

**MINUTES OF THE CITY COUNCIL MEETING**  
**APRIL 8, 2019 6:30 P.M.**  
**WORK SESSION**  
**Council Chambers**

**PRESENT:** The Honorable W. Eugene Hunt, Jr., Mayor  
The Honorable Carey L. Freeman, Vice Mayor  
The Honorable Herbert R. Green, Jr.  
The Honorable Thomas J. Cannella II  
The Honorable David A. Hux  
The Honorable Charles M. Southall III  
The Honorable Jana D. Andrews

J. Randall Wheeler, City Manager  
Evie Insley, City Clerk  
D. Wayne Moore, City Attorney

Dr. Jennifer Parish, Superintendent, Poquoson Public Schools  
Tonya O'Connell, Finance Director

**ABSENT:** None

Mayor Hunt opened the work session at approximately 6:28 p.m. in Council Chambers.

**1. Proposed Budget for FY 2020 – The City Manager will formally present to Council the City Manager's Proposed Budget for FY 2020.**

City Manager, Randy Wheeler presented to Council a summary of the proposed 2020 Fiscal Year Budget plan. Mr. Wheeler advised the current fiscal situation remains stable and the reserves meet guidelines. The overall General Fund revenues and expenditures are performing as expected.

Mr. Wheeler cleared up any confusion on a requested budget and a proposed budget. A requested budget reflects what the tax rate consequences would be if everything a department requested was received. The proposed budget recommended is for no change in tax rate.

The revenue highlights proposes unchanged property tax rate, an average real property reassessment increase of 2.63%, increase in solid waste fees (due to recycling), decrease in sewer fees.

Budget development was guided by a few guiding principles; constrained to stay with projected revenue based on current tax rates, compliance with adopted financial policies and on-going revenue supporting on-going expenditures. Also this year it is shaped by the Comprehensive Plan, Constrained Capital Improvements Plan and Council's Strategic Budget Focus Areas and Strategic Initiatives.

The budget focus areas are as follows:

- **Public Education** has a local support increase of \$211,284, fully funds School Board requests, helps fund a minimum 3% pay increase for all School employees and funds staffing at new vestibules at PPS and PHS (to be installed this summer).
- **Public Safety** will focus on FY2020 Public Safety Building Feasibility Study, replacement of Medic 21, Ship Wreck Island intersection improvement design that is underway, additional contribution to the public safety equipment replacement line item and continue to replace public safety equipment such as police vehicles with current year funds when available.
- **Quality of Life** includes Master Infrastructure Plan with a major focus in FY20 & FY21 includes chapters of recreation, water access and sidewalks. A design is underway for Poquoson Avenue sidewalk project which will connect our two school complexes through Municipal Park and Wythe Creek Road Widening Project underway.
- **Quality of Services** fully funds the annual cost of the mid-year compression adjustments approved by Council, contains 2% cost of living adjustment for all City employees effective July 1<sup>st</sup>. These two items in addition to the increase in teacher pay directly supports the Council's strategic initiative of competitive pay for public employees. Also included is the Master Infrastructure Plan that will include a focus on current and future public facilities needs and replacement of a 16 year old debris truck.
- **Fiscal Stability** is the basic building block of the City's budgeting and fiscal management. The City had its AAA Bond Rating reconfirmed this past year, also the City's General Fund Balance and Fiscal Stability Reserve and OPEB Trust provide a strong foundation. The City's strong fiscal position and active financial management have allowed us to make additional deposits in our reserves, make additional capital deposits in our reserves, make additional capital investments and advance a portion of our FY2020 planned compensation increases by 6 months.

The total requested General Fund budget is \$30,251,297 that would include a real estate tax rate increase of 2¢; the City Manager's proposed general fund budget is \$29,282,000 with an unchanged real estate tax rate.

A few key dates are April 22, 2019 for budget public hearing and proposed tax rate public hearing. May 13, 2019 is the scheduled adoption and work sessions can be scheduled as needed. Copies of the proposed budget can be found on the City website, the Public Library, City Manager's Office and Finance Office.

#### **ADJOURNMENT:**

There being no further business, the work session was adjourned at approximately 6:49 p.m.