

CITY OF POQUOSON VIRGINIA



City
Council
Adopted

Fiscal Year 2025 Annual Financial Plan



TABLE OF CONTENTS

Introduction	4
Organization Chart	5
GFOA Distinguished Budget Presentation Award	7
History of the City	8
Demographics	10
Executive Summary	14
Fund Structure	18
Basis of Budgeting	20
Financial Policies	21
Budget Process	24
Budget Overview	26
Summaries	27
Fund Overview	33
Strategic Focus Areas	45
Short-Term Factors	47
Fiscal Management	48
Personnel Changes	49
Fund Summaries	51
General Fund	52
Debt Service Fund	56
Capital Projects Fund	61
Special Revenue Fund/Grants	64
Sewer Fund	65
Solid Waste Fund	68
Fleet Management Fund	71
Special Revenue Fund/OPEB	74
Funding Sources	76
General Property Taxes	77
Other Local Taxes	81
Permits and Licenses	84
Fines and Fees	86
Use of Money and Property	87
Charges For Services	88
Miscellaneous Revenue	90
State Revenue	91
Federal Revenue	93
Transfers In - General Fund	95
Debt Service	96
Capital Projects Fund	97
Special Revenue Fund/Grants	98
Sewer Fund	99
Solid Waste Fund	102
Fleet Fund	106

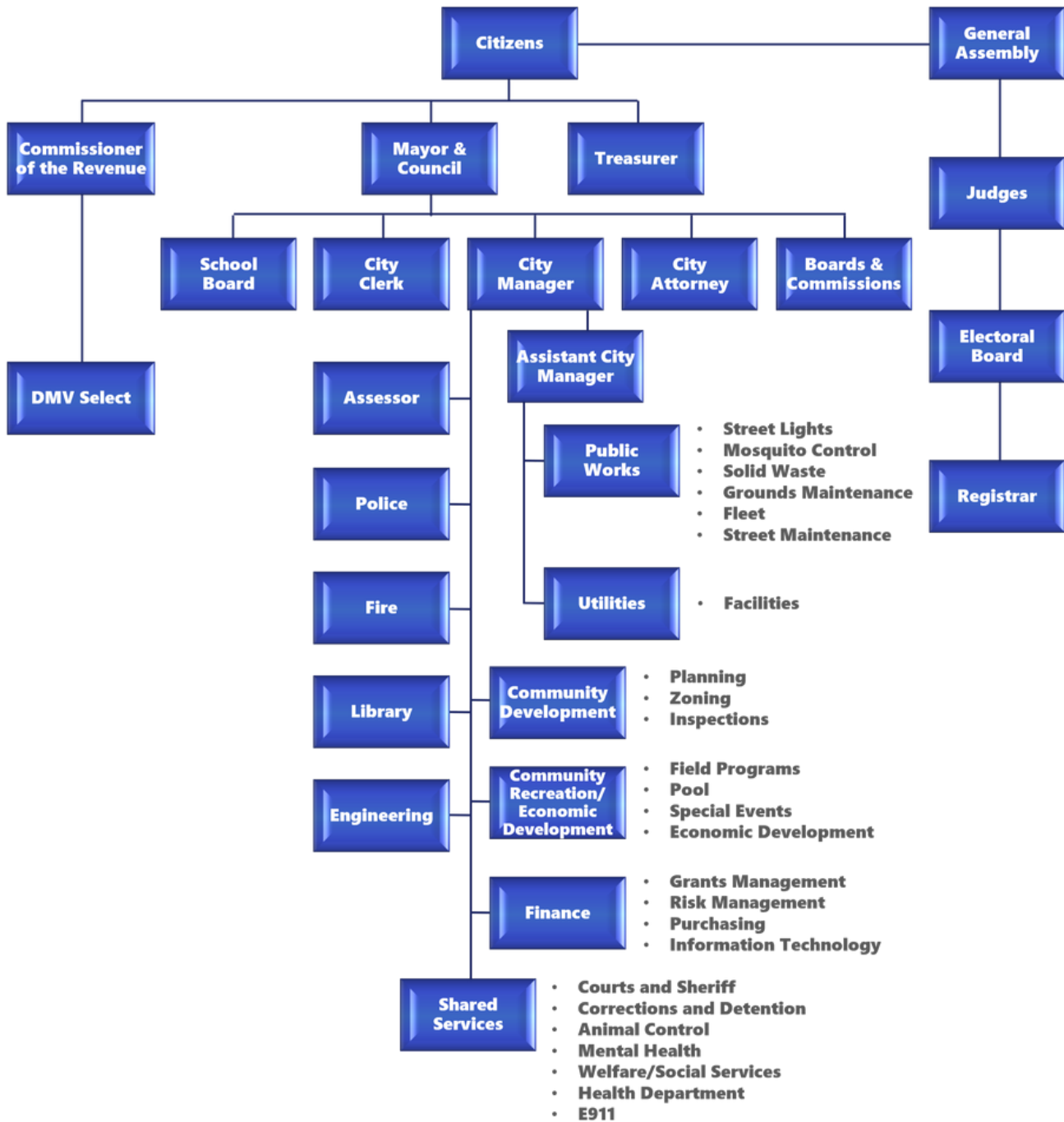


OPEB	107
Departments	108
City Council	109
City Manager	111
Legal Services	114
Independent Auditor	117
Commissioner of the Revenue	119
Assessor - Equalization Board	122
Treasurer	125
Finance	128
Technology	131
Risk Management	133
Registrar	135
Courts and Sheriff	138
Police	140
Fire	144
Corrections and Detention	148
Inspections	150
Animal Control	154
Engineering	156
Public Works	159
Street Lights	163
Facilities	165
Health Department	168
Mosquito and Drainage	170
Mental Health	173
Welfare/Social Services	175
Poquoson School Board	177
Parks and Recreational - Programs	179
Parks and Recreational - Pool	183
Parks and Recreational - Events	186
Library	190
Planning	194
Planning, Zoning, Wetland, and ARB	198
Economic Development	201
Community Development	204
Non-Departmental	206
DMV Select	208
Transfers Out - General Fund	211
Debt Service	213
Capital Projects	218
Special Revenue Grant Fund	222
Sewer Fund	223
Solid Waste Fund	228
Fleet Fund	231
OPEB	235
Appendix	237
Glossary	238



INTRODUCTION





POQUOSON IS
THE PLACE



City Council



Gordon C. Helsel, Jr.
Mayor
Term Expires: 12/31/2024
At-Large

Central Precinct



Charles M. Southall, III
Councilman
Term Expires: 12/31/2026



Keith A. Feigh
Councilman
Term Expires: 12/31/2024

Eastern Precinct



Carey L. Freeman
Vice Mayor
Term Expires: 12/31/2026



Anjie L. Emmett
Councilwoman
Term Expires: 12/31/2024

Western Precinct



Debra D. Bunting
Councilwoman
Term Expires: 12/31/2026



David A. Hux
Councilman
Term Expires: 12/31/2024

GFOA Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Poquoson
Virginia**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director



History of the City



The City of Poquoson, which had been a part of York County for many years, became a town in 1952 and an independent city in 1975 upon referendum of the citizens. However, the ties remain close with certain municipal functions continuing to be shared with York County to include the Courts, Social Services, Sheriff's Department and E-911 Center.

Poquoson is the oldest continuously named community in Virginia. The term "poquoson" was used to describe a boundary line between 2 elevated tracts of land. Such a boundary contained a stream, river, or creek with its adjoining marsh which lay between 2 tracts of higher ground. Poquoson was used as a common noun and is found in many deeds along the eastern seaboard. Through the years the term became a proper noun for the land that lies between 2 such poquosons - the Old Poquoson River and the New Poquoson River.

The first mention of Poquoson was in Captain Christopher Calthrope land grant issued by a court in Elizabeth City on April 26, 1631. Three years later the Poquoson Parish was named as a beneficiary in the will of Benjamin Symms for "a free school to educate and teach the children of Elizabeth City and Poquoson." This New Poquoson Parish originally included the areas known today as Poquoson, Tabb, Grafton, Dare, and Seaford.

The southern portion of the Poquoson District in York County was incorporated in 1952 to retain control over its schools. The city form of government was adopted June 1, 1975.





The City is organized under the Council-Manager form of government. The Poquoson City Council is comprised of seven members who are elected by voters on a non-partisan basis and serve four year staggered terms. The City is divided into three precincts, with each precinct entitled to two representatives. The City Mayor is elected at large. Persons elected to City Council take office on the first day of January following the election.

The City Council is the policy determining body of the City. Its responsibilities include: adoption of the City budget; creation, combination or elimination of City departments; approval of all tax levies; approval of amendments, supplements or repeals to ordinances and the City Code; and appointment of the City Manager, City Clerk, City Attorney, School Board and other various local boards, commissions and committees. The Manager serves at the pleasure of Council, carries out its policies, directs business procedures and has the power of appointment and removal of all heads of departments (except Constitutional Officers) as well as all other employees of the City.

One of the most important services provided by a city to its taxpayers is the education of the children in the community. The Virginia State statutes put Virginia schools under the dual control of the State Education Board and a local school board. The State Education Board provides operational procedures, standards of education and state school and formulas for partial funding. The City must provide all capital improvement funds, pay debt on school projects and provide any additional operating funds required, but not provided by the State Education Board and federal aid. The City Council's authority is limited to appointing local school board members, appropriating funds by state established categories and issuing debt relating to school projects. Local school boards do not have taxing or bond issuance authority.

The City of Poquoson provides a full range of services, including police and fire protection; the maintenance of highways, streets, and other infrastructure; recreational activities, library services, community development activities, and cultural events. The City also owns and maintains sewage facilities; contracts for trash pick-up and disposal, recycling, landscaping and bulky items; owns and operates a City pool; and manages various paid recreational activities. In addition to general governing activities, the governing body has significant financial influence over the Poquoson City Public Schools and the Economic Development Authority (EDA).

Population Overview



TOTAL POPULATION

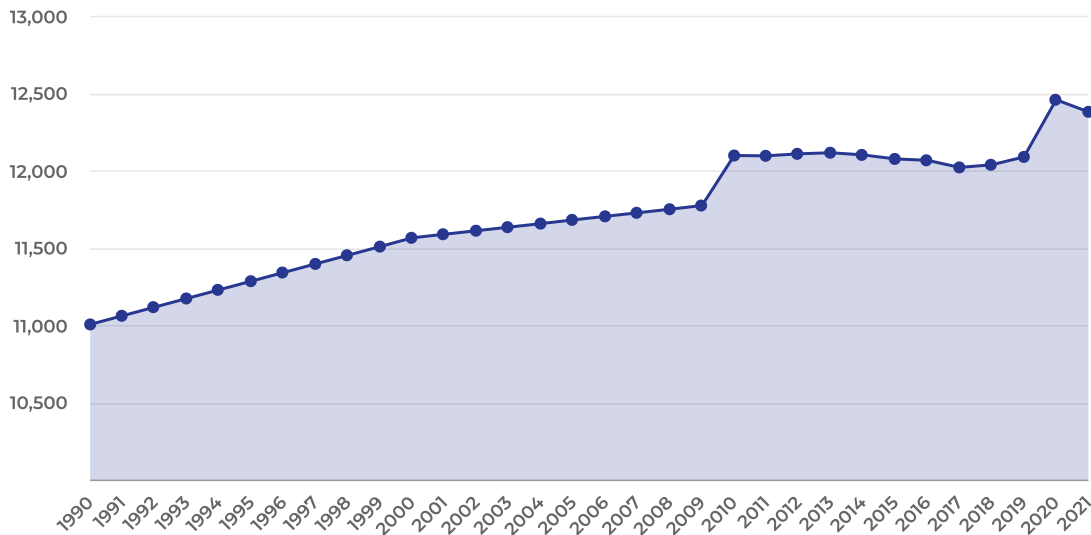
12,382

▼ .6%
vs. 2020

GROWTH RANK

152 out of 228

Municipalities in Virginia



* Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses



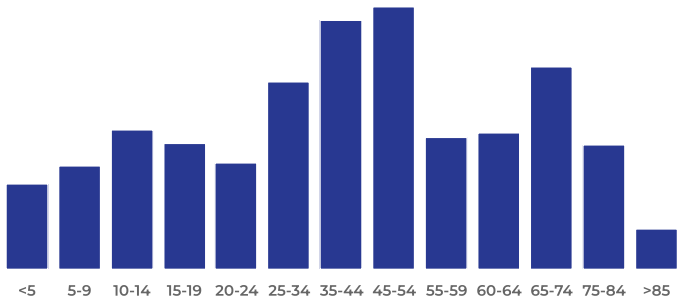
DAYTIME POPULATION

8,870

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

* Data Source: American Community Survey 5-year estimates

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

* Data Source: American Community Survey 5-year estimates

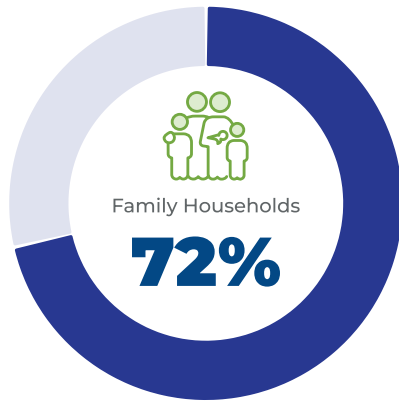


Household Analysis

TOTAL HOUSEHOLDS

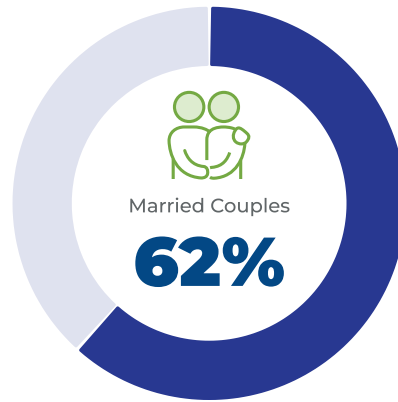
4,617

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



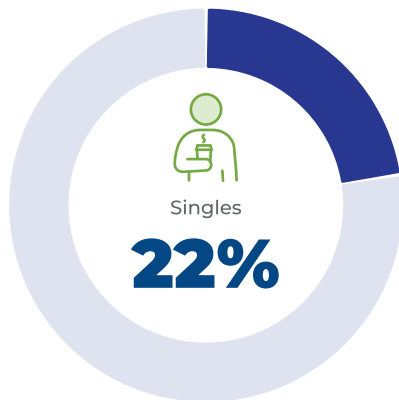
▲ **44%**

higher than state average



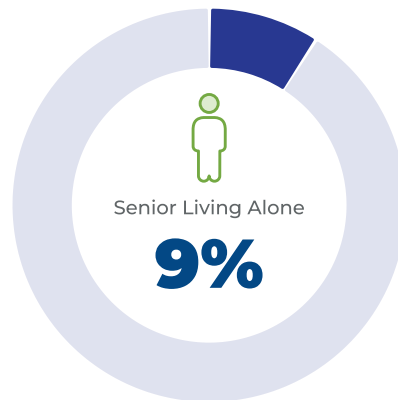
▲ **22%**

higher than state average



▼ **18%**

lower than state average



▼ **45%**

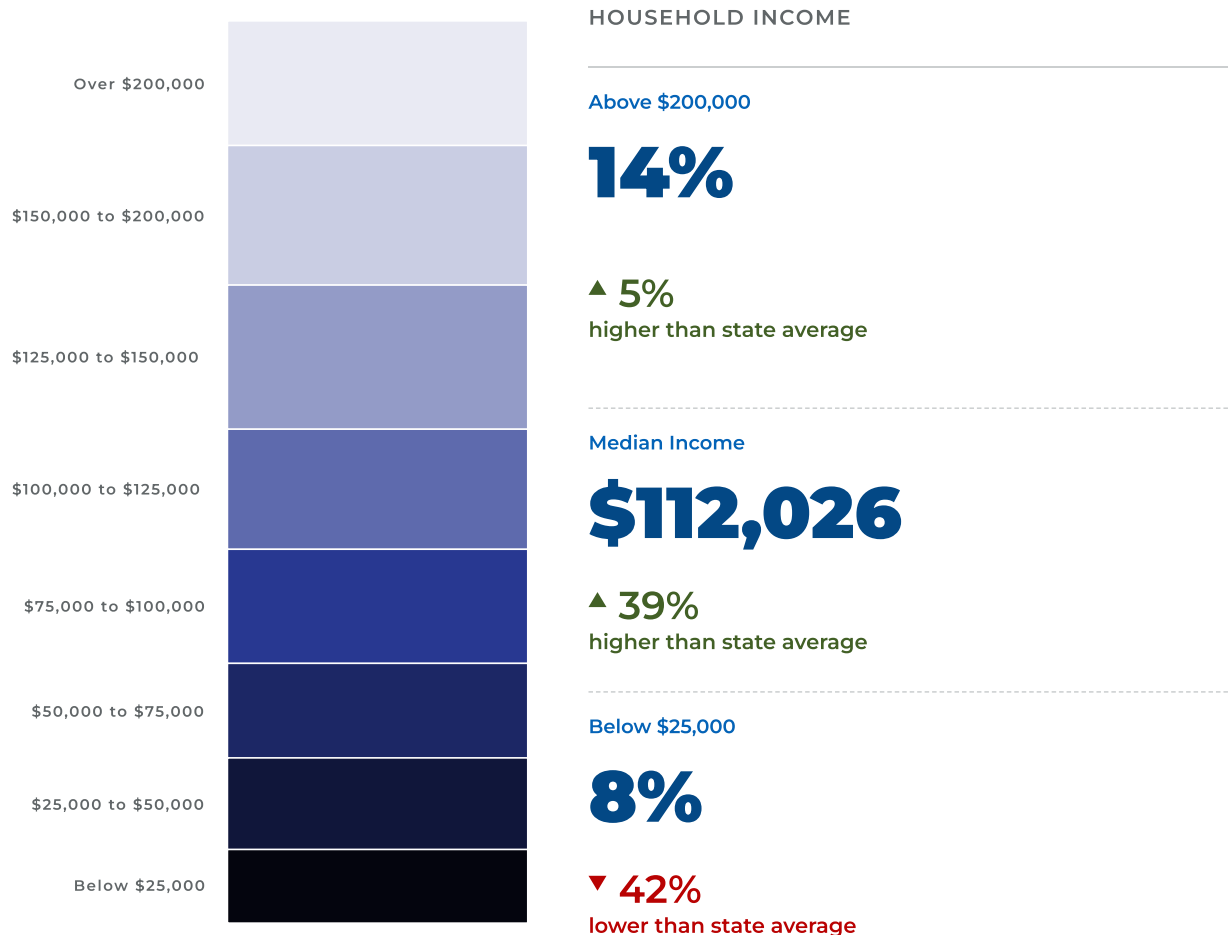
lower than state average

** Data Source: American Community Survey 5-year estimates*



Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



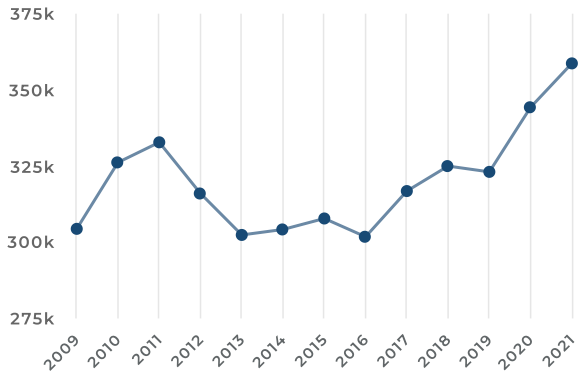
** Data Source: American Community Survey 5-year estimates*



Housing Overview



2021 MEDIAN HOME VALUE
\$358,700



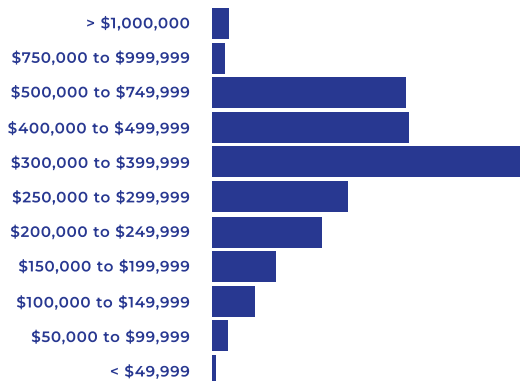
* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

HOME OWNERS VS RENTERS

Poquoson State Avg.



HOME VALUE DISTRIBUTION



* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.



Executive Summary

April 8, 2024

Honorable Mayor and Members of City Council
Poquoson, Virginia

Thank you for the opportunity to present the City Manager's Recommended Budget for Fiscal Year (FY) 2025, submitted in accordance with Article V of the Poquoson City Charter.

