

City of Petersburg

VIRGINIA



Bridging our Pathway to a Brighter Future



Presented by
Aretha R. Ferrell-Benavides
City Manager

Fiscal Year 2019-20
Proposed Budget

THE BUDGET DOCUMENT

The annual budget is the most important collaborative responsibility of the City Council, City Manager and City staff.



- Serves as a policy document that provides information about the policies, goals and objectives for the year.

POLICY



- Serves as a financial plan that provides an explanation of the financial structure and operations of the City of Petersburg Virginia. The information included in this document provides projections for the current year's financial activity while also comparing this information to historical trends.

PLAN



- Serves as an operations guide for each department, linking resources to approved work plans.

GUIDE



- Is utilized to comprehensively communicate and provide transparency to the public about how the organization operates.

COMMUNICATION





Operations and Administrative Services

ACCOUNTABILITY:
Establish Petersburg as a structurally stable organization with a greater focus on customer service, efficiency, accountability, and transparency



Budget and Fiscal Management

STABILIZATION:
Strengthen our fundamental fiscal policy and process to achieve long-term fiscal stabilization



Economic Development

GROWTH:
Develop a comprehensive plan and program to facilitate and become a catalyst for economic development to create jobs, retain current businesses, attract new businesses, and encourage investment in the community.



Neighborhood Revitalization

REVITALIZATION:
Establish a high-quality standard to promote enhanced building and community design



Community Engagement & Neighborhood Support

COMMUNICATION: To improve and strengthen communication and engagement within our community.

STRATEGIC PRIORITIES



FY 2019-20 Budget Objectives



Operations and
Administrative Services

Workforce Stabilization



Budget and Fiscal
Management

Fiscal Growth



Economic Development

Expand the Economic
Development Office



Neighborhood
Revitalization

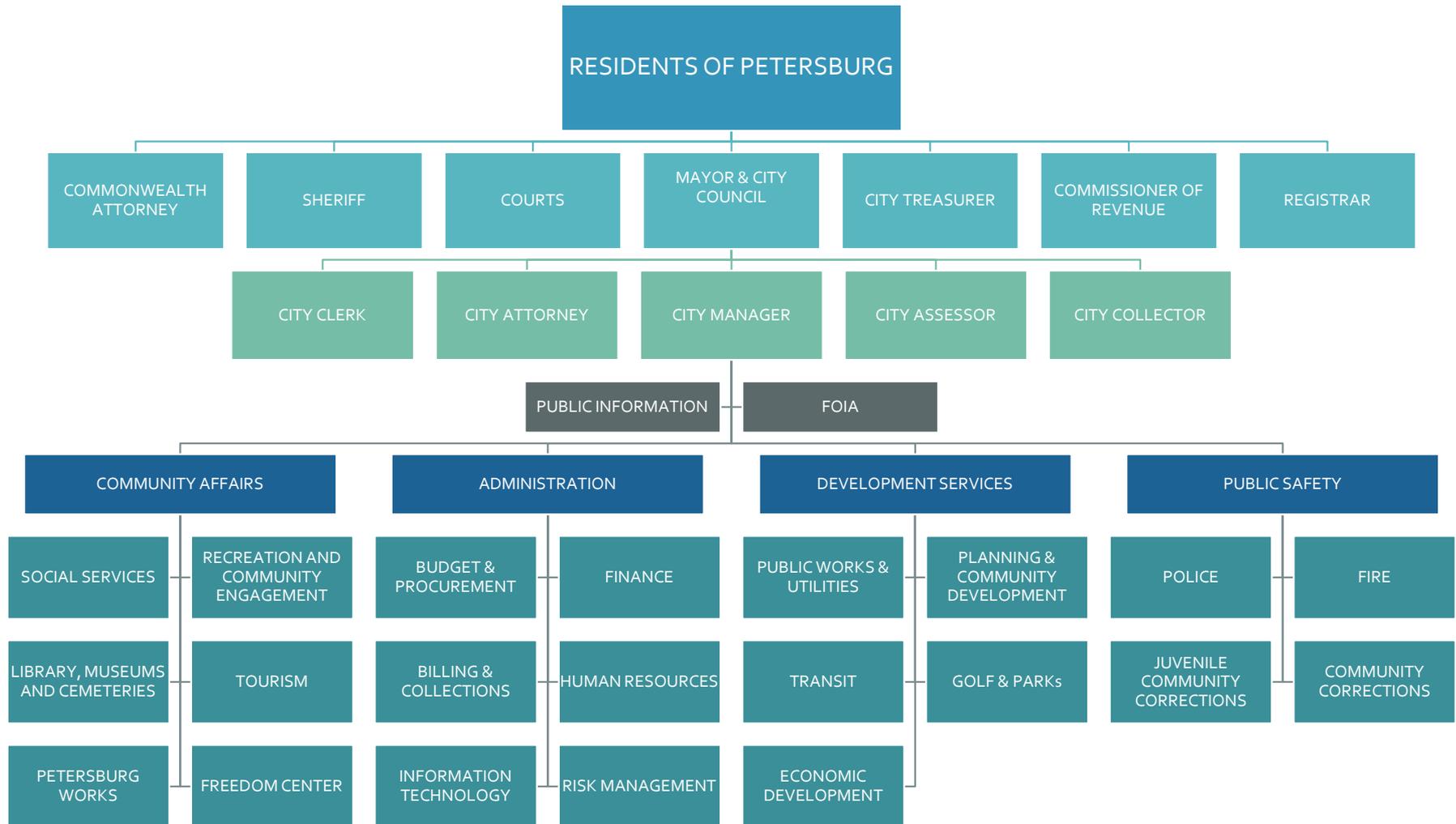
Invest in Code Enforcement



Community Engagement
& Neighborhood Support

Increase our annual
investment to our Public
Schools.

