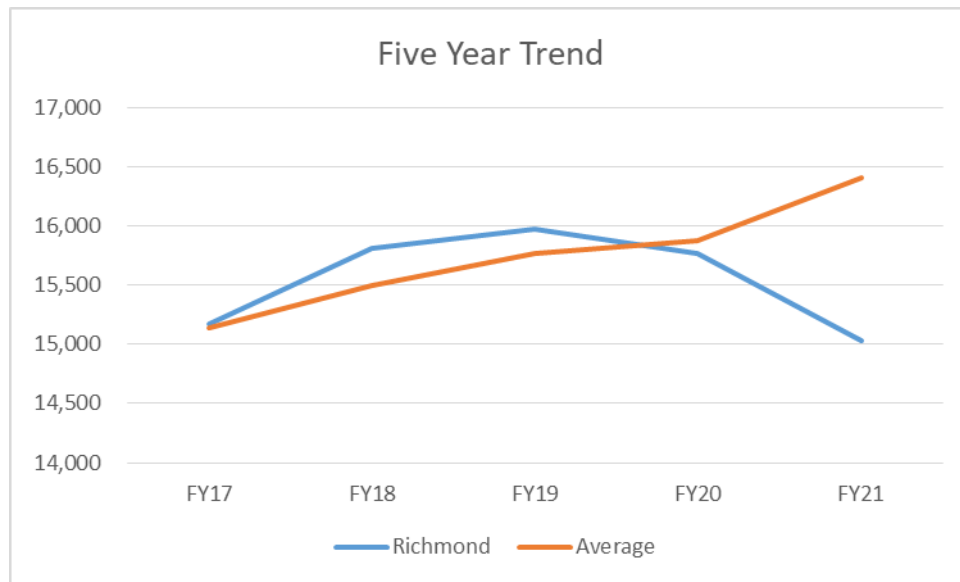


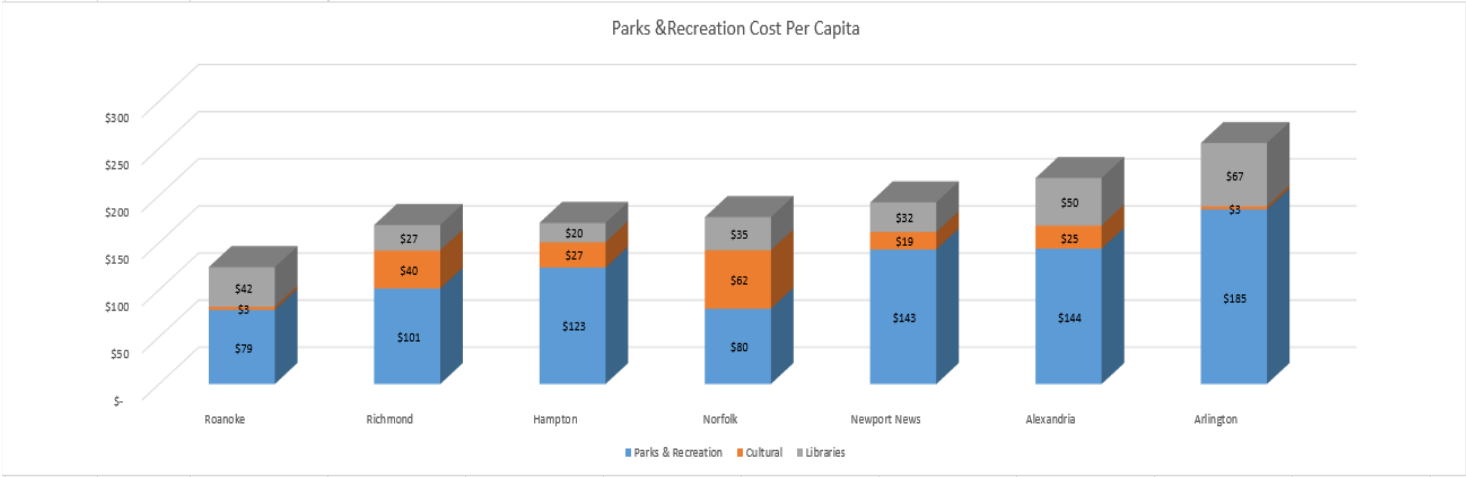
### Education Cost Per Student



Locality	Instruction	Administration	Transportation	Operations	School Food	Comm. College	Total
Hampton	\$ 10,169	\$ 1,108	\$ 440	\$ 1,357	\$ 689	\$ -	\$ 13,764
Newport News	\$ 10,334	\$ 868	\$ 605	\$ 1,506	\$ 517	\$ -	\$ 13,829
Norfolk	\$ 10,441	\$ 848	\$ 350	\$ 1,322	\$ 1,337	\$ -	\$ 14,297
Richmond	\$ 11,496	\$ 1,325	\$ 379	\$ 1,318	\$ 492	\$ 16	\$ 15,026
Roanoke	\$ 11,328	\$ 1,112	\$ 818	\$ 1,699	\$ 648	\$ -	\$ 15,606
Alexandria	\$ 15,639	\$ 1,931	\$ 556	\$ 1,583	\$ 628	\$ 1	\$ 20,338
Arlington	\$ 17,457	\$ 1,124	\$ 691	\$ 1,810	\$ 874	\$ 1	\$ 21,958