Introduction:

Each year we begin the budget development process with a detailed review of the current fiscal year and the City's overall financial position. I am pleased to share that, despite the lingering effects of the public health emergency, high inflation rate and other economic challenges, the City's overall financial position remains strong. At this point, we can anticipate a small, positive year-end contribution to the unrestricted General Fund Balance; however, I would like to point out that the City's projection for real estate taxes this fiscal year is expected to be several hundred thousand dollars below budget. This is primarily due the effects of higher-than-normal mortgage interest rates and the pace of new construction is slightly behind what had been projected. We have been able to offset the shortfall in this particular revenue line item through other revenue collections, particularly interest earned.

As we look forward to the upcoming fiscal year, a number of significant issues must be considered as part of the budget development process. These are:

Continued high inflation, lingering supply chain issues and high mortgage interest rates. These factors have negatively impacted the cost of goods and services needed to support local government activities and impact the rate in which new residential and non-residential construction projects are completed (and potential changes to the local school student population). The latter has a direct bearing on our FY2025 revenue projections.

Significant hiring challenges, particularly in Public Safety and Public Works. We are challenged to keep pace with increasing starting/hiring salaries of competing local governments, the federal and state governments and private sector companies. We are seeing smaller, less qualified applicant pools and filling some vacancies has exceeded six months or more.

Continued pressures relating to employee retention, particularly in Public Safety. We are seeing a noticeable increase in the number of employees that are pursuing employment opportunities elsewhere. Each time we lose an experienced employee, we are challenged to replace them at a comparable level of salary and experience and even when we can, it can sometimes take many months to refill the position.

Poquoson Schools are facing similar wage, recruitment and retention challenges. While we defer to the Superintendent and School Board to speak for and about the specific challenges they are experiencing, they have traditionally faced the same recruitment and retention challenges as the City government due to low starting pay and lower relative pay ranges.

As of this printing, the Commonwealth has not yet completed its work on the State FY2025 Budget. This adds an additional level of uncertainty to our budgetary planning particularly as it relates to employee compensation and state support for public schools.



Guiding Principles of Budget Development:

As the budget team and I worked through the development of this budget recommendation, we continued to use the five guiding principles that have helped provide a framework for the past several budgets. These five guiding principles are:

Stable Property Tax Rates: In preparing this budget I have attempted to maintain stable tax rates; however, given the significant challenges we are facing in the coming fiscal year, I am recommending a real estate tax rate increase of three cents. If approved, the new rate would be \$1.14 per \$100 of assessed value, which is the same rate as FY2021. All other tax rates remain unchanged.

Focus on Existing Services: The Recommended Budget prioritizes the continuation of existing programs and services.

Adherence to Financial Guidelines: The Recommended Budget has been prepared in accordance with the City Council's Adopted Fiscal Management Guidelines.

Base Financial Recommendation on Best Information Available: As noted previously, the Commonwealth of Virginia has not yet completed its budget work, the period of historically high interest rates continues and the Federal Reserve is anticipated potentially lower interest rates later this year. Each of these factors adds uncertainty to future budgetary planning. This Recommended Budget is based on the best information available.

Limit New Initiatives: There are no new general tax-supported positions or programs proposed with this budget. The only new capital project of scale included in this budget is the \$2.8M High School HVAC VAV System, which was recently approved by City Council in its adopted Constrained Capital Improvements Plan (CCIP). The approved CCIP calls for a debt issuance to support this project in the second half of FY2025, with construction to begin in the summer of 2025. Given the timing of the borrowing, the City will not begin debt service payments until the following fiscal year.

Consistent with our past practice, the remainder of the Budget Message is structured around the City's five identified strategic focus areas. This budget message will also reflect efforts in the current fiscal year that relate to each focus area.

Strategic Focus Area #1 – Public Education:

The Recommended Budget fully funds the School Board's budget request. The General Assembly's approved budget contains a 3% compensation adjustment for state supported school positions; however, the State has not completed its work on next year's budget as of this date. The total recommended increase in local funding for the School Division is \$508,738 over the current year's adopted budget. This level of local funding, combined with increased State funding is sufficient to fund an average 5% wage increase for School Division staff.

Additionally, as previously noted, the recommended budget includes the debt funded High School HVAC VAV project as well as two replacement buses, one of which is also debt funded.

Strategic Focus Area #2 – Public Safety:

The Recommended Budget contains full year funding for the three firefighter and three police officer positions that were added at mid-year in the FY2024 budget. The additional costs for the full year funding of these six previously approved positions is \$275,523.

The budget also includes required increases for Animal Control - \$71,418, the Regional Jail - \$31,645 and the Shared Services with York County for the City's share of expenditures for the Sheriff, Commonwealth's Attorney and the Clerk of Circuit Court and related expenses - \$121,448.



In addition to these items, the City is currently awaiting the arrival of a new ladder truck and medic unit for the Fire Department and steady progress continues on the construction of the Public Safety Building. We look forward to receiving the new truck and moving into the new building in late winter/early spring of next year.

Strategic Focus Area #3 - Quality of Life:

There are no new initiatives in the FY2025 Recommended Budget. We do have a number of quality-of-life projects that are in-process. This calendar year we anticipate completing the final elements of South Lawson Park and the renovations to the City tennis/pickle ball courts adjacent to Poquoson High School. Additionally, the City will complete the remaining Phase One elements of Two Tree Park in 2024.

Strategic Focus Area #4 – Quality of Services:

Providing high quality services to our community continues to be one of the most important priorities for our local government. As the effects on our economy and surrounding labor market continue to impact our community, the staff has been challenged to be flexible and resilient to adapt to new and changing service delivery requirements while at the same time attempting to position ourselves to be competitive in a very competitive labor market.

For the upcoming fiscal year, we have worked to eliminate new initiatives and have chosen to focus on increasing employees' compensation. The Recommended Budget contains a 4% pay scale adjustment for all regular full-time and part-time employees to help ensure that we can continue to recruit and retain quality staff members and a 1% merit pay adjustment for all regular full-time employees who have completed their new hire probationary period and receive a "satisfactory" or better overall rating on their 2024 performance evaluation to begin to address salary compression.

As Council is aware, Poquoson's starting pay and pay ranges, as well as the School Division's, are lower than most other Hampton Roads communities. The City is in the process of completing its first compensation study in recent memory (and the School Division is planning a similar study for the upcoming fiscal year). Early results of this study confirm that we are considerably below market in terms of starting and average pay based on years of service. While we all recognize that it will take several years to achieve a more competitive market position, it is clear to me that before we can begin to catch-up, we must make sure we do not lose ground relative to our market competitors. The level of the compensation increase recommended in this budget is in line with our closest market competitors, particularly York County. The real estate tax rate increase recommended in this budget is proposed for the purpose of supporting the recommended compensation adjustments for the City staff and School Division. Should we be unable to support this level of adjustment for both City and School employees it will exacerbate our existing recruitment and retention challenges.

Over the first half of FY2025, I look forward to finalizing the City's compensation study and learning the results of the School Division's work as we look toward beginning implementation in FY2026. As part of our mid-year budget review the Superintendent and I will work together to determine whether or not we can begin partial implementation prior to the start of FY2026.

Strategic Focus Area #5 – Fiscal Stability:

I am pleased to share with you that despite the many challenges we experienced during the public health emergency and despite the related, economic impacts we continue to experience that our fiscal position remains strong. The City remains in compliance with all of its adopted fiscal management policies, our fiscal stability reserve remains fully funded and is at \$1.1 million, which is above the Council established one-million-dollar level, and our bond ratings, including the AAA from Standard and Poor's, remain unchanged.

Conclusion:

The past several years have brought unprecedented challenges to our city. As a local government and as a community we were challenged to adapt to a rapidly changing and extended public health emergency and as I look back, I am quite proud of what we achieved together. As we get further away from the acute challenges of COVID-19, we find ourselves faced with an increasing competitive labor market and budgetary pressure brought on by continuing supply chain disruptions, high inflation and interest rates. As we look to



next fiscal year and beyond, we face more than the usual amount of budgetary uncertainty in Richmond as the General Assembly and the Governor have yet to find common ground on many issues effecting local government and schools.

The main focus of this budget is to continue existing service levels and programs while making important investments in our public work force to guard our ability to recruit and retain highly qualified staff and to enable us to continue to deliver the high quality of governmental services our community has come to expect.

I would like to thank the members of the City Council, School Board and staff that each play an important role in the development of the annual budget. My team and I look forward to working with Council members as you begin your formal deliberations.

J. Randall Wheeler
City Manager



Fund Structure

The financial accounts for the City are organized on the basis of funds. In governmental accounting, a fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements of the Annual Comprehensive Financial Report. The City Budget includes all funds where financial transactions are recorded. The following are used by the City:

Governmental Funds

- **General Fund:** Used to account for all revenues and expenditures applicable to the general operations of the City, which are not accounted for in other funds.
- **Debt Service Fund:** Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- **Capital Projects Fund:** Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary funds).
- **Special Revenue Fund/Grants:** Used to account for resources and expenditures related to State and Federal grants for community development and public safety.
- **Special Revenue Fund/OPEB:** Used to account for resources and expenses related to Other Post-Employment Benefits, mainly health insurance.

The General Fund of the City is divided into functional areas, such as General Administration, Public Safety, Public Works, Health & Welfare, Parks, Recreation & Cultural, Community Development, etc. Each department within a functional area has its own budget, such as, Police and Fire within the functional area of Public Safety. The Budget format presents expenditures by functional area and departments within a specific function.

The General Fund qualifies as a major fund as defined by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Under GASB's guidance, a major fund is defined as any fund whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. For budget purposes, a major fund is any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget in accordance with the Government Finance Officers Association's (GFOA) Distinguished Budget Award program criteria. The General Fund also qualifies as a major fund under this GFOA criteria for the FY2025 budget.

Proprietary Funds (Business-Type Activities)

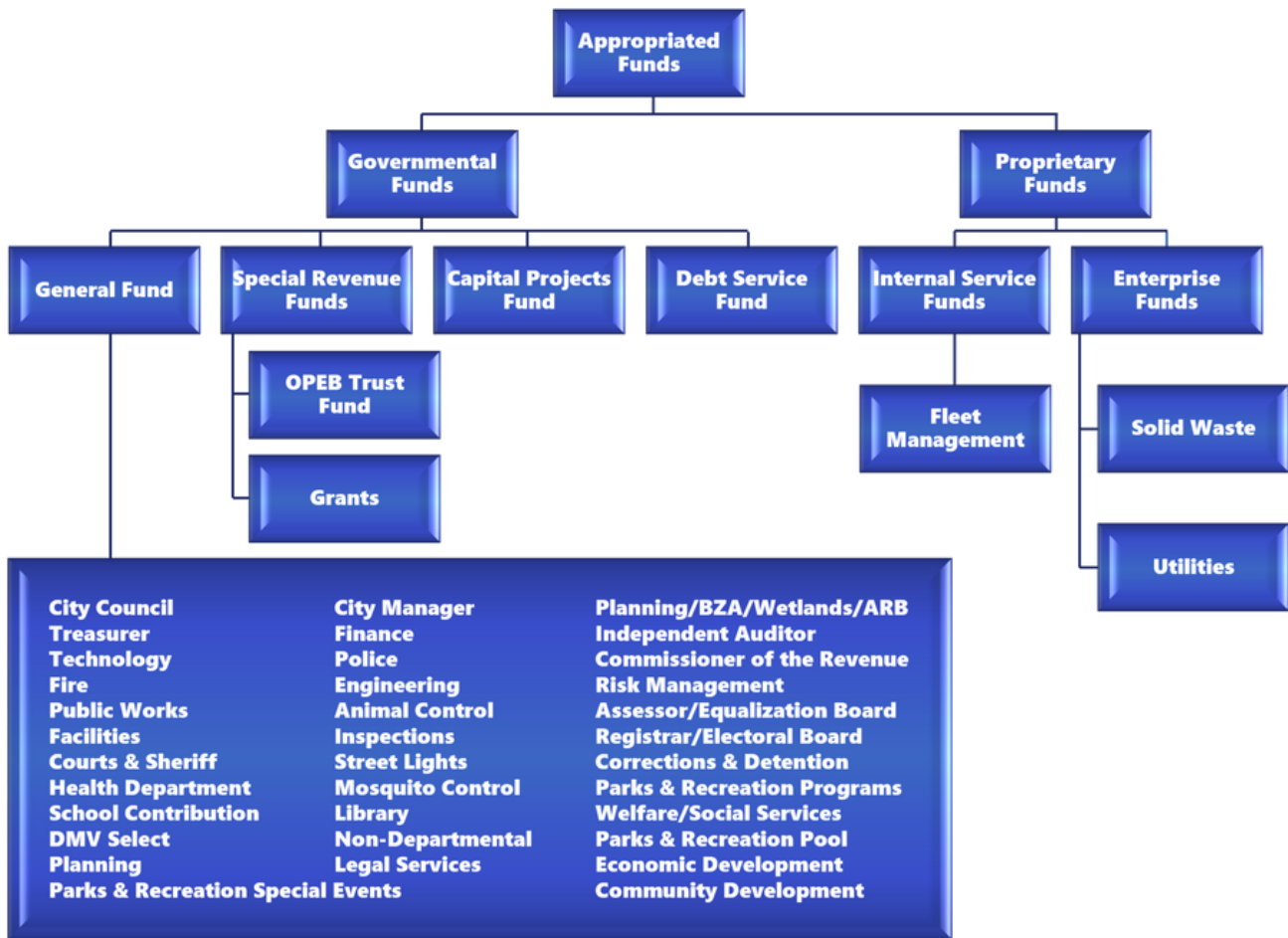
Proprietary Funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs of operating and providing services to the public is completely or partially financed from user charges; or (b) where the governing body has determined that the periodic determination of net results of operations is appropriate for management control and accountability.

Proprietary Funds include:

- **Solid Waste Enterprise Fund**
- **Utilities Enterprise Fund**
- **Fleet Management Internal Service Fund**



Fund Structure



The relationship between the departments and the funds is as follows:

Fund	General Admin	Judicial Admin	Public Safety	Public Works	Health & Welfare	Educa- tion	Comm. Dev.	Debt Service	Non- Dept
Governmental Funds:									
General Fund	X	X	X	X	X	X	X		X
Capital Projects Fund	X	X	X	X	X	X	X		X
Debt Service Fund								X	
Special Revenue Fund/Grants	X	X	X	X	X	X	X		X
Special Revenue Fund/OPEB	X								
Proprietary Funds:									
Solid Waste Enterprise Fund				X					
Utilities Enterprise Fund				X					
Fleet Management Fund				X					



Basis of Budgeting

The Commonwealth of Virginia requires each municipality in Virginia to adopt an annual budget which conforms to certain minimum standards. The purpose of this requirement is to ensure accountability for the public funds entrusted to the City's elected officials. While accountability is certainly an important element, our approach to budget development in Poquoson goes beyond accounting.

The Annual Financial Plan is one of the most important accomplishments by City Council during any fiscal year. Expressed in very simple terms, this budget document is the City's "Plan of Action" for the next year. The document tells the reader where and in what priority the City will apply its resources and what the City expects to accomplish. If we have been successful in our efforts, a reading of this document should give our citizens a good idea of the financial status of our City as well as the progress being made in many service areas.

Departmental budget and agency requests are submitted to the Finance Department by the end of December. The Finance Department reviews the budget with the Departments. Every line item in a departmental budget must be fully justified.

A key component of the budget process involves feedback received from the public. In January each year, the budget cycle begins with a public hearing that is held to invite comments and suggestions from citizens to help guide the preparation of the Proposed Budget. Additionally, at this meeting, the City Council is invited to provide directives on budget priorities for the Annual Financial Plan. The information gathered at this meeting helps guide the subsequent budget development process.

The Director of Finance meets with department heads as necessary to review requests. Inevitably, revenue estimates fall short of total departmental requests. It is the responsibility of the City Manager to prepare a budget in which available revenues are budgeted with the proposed expenditures of City departments, regional agencies and the local funding of the School system. In order to accomplish this, the City Manager must recommend reductions in departmental requests and tax or fee increases or a combination of both if necessary.

As a final step, the City Manager's recommended budget is presented to City Council during the month of April. Subsequently, a public hearing and several work sessions take place. During this period, City Council may insert expenditures or may increase, decrease, or strike out any expenditure in the recommended budget except for already approved debt service. Within forty days of the budget being presented to Council, but in no event later than the thirty-first day of May, City Council shall approve a budget. If, for any reason the Council fails to approve a budget on or before such date, then the budget as submitted by the City Manager shall be the budget for the ensuing year.

The budget is prepared on the modified accrual basis of accounting, a basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting, since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are measurable and available. The accrual basis of accounting, a method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows, is used for the proprietary funds, except for depreciation, amortization, debt principal payments and capital outlay. The Annual Comprehensive Financial Report is prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

The budget may be amended by the City Council through supplemental appropriations or transfers as necessary. In certain instances, as outlined in the *Code of Virginia*, a public hearing may be required before the City Council can take action. Through the annual budget adoption ordinance, the City Manager is authorized to transfer funds within and between appropriation functions. The legal level of budgetary control rests at the fund level.



Financial Policies

The following brief summary of financial and budgetary principles and policies serve to guide the City in developing the Annual Financial Plan, which is formally recommended to City Council for adoption. The major components are as follows:

Financial Planning Policies

Balanced Budgets: All funds are subject to the annual budget process. All operating and capital fund budgets must be balanced — total anticipated revenues plus fund balances or reserves brought forward must equal total estimated expenditures each year. The Utilities Fund will be self-supporting. All budgets will be formulated and adopted on the basis of accounting consistent with generally accepted accounting principles (GAAP). The budget process will include coordinating development of the capital improvement budget with development of the operating budget.

Long-Range Planning: Budgets will be adopted annually, taking into consideration input from all organizational levels of the City. The Planning Commission recommends the Constrained Capital Improvement Plan (CCIP); the document then goes to City Council for approval. Approved capital projects are included in the annual budget document to the extent funds are available. The long-term revenue, expenditure, and service implications of continuing or ending existing programs or adding new programs, services, and debt will be considered while formulating budgets annually. The City will assess the condition of all major capital assets, including buildings, roads, sewer lines, vehicles, and equipment annually.

In preparing the current Annual Financial Plan, the City also looks to its vision included in its Comprehensive Plan. This is the City's long range plan for the physical development of the City. The vision of the City of Poquoson is building a sustainable community. This sustainable community provides financial stability, retention of citizen disposable income, attraction of outside investment and spending, better circulation for mobility, improved transportation, enhanced recreation and amenities, increased quantity and quality in commercial goods and services.

The General Fund will maintain a minimum of 12% — 15% of total operating expenditures as its unassigned fund balance. Fund Balance of the General Fund shall be used only for emergencies, nonrecurring expenditures, major capital purchases that cannot be accommodated through current year revenues, financial opportunities to enhance the well-being of the City or State budget shortfalls.

Annually, the financial advisors meet with City Council to review policies to ensure the continuing compliances are met.

Revenue Policies

Revenue Diversification: The City will strive to maintain a diversified and stable revenue system to protect the City from short-run fluctuation in any one revenue source and ensure its ability to provide ongoing services. The City will identify all revenue and grant options available to the City each year. All revenue collection rates, especially for real estate and personal property taxes, will be reviewed annually, and all efforts to maximize receipt of revenues due will be made by the Treasurer's Office.

User Fees and Charges: Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with changes in the cost-of-living as well as changes in methods or levels of service delivery. Building permits and inspection fees are reviewed annually.

Recreation program charges will be reviewed annually. In general, all efforts will be made to provide programs and activities at an affordable level for the residents while still recovering a major portion of direct costs of programs, not to include administrative costs or the use of facilities. Charges for specialty classes such as baton, drama, etc. will be set at a level to encourage maximum participation, and also enable 70% to 80% of program receipts to be used to compensate instructors. Team sports participation fees will also be set to encourage maximum participation, while still recovering all direct program costs.



Admission and rental fees for the City pool are intended to provide an affordable service to citizens. Fees are not intended to recover 100% of the costs of operating the facility. The City encourages membership passes at a minimum fee, which provides an even more affordable opportunity for residents to enjoy the pool.

The City's Utilities Fund and Solid Waste Fund will be self-supporting. Sewer and solid waste charges will be reviewed annually and set at levels which fully cover the total direct and indirect costs – including operations, capital outlay, and debt service.

Use of One-time or Limited-time Revenues: To minimize disruptive effects on services due to non-recurrence of these sources, the City will not use one-time revenues to fund operating expenditures.

Expenditure Policies

Operating/Capital Expenditure Accountability: The City will finance all current expenditures with current revenues. The City will not issue short-term borrowing to meet cash flow needs. Future operating costs associated with new capital improvements will be projected and included in operating budgets. Capital Improvement Program budgets will provide for adequate maintenance of capital equipment and facilities and for their orderly replacement.