City of Petersburg - Organizational Chart





March

6th Budget Forecast & Priority Overview

25th Joint School and Council Meeting : Proposed School Budget Presentation

28th Budget Workshop



April

2nd Present City Manager's Proposed Budget

11th Budget Workshop

13th Community Budget Workshop

16th Council Meeting –

Public Hearing on Budget & Water Rate

1st Reading of the Budget & Water Rate

26th Council Submits recommended changes to City Manager

30th Council Changes Reviewed and presented back to Council



May

7th Council Meeting

Public Hearing on Budget & Water Rate

2nd Reading of the Budget

Final Budget Approval



June

30th End of Fiscal Year



July

1st Beginning of new Fiscal Year

Budget Calendar

Key Considerations for 2019-20



EXTERNAL

- Federal and State Political & Economic Climate
 - 2020 Election
 - Government Shutdown
- Federal & State Policy Changes, Program Reduction & Elimination
 - Medicaid Expansion
 - Transportation & Community Development Funding
- Intergovernmental Expenses
 - Riverside & Crater Jail Increase
 - ARWA & SCWWA Capital Program
- State Unfunded Mandates
 - State Raises 3%-5% - City Match
 - New Position Requirements

INTERNAL

- Health Care Costs
 - High Claim resulting in Increases
- Technology Challenges
 - Need for New Financial Management System
 - Outdated Public Safety Equipment
- Water & Sewer Infrastructure
 - Infrastructure Breaks
 - Overflow in Sewer System
- Collection Rate
 - Previous low collection need for rate increases
 - Increase 3-5% Annually Targeting 92% or greater collection rate
- Debt Service
 - Restructure Debt
- Fund Balance
 - Commitment to adding \$1 Million Annually to the City's Fund Balance



FY 2019-20 Budget Challenges Intergovernmental Partnerships



RIVERSIDE REGIONAL JAIL

Increase in Inmate Medical Cost

Chesterfield County Reduced the Number of Incarceration

281.86 Inmates (ADP)
\$3,528,741 Reduction

Per Inmate increased from \$40-\$43 per inmate for member Jurisdictions

Petersburg Cost increased by \$857,729 plus an additional \$68,092 over previous year budgeted amount

Member Jurisdictions	FY2019 Operating Budget	FY2020 Preliminary Operating Budget	Change
Charles City County	\$272,597	\$291,153	\$18,556
Chesterfield County	11,932,833	8,404,092	(3,528,741)
City of Colonial Heights	2,411,794	2,448,518	36,724
City of Hopewell	2,157,204	2,314,116	156,912
City of Petersburg	3,523,573	4,381,302	857,729
Prince George County	1,354,390	2,031,776	677,386
Surry County	150,353	186,967	36,614
Total	\$21,802,744	\$20,057,924	(\$1,744,820)

Member Jurisdictions	FY2019 Operating Budget	FY2020 Preliminary Operating Budget	Change
Charles City County	18.67	18.55	(0.12)
Chesterfield County	817.32	535.46	(281.86)
City of Colonial Heights	165.19	156.01	(9.18)
City of Hopewell	147.75	147.44	(0.31)
City of Petersburg	241.34	279.15	37.81
Prince George County	92.77	129.45	36.68
Surry County	10.30	11.91	1.61
Total	1493.34	1277.97	(215.37)