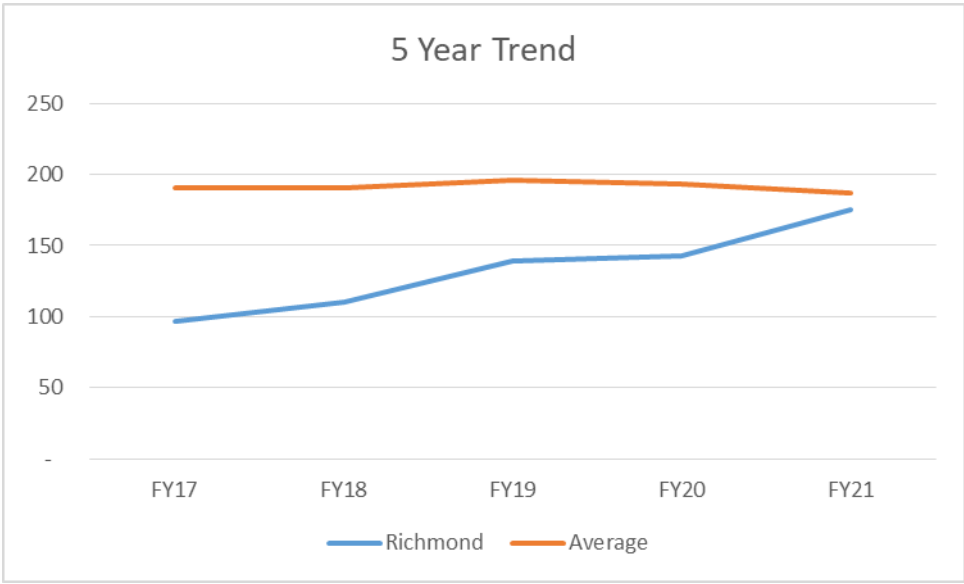
Richmond had the 4<sup>th</sup> highest costs of the seven and \$1,376 below the average of \$16,402.