The budgets for all funds shall be controlled at the fund level. Expenditures may not exceed total appropriations for any fund without approval from the City Council. All operating fund appropriations will lapse at the fiscal year-end, except appropriations in the Capital Projects Fund. These monies can be used over a three-year period. The City will include a contingency line item in the General Fund to be administered by the City Manager to meet unanticipated expenditures of a nonrecurring nature. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare and present to City Council monthly financial reports comparing actual revenues and expenditures with budgeted amounts.

Fund Balance Reserve

The fund balance reflects the accumulation of excess revenues over expenditures. The City adopted the current fund balance policy in FY 2010. The Unassigned General Fund balance at the close of the fiscal year shall be no less than 12% — 15% of the total General Fund expenditures. During the current operating year, City Manager and City Council review the unassigned General Fund balance as compared to the total General Fund expenditures to ensure compliance of the policy. The City has built a fiscal stability reserve of \$1.1 million, with an increase of \$100,000 appropriated during FY 2024. This portion of the fund balance provides sufficient working capital for the City and serves as a “rainy day” fund for emergencies, pandemics or unforeseen circumstances.

Debt Policy

The objective of the City's debt policy is to maintain the City's ability to incur present and future debt at the lowest interest rates in amounts needed for financing the adopted Capital Improvement Program without adversely affecting the City's ability to finance essential City services. During FY2010, the City adopted three debt policies to help ensure and promote long term financial stability. The City's tax supported debt service as a percentage of General government expenditures should not exceed 10%, the tax supported debt of the City shall not exceed 3% of the total assessed value and the City shall retire at least 50% of the principal amount of the City's tax supported debt within 10 years. (General Government expenditures shall be equal to general fund operating expenditures, plus the school operating fund expenditures, less the general fund transfer to the schools operating fund.) The City does not issue long-term debt to finance current operations.

A five-year Constrained Capital Improvements Plan is developed and updated annually along with corresponding anticipated funding sources. Capital projects financed through either bank qualified borrowing or the issuance of bonded debt will be financed for a period not to exceed the useful life of the project.



Investment Policy

The following is a brief synopsis of the investment policy of the City of Poquoson. The Treasurer of the City of Poquoson is an elected Constitutional Officer, whose responsibility, in part, is to invest funds in an expedient and prudent manner, meeting or exceeding all statutes and guidelines governing the investment of public funds in Virginia.

Cash and reserve balances from all funds will be consolidated to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the funds based on their respective participation and in accordance with generally accepted accounting principles. Each month, the Treasurer reports to City Council the cash and investment activity and balances.

The primary objectives of investment activities shall be safety, liquidity and yield. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

Budget Amendment Process

The adopted General Fund Budget may be amended in one of two ways as outlined by the Code of Virginia. The City Manager is authorized to transfer funds within a fund for transfers of \$50,000 or less. Revisions that alter total appropriations for a fund must be approved by City Council. Therefore, the level of control at which expenditures may not exceed appropriations is the total expenditure level of each fund. In certain instances, as outlined in the State Code, a public hearing may be required before the governing body can amend the budget.



Budget Process

The City must adopt a balanced budget on an annual basis that is enforced under state law for the City as a whole. The budget is designed to allow as much flexibility as possible for departments to implement Council goals and objectives while still imposing guidelines. To this end, the budget is itemized at the departmental level for operating expenditures and the project level for capital expenditures. The current budget provides expenditure allocations by Fund, Department, and Expenditure categories.

For the operational budget, it is the expenditure categories management will use to monitor a department's fiscal responsibility and its success at planning the year. These budget categories are comprised of individual line items and budget requests were submitted and detailed by line item. For capital projects, the budget will be monitored on a project basis. The budget format includes staffing levels by department and/or division. This document is intended to provide insight into the operating policy of the City, as well as demonstrate the City's commitment to fiscal responsibility and the needs of the citizens.

In the document, the Budgeted Fiscal Year 2024 reflects the City Council adopted budget. The percentage and dollar change between Budgeted Fiscal Year 2024 versus Budgeted for Fiscal Year 2025 are based on the adopted budget for Fiscal Year 2024.



Budget Timeline

The budget preparation for the City of Poquoson begins with the budget timeline. The timeline provides when departments and outside agencies will receive their package, when the packages are due by to the Department of Finance and when the City Manager Recommended Budget will be presented to City Council.

Month	Activity
November	<ul style="list-style-type: none"> Budget preparation instructions distributed to Department Heads Budget letter request mailed or email to Outside Agencies
December	<ul style="list-style-type: none"> Departmental Expenditure Budget Requests due to Finance Finance begins review of Departmental Budget Requests Outside Agency budget requests due
January	<ul style="list-style-type: none"> Departmental Budget meetings with Finance begin Advertise Pre-Budget Public Hearing FY 2025 Pre-Budget Public Hearing and Work Session
February	<ul style="list-style-type: none"> Departmental Budget meetings with Finance completed Superintendent's Proposed Budget presented at Work Session
March	<ul style="list-style-type: none"> Final adjustments by Finance Department and City Manager to Proposed Revenues and Expenditures Poquoson School Board Public Hearing on Superintendent's Proposed Budget and Adoption of Budget Publish notice of Public Hearing on Tax Rate and Equalized Tax Rate School Board approved budget forwarded to City Council
April	<ul style="list-style-type: none"> Proposed Budget distributed to City Council Members Presentation to City Council of Proposed Tax Rates and Fees Publish Notice of Budget Public Hearing and Proposed Tax Rates and Fees Public Hearing on Budget at City Council Meeting. Budget Work Session prior to Council Meeting with City Manager and Director of Finance, School Board, and Superintendent
May	<ul style="list-style-type: none"> City Council Adoption of Budget



BUDGET OVERVIEW



Summaries

Summary of Revenues and Transfers-In by Fund

Fund	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 City Council Adopted Budget	FY2025 Dept Head Request Budget	FY2025 City Council Adopted Budget
Revenue Source						
General Fund	\$33,072,366	\$33,221,621	\$35,640,042	\$36,838,529	\$39,550,504	\$38,415,554
Debt Service	\$6,810,494	\$3,812,536	\$3,942,847	\$4,308,415	\$4,157,790	\$4,157,790
Capital Projects	\$4,634,634	\$3,795,637	\$5,120,916	\$2,927,500	\$4,200,500	\$4,200,500
Solid Waste Enterprise	\$1,219,158	\$1,197,868	\$999,789	\$1,438,135	\$1,516,945	\$1,516,945
Utilities Enterprise	\$1,892,818	\$1,870,906	\$3,399,635	\$2,190,738	\$2,451,674	\$2,451,674
Fleet Management Internal Service	\$721,240	\$913,575	\$1,213,771	\$964,462	\$1,027,093	\$1,007,889
Special Revenue/Grants	\$25,785	\$92,283	\$3,420,266	\$-	\$515,380	\$515,380
Special Revenue/OPEB	\$236,436	\$209,030	\$224,110	\$156,137	\$196,488	\$196,488
Total Revenue and Transfers:	\$48,612,931	\$45,113,456	\$53,961,376	\$48,823,916	\$53,616,374	\$52,462,220
Less: Interfund Transfers	\$4,828,014	\$7,334,555	\$4,423,000	\$4,896,056	\$4,661,335	\$4,661,335
Total Revenue:	\$43,784,917	\$37,778,901	\$49,538,376	\$43,927,860	\$48,955,039	\$47,800,885

Summary of Expenditures and Transfers-Out by Fund

Fund	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 City Council Adopted Budget	FY2025 Dept Head Request Budget	FY2025 City Council Adopted Budget
Expenditure Source						
General Fund	\$30,409,425	\$32,160,286	\$33,243,569	\$36,838,529	\$39,550,504	\$38,415,554
Debt Service	\$6,803,444	\$4,876,983	\$3,805,776	\$4,308,415	\$4,157,790	\$4,157,790
Capital Projects	\$8,520,351	\$11,293,694	\$4,883,589	\$2,927,500	\$4,200,500	\$4,200,500
Solid Waste Enterprise	\$1,153,778	\$1,180,126	\$1,204,698	\$1,438,135	\$1,516,945	\$1,516,945
Utilities Enterprise	\$1,854,347	\$1,449,337	\$1,671,371	\$2,190,738	\$2,451,674	\$2,451,674
Fleet Management Internal Service	\$721,152	\$882,664	\$977,156	\$964,462	\$1,027,093	\$1,007,889
Special Revenue/Grants	\$25,662	\$92,283	\$3,416,854	\$-	\$515,380	\$515,380
Special Revenue/OPEB	\$189,116	\$202,678	\$177,861	\$156,137	\$196,488	\$196,488
Total Expenditures & Transfers Out	\$49,677,275	\$52,138,051	\$49,380,874	\$48,823,916	\$53,616,374	\$52,462,220
Less: Interfund Transfers	\$4,828,014	\$7,334,555	\$4,423,000	\$4,896,056	\$4,661,335	\$4,661,335
Total Expenditures	\$44,849,261	\$44,803,496	\$44,957,874	\$43,927,860	\$48,955,039	\$47,800,885



Summary of Tax Rates and Fees

	FY2022 Adopted	FY2023 Adopted	FY2024 Adopted	FY2025 Adopted
General Fund Taxes and Fees				
Real Estate Tax	\$1.13/\$100 AV	\$1.13/\$100 AV	\$1.11/\$100 AV	\$1.14/\$100 AV
Public Service Corporation	\$1.13/\$100 AV	\$1.13/\$100 AV	\$1.11/\$100 AV	\$1.14/\$100 AV
Personal Property Tax				
Automobile	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV
Boat	\$.00001/\$100 AV 1st half	\$.00001/\$100 AV 1st half	\$.00001/\$100 AV 1st half	\$.00001/\$100 AV 1st half
Boat	\$.00001/\$100 AV 2nd half	\$.00001/\$100 AV 2nd half	\$.00001/\$100 AV 2nd half	\$.00001/\$100 AV 2nd half
Trailer (Utility, Boat, etc.)	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV
Recreation Vehicle	\$1.50/\$100 AV	\$1.50/\$100 AV	\$1.50/\$100 AV	\$1.50/\$100 AV
Mobile Home	\$1.13/\$100 AV 1st Half	\$1.13/\$100 AV 1st Half	\$1.11/\$100 AV 1st Half	\$1.14/\$100 AV 1st Half
Mobile Home	\$1.13/\$100 AV 2nd Half	\$1.13/\$100 AV 2nd Half	\$1.11/\$100 AV 2nd Half	\$1.14/\$100 AV 2nd Half
Local Sales Tax	\$0	\$0	\$0	\$0
Meals Tax (food and beverage)	\$0	\$0	\$0	\$0
Consumer Utility Tax				
Commercial	\$10	\$10	\$10	\$10
Residential	\$3	\$3	\$3	\$3
Cigarette Tax	\$.20 per pack	\$.20 per pack	\$.20 per pack	\$.20 per pack
Courthouse Security Fee	\$20	\$20	\$20	\$20
Recovery (EMS) Fees:				
ALS-2	\$775	\$775	\$775	\$775
ALS	\$550	\$550	\$550	\$550
BLS	\$450	\$450	\$450	\$450
Transport Declined Fee	\$375	\$375	\$375	\$375
Oxygen Usage Fee	\$50	\$50	\$50	\$50
Mileage	\$12	\$12	\$12	\$12
Parks & Recreation Fees:**				
Youth Athletics	\$65 - \$80	\$70 - \$95	\$70 - \$95	\$80 - \$95
Adult Athletics	\$235 - \$400/team	\$265 - \$440/team	\$265 - \$440/team	\$275 - \$440/team
Camps	\$75 - \$250	\$75 - \$250	\$75 - \$250	\$75 - \$300
Exercise Classes	\$48 - \$65	\$48 - \$65	\$48 - \$65	\$48 - \$65
Pool Admission	\$3 - \$5	\$4 - \$6	\$5 - \$7	\$5 - \$7
Swimming Lessons	\$35 - \$65	\$40 - \$75	\$40 - \$80	\$40 - \$80
Swim Team - Summer	\$180	\$195	\$195	\$205
Pool Rental	\$185	\$210	\$210	\$210
Pool Passes	\$40 - \$60	\$55 - \$75	\$65 - \$85	\$65 - \$85
**Additional Non-Resident Fees Apply				



Summary of Tax Rates and Fees

	FY2022 Adopted	FY2023 Adopted	FY2024 Adopted	FY2025 Adopted
General Fund Taxes and Fees				
Facility Use Fees:				
Community Designated	\$10 resident	\$20 resident	\$20 resident	\$20 resident
Groups per member	\$20 non-resident	\$30 non-resident	\$30 non-resident	\$30 non-resident
Non-Community Groups (based on field location/lights/time)	\$20 - \$110 per hour	\$20 - \$110 per hour	\$20 - \$110 per hour	\$20 - \$110 per hour
DMV Commission				
1st \$500,000 of gross collection	\$0	\$0	\$0	\$0
over \$500,000 of gross collection	\$0	\$0	\$0	\$0
Solid Waste Fund Fees				
Bag Fees	\$1.75 per bag	\$1.75 per bag	\$1.75 per bag	\$1.75 per bag
Container/Cart bimonthly fee	Fee based on Size	Fee based on Size	Fee based on Size	Fee based on Size
Plan A (35 gal. container/cart)	\$35	\$35	\$40	\$40
Plan B (65 gal. container/cart)	\$51	\$51	\$56	\$56
Plan C (Two 65 gal. containers/cart)	\$85	\$85	\$90	\$90
Plan D (35 gal. cont./cart bi-weekly)	\$25	\$25	\$30	\$30
Plan E (no container/cart)	\$18	\$18	\$23	\$23
Landscaping Debris Charges	**\$60 per pickup	**\$60 per pickup	**\$60 per pickup	**\$60 per pickup
Bulky Item Pickup	**\$63 per pickup	**\$63 per pickup	**\$63 per pickup	**\$63 per pickup
Drop-Off of Debris or Bulky	Free	Free	Free	Free
Second Recycle Container	\$12.00 per billing cycle	\$12.00 per billing cycle	\$12.00 per billing cycle	\$12.00 per billing cycle
Utilities Fund Fees				
Sewer Service Fees				
Commercial	\$58 bi-monthly plus \$1.75/hcf	\$58 bi-monthly plus \$1.75/hcf	\$53 bi-monthly plus \$1.75/hcf	\$53 bi-monthly plus \$1.75/hcf
Residential	\$58 bi-monthly	\$58 bi-monthly	\$53 bi-monthly	\$53 bi-monthly
Sewer Availability Fees	\$6,000 per vacant lot	\$6,000 per vacant lot	\$6,000 per vacant lot	\$6,000 per vacant lot
Note: The Personal Property tax is billed at calendar year rate.				
*Rate changes are shown in bold.				
** Homeowner receives one free pickup per year, either Landscaping Debris or Bulky Item.				
AV = Assessed Valuation SC = Service Charge hcf = 100 cubic feet				

Note: The real estate tax rate needed to fund all department requests would be \$1.195 per \$100 assessed value.



Summary of Revenues and Expenditures by Category

Revenues			Expenditures	
General Fund				
General Property Taxes	\$28,124,895		Personnel Services	\$10,036,369
Other Local Taxes	\$3,865,000		Employee Benefits	\$5,065,054
Permits Licenses & Fees	\$246,500		Purchased Services	\$1,676,742
Fines & Forfeitures	\$40,000		Internal Services	\$528,062
Use of Money & Property	\$482,000		Other Charges	\$1,880,616
Charges for Services	\$919,720		Materials & Supplies	\$328,505
Miscellaneous Revenue	\$19,949		Payment to Joint Operations	\$1,846,408
State Non-Categorical Aid	\$2,082,435		Capital Outlay	\$453,335
State Categorical Aid	\$372,628		Transfer to Debt Service Fund	\$3,993,000
State Other Categorical Aid	\$1,904,927		Transfer to Capital Projects Fund	\$210,500
Federal Revenue	\$7,500		Transfer to Special Revenue - OPEB	\$107,835
Transfer from Sewer Fund	\$300,000		Transfer to EDA	\$21,000
Transfer from Solid Waste Fund	\$50,000		School Contribution	\$12,268,128
Total	\$38,415,554		Total	\$38,415,554

Debt Service Fund			
Transfer from General Fund	\$3,993,000	City Debt Service	\$830,936
Transfer from EDA	\$14,790	School Debt Service	\$3,101,779
Bond Proceeds	\$150,000	Cost of Debt Issuance	\$150,000
		Reserve for Future Debt	\$75,075
Total	\$4,157,790	Total	\$4,157,790

Capital Projects Fund			
Bond Proceeds	\$2,950,000	School Bus and HVAC Replacement	\$3,090,000
State Revenue	\$900,000	Street Paving	\$900,000
Transfer from General Fund	\$210,500	Public Safety Vehicles and Equipment	\$180,500
Reappropriation of Fund Balance	\$140,000	Other Projects	\$30,000
Total	\$4,200,500	Total	\$4,200,500

Special Revenue Fund/Grants			
Federal Funding	\$515,380	Sewer	\$515,380
Total	\$515,380	Total	\$515,380



Summary of Revenues and Expenditures by Category

Revenues			Expenditures	
Solid Waste Fund				
Charges for Services - Solid Waste Fees	\$1,367,000		Personnel Services	\$102,163
Charges for Services - Other	\$24,000		Employee Benefits	\$39,135
Transfer from Retained Earnings	\$125,945		Purchased Services	\$658,341
			Internal Services	\$78,719
			Other Charges	\$14,700
			Materials & Supplies	\$23,024
			Payment to Joint Operations	\$550,863
			Transfer to General Fund	\$50,000
Total	\$1,516,945		Total	\$1,516,945

Utilities Fund			
Charges for Services-Sewer Service Fees	\$1,830,525	Personnel Services	\$392,800
Sewer Availability Fees	\$400,000	Employee Benefits	\$203,127
Late Payment Fees	\$45,000	Purchased Services	\$175,700
Transfer from Retained Earnings	\$176,149	Internal Services	\$47,597
		Other Charges	\$123,800
		Materials & Supplies	\$25,000
		Debt Service	\$686,400
		Transfer to General Fund	\$300,000
		Capital Outlay	\$497,250
Total	\$2,451,674	Total	\$2,451,674

Fleet Fund			
Internal Service Revenue - City	\$652,017	Personnel Services	\$231,730
Internal Service Revenue - Schools	\$355,872	Employee Benefits	\$143,148
		Purchased Services	\$99,180
		Other Charges	\$12,700
		Internal Services	\$739
		Materials & Supplies	\$504,754
		Capital Outlay	\$15,638
Total	\$1,007,889	Total	\$1,007,889

Special Revenue Fund/OPEB			
Retiree Contributions	\$88,653	Retiree Benefits	\$181,488
Transfer from General Fund	\$107,835	Contribution to Trust	\$15,000
Total	\$196,488	Total	\$196,488



Summary of Fund Balance or Net Assets by Fund

	General Fund	Debt Service	Capital Projects Fund	Solid Waste Fund
Beginning Fund Balance - 7/1/2020	\$9,031,811	\$1,086,157	\$18,034,163	\$371,247
Actual FY 2021 Revenues	\$33,072,366	\$6,810,494	\$4,634,634	\$1,219,158
Actual FY 2021 Expenditures	\$(30,409,425)	\$(6,803,444)	\$(8,520,351)	\$(1,153,778)
Fund Balance - 6/30/2021	\$11,694,752	\$1,093,207	\$14,148,446	\$436,627
Beginning Fund Balance - 7/1/2021	\$11,694,752	\$1,093,207	\$14,148,446	\$436,627
Actual FY 2022 Revenues	\$33,221,621	\$3,812,536	\$3,795,637	\$1,197,868
Actual FY 2022 Expenditures	\$(32,160,286)	\$(4,876,983)	\$(11,293,694)	\$(1,180,126)
Fund Balance - 6/30/2022	\$12,756,087	\$28,760	\$6,650,389	\$454,369
Beginning Fund Balance - 7/1/2022	\$12,756,087	\$28,760	\$6,650,389	\$454,369
Actual FY 2023 Revenues	\$35,640,042	\$3,942,847	\$5,120,916	\$1,213,771
Actual FY 2023 Expenditures	\$(33,243,569)	\$(3,805,776)	\$(4,883,589)	\$(1,240,698)
Fund Balance - 6/30/2023	\$15,152,560	\$165,831	\$6,887,716	\$427,442
Beginning Fund Balance - 7/1/2023	\$15,152,560	\$165,831	\$6,887,716	\$427,442
Estimated FY 2024 Revenues *	\$38,347,888	\$4,383,415	\$2,927,500	\$1,357,984
Estimated FY 2024 Expenditures *	\$(38,918,160)	\$(4,250,049)	\$(2,927,500)	\$(1,438,135)
Projected Fund Balance - 6/30/2024	\$14,582,288	\$299,197	\$6,887,716	\$347,291
Beginning Est. Fund Balance - 7/1/2024	\$14,582,288	\$299,197	\$6,887,716	\$347,291
Estimated FY 2025 Revenues	\$38,415,554	\$4,157,790	\$4,200,500	\$1,516,945
Estimated FY 2025 Expenditures	\$(38,415,554)	\$(4,157,790)	\$(4,200,500)	\$(1,516,945)
Projected Fund Balance - 6/30/2025	\$14,582,288	\$299,197	\$6,887,716	\$347,291

	Utilities Fund	Fleet Management Fund	Special Revenue Fund/Grants	Special Revenue Fund/OPEB
Beginning Fund Balance - 7/1/2020	\$8,341,776	\$(55,233)	\$169,469	\$213,281
Actual FY 2021 Revenues	\$1,892,818	\$721,240	\$25,785	\$236,436
Actual FY 2021 Expenditures	\$(1,854,347)	\$(721,152)	\$(25,662)	\$(189,116)
Fund Balance - 6/30/2021	\$8,380,247	\$(55,145)	\$169,592	\$260,601
Beginning Fund Balance - 7/1/2021	\$8,380,247	\$(55,145)	\$169,592	\$260,601
Actual FY 2022 Revenues	\$1,870,906	\$913,581	\$92,283	\$209,030
Actual FY 2022 Expenditures	\$(1,449,337)	\$(882,667)	\$(92,283)	\$(202,678)
Fund Balance - 6/30/2022	\$8,801,816	\$(24,231)	\$169,592	\$266,953
Beginning Fund Balance - 7/1/2022	\$8,801,816	\$(24,231)	\$169,592	\$266,953
Actual FY 2023 Revenues	\$3,399,635	\$999,789	\$3,420,266	\$224,110
Actual FY 2023 Expenditures	\$(1,671,371)	\$(977,156)	\$(3,416,854)	\$(177,861)
Fund Balance - 6/30/2023	\$10,530,080	\$(1,598)	\$173,004	\$313,202
Beginning Fund Balance - 7/1/2023	\$10,530,080	\$(1,598)	\$173,004	\$313,202
Estimated FY 2024 Revenues *	\$2,363,349	\$964,462	\$-	\$168,442
Estimated FY 2024 Expenditures *	\$(1,545,738)	\$(964,462)	\$-	\$(172,831)
Projected Fund Balance - 6/30/2024	\$11,347,691	\$(1,598)	\$173,004	\$308,813
Beginning Est. Fund Balance - 7/1/2024	\$11,347,691	\$(1,598)	\$173,004	\$308,813
Estimated FY 2025 Revenues	\$2,451,674	\$1,007,889	\$515,380	\$196,488
Estimated FY 2025 Expenditures	\$(2,451,674)	\$(1,007,889)	\$(515,380)	\$(196,488)
Projected Fund Balance - 6/30/2025	\$11,347,691	\$(1,598)	\$173,004	\$308,813

* The Estimated FY 2024 Revenues and Expenditures and Projected Fund Balance is based on preliminary estimates as of March 2024 and subject to change as actual revenue and expenditures are realized during the remainder of the fiscal year. While the overall General Fund Balance is projected to decrease during FY 2024, this is based on the planned use of restricted and committed fund balance. However, the projected unrestricted fund balance is estimated to increase by approximately \$460,000.