FY 2019-20 Budget Challenges Affordable Health Care

22% Health Insurance Rate
Increase

Total Cost: \$7.14 Million

City : \$3.94 Million

City Cost increased by \$420,000

Average Employee Increase

\$3,000 Dual

\$4,500 Families

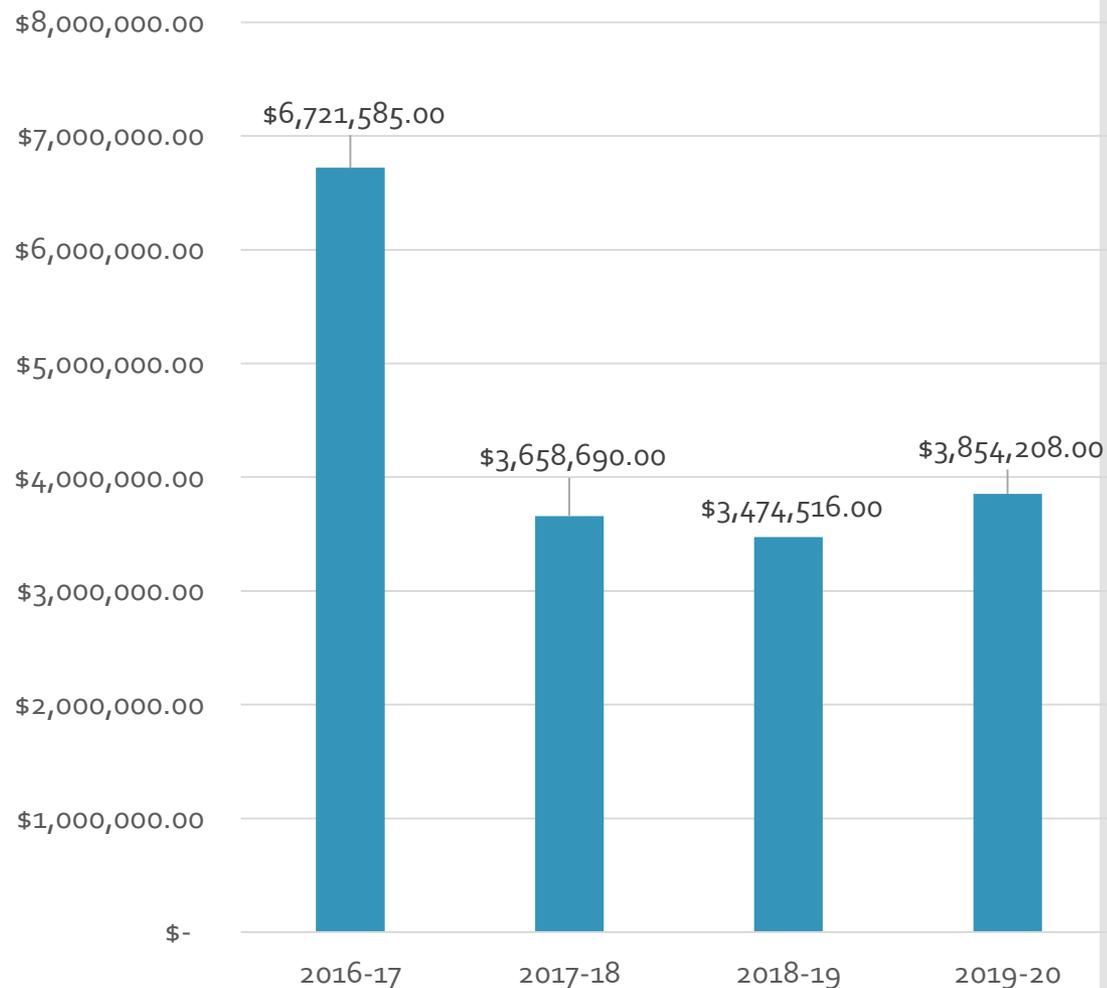
\$300 for Single





FY 2019-20
Budget
Challenges
Debt
Service
Increased
\$380,000

Debt Service





FY 2019-20 Budget Challenges State Raises 3-5% Increases & Additional Positions



COMMISSIONER OF
REVENUE
\$32,468



TREASURER \$16,593



REGISTRAR
\$16,891



CLERK OF COURT
\$16,019



COMMONWEALTH
ATTORNEY
\$102,891



SHERIFF
DEPARTMENT
\$92,548



SOCIAL SERVICES
\$868,458

IMPACT TO THE CITY: **\$250,0000**
AFTER PARTIAL STATE REIMBURSEMENTS

General Fund

Grants Fund

Street Funds

Community
Development
Block Grant
(CDBG) Fund

Utilities Fund

Stormwater Fund

Golf Course Fund

Mass Transit Fund

FY 2019-20
PROPOSED
EXPENDITURE
SUMMARY



FY 2019-20 Proposed Operating Budget Summary

REVENUES

FUND	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
General Fund	73,069,844	74,804,958	75,056,722	73,440,122	75,840,994
Grants Fund	746,749	1,239,822	1,196,993	742,950	753,563
Streets Fund	2,559,923	5,859,254	1,487,732	5,834,237	5,981,699
CDBG Fund	852,535	1,213,763	446,356	944,987	805,000
Utilities Fund	9,623,526	12,765,978	12,465,065	13,478,695	14,722,754
Stormwater Fund	1,336,973	1,450,035	1,537,438	1,460,249	1,960,249
Golf Fund	703,735	1,018,815	949,657	1,030,507	1,278,315
Transit Fund	2,598,980	4,518,875	3,194,349	5,184,962	4,972,845
TOTAL	91,492,264	102,871,501	96,334,311	102,116,709	106,315,419

EXPENDITURES

FUND	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
General Fund	65,861,125	74,804,958	72,463,468	73,440,122	75,840,994
Grants Fund	812,522	1,239,822	1,204,152	742,950	753,563
Streets Fund	1,681,091	5,859,254	2,523,834	5,834,237	5,981,699
CDBG Fund	830,261	1,213,763	599,465	944,987	805,000
Utilities Fund	8,597,372	12,765,978	11,773,645	13,478,695	14,722,754
Stormwater Fund	886,834	1,450,035	566,688	1,460,249	1,960,249
Golf Fund	771,228	1,018,815	1,016,622	1,030,507	1,278,315
Transit Fund	4,359,362	4,518,875	3,725,129	5,184,962	4,972,845
TOTAL	83,799,796	102,871,501	93,873,003	102,116,709	106,315,419