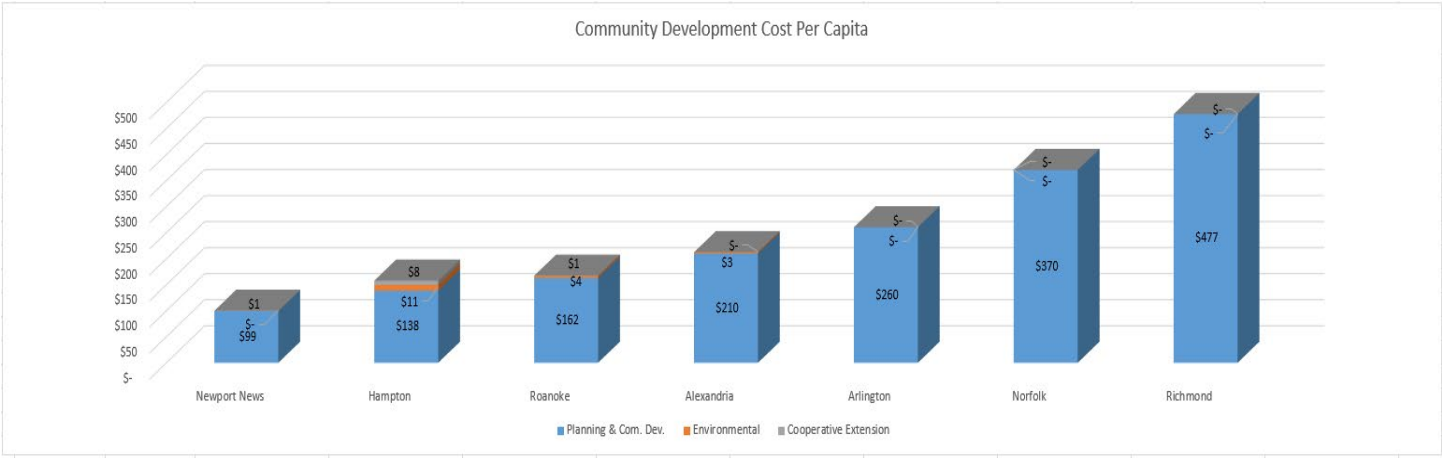




Locality	Parks & Recreation	Cultural	Libraries	Total
Roanoke	\$ 79	\$ 3	\$ 42	\$ 124
Richmond	\$ 101	\$ 40	\$ 27	\$ 169
Hampton	\$ 123	\$ 27	\$ 20	\$ 171
Norfolk	\$ 80	\$ 62	\$ 35	\$ 177
Newport News	\$ 143	\$ 19	\$ 32	\$ 193
Alexandria	\$ 144	\$ 25	\$ 50	\$ 219
Arlington	\$ 185	\$ 3	\$ 67	\$ 256

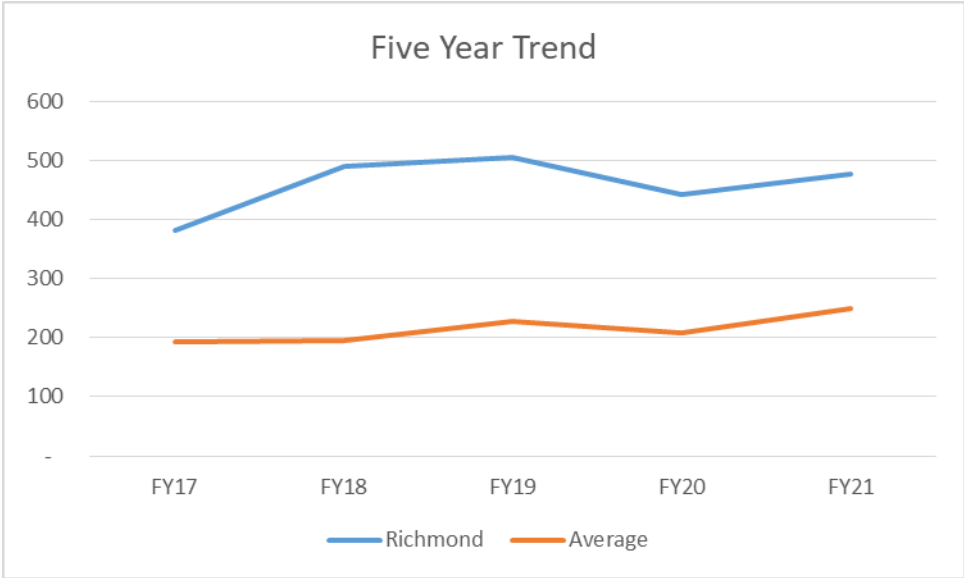
Richmond had the 2<sup>nd</sup> lowest costs of the seven and below the average of \$187. The Administration provided that Richmond’s Public Works Buildings and Grounds numbers include approximately \$1.2 million in grounds maintenance costs for Parks and Recreation. This raises Public Works cost per capita and reduces Parks and Recreation cost per capita by \$6.