Fund Overview

The Fund Overview includes a general overview of the Annual Financial Plan for Fiscal Year 2025 for the City of Poquoson. The summary provides a quick overview of the fiscal plans of the City for the upcoming fiscal year. It highlights some of the more significant items in the City's budget and addresses some of City Council's goals. The information contained in the Fund Summaries, Funding Sources and Departments has a considerable amount of detail for those who desire a more thorough review of the budget document.

The General Fund is the primary focus of the overview. This is the primary operating fund of the City and is used to account for most of the City's financial resources. The spending requirements of this fund determine the rates of local taxation.

In addition, budgets have been prepared for the Debt Service Fund, the Capital Projects Fund, the Solid Waste Enterprise Fund, the Utilities Enterprise Fund, the Fleet Management Internal Service Fund, Special Revenue Fund/Grants and Special Revenue Fund/OPEB.

The budget is available for public review in the City Manager's Office, and online at www.poquoson-va.gov.



General Fund

Revenues by Category:

The General Fund derives its revenue from a variety of sources as indicated in the funding sources section. The largest revenue source is from general property taxes, which includes real estate taxes, personal property taxes, public service corporation taxes, delinquent taxes and penalties and interest.

Real Estate Tax: The City expects to receive \$23,279,893 in real estate tax revenue in FY2025, along with \$100,000 in delinquent real estate tax. Real estate taxes are projected to increase by \$1,077,793, while delinquent real estate tax will remain unchanged.

The following factors make up the change in real estate:

- Growth projections for FY2025 are based on new homes and other improvements to be built throughout the year valued at \$111,125,000.
- The adopted real estate tax rate is \$1.14 per \$100 assessed value, or an increase of three cents.
- Tax relief for disabled veterans is a state-mandated program that is an unfunded mandate for the City.
- These tax relief and deferral programs are estimated to increase from \$928,251 at the beginning of FY2024 to \$1,100,000 in FY2025. In FY2024, an additional 51 applicants have been approved for the program. For FY2025, the City estimates an additional 35 applicants will be received and approved.

Public Services Corporation Taxes: The City expects to receive \$260,000 in FY2025, which is expected to remain flat.

Personal Property Taxes and the State Personal Property Tax Relief Act (PPTRA): The City has projected to receive a combined total of \$6,223,437; which is a \$150,000 increase from the FY2024 budget. PPTRA established a statewide program by which the Commonwealth of Virginia was to provide relief for owners of personally-used motor vehicles from personal property taxation. Due to soaring costs associated with PPTRA, the 2004 and 2005 General Assembly sessions made significant changes to PPTRA. The changes include converting the program from an entitlement program to a block grant formula that caps statewide relief to local governments at \$950 million annually. The cap for Poquoson as identified by the State Auditor of Public Accounts for Personal Property Tax Relief is \$1,923,435.

The City adopted the “specific relief” method of computing and reflecting tax relief. The “specific relief” method allows a set single tax rate and applies tax relief at a specific percentage to each qualifying vehicle. One hundred percent of the personal property tax will continue to qualify for tax relief for qualifying for personal-use vehicles used for non-business purposes with a value of one thousand dollars (\$1,000) or less. The tax relief percentage will be at 47% for calendar year 2024.

Since not all personal property is affected by PPTRA, the City has estimated that citizens and businesses will pay 69% of personal property tax in FY2025. The FY2025 budget for the local personal property tax is \$4,300,002 and State non-categorical aid remains level at \$1,923,435.

The adopted personal property tax rate is \$4.15 per \$100 assessed value, which is the same rate since FY2008. The adopted boat tax rate is \$0.00001, the same since January 1, 2014. The adopted recreational vehicle tax rate is \$1.50, the same rate as in previous years.

Other Local Taxes:

The General Fund also realizes revenue from a variety of smaller local taxes such as local sales tax, communication sales and use tax, meals tax, consumer utility tax, and business licenses. The total of \$3,865,000 other local taxes accounts for 10% of total General Fund revenues and is expected to increase by \$120,000 from the FY2024 budget. The meals tax rate is 6% and the cigarette tax rate is \$0.20.

Other local revenue totals \$768,500 and includes permits; licenses and fees; fines and forfeitures; interest on investments; rental of property; and miscellaneous revenue.



Charges for services and miscellaneous revenue include passport fees, copying charges, charges for shared ground maintenance for the schools, EMS fees and Parks and Recreation activities for a total of \$939,669. The EMS fee will remain the same, and the total revenue for EMS fees is expected to be \$425,000.

In FY2025, revenue from parks and recreation programs is expected to be \$128,500. The pool revenue is expected to be \$96,420. The special events revenue is expected to be \$171,500, and \$19,200 in revenue is projected for the workboat race. Special events are revenue that provide family-oriented programs and festivals, which include the annual Seafood Festival, Easter Egg Hunt and the Holiday Parade. Miscellaneous revenue of \$19,949 for FY2025.

State and Federal revenue is expected to be \$4,367,490 in FY2025, a decrease of \$36,097 from the FY2024 original budget. During FY2023, the City received a new School Resource Officer (SRO) grant to add one new SRO. FY2025 is the third year of this three-year grant.

Transfers include \$300,000 from the Utilities Fund and \$50,000 from the Solid Waste Fund. These Funds reimburse the General Fund for services that are provided by the staff of the Engineering, Public Works, Treasurer and Finance Departments.

Expenditures by Category:

School Expenditures: The contribution to schools accounts for 32% of the total General Fund budget. The FY2025 budget includes funding of \$12,268,128 for schools, which fully funds the School Board's FY2025 request to the City. The School's budget is based on an average daily membership of 2,038 students for the FY2025 school year as compared to 2,096 students budgeted for the FY2024 school year. It should be noted that the principal and interest related to school debt account for 75% of the total Debt Service Budget. The City provides over \$15.4 million towards school operations and related debt.

In the past, the School Division has had unexpended transfers at the end of the year which were returned to the City. At the end of FY2023, there was \$1,269,077 in unexpended transfers. A total of \$834,902 was reappropriated to the school operations in FY2024, which included \$250,000 to provide for the Virginia Literacy Act curriculum, \$200,000 to provide for the 2023 Mathematics Standards of Learning, \$148,750 for stipends for SPED teachers, paraprofessionals and crossing guards, \$98,452 to replace the fire alarm at Poquoson Primary School, and \$137,700 to supplant reduced State funding due to the calculation error in the Governor's FY2024 budget related to the grocery tax hold harmless revenue. The remaining \$434,175 was requested by the schools to offset an anticipated budget shortfall, but was deferred to May 2024 for consideration once the final average daily membership (ADM) is reported to the state. The Schools FY2024 budget was based on an ADM of 2,096, but, as of October 2023, the ADM was at 2,038. In the event that the full amount is not needed for school operations, City Council may consider other uses of these funds, such as for school CCIP requests. If there are unexpended transfers at the end of FY2024, they may be reappropriated in FY2025.

City Personnel Services: Employee salaries, overtime, and benefits account for personnel services. City personnel services are \$15,101,423 in FY2025, a \$955,218 increase from the FY2024 budget. The FY2025 budget includes a 4% base compensation increase and an additional 1% merit-based compression adjustment for all eligible employees. Employee benefits account for 45% of personnel services. There is a 2.4% increase in health insurance premiums for FY2025 and the VRS rate increases from 14.17% to 15.24%. Effective July 1, 2024, VRS is changing the administration of the hybrid plan to separate the defined benefit and defined contribution components of this plan. As a result, this increases the City's VRS costs by an estimated \$67,856 in FY2025.



General Fund Expenditures Uses

Uses	FY2024	FY2025	\$ Inc/(Dec)	% Inc/(Dec)
School	\$11,759,390	\$12,268,128	\$508,738	4.33%
City	\$25,079,139	\$26,147,426	\$1,068,287	4.26%
Total	\$36,838,529	\$38,415,554	\$1,577,025	4.28%

General Fund Contribution to Schools

Uses	FY2024	FY2025	\$ Inc/(Dec)	% Inc/(Dec)
School Contribution	\$11,759,390	\$12,268,128	\$508,738	4.33%
Reappropriation	\$834,902	\$-	\$(834,902)	(100.00%)
Total	\$12,594,292	\$12,268,128	\$(326,164)	(2.59%)

General Fund City Expenditures by Category

Uses	FY2024	FY2025	\$ Inc/(Dec)	% Inc/(Dec)
Personnel Services	\$14,146,955	\$15,101,423	\$954,468	6.75%
Operations/Transfers	\$6,430,475	\$6,599,668	\$169,193	2.63%
Debt Service	\$3,993,000	\$3,993,000	\$-	- %
Capital Outlay	\$508,709	\$453,335	\$(55,374)	(10.89%)
Total	\$25,079,139	\$26,147,426	\$1,068,287	4.26%

Expenditures By Category: (Continued)

City Operations/Transfers: The City's operational costs are \$6,260,333 and transfers are \$339,335, a total of \$6,599,668 in FY2025.

Debt Service: In FY2025, the City will transfer \$3,993,000 to the Debt Service Fund. The transfer is explained in the Debt Service Fund section.

Capital Outlay: The City's capital outlay for FY2025 is \$453,335, a \$55,374 decrease from FY2024. This category consists of smaller capital outlay in various departments, including library books, computers, equipment, tools, and fire hose.



Debt Service Fund

Debt Service Fund projected expenditures for FY2025 are \$4,157,790.

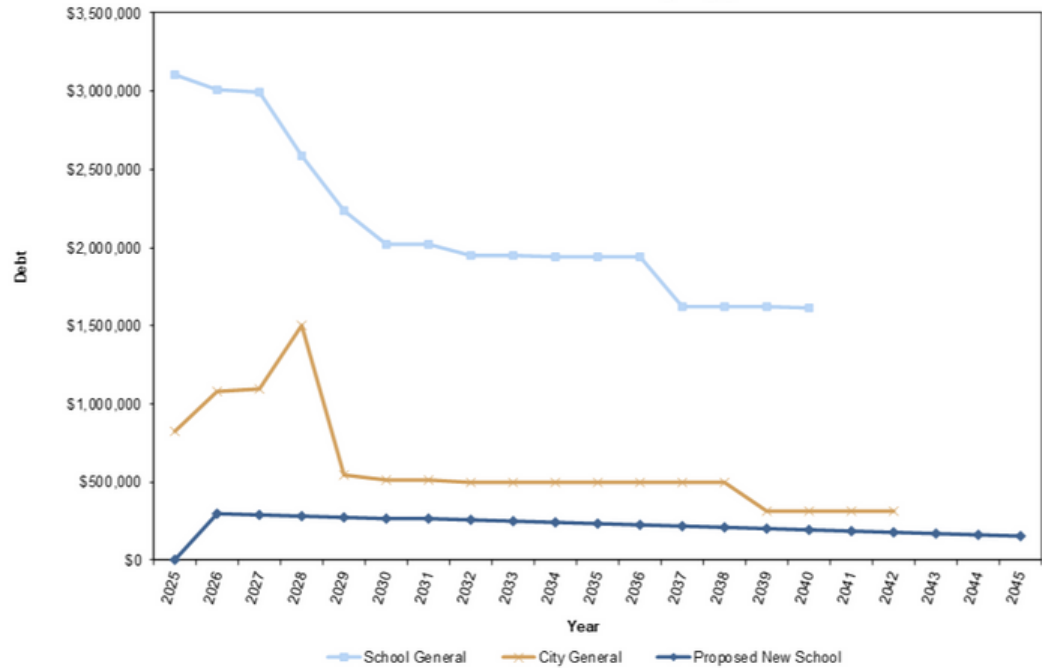
School Debt, Principal and Interest	\$3,101,779
City Debt, Principal and Interest	830,936
Costs of Debt Issuance	150,000
Reserve for Future Debt	<u>75,075</u>
Total	\$4,157,790

The graphs on the following page depict the City's debt service over the years. The City's largest outstanding debt is School Obligation Bonds, which were used for school projects relating to construction and equipment purchases.

In FY2025, the City anticipates borrowing \$3 million to finance one school bus as well as the Poquoson High School HVAC system replacement, and has included the projected debt service payments in the Debt Service Fund for this borrowing.

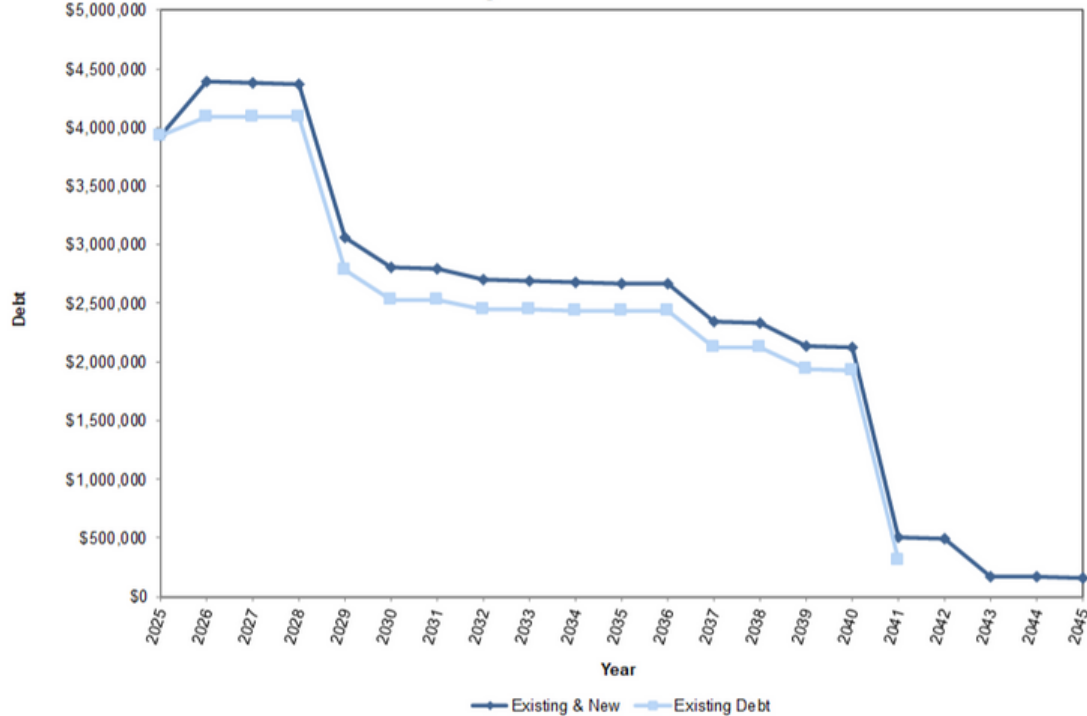


Debt Service By Type



The City has various debt instruments which have been used to pay for various School and City projects. This graph only depicts the current debt of the City. The graph will be updated once the anticipated borrowing has occurred.

Total Current and Projected Debt Service Fund



The above graph depicts the City's current debt service until the debt is paid. In addition to current, the graph provides the combined current and projected debt based on the anticipated borrowing.



Capital Projects Fund

The Capital Projects Fund accounts for financial resources used for the acquisition or construction of major city or school capital facilities, infrastructure, and equipment other than those financed by proprietary funds.

Capital Project revenues include \$900,000 in State Highway Funds for street and drainage improvements, a transfer of \$210,500 from the General Fund and \$2,950,000 in proceeds from debt financing. The FY2025 - Beyond FY2029 Constrained Capital Improvements Plan (CCIP) prepared by staff was presented to the Poquoson Planning Commission on January 18, 2024. The Planning Commission held a public hearing and approved the CCIP at this meeting. The City Council reviewed the Planning Commission's recommendation and approved the CCIP at the February 26, 2024 meeting.

Total FY2025 expenditures for the Capital Projects Fund are \$4,200,500. Unspent funds from FY2024 are allowed to be carried forward for two additional years. If the project is not completed in three years, City Council must reappropriate the unspent funds to complete the project. If there are any unspent funds when the project is completed, funds can revert to the General Fund.

Capital Projects Fund Revenue Sources

State Funds	\$900,000
Transfer from the General Fund	210,500
Proceeds from Debt Issuance	2,950,000
Fund Balance	<u>140,000</u>
Total	\$4,200,500

Capital Projects Fund Expenditure Uses

PHS HVAC Replacement	\$2,800,000
Street Paving	900,000
School Bus Replacement	290,000
Public Safety Vehicle Replacement	76,000
Public Safety Replacement Equipment	104,500
Professional Services	<u>30,000</u>
Total	\$4,200,500



Solid Waste Fund

The Solid Waste Fund is an enterprise fund which accounts for the collection, disposal, and recycling of household and municipal solid waste, residential hazardous materials, bulky items, and landscaping debris. The projected revenues for FY2025 are \$1,516,945.

Citizens are provided a standard recycling container and have the option to select a household trash container/cart size. The solid waste fee is billed bi-monthly along with the sewer service fee. Trash bags are available for those residents who exceed the capacity of their trash container/cart.

The City provides curbside pickup services for woody waste at a rate of \$60 per pickup and bulky waste item pickup at a rate of \$63. Each household gets one free bulk item or landscape curbside pickup each year. The fee is intended to cover a small portion of the cost incurred in picking up landscaping debris and bulky items, not to cover the cost of the programs. Residents may also take their landscaping debris to the VPPSA regional composting facility located at the York County landfill at no charge. The City is estimated to pay VPPSA \$53,232 to operate the composting/disposal facility in FY2025.

The City continues to offer a program whereby residents of the City may drop off their bulky and landscaping debris at a temporary convenience site on two Saturdays a month. There is no additional charge for these services. The City offers a leaf pickup program. During the months of November through February, residents may put their leaves at the curbside to be picked up by the City, as long as the requirements for packing the leaves are met.