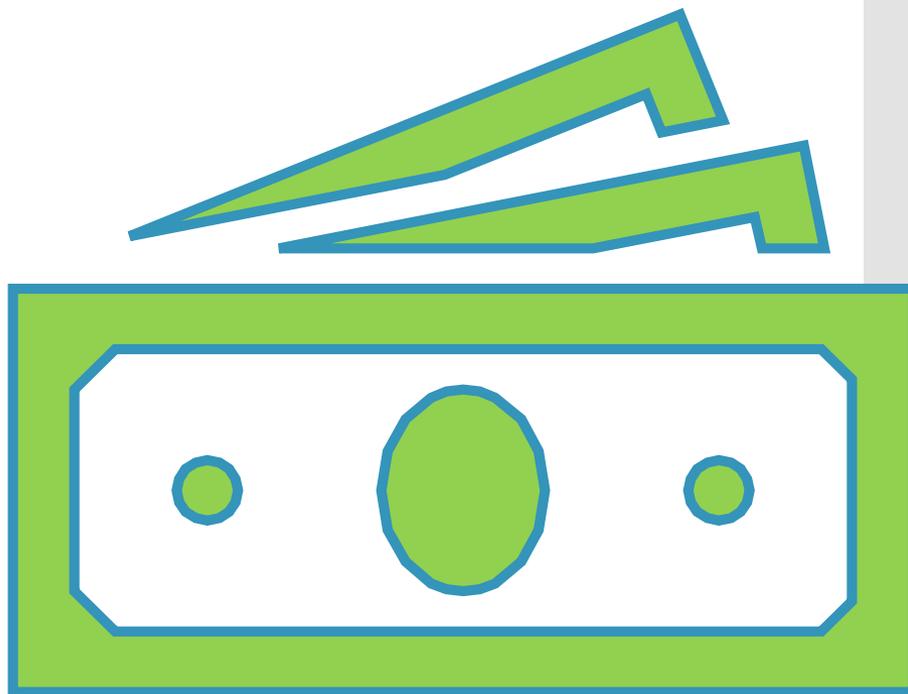
FY 2019-20 PROPOSED - REVENUE SUMMARY

Revenues are projected to be greater than expenditures, thus fulfilling staff's commitment to presenting a balanced budget that also accounts for funds being added toward fund balance

Combined Revenue is:

\$106,315,419

A increase of **\$4.2 Million**
from FY 2018-19 Approved

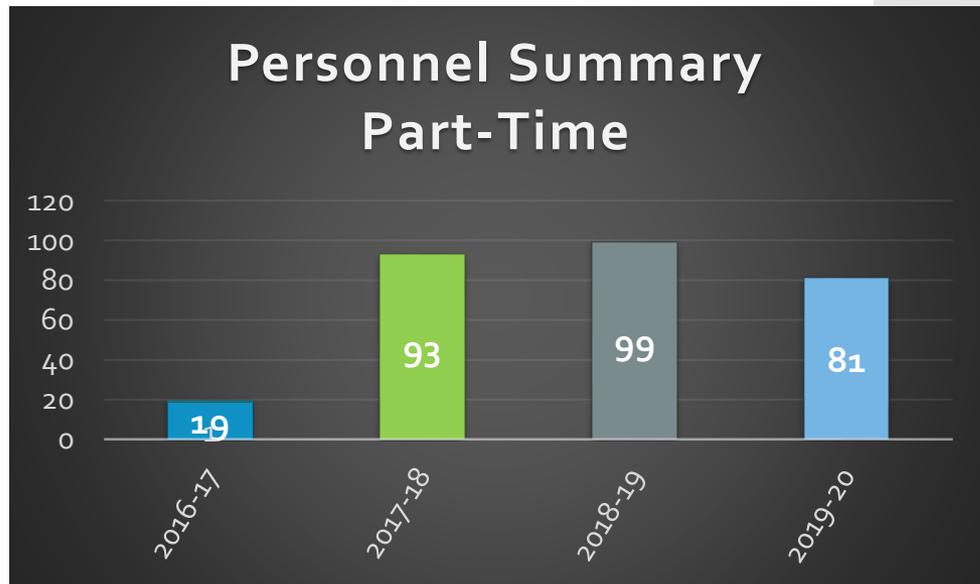
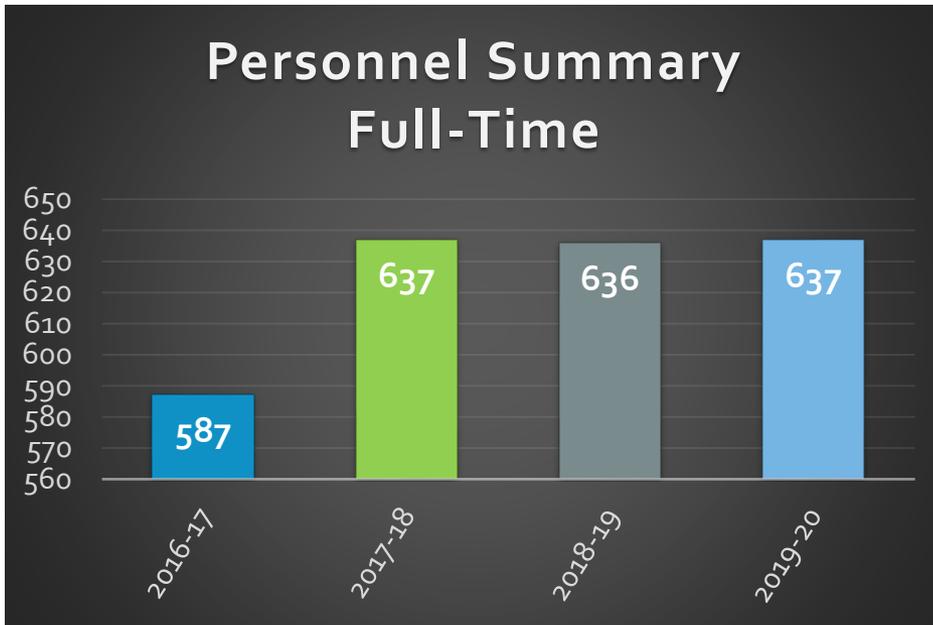


