

The Special Called Meeting of the Petersburg City Council was held on Tuesday, February 26, 2019, at the Union Train Station. Mayor Parham called the Special Called meeting to order at 6:00p.m.

1. ROLL CALL:

Present:

Council Member Charles H. Cuthbert, Jr.
Council Member Annette Smith-Lee
Council Member Treska Wilson-Smith
Council Member W. Howard Myers
Council Member Darrin Hill
Vice Mayor John A. Hart, Sr.
Mayor Samuel Parham

Absent: None

Present from City Administration:

City Manager Aretha R. Ferrell-Benavides
City Attorney Anthony Williams
Clerk of City Council Nykesha D. Jackson

CLOSED SESSION:

City Attorney Anthony Williams stated that City Council will now move to go into closed session for one purpose pursuant to Section 2.2-3711.A (1) of the Code of Virginia, 1950 as amended, council will be in closed session to discuss of performance of a specific officer.

Vice Mayor Hart moved that the City Council go into closed session for the purposes noted by the City Attorney. The motion was seconded by Council Member Smith-Lee. There was no discussion on the motion, which was approved on roll call vote.

On roll call vote, voting yes: Cuthbert, Smith-Lee, Wilson-Smith, Myers, Hill, Hart and Parham

City Council entered closed session at 6:03 p.m.

CERTIFICATION:

Mr. Williams stated that City Council now moves to come out of closed session and certify that only public business matters lawfully exempted from an open meeting requirement pursuant to the Virginia Freedom of Information Act and only such business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting.

Council Member Hill made a motion to return City Council into open session and certify the purposes of the closed session. The motion was seconded by Vice Mayor Hart. There was discussion on the motion.

The motion was approved on roll call vote.

On roll call vote, voting yes: Cuthbert, Smith-Lee, Wilson-Smith, Myers, Hill, Hart and Parham

19-R-13 A RESOLUTION CERTIFYING, AS REQUIRED BY THE CODE OF VIRGINIA, SECTION 2.2-3712, THAT TO THE BEST OF EACH MEMBER'S KNOWLEDGE, ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS OF VIRGINIA

*Audio available

LAW WERE DISCUSSED IN THE CLOSED SESSION, AND ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION CONVENING THE CLOSED SESSION WERE HEARD, DISCUSSED, OR CONSIDERED.

Returned to open session at 6:41pm.

2. PURPOSE:

- a. Discussion on City finances.

Mrs. Benavides stated, "Good evening Mayor and Council. Today we wanted to have just a little discussion about our finances. But as we move to the budget season we wanted to go over some of the basics but also talk about some of the factors that affect our finances. Just as an overview most of you have seen and understand our organizational structure. We have divided our teams up in community affairs, operations, development services and public safety. Each of those teams are led by a senior member of my team who actually oversees the day-to-day operations."

Key Points:

- Budget has three functions of planning, management and planning.
- Planning forms a basis for deliberation and the budget is expected to state clearly the purpose of the expenditures.
- It is also a management tool because it is an operating document, specifies either directly cost or implicitly the cost, time and nature of the expected results.
- Started the year early with a \$0 based budget and everyone had to start this way.
- There is also an instrument of control in which the City's CFO/Finance Director is responsible for the proper management of funds and programs for which funds are appropriated.
- The budget is a place of revenue and expense activities for the fiscal year and is intended to provide a clear, concise and coordinated financial program to attain the City's goals and objectives aligned with council and city managers identified strategic properties.
- The proposed budget is the working document for the fiscal year and under discussion.
- The adopted budget is the budget document formally approved and adopted by the governing body.
- The budget amendment is a request for an increase or decrease in an existing service level.
- The fund balance is the amount of money that the City has, unallocated, in the checking account. This is the end of the year money that is not appropriated at that time.
- In 2006-07, there was a \$10 million fund balance. In 2007-08, there was an \$11 million-dollar fund balance. In 2008-09, the City was up to \$14 million and then by 2009-10, the City was up to \$15 million in fund balance.

There was discussion among City Council and staff.

Mr. Rogers presented information from the PowerPoint presentation.

Key points:

- Review comes at different times of the year.
- Supplemental Personal Property Tax is billed the first Friday of each month based on information that is given by the Commissioner of Revenue.
- The 20th of each month the meals and lodging tax are due.

There was discussion among City Council and staff.

*Audio available

Council Member Wilson-Smith stated, "I made a motion that this council have a workshop financial meeting. Something that you cannot possibly do in an hour. With my questions alone, I know you can't. And then we just got this packet tonight. So, it's hard to review and gather your questions and come up with anything. So, with the stopping and asking the questions as you go along doesn't make it a workshop. I am sorry about that."

Mrs. Benavides stated, "Council Member Wilson-Smith you are correct. Now, this is not the first. We have a budget that we are about to propose and go through. They brought me 30 slides and many of the slides were the same thing that I am going to be presenting to when we present the budget. So, what we did not want to do as well as in the financial workshop is to make it redundant. We wanted to go through all of the information as an overview. But in a direction standpoint we were told to make this and go through it. But as far as showing details and budget projections we did not want to move this ahead of what is coming in the next month, which is our budget presentation."