Solid Waste Revenue Sources

Solid Waste Fees	\$1,367,000
Bag Fees	18,000
Landscaping & Bulky Item Charges	4,500
Recycling Fees	1,000
Miscellaneous	500
Transfer from Retained Earnings	<u>125,945</u>
Total	\$1,516,945

Solid Waste Expenditure Uses

Personnel Services	\$141,298
Garbage Disposal	529,031
Recycling	374,136
Bulky Item/Landscaping	447,862
Hazardous Material	43,200
Other Costs	44,269
Transfer to General Fund	<u>50,000</u>
Total	\$1,516,945



Fleet Management Fund

The Fleet Management Fund is used to account for financing the costs of vehicle parts, vehicle contracted services, gas and oil, and labor for all city and school vehicles and equipment. Costs are charged to City departments and the School Division for the services of the Fleet Management Fund. The budget is \$1,007,889 in FY 2025, a \$43,427 increase from the FY2024 budget.

Fleet Management Sources of Revenue

Parts and Contracted Services	\$261,400
Garage Labor and Overhead	422,626
Gas and Oil Revenues	<u>323,863</u>
Total	\$1,007,889

Fleet Management Expenditure Uses

Personnel Services	\$374,878
Fuel and Lubricants	323,863
Parts and Contractors	261,400
Other	32,110
Capital Outlay	<u>15,638</u>
Total	\$1,007,889



Utilities Fund

The Utilities Fund is operated as an enterprise fund and provides for the maintenance of sewer lines and pump stations. The FY2025 budget is \$2,451,674, which is \$260,936 more than the FY2024 budget.

Each household that is available to sewer pays a fee whether connected to the system or not, unless a waiver is granted by City Council. The adopted sewer service fee is \$53 bi-monthly for FY2025. The sewer availability fee remains at \$6,000 for newly created lots. Commercial users also pay a fee based on water consumption. The consumption fee also remains at \$1.75 hcf.

Approximately 32% of the expenditures in the Utilities Fund covers debt service on various improvements and extension of the sewer system. \$497,250 or 20% of the expenditures are for maintenance and capital needs. Personnel services account for 24% of expenditures and includes salaries and benefits for six full-time employees for FY2025.

Utilities Sources of Revenue

Sewer Service Fees	\$1,830,525
Sewer Availability Fee	400,000
Other	45,000
Transfer from Retained Earnings	<u>176,149</u>
Total	\$2,451,674

Utilities Expenditure Uses

Personnel Services	\$595,927
Operating Expenses	372,097
Debt Service	686,400
Capital Outlay	497,250
Transfer to General Fund	<u>300,000</u>
Total	\$2,451,674



Special Revenue Fund/Grants

The Special Revenue Fund/Grants accounts for revenues and expenditures related to State and Federal grants for community development and public safety.

In FY2023, the City appropriated a total of \$14,113,410 in Federal American Rescue Plan Act (ARPA) Funds for various projects. However, the City actually received \$15,114,864 and appropriated an additional \$486,074 on March 25, 2024 for the expansion of an approved sewer project. At the end of FY2024, unspent funds for projects may be reappropriated in FY2025.

For FY2025, \$515,380 is included for additional sewer projects to utilize the remaining funds. These funds must be obligated by December 2024 and fully spent by December 2026.

Special Revenue Fund/Other Post Employment Benefits

The Special Revenue Fund/OPEB accounts for revenues and expenditures related to Other Post-Employment Benefits (OPEB), specifically, retiree health insurance.

In November 2016, City Council approved an enhanced change to OPEB effective July 1, 2017. Retirees who meet required conditions are able to continue health insurance coverage on the City-sponsored plan with the City subsidizing 50% of the cost of coverage until age 65, less the VRS Health Insurance Credit amount.

As part of the long-term plan for the benefit, the City joined in a Trust Fund with other Virginia localities to begin funding a portion of the projected liability.

Special Revenue Fund/OPEB Sources of Revenue

Retiree Contributions	\$88,653
Transfer from General Fund	<u>107,835</u>
Total	\$196,488

Special Revenue Fund/OPEB Expenditure Uses

Retiree Benefits	\$88,653
City Share	92,835
Contribution to Trust	<u>15,000</u>
Total	\$196,488



Unbudgeted Needs

There are a number of items which have not been included in the budget due to budget constraints. Some of the more important items include:

Personnel: The Fire Department needs additional firefighters/paramedics based on National Fire Protection Association (NFPA) recommendations for staffing of firefighters/paramedics. It is the Fire Department's goal to meet NFPA 1710 and requested three additional EMT-T or EMT-P to be included in the budget that was not funded in this year's financial plan.

In the near future, the City will need to consider adding another Police Officer position to complete the initiative to increase officers assigned to each patrol shift by one. Three additional Police Officer positions were approved in FY2024.

The City also needs to consider a Human Resources position to handle all employee and benefit requirements for the City. At present, the City does not have any designated Human Resources staff.

Operating Costs: This budget funds existing services and programs at prior year levels. An item that is requested but not recommended in this budget is funding for an additional replacement vehicle for the Police Department. Increased funding for replacement Information Technology equipment is also not funded. Smaller requests from other departments ranged from increased contracted services, and furniture and equipment replacements.

Capital: The majority of the capital outlay funds in this budget are for Street and Highway maintenance and other equipment. While this budget has addressed some minor replacements for small computer equipment, it still does not fund these capital outlays to the extent needed by the departments. In addition, capital replacement or maintenance needs to be addressed concerning the City facilities. The oldest building is more than sixty years old.



Strategic Focus Areas

Consistent with the City's past practice, the adopted budget is structured around the City's five identified strategic focus areas.

Public Education:

The FY2025 Adopted Budget fully funds the School Board's budget request. The School Board budget includes a 5% compensation increase, as well as one additional grant funded position. The School Board Budget approved on March 19, 2024 totals \$30,572,840 and is 6.74% more than FY2024.

During the current fiscal year, the City has continued to make investments in capital projects for Poquoson City Public Schools. The City allocated almost two million dollars in federal funding to assist with the renovation of the HVAC system at Poquoson Primary School, which was completed in August 2023.

In the Capital Projects Fund, funding is provided for school replacement projects. This includes replacement of two school buses totaling \$290,000, with one funded from reappropriation of fund balance and one funded from debt issuance. There is also \$2,800,000 funding for the Poquoson High School HVAC system replacement, which will also be funded through issuance of debt.

Public Safety:

The FY2025 Adopted Budget for the Capital Projects Fund includes funding for replacement of one police vehicle, as well as radios, MDT and Lifepak replacements. During FY2023, federal funding and debt issuance was appropriated for the construction of a new Public Safety Building which will include the Police Department, Fire Administration and the Emergency Operations Center. Construction is underway and is expected to be completed during FY2025. The plan includes utilizing a mixture of discretionary federal funds and available debt capacity for a total project budget of approximately \$13 million. It is important to note that this project did not require an increase in the property tax rate.

Quality of Life:

Although there are no new initiatives in the FY2025 Adopted Budget, there are a number of quality-of-life projects that are in process. This calendar year we anticipate completing the final elements of South Lawson Park and the renovations to the City tennis/pickle ball courts adjacent to Poquoson High School. Additionally, the City will complete the remaining Phase One elements of Two Tree Park in 2024.

All of these initiatives make Poquoson a better place to live and to work.



Quality of Services:

Continuing to provide quality services to our community is of utmost importance to City leaders. This adopted budget includes funding for a 4% base compensation increase for all full-time permanent positions, as well as pay rate adjustments for part-time personnel. This also includes an additional 1% merit-based compensation adjustment for eligible full-time employees. The current inflationary climate, significant public and private sector wage competition, and a decrease in the number of applications received for open positions are additional reasons for this recommendation.

Fiscal Stability:

The City's financial position remains strong. The City remains in compliance with all of its financial management policies, and due to the health of the General fund, the City has been able to maintain its AAA bond rating with Standard and Poor's agency. During the past year, the City has continued to provide additional funds to the Economic Development Authority to aid in assisting our local businesses as necessary.



Short-Term Factors

The budget process allows for multiple parties to discuss the needs of the City, issues, and short-term factors that should be acknowledged when developing the budget. For Fiscal Year 2025, the budget still has some uncertainty about the future economic situation, and continued effects of COVID-19, which hit the nation in March 2020. The City continues to monitor the factors that we anticipate to be short-lived.

For Fiscal Year 2025, the adopted budget reflects the following factors:

- The Poquoson City Public Schools' allocation in this budget totals \$508,738, which fully funds the school's request for FY 2025, and includes a 5% compensatory increase for school staff.
- This is the third year of a three-year grant for one additional School Resource Officer.
- Capital Project funding is included for one public safety replacement vehicle, two school bus replacements and a high school HVAC replacement.
- A base compensation increase of 4%, as well as an additional 1% merit-based compression adjustment is included for all eligible City employees.
- Increase of 2.4% in health insurance premiums.
- The VRS rate increased from 14.17% to 15.24%.
- Includes increased costs as a result of the VRS hybrid plan administrative change to separate the defined benefit and defined contribution components, which is effective July 1, 2024.



Fiscal Management

Balanced Budget: All Funds are subject to the annual budget process. All budgets will be formulated and adopted on the basis of accounting consistent with generally accepted accounting principles.

Unassigned Fund Balance: The General Fund will maintain a minimum of 12% - 15% of total operating expenditures as its unassigned fund balance.

Fiscal Stability Reserve: City Council adopted a policy to maintain \$1 million in the fiscal stability reserve. As of Fiscal Year 2021, the City made the final allocation of \$178,000 to satisfy the policy. The \$1 million reserve remains in tact and is reflected as committed fund balance of the General Fund. In December 2023, City Council approved a transfer to increase this reserve to \$1.1 million using unrestricted fund balance. The unobligated portion of the fund balance provides sufficient working capital for the City and serves as a "rainy day" fund for emergencies or unforeseen circumstances such as a pandemic.

Debt Policy: To maintain the City's ability to incur present and future debt at the lowest interest rates. The City achieves this by maintaining the bond agencies ratings. For S&P, the City received a rating of AAA on the City's outstanding general obligation bonds. This is the highest bond rating available through S&P. Moody's affirmed the City's existing Aa2 credit rating and assigned an enhanced Aa1 rating to 2018 general obligation bonds based on the City's strong underlying fundamentals plus the Virginia state aid intercept program.

Stable Tax Rates: The FY2025 Adopted Budget is balanced with an increase of three cents in the real estate tax rate due to significant challenges facing the City.



Personnel

The City operates under the Council-Manager form of government. The City Manager is responsible for the hiring of all City personnel. In the City of Poquoson, the City Manager hires all Department Heads and gives the Department Heads the authority to hire their staff. All new positions must be appropriated in the budget approved by City Council.

Personnel Changes

For Fiscal Year 2024, there are a total of 157.85 Full-Time Equivalent (FTE) positions authorized, which is a 5.80 increase over Fiscal Year 2023 due to the addition of three Fire and three Police positions in January 2024, as well as a 0.20 FTE reduction from Library converting two part-time positions to create one full-time position. As we near the close of Fiscal Year 2024, the City currently has vacancies in Fire, Police and Public Works. In addition, the City has had six employees retire during Fiscal Year 2024.

In the Fiscal Year 2025 Adopted Budget, funding for the full year of the three Fire and three Police positions are included. Additionally, one new position is included in Utilities (Sewer Fund). This increases the total FTE positions authorized in Fiscal Year 2025 to 158.85.

Additional position requests from the Fire Department and for a Human Resources Manager have not been budgeted due to fiscal constraints.



PERSONNEL POSITIONS

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2025
	Authorized	Authorized	Authorized	Requested	Authorized
Departments and Funds	<u>FTE</u>	<u>FTE</u>	<u>FTE</u>	<u>FTE</u>	<u>FTE</u>
City Council	0.40	0.40	0.40	0.40	0.40
City Manager	3.80	3.80	3.80	4.80	3.80
Commissioner of the Revenue	4.00	4.00	4.00	4.00	4.00
Assessor	2.00	2.00	2.00	2.00	2.00
Treasurer	4.00	4.00	4.00	4.00	4.00
Finance	4.00	4.00	4.00	4.00	4.00
Registrar	2.10	2.10	2.10	2.10	2.10
Police	30.00	32.00	34.50	34.50	34.50
Fire	33.00	33.00	36.00	39.00	36.00
Inspections	3.75	3.75	3.00	3.00	3.00
Engineering	2.00	2.00	2.00	2.00	2.00
Public Works	17.50	17.50	17.50	17.50	17.50
Facilities	-	1.00	1.75	1.75	1.75
Mosquito Control	3.75	3.75	3.75	3.75	3.75
Parks and Rec - Programs	3.80	3.80	3.80	3.80	3.80
Parks and Rec - Pool	5.00	5.00	5.00	5.00	5.00
Special Events	1.00	1.00	1.00	1.00	1.00
Library	12.45	12.45	12.25	12.25	12.25
Planning	4.00	4.00	4.00	4.00	4.00
Economic Development	1.00	1.00	1.00	1.00	1.00
DMV Select	2.00	2.00	2.00	2.00	2.00
Total General Fund	139.55	142.55	147.85	151.85	147.85
Special Revenue Fund/Grants	-	-	0.50	0.50	0.50
Solid Waste	1.00	1.00	1.00	1.00	1.00
Utilities (Sewer Fund)	5.00	5.00	5.00	6.00	6.00
Fleet Management	3.50	3.50	3.50	3.50	3.50
Total Departments and Funds	149.05	152.05	157.85	162.85	158.85



FUND SUMMARIES



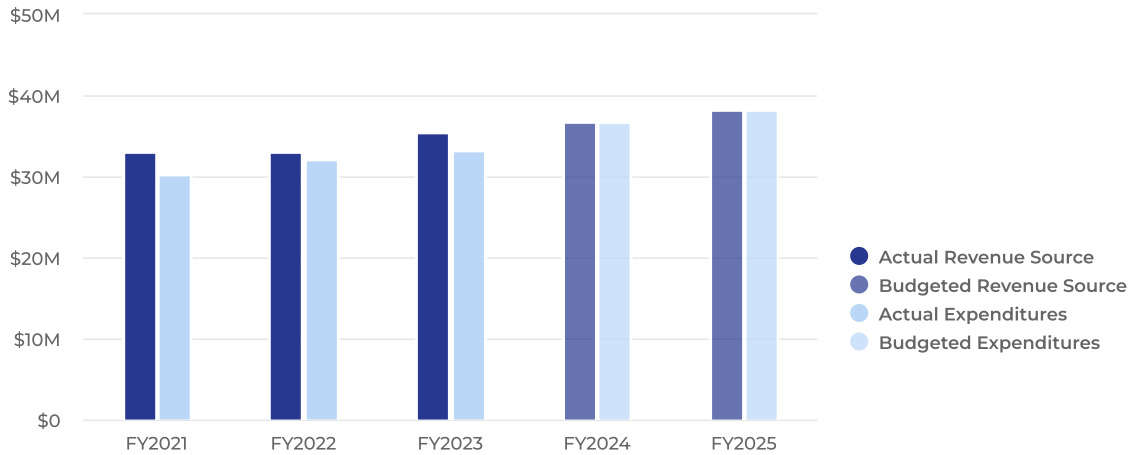


General Fund

The General Fund is the City's main operating fund and is used to account for all financial resources traditionally associated with government except those required to be accounted for in another fund (i.e. enterprise funds and special revenue funds).

Summary

The City of Poquoson is projecting \$38.4M of revenue in FY2025, which represents an 4.3% increase over the prior year. Budgeted expenditures are projected to increase by 4.3% or \$1.6M to \$38.4M in FY2025.



The FY2025 Adopted Budget for the General Fund includes a three-cent real estate tax rate increase. The focus is and always will be to continue to provide the existing services and programs at the same level as the prior year. As the City Manager indicated in his executive summary, the budget focused on strategic areas.

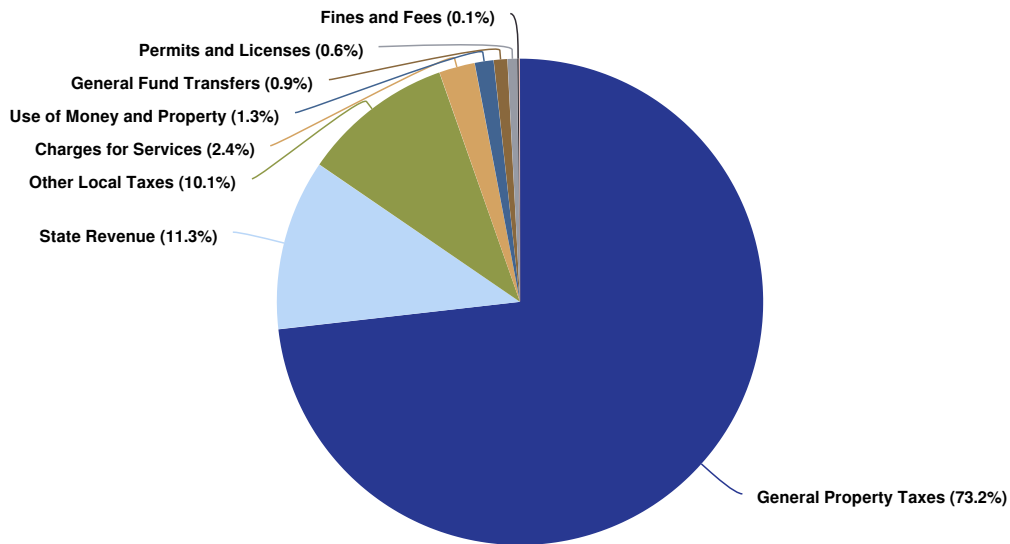
Public Education: The Poquoson City Public School Board's budget requested a \$508,738 increase for FY2025. The FY2025 Adopted Budget fully funds the School Board's budget request. This budget allows the Schools to provide a 5% compensation increase for all employees. The School based their budget on the Governor's budget, which only provided for a 1% bonus for state supported positions. The Schools have also included the addition of one grant funded position. As in past years, the Schools had unexpended transfers at the end of the year which were returned to the City and subsequently reappropriated to the Schools.

Quality of Services: The budget includes a general compensation increase of 4% for all full-time permanent positions, as well as a pay rate adjustment for part-time personnel. In addition to this, funding is provided for an additional 1% merit-based compression adjustment for eligible full-time positions.

Public Safety: Three additional Police Officer and three additional Firefighter positions were included in the FY2024 budget, as of January 1, 2024. Therefore, funding is included for a full year in FY2025. There are also changes anticipated in the EMS Medication exchange program, which may require localities to maintain a secure location to administer medication needed for advanced life support (ALS) calls as early as November 2024. Funding for supplies and equipment have been included to support the start up of this program.