FY 2019-20 Budget Highlights



- Health Care
 - 100% Employee Insurance Re-Certification
 - Spouse Surcharge \$100 Per Month
 - Classified Employees Supplement Twice a Month
 - Dual: \$100 resulting in \$ 2,400 Annually
 - Family: \$200 resulting in \$ 4,800
 - Insurance Waiver: \$50 resulting in \$1,200
- Employee Appreciation Stipend
 - City Classified Employees (Non Department Heads) that were employed in the city on or before June 30, 2018
 - \$500 December 2019

Full-Time & Part-Time Personnel Summary



General Fund

- The General Fund budget supports functions and activities that are traditionally provided by local governments. These include general administration, community services, public safety and facility and grounds maintenance. Revenue to finance these programs are derived primarily from general personal and property taxes, licenses and local sales taxes. Other sources of revenue include building permit fees and municipal court fines.

	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
General Property Taxes	33,735,254	33,628,557	33,474,446	33,582,924	33,111,379
Other Local Taxes	13,486,416	14,434,623	14,524,351	13,907,300	14,699,180
Permits, Fees & Licenses	514,189	349,518	272,177	341,911	341,911
Fines & Forfeitures	765,982	806,942	933,815	895,612	985,112
Revenue From Use of Money/Property	133,102	157,947	125,481	115,500	127,481
Charges For Services	3,610,716	3,086,687	3,400,157	3,033,642	3,407,197
Miscellaneous Revenue	321,341	683,556	1,612,285	844,740	987,240
Recovered Costs	866,150	876	97,042	-	-
Revenue From the Commonwealth	15,222,229	14,959,278	14,720,318	14,822,110	16,550,236
Revenue From the Federal Government	4,414,465	4,899,973	4,682,536	4,896,383	4,981,258
Non-Revenue Receipts	-	1,797,000	1,214,113	1,000,000	650,000
Total	73,069,844	74,804,958	75,056,722	73,440,122	75,840,994

FY 2019-20 Proposed General Fund Revenue Summary



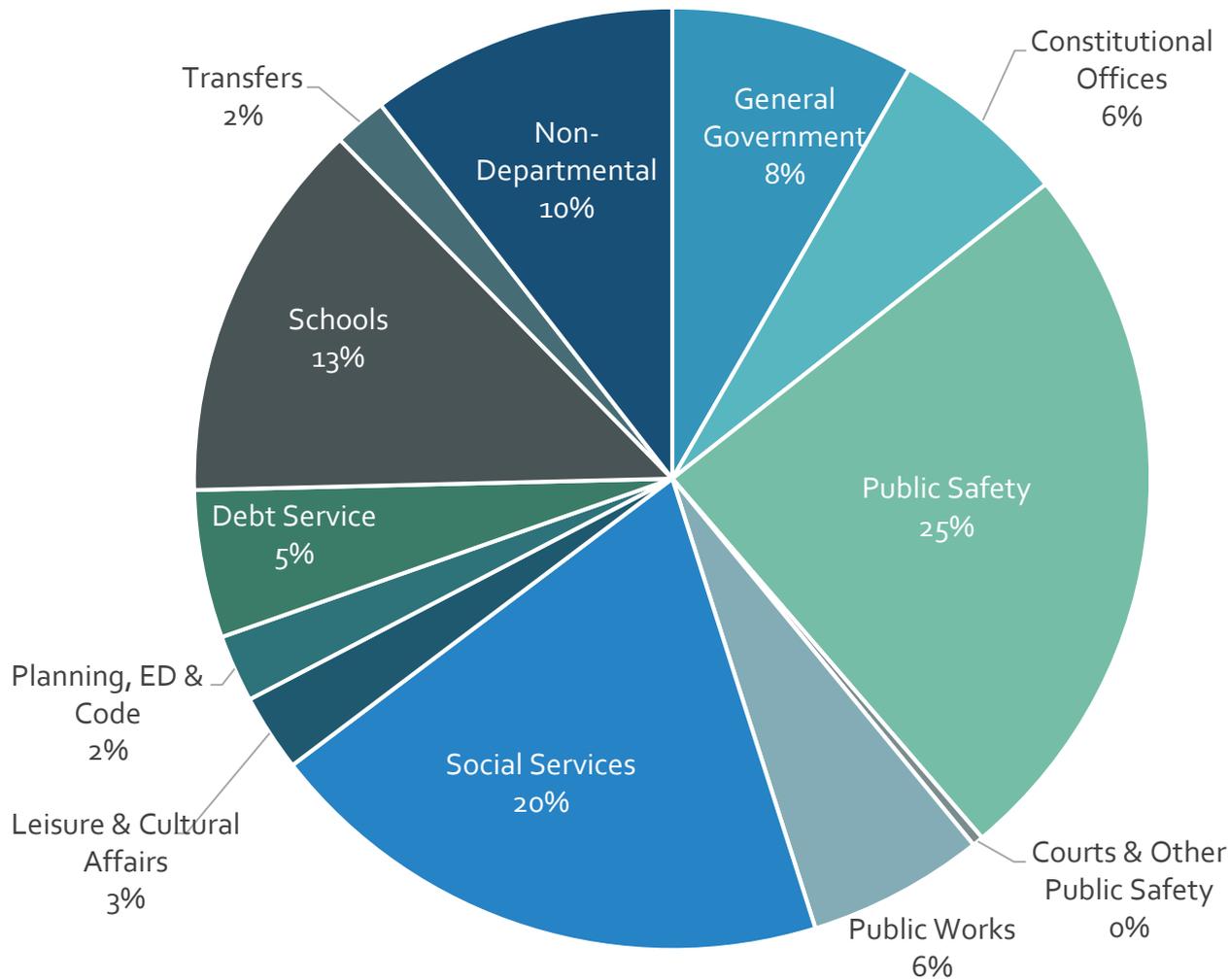
	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
General Government	6,715,323	7,091,009	7,535,727	6,496,355	6,263,785
Constitutional Offices	4,375,008	4,208,240	4,294,955	4,346,869	4,573,115
Public Safety	15,364,821	19,162,163	18,252,270	18,830,180	18,639,739
Courts & Other Public Safety	258,490	279,083	246,098	284,870	282,775
Public Works	3,699,178	4,899,084	4,367,359	4,746,639	4,562,466
Social Services	11,757,522	13,342,112	12,651,875	13,291,463	14,769,779
Leisure & Cultural Affairs	1,633,556	2,010,123	1,884,314	1,988,567	2,010,603
Development Services	874,232	1,743,314	1,213,443	1,709,912	1,749,183
Debt Service	6,721,585	3,495,834	3,658,690	3,474,516	3,854,208
Schools	8,254,730	9,474,762	10,415,473	9,745,976	10,000,000
Transfers	88,350	1,578,046	1,469,713	1,481,738	1,366,594
Non-Departmental	6,118,330	7,521,185	6,473,549	7,043,038	7,924,557
Total	65,861,125	74,804,958	72,463,468	73,440,122	75,840,998