Council Member Cuthbert stated, "Mrs. City Manager I was expecting an analysis of each income stream with the discussion of what City staff can do to maximize the revenue perceived from each revenue stream. That is not redundant of a budget presentation. I would like to see a work session focused on the analysis of each income stream. Stream by stream with a hard headed sometimes less than fluffy discussion on how to maximize the revenue income from that stream. I am very disappointed. Every time I look at the utility income stream I am short of patience with hearing excuses why our collection rate is so low. That's just on utility billing. I suspect that we have a similar problem with real estate although that information has not been presented to us. But I would like us to have Workshop #2 and I would like the analysis of income stream by income stream and what can the City do to maximize the revenue we received from that revenue stream without increasing the taxes. Is that something that you can arrange?"

Mrs. Benavides stated, "It is completely up to council. I follow the direction of you. We have information that can be done by line by line. I believe that this information cannot be done in 3 hours. We have a number of revenue streams. But if council so wish to do that and give the time then we are more than welcome to do that because that is what we do every day."

Council Member Cuthbert stated, "Great! Mr. Mayor would you poll council and see if that is the will of council to have a meeting to examine each income stream, stream by stream. I am not interested in dog tags and fishing licenses. But I am interested in the big fish as you might say."

Mayor Parham stated, "Mrs. Benavides is this something that can be done once you get your budget lined up. Would you prefer afterwards?"

Mrs. Benavides stated, "This is actually part of the budget process. What he is asking for is an analysis of all of the revenue. We do that over and over again. That is what the budget development consists of and so the key is do you what to have it in a workshop. In the budget process we break it up and then just do one session on revenue and then we do one on expenditures. But we will do what you want. I will tell you that going line by line revenue stream, I will need at least two or three hours of your time."

Council Member Hill stated, "I do not mind doing it either way but if we are going to do that, do we need to continue doing this tonight. Do we need to just go ahead and adjourn and then we can get back to it another time when we can have that? I am just asking of council."

Mayor Parham stated, "Based on council's recommendation we will end this first phase of this budget workshop and schedule something in the near future. What timeframe work's for council? Is this something that you want to do during the day since this will be three or four hours?"

Vice Mayor Hart stated, "I think that after we put in all the information that council's wants requested of this workshop, given a reasonable time period that we come back and make that decision. I am sure that they have this already out there for review. We need to be adamant of what we are requesting, and no other meeting time is wasted."

Council Member Hill stated, "I agree. But if this is going to be a long workshop, can we go ahead and do it at an earlier time. It is going to be a few hours. I am not trying to hide anything from anybody. Because if we try to do it at 6pm or 6:30pm it may not be enough time. Either way it will be fine with me."

Mayor Parham stated, "At this point in time, everyone's issues that need to be addressed please send them to the clerk, so we can have a list of items that we want to go through. Also, the timeframes that work and dates that available."

Council Member Wilson-Smith stated, "If you can recall the original motion. It was for a financial workshop, which started at July 2018 and carry us through January 2019. This presentation is for FY19-20. The purpose of my motion was to look at where we are right now prior to going into the next budget cycle. So, that we can understand everything as it was right then. And then go to the next budget cycle. There is another motion made that you would present the policy that you eluded to about water bills and turning on people's water. I asked for that policy and I don't see."

Council Member Wilson-Smith made a motion that council do not discuss this anymore tonight and that there be a workshop for at least four hours open to the public where finances will be discussed from July 2018 to March 2019.

Motion dies due to lack of second.

Mayor Parham stated, "We have all agreed to do this. I do not think we need a motion at this time. We just need to send everything to the clerk so that Mrs. Benavides can address these items that want to be viewed by council members. If everyone can get these to Ms. Jackson by Thursday evening, close of business."

Council Member Cuthbert stated, "Mr. Mayor fine and thank you for leading us towards structure on what council had in mind."

There was discussion among City Council and staff on collection and postings of meals tax.

Council Member Cuthbert stated, "Are we going to talk about the Rules of Council tonight."

Mayor Parham stated, "Not tonight. This is a discussion that I will have with the City Attorney after the meeting. We did not have a City of the whole meeting scheduled for tonight. We are actually going to get with the City Attorney on tomorrow and have that discussion."

Council Member Cuthbert asked, "Well when are we going to talk about the Rules of Council. I thought that we said that we were going to do that tonight. But in any event, it doesn't matter."

Mayor Parham stated, "The Vice Mayor and myself will have discussion on that tomorrow with the City Attorney."

Council Member Cuthbert stated, "Are we in agreement that the Committee of the Whole is the entire City Council."

*Audio available

Mayor Parham stated, "It was not described under the Standing Committee as far as the rules of who is carved out to be the Committee of the Whole except for myself and vice mayor."

Council Member Cuthbert stated, "Well the name itself describes all of us."

There was discussion among City Council and staff regarding the Committee of the Whole.

Council Member Cuthbert requested that an agenda be added to the next regular city council meeting regarding amending the Rules of Council and that he will submit an agenda request to that effect.

3. ADJOURNMENT:

City Council adjourned at 7:26 p.m.

Clerk of City Council

APPROVED:

Mayor