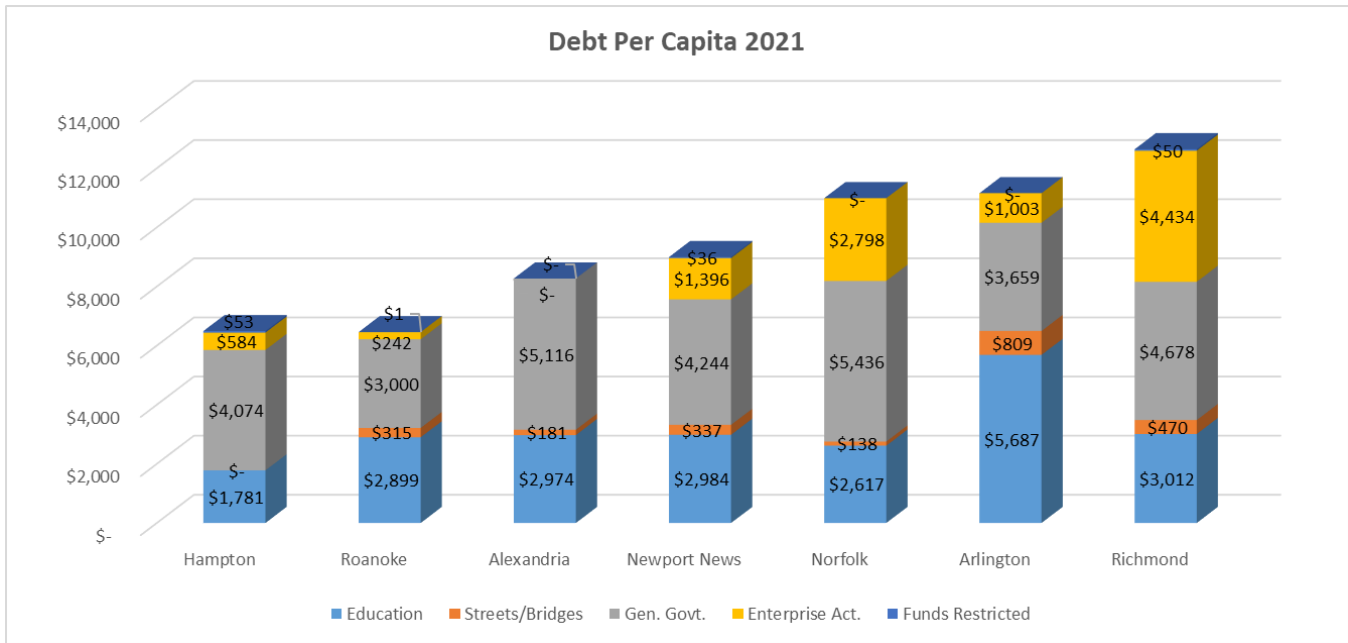




Locality	Planning & Com. Dev.	Environmental	Cooperative Extension	Total
Newport News	\$ 99	\$ -	\$ 1	\$ 100
Hampton	\$ 138	\$ 11	\$ 8	\$ 158
Roanoke	\$ 162	\$ 4	\$ 1	\$ 167
Alexandria	\$ 210	\$ 3	\$ -	\$ 213
Arlington	\$ 260	\$ -	\$ -	\$ 260
Norfolk	\$ 370	\$ -	\$ -	\$ 370
Richmond	\$ 477	\$ -	\$ -	\$ 477

Richmond had the highest costs of the seven and was well above the average of \$249. The primary cost driver for the cost per capita (\$477) for Richmond is the Richmond Redevelopment and Housing Authority with \$72.4 million of the \$108.1 million reported for this category. RRHA has other revenues that offset these expenses.

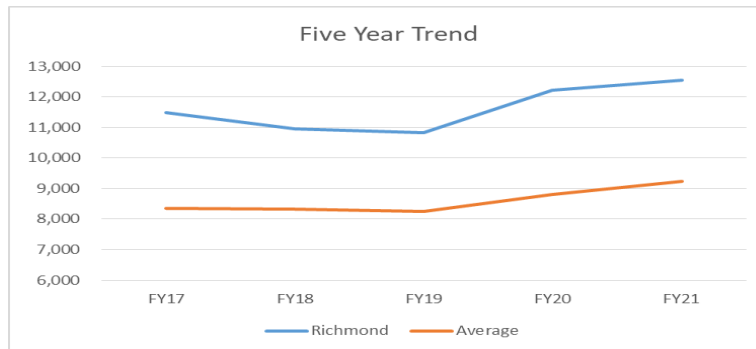




Locality	Education	Streets/Bridges	Gen. Govt.	Enterprise Act.	Funds Restricted	Total
Hampton	\$ 1,781	\$ -	\$ 4,074	\$ 584	\$ 53	\$ 6,386
Roanoke	\$ 2,899	\$ 315	\$ 3,000	\$ 242	\$ 1	\$ 6,457
Alexandria	\$ 2,974	\$ 181	\$ 5,116	\$ -	\$ -	\$ 8,270
Newport News	\$ 2,984	\$ 337	\$ 4,244	\$ 1,396	\$ 36	\$ 8,925
Norfolk	\$ 2,617	\$ 138	\$ 5,436	\$ 2,798	\$ -	\$ 10,989
Arlington	\$ 5,687	\$ 809	\$ 3,659	\$ 1,003	\$ -	\$ 11,158
Richmond	\$ 3,012	\$ 470	\$ 4,678	\$ 4,434	\$ 50	\$ 12,544

Richmond had the highest costs of the seven and was well above the average of \$9,247. 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 in 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	
Roanoke	\$ 218
Hampton	\$ 222
Richmond	\$ 347
Norfolk	\$ 384
Newport News	\$ 446
Alexandria	\$ 473
Arlington	\$ 550



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 of 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 to an urban locality like the City of Richmond.

Locality	Population Estimates (2020)	Land Area (Square Miles) (2010)	Population Density (2020)	Unemployment Rate (%) (2021)	Average Daily Membership in Public Schools (2021)
Roanoke	100,157	43	2,353	5%	12,823
Alexandria	159,475	15	10,610	4%	15,052
Hampton	137,174	51	2,668	6%	18,660
Newport News	186,284	69	2,711	6%	25,616
Arlington	238,304	26	9,176	4%	25,743
Norfolk	238,055	54	4,399	6%	26,251
Richmond	226,956	60	3,795	6%	26,335