FY 2019-20 Proposed General Fund Expenditure Summary





Proposed FY 2019-20 General Fund Expenditures





Special Revenue Funds

An account established by a government to collect money that must be used for a specific purpose or project. Special revenue funds provide an extra level of accountability that their tax dollars will go toward an intended purpose.

Special Revenue Funds

Grants Fund

- Recently created to centralize most state, federal and other grant programs

Mass Transit Fund

- Accounts for all funds associated with the Petersburg Area Transit both revenue and expenditure

Streets Fund

- This is a dedicated fund created to centralize the Virginia Department of Transportation Urban Allocation Funds

CDBG Fund

- Community Development Block Grant Fund is a Federal Development Program that provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities

Stormwater Fund

- On April 2, 2013, the City of Petersburg approved the implementation of a Stormwater Utility to fund the City's stormwater management program. The ordinance established a stormwater fee at a rate of \$3.75 per Equivalent Residential Unit (ERU)

REVENUES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Recovered Cost-Petg Comm Corr	23,131	40,185	35,083	38,000	38,000
MOU CAPUP	25,388	50,000	50,000	50,000	50,000
State Grant Revenue-Victim Witness	57,372	70,876	70,876	70,876	73,529
State Grant Revenue-PETRG Comm Corr	277,872	322,411	302,409	322,805	322,805
Afro-American Adoption Grant	-	59,082	35,583	-	-
State Grant Revenue - Fire (4forlif	-	26,266	26,266	-	-
Fire Program Fund Aid	-	316,343	108,385	-	-
Fire Local Emer Mgmt Perf GrantLEMP	-	10,675	10,407	-	-
Edward Byrne Memorial Grant (JAG)	-	-	64,548	-	-
Sheriff TRIAD Grant	2,245	2,245	2,250	-	-
Federal Grant Revenue-Victim Witness	231,929	212,629	404,831	212,629	220,588
DMV Selective Enforcement	31,848	80,470	34,575	-	-
VJCCA	96,964	-	-	-	-
Transfer from General Fund	-	48,640	48,640	48,640	48,640
Miscellaneous Revenue	-	-	3,139	-	-
TOTAL REVENUES	746,749	1,239,822	1,196,993	742,950	753,563

Special Revenue Funds Summary

Grants Fund Revenues

Expenditures	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Victim Witness	240,378	283,505	260,396	283,505	294,118
MOU CAPUP	25,388	50,000	42,919	50,000	50,000
Community Corrections	301,003	411,236	347,453	409,445	409,445
Afro-American Adoption Grant	-	59,082	52,625	-	-
State Grant - Fire (4forlife)	-	26,266	20,906	-	-
Fire Program Fund Aid	-	316,343	103,586	-	-
Fire Local Emer Mgmt Perf GrantLEMP	-	10,675	-	-	-
Edward Byrne Memorial Grant (JAG)	-	-	22,864	-	-
Sheriff TRIAD Grant	2,245	2,245	2,344	-	-
DMV Selective Enforcement	31,848	80,470	76,060	-	-
VJCCA	211,659	-	-	-	-
VA Brownfields Restoration	-	-	275,000	-	-
TOTAL Expenditures	812,522	1,239,822	1,204,152	742,950	753,563