Revenues by Source

Projected 2025 Revenues by Source

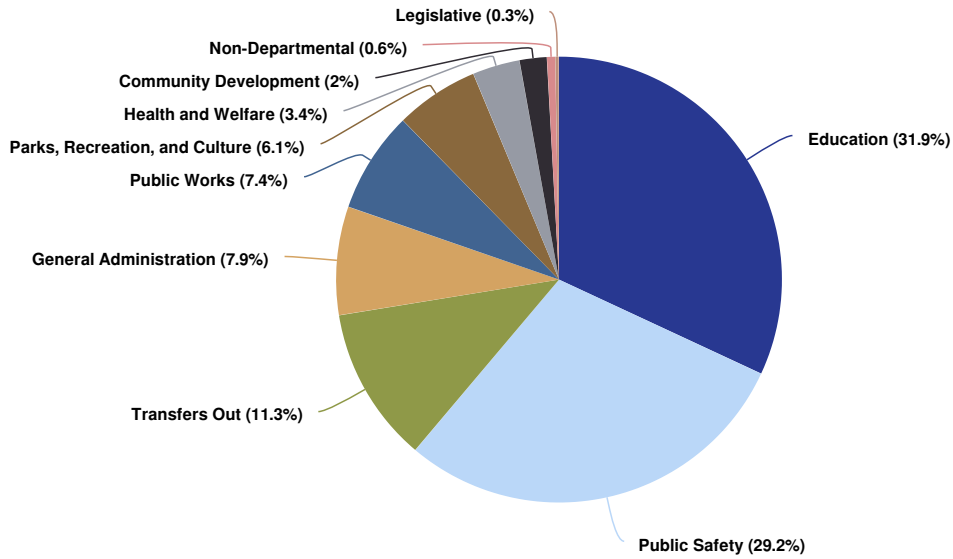


Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
General Property Taxes	\$22,006,910	\$23,792,933	\$24,596,839	\$26,897,102	\$28,124,895	\$1,227,793	4.6%
Other Local Taxes	\$3,408,036	\$3,611,206	\$3,731,837	\$3,745,000	\$3,865,000	\$120,000	3.2%
Permits and Licenses	\$305,493	\$404,747	\$305,177	\$247,000	\$246,500	-\$500	-0.2%
Fines and Fees	\$34,141	\$28,173	\$47,593	\$40,000	\$40,000	\$0	0%
Use of Money and Property	\$206,124	\$47,563	\$1,134,034	\$334,500	\$482,000	\$147,500	44.1%
Charges for Services	\$508,202	\$641,965	\$915,932	\$893,534	\$919,720	\$26,186	2.9%
Miscellaneous Revenue	\$62,140	\$32,330	\$117,719	\$0	\$19,949	\$19,949	N/A
State Revenue	\$4,014,768	\$4,055,398	\$4,367,942	\$4,316,488	\$4,359,990	\$43,502	1%
Federal Revenue	\$1,989,648	\$54,266	\$22,310	\$14,905	\$7,500	-\$7,405	-49.7%
General Fund Transfers	\$549,994	\$513,000	\$300,000	\$350,000	\$350,000	\$0	0%
Total Revenue Source:	\$33,085,456	\$33,181,581	\$35,539,383	\$36,838,529	\$38,415,554	\$1,577,025	4.3%



Expenditures by Function

Budgeted Expenditures by Function

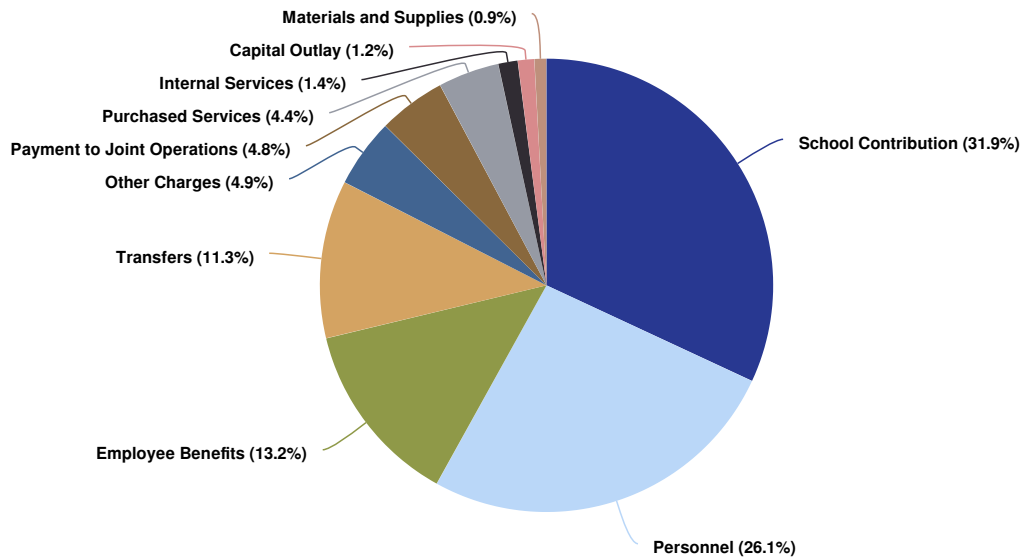


Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Legislative	\$72,337	\$84,364	\$81,718	\$104,170	\$99,534	-\$4,636	-4.5%
General Administration	\$2,811,423	\$2,609,779	\$2,876,052	\$3,066,860	\$3,024,596	-\$42,264	-1.4%
Public Safety	\$8,251,671	\$8,343,147	\$9,341,900	\$10,236,994	\$11,227,408	\$990,414	9.7%
Public Works	\$1,960,823	\$2,145,523	\$2,247,139	\$2,718,417	\$2,824,367	\$105,950	3.9%
Health and Welfare	\$1,036,241	\$992,064	\$1,129,997	\$1,245,639	\$1,317,637	\$71,998	5.8%
Education	\$9,031,974	\$9,879,994	\$10,488,504	\$11,759,390	\$12,268,128	\$508,738	4.3%
Parks, Recreation, and Culture	\$1,519,338	\$1,701,742	\$2,098,638	\$2,171,293	\$2,329,211	\$157,918	7.3%
Community Development	\$566,823	\$583,943	\$691,995	\$713,499	\$757,194	\$43,695	6.1%
Non-Departmental	\$1,050,603	\$166,537	\$194,153	\$255,211	\$235,144	-\$20,067	-7.9%
Transfers Out	\$4,122,161	\$5,756,555	\$4,144,000	\$4,567,056	\$4,332,335	-\$234,721	-5.1%
Total Expenditures:	\$30,423,394	\$32,263,648	\$33,294,096	\$36,838,529	\$38,415,554	\$1,577,025	4.3%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects							
Personnel	\$7,740,561	\$7,909,504	\$8,722,145	\$9,638,630	\$10,036,369	\$397,739	4.1%
School Contribution	\$9,031,974	\$9,879,994	\$10,488,504	\$11,759,390	\$12,268,128	\$508,738	4.3%
Employee Benefits	\$3,478,575	\$3,614,596	\$3,959,021	\$4,508,325	\$5,065,054	\$556,729	12.3%
Other Charges	\$2,597,014	\$1,428,363	\$1,594,324	\$1,779,091	\$1,880,616	\$101,525	5.7%
Purchased Services	\$837,281	\$1,065,097	\$1,202,180	\$1,596,001	\$1,676,742	\$80,741	5.1%
Internal Services	\$457,303	\$527,801	\$571,972	\$541,615	\$528,062	-\$13,553	-2.5%
Materials and Supplies	\$234,368	\$196,246	\$248,060	\$276,067	\$328,505	\$52,438	19%
Payment to Joint Operations	\$1,448,906	\$1,441,299	\$1,423,499	\$1,663,645	\$1,846,408	\$182,763	11%
Capital Outlay	\$475,251	\$444,193	\$913,775	\$508,709	\$453,335	-\$55,374	-10.9%
Grants			\$26,616			\$0	N/A
Transfers	\$4,122,161	\$5,756,555	\$4,144,000	\$4,567,056	\$4,332,335	-\$234,721	-5.1%
Total Expense Objects:	\$30,423,394	\$32,263,648	\$33,294,096	\$36,838,529	\$38,415,554	\$1,577,025	4.3%





Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources for the payment of general obligation debt service for the City and the School Division, except for debt payable by the Utilities Fund. Revenues of the Debt Service Fund are derived from transfers from the General Fund and/or Capital Projects Fund.

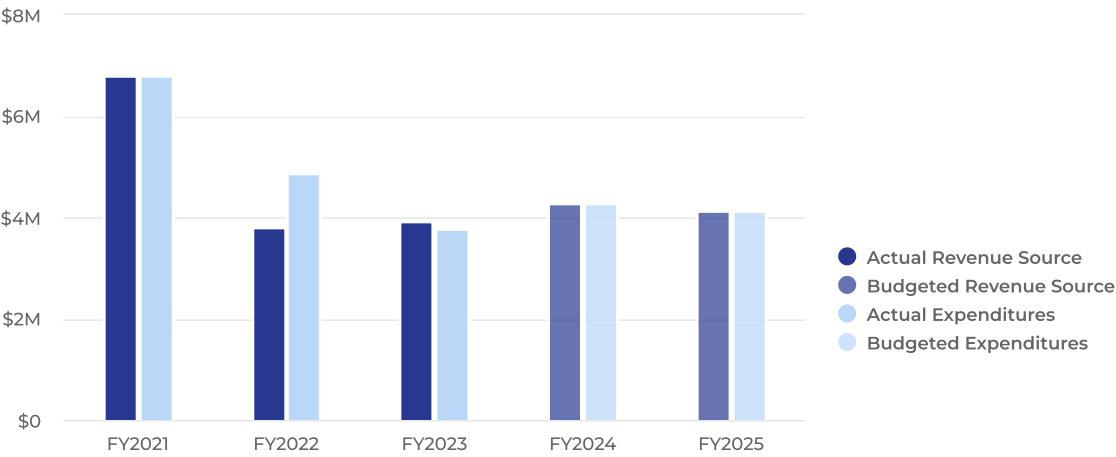
City of Poquoson Charter Article 13 "Limitation on the issuance of bonds or other interest bearing obligations" addresses the debt limit. It states that there shall not be any issued bonds or other interest-bearing obligations which exceed for any one issuance, one and one-half percentum of the assessed valuation of the real estate in the City subject to taxation, according to the most current assessment for taxes, without voter approval. Certificates of indebtedness, revenue bonds, or other obligations issued in anticipation of the collection of the revenues for the current year, provided they mature within one year from issuance, are not required to be voted on by the qualified voters of the City.

In May 2014, Standard & Poor upgraded the long-term rating for the City to AAA from AA+, the highest possible rating from Standard & Poor which provides that the City's capacity to meet its financial commitments on the obligation is extremely strong. In June 2016, Standard & Poor reaffirmed the AAA rating. In December 2017, upgraded the City's outstanding bonds an additional notch to Aa1 as a result of the strength of the Virginia State Intercept program along with the City's underlying credit quality. In June 2018, Moody's reaffirmed the Aa2 rating and assigned an enhanced Aa1 rating to 2018 general obligation bonds.

The City's most significant debt is in School bonds. Other significant debt service items relate to notes and bonds of the City and Economic Development Authority (EDA). All the debt service presented in the budget is based on legally binding agreements, unless it is labeled estimate.

Summary

City of Poquoson, Virginia is projecting \$4.16M of revenue in FY2025, which represents a 3.5% decrease over the prior year. Budgeted expenditures are projected to decrease by 3.5% or \$150.63K to \$4.16M in FY2025.

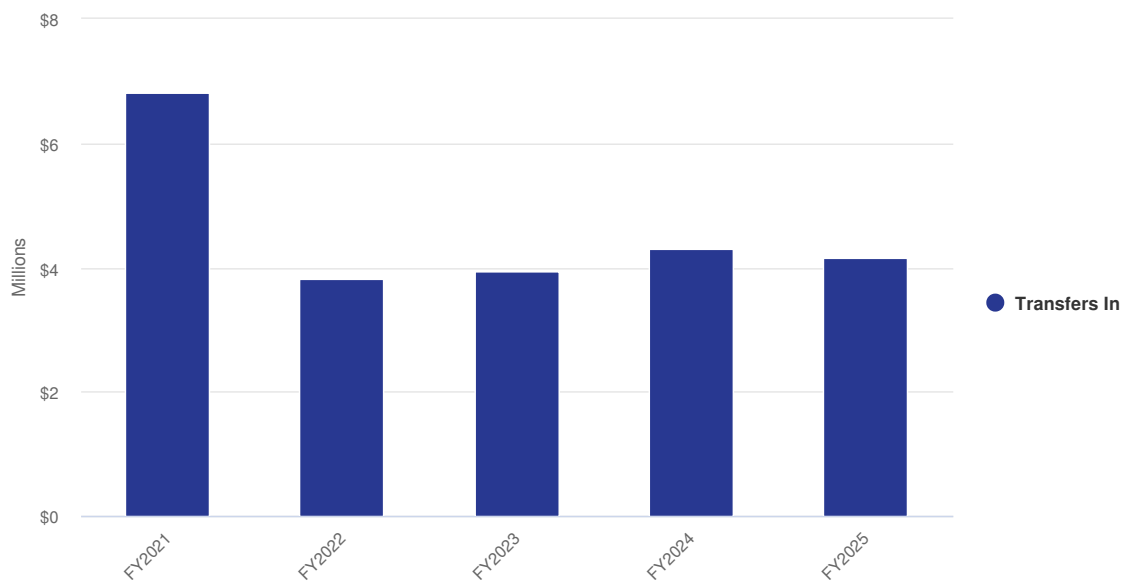


Revenues by Source

Transfers: The Debt Service Fund is financed exclusively from transfers made by other funds. Usually the transfer of debt comes from the General Fund.

Use of Reserve: In FY2013, the City established a debt reserve to set aside funds for future debt service. In anticipation of the borrowing during FY2019, the City increased the reserve in FY2019 with the understanding of utilizing the funds when the debt is payable. In FY2022, the City utilized the reserve instead of borrowing additional debt to fund nine projects in the Adopted CCIP. The FY2025 budget does not include utilizing the reserve.

Budgeted and Historical 2025 Revenues by Source



Revenue for the Debt Service Fund is provided for by transfers from the General Fund and issuing new debt.

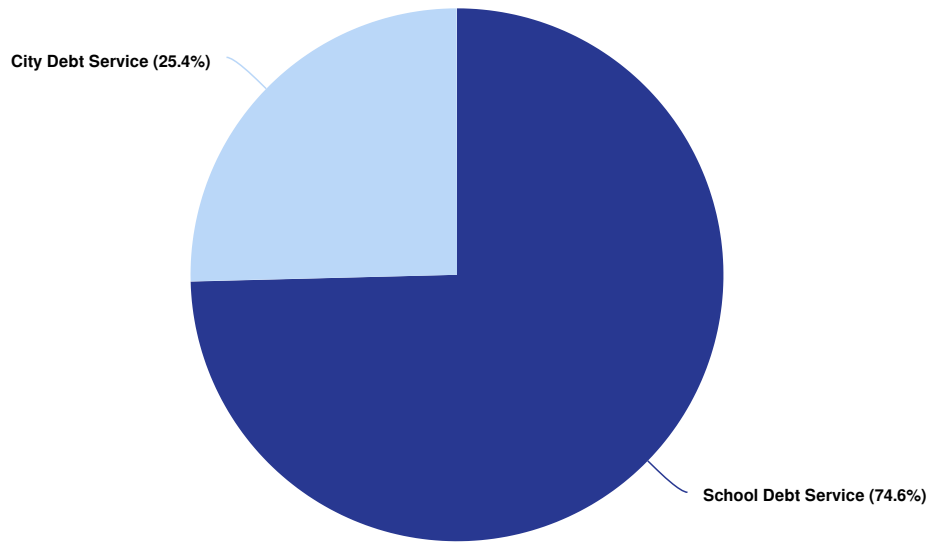
Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Transfers In	\$6,810,494	\$3,812,536	\$3,942,847	\$4,308,415	\$4,157,790	-\$150,625	-3.5%
Total Revenue Source:	\$6,810,494	\$3,812,536	\$3,942,847	\$4,308,415	\$4,157,790	-\$150,625	-3.5%



Expenditures by Expense Type

During FY2024, the City issued \$2 million in General Obligation Bonds to finance a replacement Fire Ladder Truck. It is anticipated that new debt totaling \$3 million will be issued during FY2025 to finance the replacement of the Poquoson High School HVAC system, as well as one school bus. The annual allocation from the General Fund to the Debt Service Fund includes the current debt. The new debt issuance is anticipated to occur late in FY2025, with payments on the new debt service not anticipated to begin until FY2026.

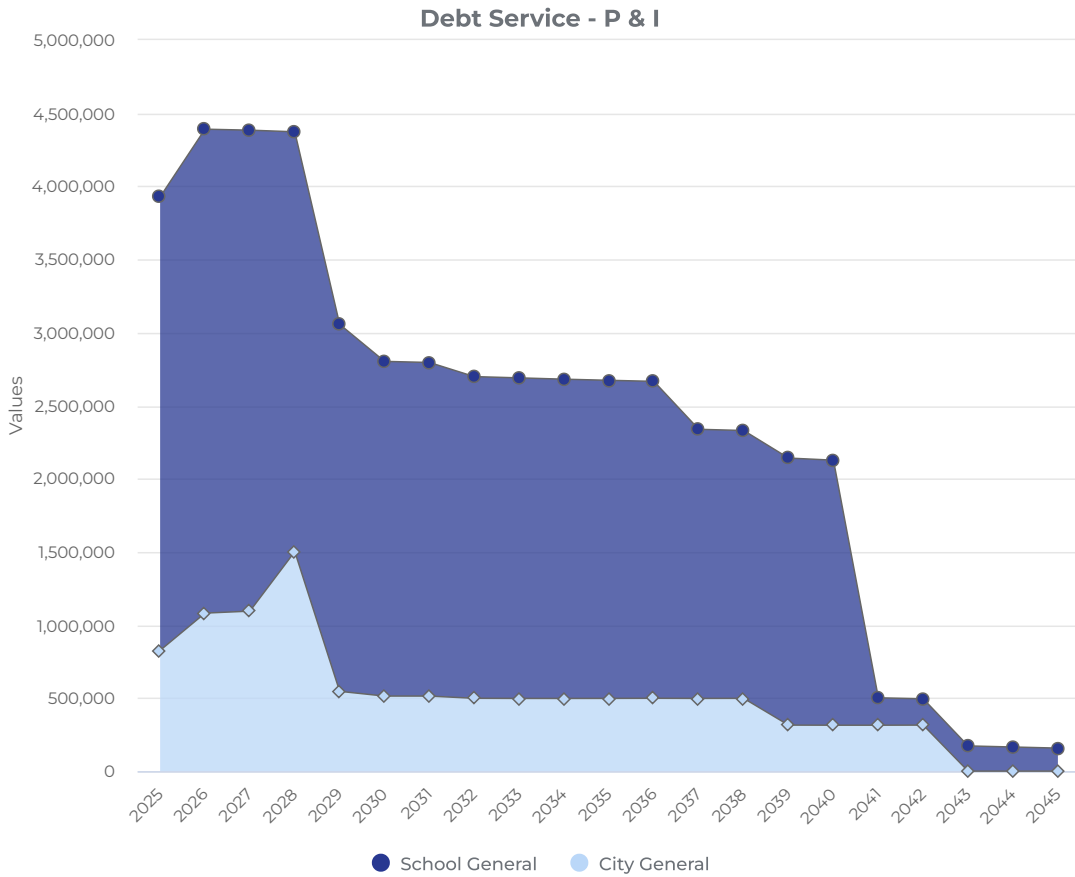
Budgeted Expenditures by Expense Type



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects							
Transfers	\$446,900	\$1,299,000				\$0	N/A
City Debt Service	\$2,722,878	\$787,016	\$702,884	\$1,216,257	\$1,056,011	-\$160,246	-13.2%
School Debt Service	\$3,633,666	\$2,790,967	\$3,102,891	\$3,092,158	\$3,101,779	\$9,621	0.3%
Total Expense Objects:	\$6,803,444	\$4,876,983	\$3,805,775	\$4,308,415	\$4,157,790	-\$150,625	-3.5%



Debt Service



The above Debt Service principal and interest reflects the newest general obligation debt. In July 2023, the City issued \$2 million in new debt under the General Obligation Bond, Series 2023, to finance replacement of a Fire Ladder Truck. It is anticipated that the City will issue new debt totaling \$3 million during FY2025 for the replacement of one school bus and the Poquoson High School HVAC system. This new anticipated debt is included in the chart above.



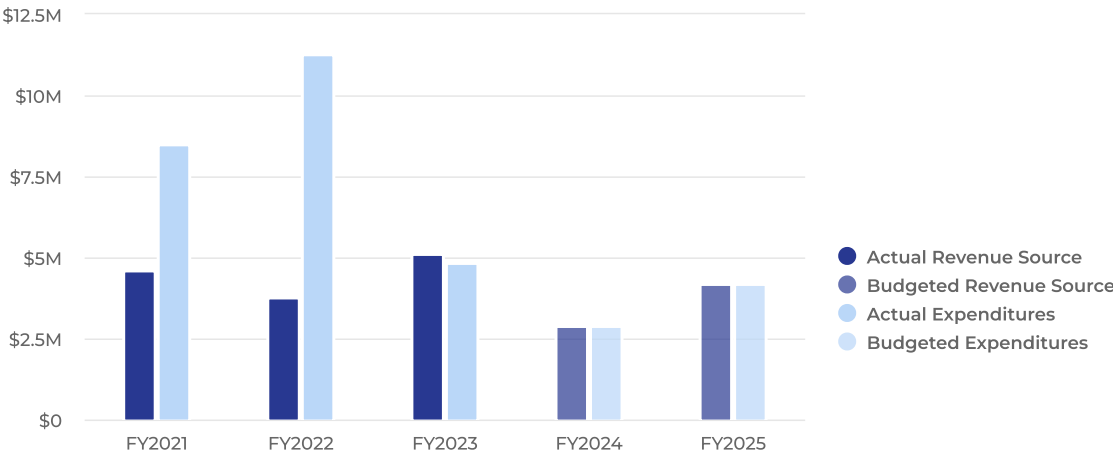


Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major City or School capital facilities, infrastructure, and equipment other than those financed by proprietary funds.