Special Revenue Funds Summary Grants Fund Expenditures

STREETS REVENUE	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Local Revenue	-	43,848	8,941	25,950	2,686
State Revenue	2,559,923	5,815,406	1,478,790	5,808,287	5,979,013
Federal Revenue	-	-	-	-	-
TOTAL REVENUE	2,559,923	5,859,254	1,487,732	5,834,237	5,981,699
STREETS EXPENDITURES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Street Operations		5,859,254	2,523,834	5,834,237	5,981,699
TOTAL STREETS EXPENDITURES	1,681,091	5,859,254	2,523,834	5,834,237	5,981,699

Special Revenue Funds Summary Streets Fund

REVENUE	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
State Grant Revenue	852,535	10,601	40,581	-	-
Federal Grant Revenue	-	1,203,062	405,775	944,987	805,000
Draw from Fund Balance	-	100		-	-
TOTAL	852,535	1,213,763	446,356	944,987	805,000
EXPENDITURES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
CDBG Projects	830,261	1,213,763	599,465	944,987	805,000
TOTAL	830,261	1,213,763	599,465	944,987	805,000

Special Revenue Funds Summary CDBG Fund

REVENUES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Local Revenue	1,336,918	1,450,035	1,537,438	1,460,249	1,460,249
State Revenue	-	-	-	-	-
Federal Revenue	-	-	-	-	-
TOTAL	1,336,918	\$ 1,450,035	\$ 1,537,438	\$ 1,460,249	\$ 1,460,249
EXPENDITURES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Stormwater Operations	886,834	1,450,035	566,688	1,460,249	1,460,249
TOTAL	886,834	1,450,035	566,688	1,460,249	1,460,249

Special Revenue Funds Summary Stormwater Fund

Special Revenue Funds Mass Transit Fund Summary

REVENUE	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Local Revenue	990,242	2,022,591	1,708,281	1,820,887	1,717,627
State Revenue	632,660	623,479	840,618	1,230,345	1,380,025
Federal Revenue	976,078	1,872,805	645,450	2,133,730	1,875,193
TOTAL	2,598,980	4,518,875	3,194,349	5,184,962	4,972,845
EXPENDITURES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Operations	4,359,362	2,966,706	3,529,874	2,896,403	2,789,400
Mobility Manager	-	58,840	-	-	-
Greyhound	-	29,290	17,188	43,032	43,032
Bus Stop Café	-	53,147	-	-	-
Preventive Maintenance	-	925,000	135,713	910,838	668,811
ParaTransit	-	-	-	-	174,690
New Freedom	-	96,800	-	96,800	210,000
Capital	-	389,092	42,354	1,237,889	1,086,912
TOTAL	4,359,362	4,518,875	3,725,129	5,184,962	4,972,845



Enterprise Funds

Generally these are segregated as to purpose and use from other funds and accounts of the governmental entity with the intent that revenues generated by the enterprise activity and deposited to the enterprise fund will be devoted principally to funding all operations of the enterprise activity.



Golf Course Fund

- Accounts for all funding associated with the City's Golf Course

Utilities Fund

- This accounts for all revenue and expenditures associated with the Water and Wastewater Services

Enterprise Funds

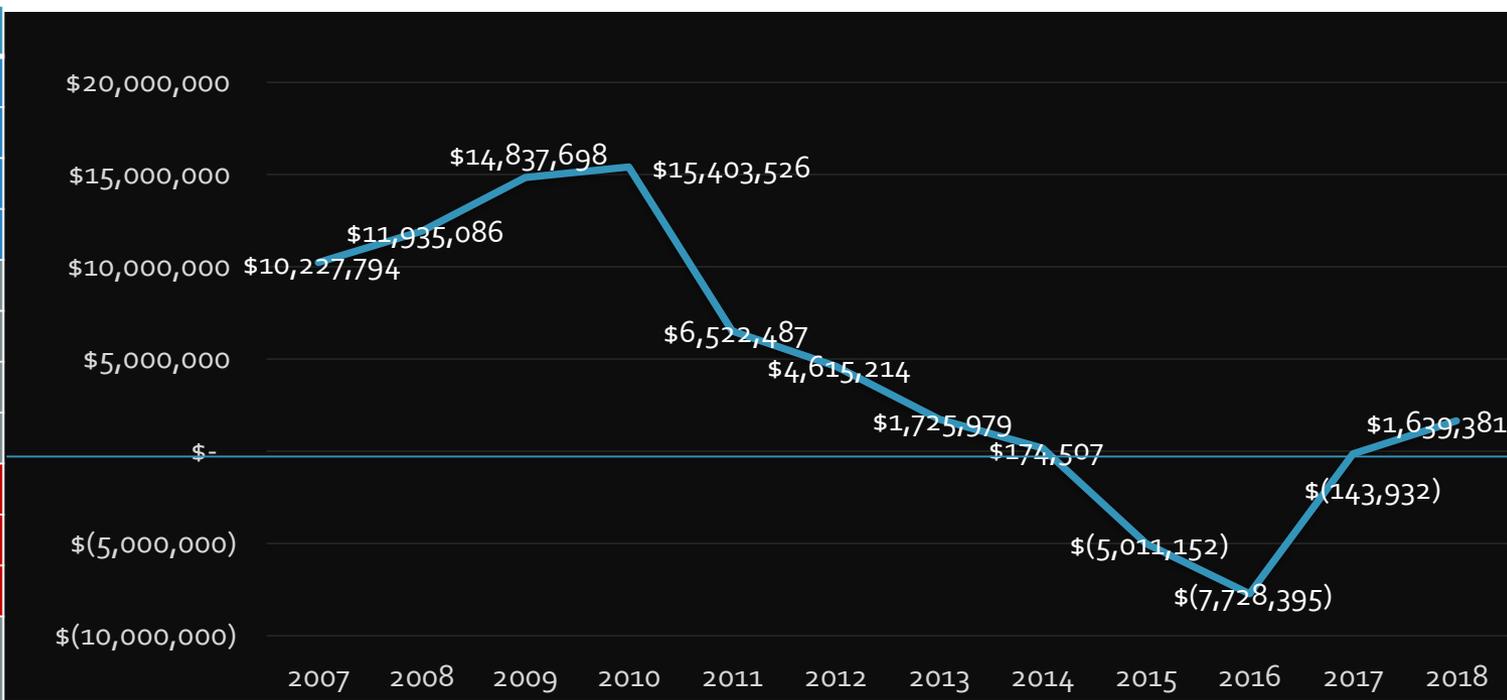
REVENUE	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Local Revenue	703,735	1,018,815	949,657	1,030,507	1,278,315
State Revenue	-	-	-	-	-
Federal Revenue	-	-	-	-	-
TOTAL	703,735	1,018,815	949,657	1,030,507	1,278,315
EXPENDITURES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Golf Course Operations	712,228	1,018,815	1,016,622	1,030,507	1,278,315
TOTAL	712,228	1,018,815	1,016,622	1,030,507	1,278,315

Enterprise Funds Summary Golf Course Fund

REVENUE	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Local Revenue	12,334,213	12,746,303	15,469,510	13,478,695	14,722,754
State Revenue	-	19,675	100,000	-	-
Federal Revenue	-	-	-	-	-
TOTAL	12,334,213	12,765,978	15,569,510	13,478,695	14,722,754
EXPENDITURES	2016-2017 ACTUALS	2017-2018 AMENDMENT	2017-2018 UNAUDITED	2018-2019 ADOPTED	2019-2020 PROPOSED
Wastewater Operations	4,898,809	7,326,716	6,154,603	7,163,016	7,405,550
Water Operations	7,435,404	5,439,262	5,543,039	6,315,679	7,317,204
TOTAL	12,334,213	12,765,978	11,773,645	13,478,695	14,722,754

Enterprise Funds Summary Utilities Fund

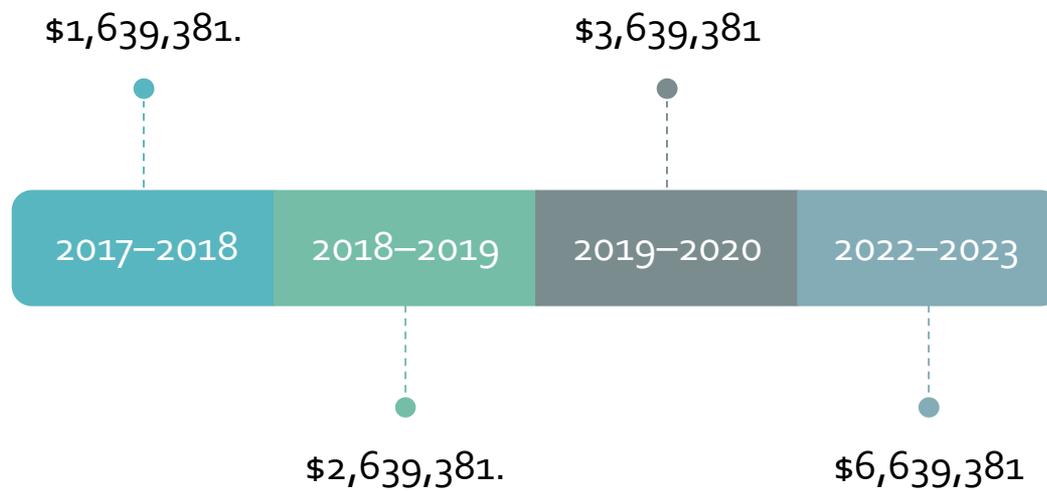
Year	Fund Balance
2007	\$10,227,794
2008	\$11,935,086
2009	\$14,837,698
2010	\$15,403,526
2011	\$6,522,487
2012	\$4,615,214
2013	\$1,725,979
2014	\$174,507
2015	(\$5,011,152)
2016	(\$7,728,395)
2017	(\$143,932)
2018	\$1,639,381 (*)



FUND BALANCE HISTORY



FUND RESERVES



The City of Petersburg has made great strides in re-establishing itself in the State and Market. The next five years will require close monitoring of our spending as well as realization of our limited resources.

I would like to thank the City Council and City staff for their continued partnership that has allowed us to effectively meet the challenges we face and take advantage of new opportunities moving forward.

CONCLUSION

Special Thank You

- Michael C. Rogers, Chief Operating Officer
- Robert A. Floyd, Budget and Procurement Director
- Patrice S. Elliott, Finance Director
- Maisha Beasley, Interim Finance Director (Previously)
- Jay Baxter, Manager of Billing & Collections
- James Gaston, Budget Analyst
- Brittany Flowers, Commissioner of Revenue