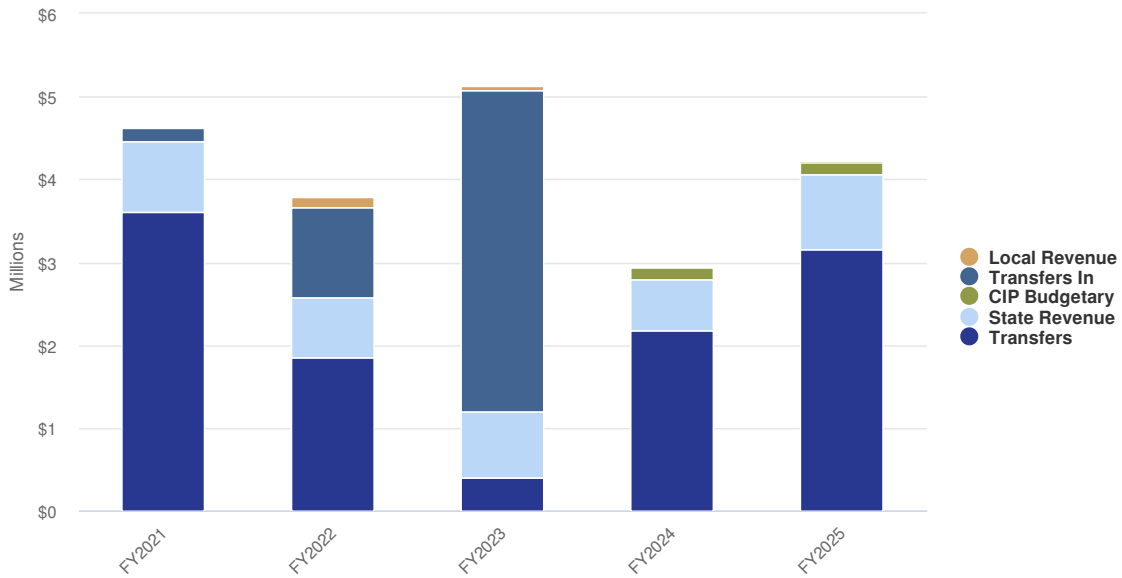
Summary

The City of Poquoson is projecting \$4.2M of revenue in FY2025, which represents a 43.5% increase over the prior year. Budgeted expenditures are projected to increase by 43.5% or \$1.3M to \$4.2M in FY2025.



Revenues by Source

Budgeted and Historical 2025 Revenues by Source

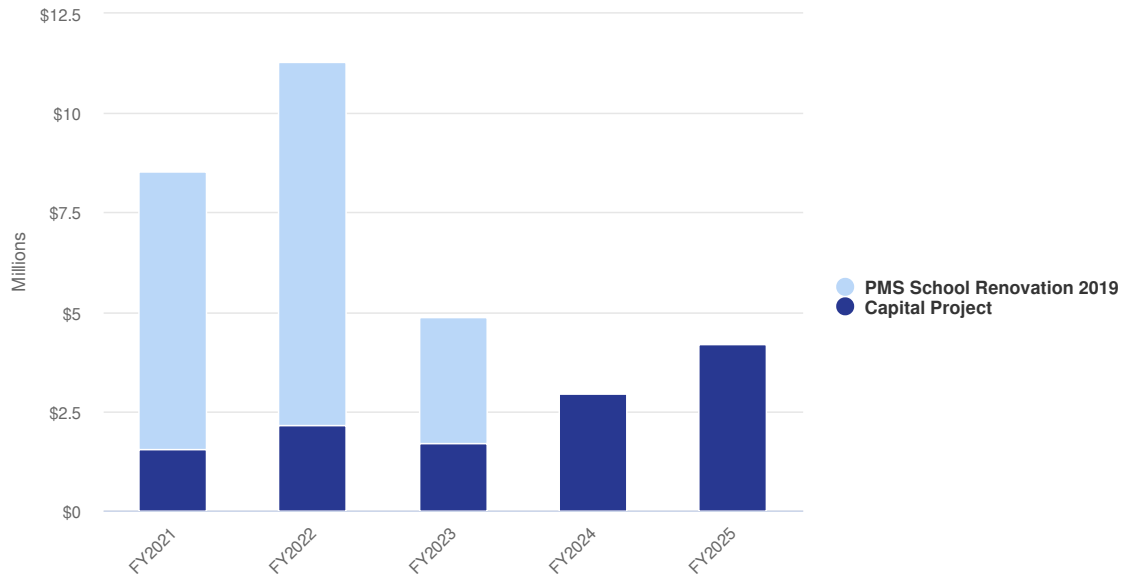


Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Local Revenue	\$14,027	\$129,444	\$48,026			\$0	N/A
State Revenue	\$853,107	\$727,809	\$813,547	\$610,000	\$900,000	\$290,000	47.5%
Transfers In	\$160,000	\$1,086,000	\$3,868,206			\$0	N/A
Transfers	\$3,607,500	\$1,852,384	\$391,137	\$2,172,500	\$3,160,500	\$988,000	45.5%
CIP Budgetary				\$145,000	\$140,000	-\$5,000	-3.4%
Total Revenue Source:	\$4,634,634	\$3,795,637	\$5,120,916	\$2,927,500	\$4,200,500	\$1,273,000	43.5%



Expenditures by Function

Budgeted and Historical Expenditures by Function



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Capital Project	\$1,547,989	\$2,155,026	\$1,683,271	\$2,927,500	\$4,200,500	\$1,273,000	43.5%
PMS School Renovation 2019	\$6,972,362	\$9,138,668	\$3,200,320			\$0	N/A
Total Expenditures:	\$8,520,351	\$11,293,694	\$4,883,591	\$2,927,500	\$4,200,500	\$1,273,000	43.5%



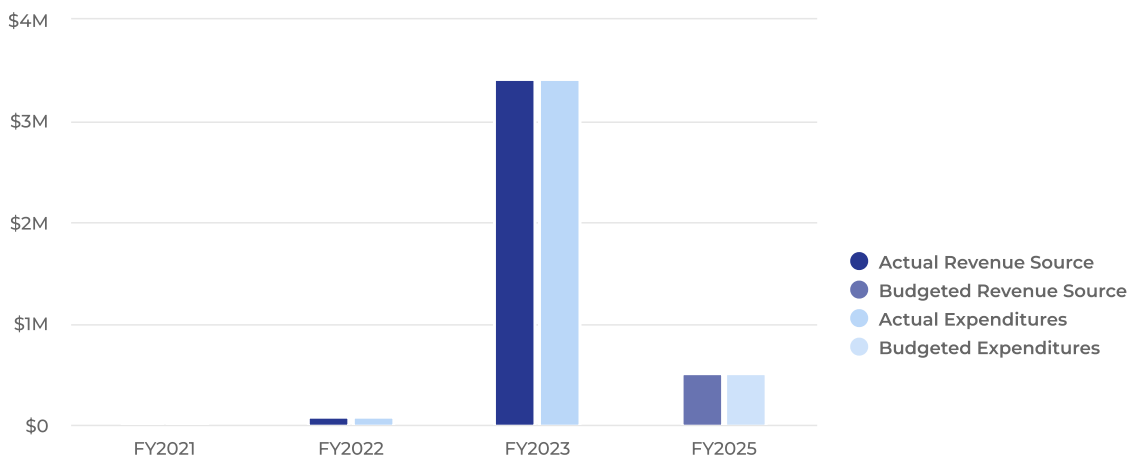


Special Revenue Fund/Grants

The Special Revenue Fund/Grants accounts for revenues and expenditures related to State and Federal grants for community development and public safety. In Fiscal Year 2020, the City completed the Federal Tea-21 Grant administered by the Virginia Department of Transportation. The grant allowed for the City to move the Tom Hunt Store to the Poquoson Museum property for future public visitation. The City received \$15,114,864 in American Rescue Plan Act (ARPA) funding, which supports various projects.

Summary

In Fiscal Year 2023, the City appropriated \$14,113,410 of the ARPA funds for various projects. In March 2024, an additional \$486,074 was appropriated towards the extension of a sewer project. For the FY2025 Budget, the remaining \$515,380 is included for additional sewer projects.



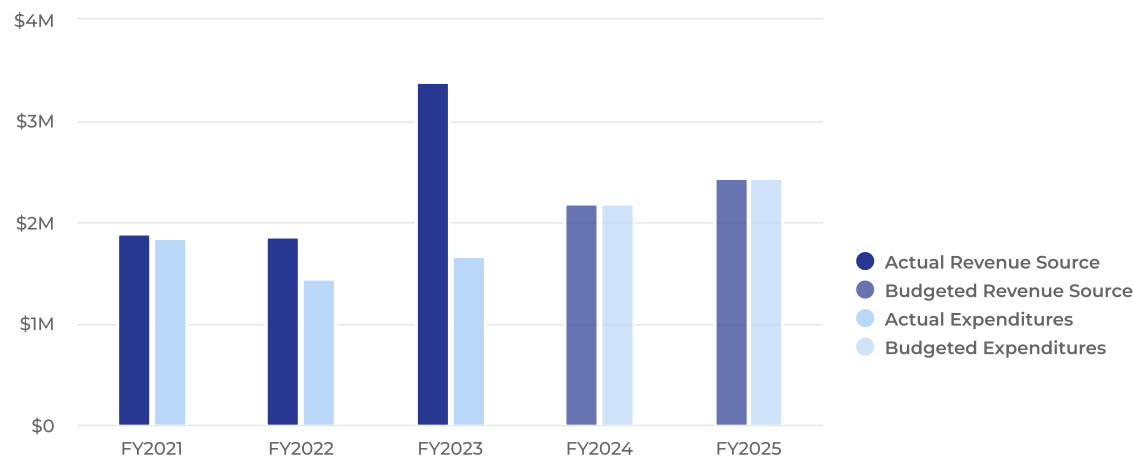


Sewer Fund

The Utilities Fund is operated as an Enterprise Fund which is used to account for sewer operations that function as though they were a private-sector entity. An Enterprise Fund is expected to cover its costs through user charges. The Utilities Fund provides for the maintenance of sewer lines and pump stations and the debt service incurred in having the sewer originally extended and renovated. The Department provides 24 hour service for the 29 pump stations, 51.7 miles of gravity sewer lines and 12.4 miles of sewer force mains, installation of sewer taps, replacement or repair of broken or misaligned lines.

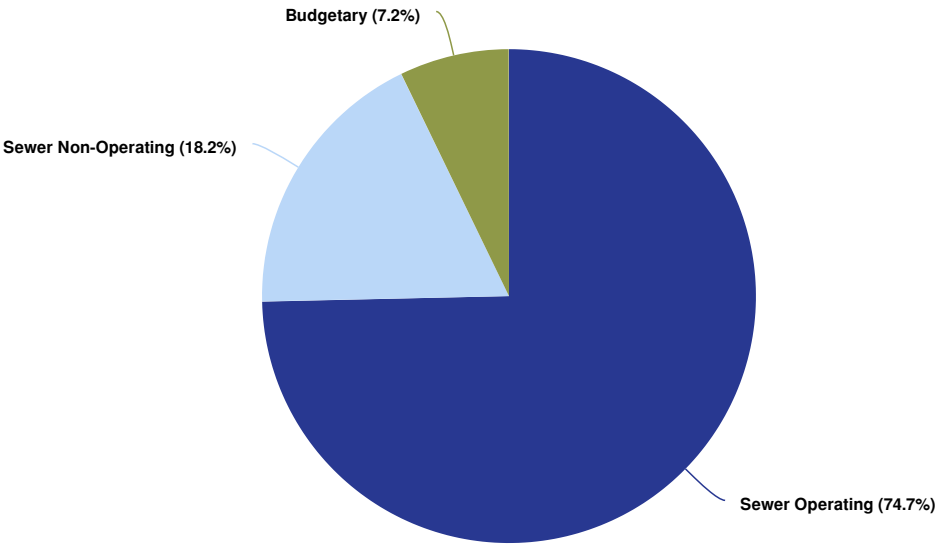
Summary

The City of Poquoson is projecting \$2.5M of revenue and expenditures in FY2025, which represents a \$260,936 or 11.9% increase over FY2024.



Revenues by Source

Projected 2025 Revenues by Source

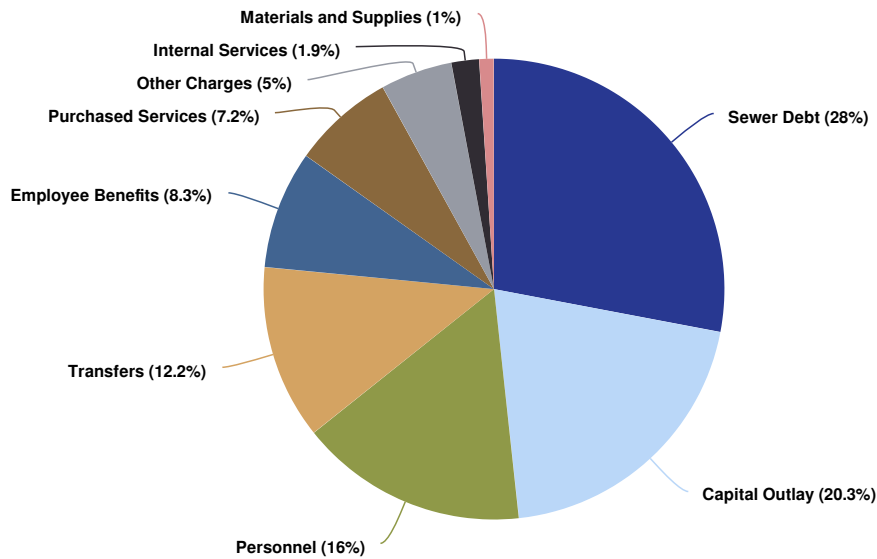


Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Budgetary				\$131,038	\$176,149	\$45,111	34.4%
Sewer Operating	\$1,794,133	\$1,798,631	\$1,799,475	\$1,700,700	\$1,830,525	\$129,825	7.6%
Sewer Non-Operating	\$98,685	\$72,275	\$1,600,160	\$359,000	\$445,000	\$86,000	24%
Total Revenue Source:	\$1,892,818	\$1,870,906	\$3,399,635	\$2,190,738	\$2,451,674	\$260,936	11.9%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects							
Personnel	\$220,395	\$245,335	\$275,239	\$305,472	\$392,800	\$87,328	28.6%
Employee Benefits	\$117,790	\$88,412	\$121,353	\$145,024	\$203,127	\$58,103	40.1%
Other Charges	\$110,264	\$108,648	\$124,056	\$114,300	\$123,800	\$9,500	8.3%
Purchased Services	\$97,877	\$82,714	\$148,559	\$149,150	\$175,700	\$26,550	17.8%
Internal Services	\$27,414	\$32,531	\$43,877	\$40,081	\$47,597	\$7,516	18.8%
Materials and Supplies	\$20,445	\$13,284	\$19,676	\$13,450	\$25,000	\$11,550	85.9%
Capital Outlay	\$789,530	\$708,604	\$673,855	\$439,250	\$497,250	\$58,000	13.2%
Transfers	\$200,000	\$200,000	\$250,000	\$300,000	\$300,000	\$0	0%
Sewer Debt	\$270,634	-\$30,186	\$14,805	\$684,011	\$686,400	\$2,389	0.3%
Total Expense Objects:	\$1,854,349	\$1,449,342	\$1,671,420	\$2,190,738	\$2,451,674	\$260,936	11.9%



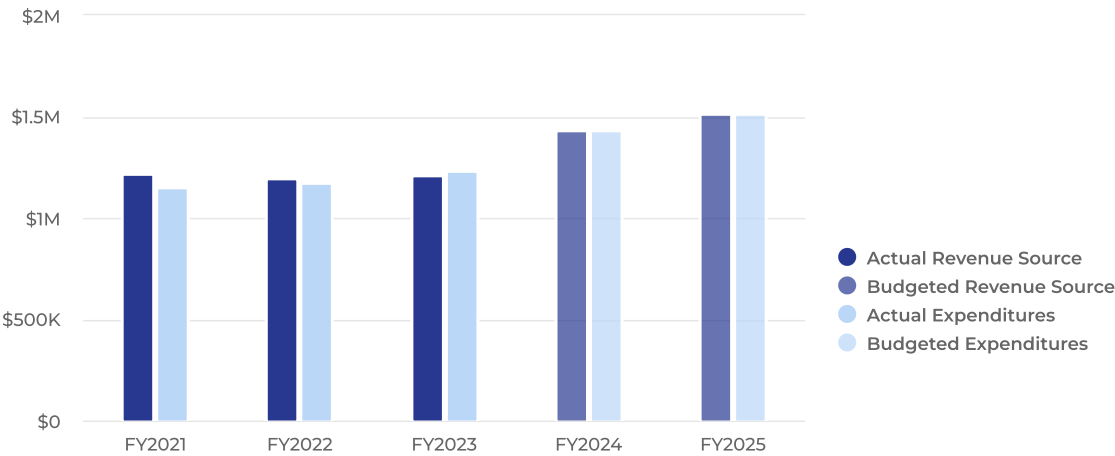


Solid Waste Fund

The Solid Waste Fund is an Enterprise Fund which accounts for the collection, disposal, and recycling of household and municipal solid waste, residential hazardous materials, bulky items, and landscaping debris.

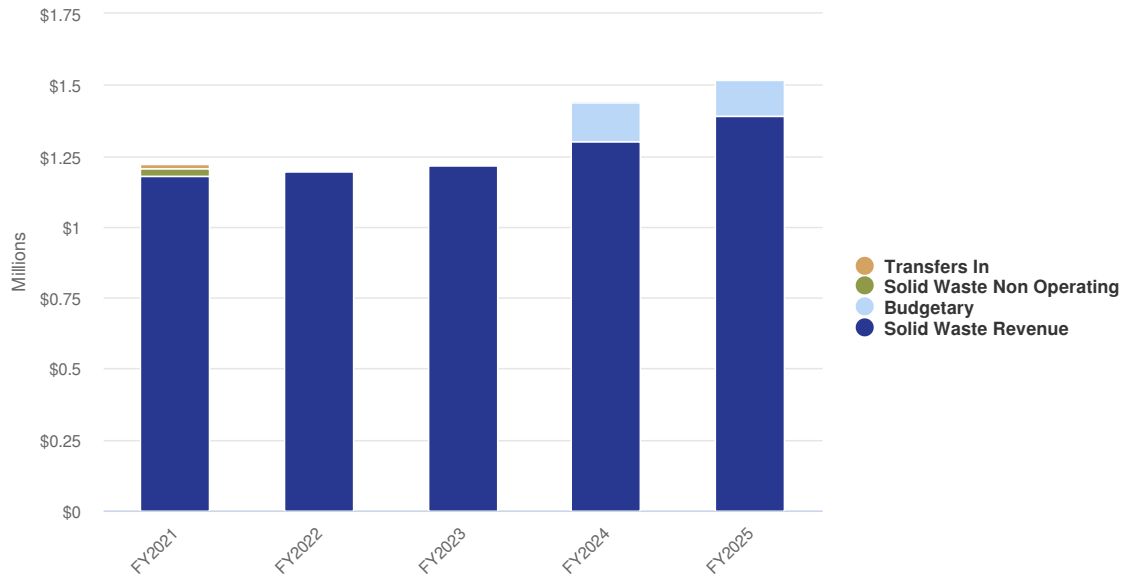
Summary

The City of Poquoson is projecting \$1.5M of revenue in FY2025, which represents a 5.5% increase over the prior year. Budgeted expenditures are projected to increase by 5.5% or \$78,810 to \$1.5M in FY2025.



Revenues by Source

Budgeted and Historical 2025 Revenues by Source

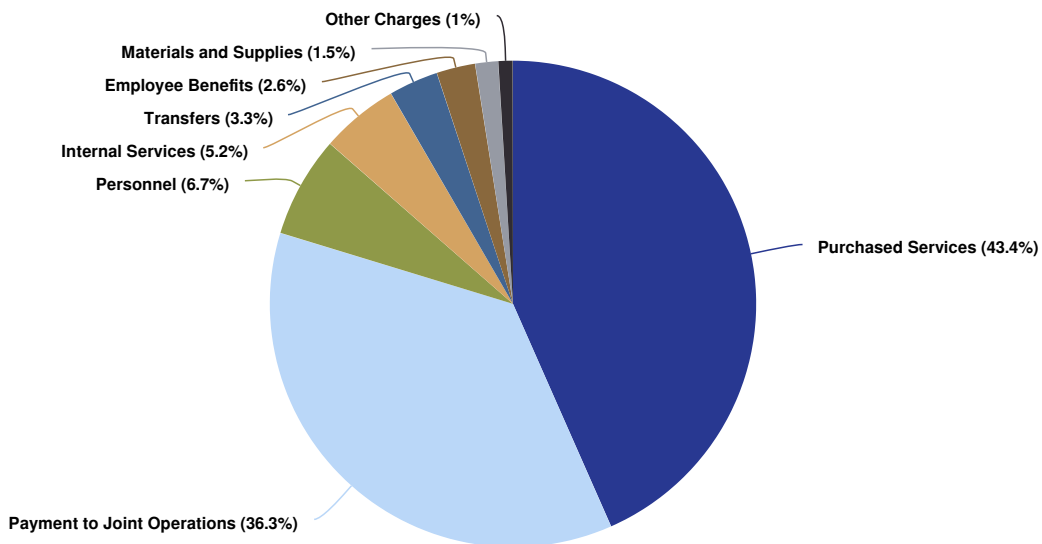


Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Budgetary				\$135,935	\$125,945	-\$9,990	-7.3%
Transfers In	\$15,000					\$0	N/A
Solid Waste Non Operating	\$24,593	\$552	\$297			\$0	N/A
Solid Waste Revenue	\$1,179,565	\$1,197,317	\$1,213,474	\$1,302,200	\$1,391,000	\$88,800	6.8%
Total Revenue Source:	\$1,219,158	\$1,197,869	\$1,213,771	\$1,438,135	\$1,516,945	\$78,810	5.5%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects							
Personnel	\$74,071	\$81,222	\$89,486	\$91,300	\$102,163	\$10,863	11.9%
Employee Benefits	\$42,208	\$24,210	\$30,460	\$36,688	\$39,135	\$2,447	6.7%
Other Charges	\$12,106	\$13,536	\$17,564	\$15,400	\$14,700	-\$700	-4.5%
Purchased Services	\$499,373	\$507,956	\$537,794	\$675,076	\$658,341	-\$16,735	-2.5%
Internal Services	\$44,928	\$58,402	\$67,946	\$63,736	\$78,719	\$14,983	23.5%
Materials and Supplies	\$21,258	\$40,958	\$34,827	\$37,732	\$23,024	-\$14,708	-39%
Payment to Joint Operations	\$385,122	\$385,309	\$400,282	\$468,203	\$550,863	\$82,660	17.7%
Capital Outlay	\$24,716	\$18,535	\$12,354			\$0	N/A
Transfers	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0%
Total Expense Objects:	\$1,153,782	\$1,180,128	\$1,240,713	\$1,438,135	\$1,516,945	\$78,810	5.5%



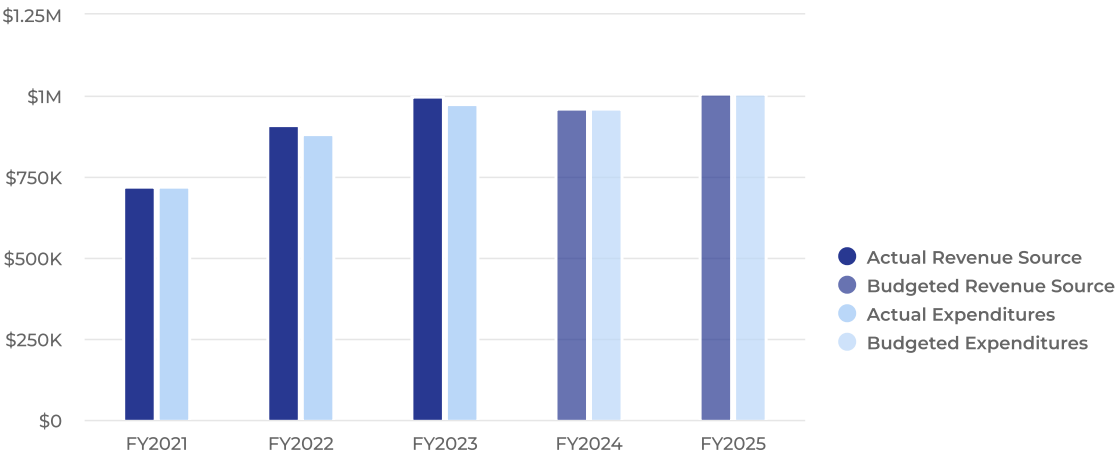


Fleet Management Fund

The Fleet Management Fund is operated as an Internal Service Fund. An Internal Service Fund is used to account for the financing of costs of services provided by one department to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis. Internal Service Funds are classified as proprietary funds in recognition of the commercial accounting principles they follow. The Fleet Management Fund, which consists of the garage operation, provides maintenance/repair service of all City vehicles and equipment as well as School Division vehicles and buses. The charging of garage services through an Internal Service Fund allows for equitable distribution of the cost of operating the garage to the departments using the services. Each department is billed directly for repair and maintenance of vehicles. The Fleet Management Fund also provides fuel and lubricants for City and School vehicles, which are billed directly to the departments based on usage.

Summary

The City of Poquoson is projecting \$1,007,889 of revenue in FY2025, which represents a 4.5% increase over the prior year. Budgeted expenditures are projected to increase by 4.5% or \$43,427 to \$1,007,889 in FY2025.



Revenue by Fund

Parts and Contracted Services: Anticipated revenue for charges to users for the cost of parts for vehicles and equipment. Parts and contracted services are charged to departments based on actual costs incurred. The amount for FY 2025 is based on estimates from the Fleet Manager.

Garage Labor and Overhead: Fleet employee salaries, benefits, and garage charges are billed to users as labor involved with repairing and maintaining vehicles and equipment. Each department is charged a pro-rated share of the Fleet operating costs based on the anticipated time that will be spent repairing and maintaining their vehicles in Fiscal Year 2025. Departments' labor line item is charged based on the overall percentage of vehicles and equipment for each department.

Gas and Oil Revenues: Projected revenues from the direct billing to users of gas and oil for vehicles and equipment. Gas and oil are charged to departments based on actual costs incurred. The increase is based on an estimated cost of \$3.50 per gallon of fuel. Usage is an estimated 41,516 gallons of diesel fuel and 48,706 gallons of gasoline. Anticipated oil usage is 1,794 gallons at a cost of \$4.50 per gallon.

Expenditures by Fund

Garage Operation: Provides for the personnel and fringe benefits for maintaining the garage. The garage provides for maintenance and repair service for all City vehicles and equipment as well as the Poquoson School Division vehicles and buses.

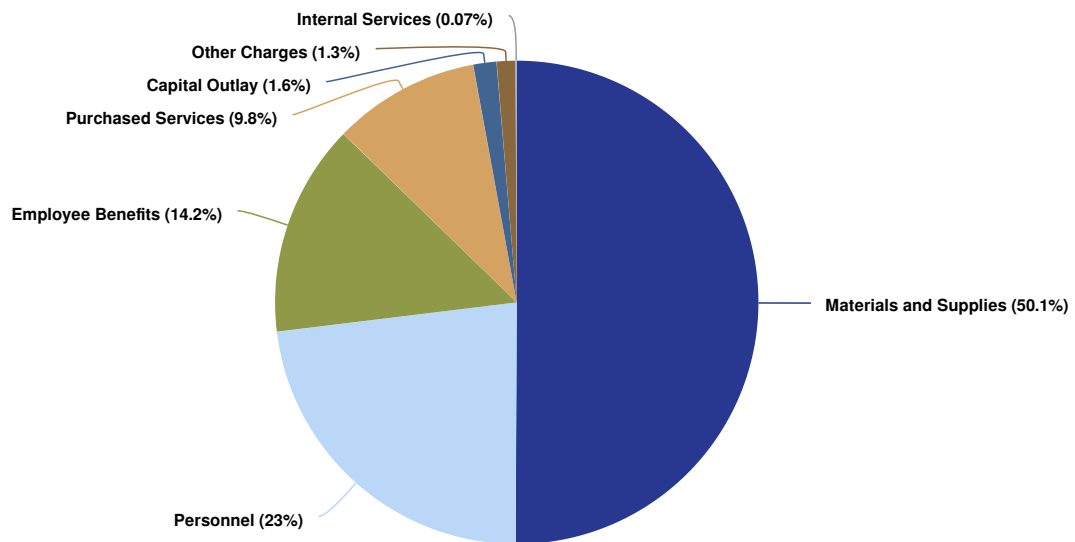
Operating Expenditures:

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Fleet Management Fund							
Personnel	\$183,718	\$203,392	\$217,399	\$216,416	\$231,730	\$15,314	7.1%
Employee Benefits	\$140,401	\$105,583	\$97,458	\$134,357	\$143,148	\$8,791	6.5%
Other Charges	\$8,605	\$9,504	\$11,002	\$12,600	\$12,700	\$100	0.8%
Purchased Services	\$75,408	\$86,828	\$94,463	\$91,880	\$99,180	\$7,300	7.9%
Internal Services	\$406	\$683	\$368	\$1,050	\$739	-\$311	-29.6%
Materials and Supplies	\$303,457	\$465,998	\$545,836	\$491,556	\$504,754	\$13,198	2.7%
Capital Outlay	\$9,157	\$10,679	\$10,677	\$16,603	\$15,638	-\$965	-5.8%
Total Fleet Management Fund:	\$721,152	\$882,667	\$977,203	\$964,462	\$1,007,889	\$43,427	4.5%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type





Special Revenue Fund/OPEB

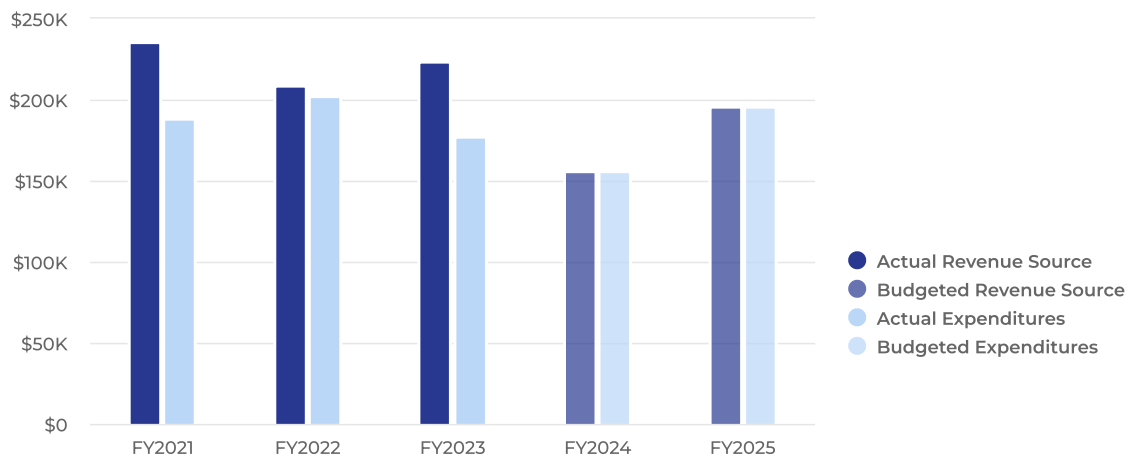
The Special Revenue Fund/OPEB accounts for revenues and expenditures related to Other Post Employment Benefits (OPEB). Specifically, retiree health insurance.

In November 2016, City Council approved an enhanced change to OPEB effective July 1, 2017. Prior to July 1, 2017, employees who had met certain conditions were given an option of continuing health insurance coverage on the City-sponsored plan at the City's rate. The total cost of the insurance is borne by the retiree. For employees retiring July 1, 2017 or later, in addition to the previous benefits, retirees who meet additional longevity with the City and other criteria will also be able to continue health insurance coverage in the City-sponsored plan with the City subsidizing 50% of the cost of coverage until age 65, less the VRS Health Insurance Credit amount.

As part of a long-term funding plan for the benefit, the City joined the Virginia Pooled OPEB Trust Fund with other Virginia localities to begin funding and investing a portion of the projected liability.

Summary

The City of Poquoson is projecting \$196,488 of revenue in FY2025, which represents a 25.8% increase over the prior year. Budgeted expenditures are projected to increase by 25.8% or \$40,351 to \$196,488 in FY2025.



The City administers a single-employer defined benefit post-employment healthcare plan that covers all current retirees and covered dependents and will provide coverage for all future retirees and their covered dependents. Employees who are eligible for the health plan under normal retirement must have a combination of age (minimum 50 years of age) and years of service (minimum of 5 years) equal to seventy (70).

Revenue by Fund

The fund receives two sources of revenue:

Retiree Contributions: The retiree contributions for their portion of the cost of the elected coverage of the City-sponsored health insurance plan. Contributions are based on retirees who are eligible and elect to continue on the City-sponsored health insurance plan. The retiree contribution covers their portion of the elected benefit and the City transfers funds from the General Fund to cover the portion of the retirement cost provided by the City. Additionally, the City provides for a contribution towards the Virginia Pooled OPEB Trust Fund to assist with future costs associated with the OPEB Fund.

Transfer from the General Fund: A transfer from the General Fund for the City's portion of the retirement cost for those retirees who are eligible and elect to continue and fund a yearly contribution to the Virginia Pooled OPEB Trust Fund administered by VACo/VML located in Richmond, Virginia.

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
OPEB							
REVENUES FROM RETIREES	\$122,439	\$93,491	\$87,389	\$75,581	\$88,653	\$13,072	17.3%
ACCRUED INCOME	\$35,300	\$11,151	\$36,721			\$0	N/A
TRANSFER FROM GENERAL FUND	\$78,697	\$104,388	\$100,000	\$80,556	\$107,835	\$27,279	33.9%
Total OPEB:	\$236,436	\$209,030	\$224,110	\$156,137	\$196,488	\$40,351	25.8%

Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
OPEB							
Employee Benefits	\$189,116	\$202,677	\$177,861	\$141,137	\$181,488	\$40,351	28.6%
Other Charges				\$15,000	\$15,000	\$0	0%
Total OPEB:	\$189,116	\$202,677	\$177,861	\$156,137	\$196,488	\$40,351	25.8%
Total Expenditures:	\$189,116	\$202,677	\$177,861	\$156,137	\$196,488	\$40,351	25.8%



FUNDING SOURCES

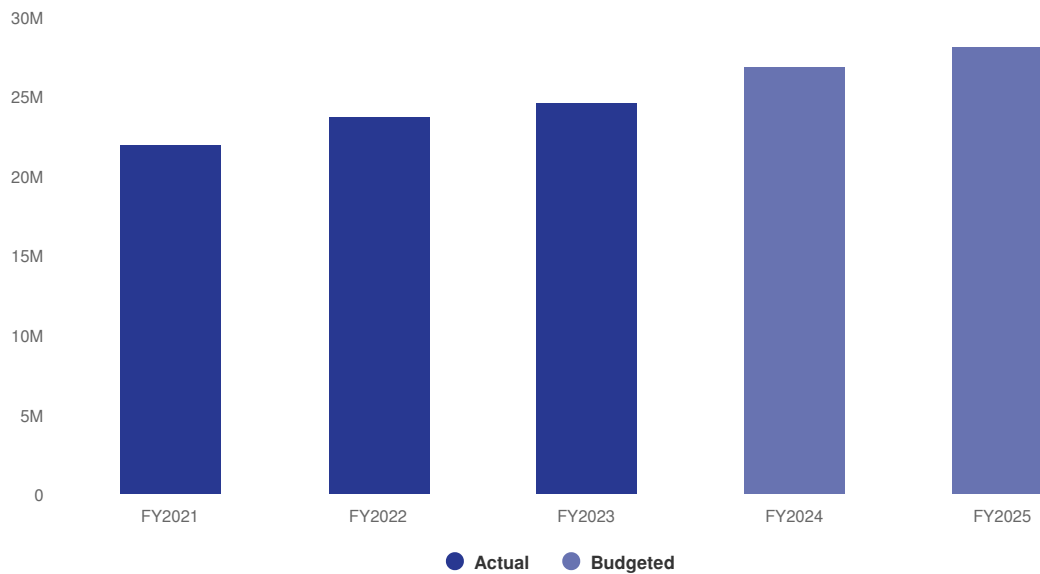


General Property Taxes Summary

General Property taxes account for 88% of locally generated revenues. Included in this category are levies made on real estate and personal property of City residents and businesses.

\$28,124,895 **\$1,227,793**
(4.56% vs. prior year)

General Property Taxes Proposed and Historical Budget vs. Actual



Real Estate Tax:

FY2025 is not a reassessment year for real estate taxes. There is also significant growth projected for FY2025 as there are currently two residential developments that will still be under construction during FY2025. The adopted real estate tax rate of \$1.14 is an increase of three cents from FY2024. The City collects real estate taxes two times per fiscal year; on December 5th and June 5th.

Personal Property Tax:

FY2025 reflects an increase of approximately \$150,000, which is primarily due to an increase in the number of personal vehicles as a result of growth. The City collects personal property taxes two times per fiscal year; on December 5th and June 5th.



Revenue by Fund

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
General Fund							
General Property Taxes							
CURRENT REAL ESTATE TAX	\$18,289,048	\$19,326,745	\$19,402,014	\$22,202,100	\$23,279,893	\$1,077,793	4.9%
DELINQUENT REAL ESTATE TAX	\$141,513	\$197,206	\$206,364	\$100,000	\$100,000	\$0	0%
PUBLIC SERVICE CORP. TAX	\$247,639	\$270,921	\$269,567	\$260,000	\$260,000	\$0	0%
CURRENT PERSONAL PROPERTY TAX	\$3,055,300	\$3,791,610	\$4,279,442	\$4,150,002	\$4,300,002	\$150,000	3.6%
DELINQUENT PERSONAL PROPERTY	\$148,098	\$47,561	\$244,125	\$40,000	\$40,000	\$0	0%
PENALTIES ALL PROPERTY	\$81,518	\$100,887	\$126,741	\$100,000	\$100,000	\$0	0%
INTEREST ALL PROPERTY	\$37,759	\$46,445	\$51,823	\$38,000	\$38,000	\$0	0%
ADMINISTRATIVE FEES	\$6,035	\$11,558	\$16,763	\$7,000	\$7,000	\$0	0%
Total General Property Taxes:	\$22,006,910	\$23,792,933	\$24,596,839	\$26,897,102	\$28,124,895	\$1,227,793	4.6%
Total General Fund:	\$22,006,910	\$23,792,933	\$24,596,839	\$26,897,102	\$28,124,895	\$1,227,793	4.6%



Real Estate Tax Revenue

The real estate property tax on residential, commercial land and buildings in the City is adopted at a rate of \$1.14 per \$100 of assessed value. Each cent of tax brings approximately \$207,631 of revenue to the City.

The tax rate is applied to the assessed value of individual property, as determined by the Real Estate Assessor during the assessment. The Commonwealth of Virginia requires localities to assess real property at 100% of fair market value. FY2025 is not a reassessment year. The tax rate and values are effective July 1, 2024.

Residential growth projections in FY2025 are based on new houses and other residential improvements and commercial improvements, estimated in value at \$111,125,000, to be built throughout the year. This also includes those new houses and other residential improvements that should be completed by the end of FY2024.

FY2024 Real Estate Tax Budget	\$22,202,100
Projected Residential Growth on Assessments of New Homes and Other Improvements	1,554,900
Three Cent Real Estate Tax Rate Increase in FY2025	622,893
Less Estimated Tax Relief and Deferral:	
Tax Relief and Deferral for the Elderly (<i>Local Program</i>)	(229,098)
Tax Relief for Disabled Veterans (<i>State Mandated Program-Unfunded for the City of Poquoson</i>)	—(870,902)
FY2025 Real Estate Tax Budget	<u>\$23,279,893</u>

In FY2024, the Commissioner of the Revenue's Office approved 12 homes for the local tax relief program and 39 homes were eligible for the tax relief for disabled veterans. It is estimated that the Commissioner of the Revenue will receive and approve 35 applications during FY2025. The value of real estate is \$207,631 per cent. The tax relief program for FY2025 costs 5.3 cents or \$1.1 million of the assessed value of real estate.

Real estate taxes are due on December 5th and June 5th. Past due balances paid by the end of the month, taxes that are due are assessed a 2% penalty. A penalty of \$10 or 10%, whichever is greater, is assessed on past due balances on the first day of the month following the month in which the tax is due. In addition, interest of 10% per annum is assessed on unpaid balances beginning in the month in which the tax was due.

Public Service Corporation

The State Corporation Commission assesses a tax on the value of the real estate and personal property of all public service corporations, such as, Dominion Virginia Power, Virginia Natural Gas, Verizon and Cox Communications. The Commissioner of the Revenue certifies the levy as submitted by the State Corporation Commission.

Public service corporations are taxed at the same rate as real estate. The State Corporation Commission assesses public service corporations and the City estimates assessments will be \$22,807,018 in FY2025, which results in an anticipated revenue of \$260,000.



Personal Property Tax

The City imposes a tax on tangible personal property of businesses and individuals, including motor vehicles, business equipment, boats, recreational vehicles (RVs), and trailers.

The City uses the J.D. Powers (formerly NADA) loan value to determine the assessment of automobiles and recreational vehicles. In the FY2024 and FY2025 budgets, the tax rate for automobiles is based on a \$4.15 tax rate per \$100 of assessed value; for recreational vehicles, a \$1.50 tax rate per \$100 of assessed value and \$0.00001 for boats. Mobile homes are assessed as personal property on a calendar year basis, and taxed at the adopted real estate rate of \$1.14 per \$100 of assessed value.

The FY2025 combined personal property tax revenue is \$6,223,437, which is a \$150,000 combined total increase over the FY2024 budget. This projected increase is primarily due to an increase in the number of vehicles within the City. The personal property values are returning to traditional levels faster than previously anticipated. Personal property taxes are due on December 5th and June 5th. A penalty of \$10 or 10%, whichever is greater, is assessed on past due balances. Interest at the rate of 10% per annum accrues on all delinquent taxes on the first day following the due date on which such taxes become delinquent.

The Personal Property Tax Relief Act of 1998 (PPTRA) established a statewide program by which the Commonwealth of Virginia was to provide relief for owners of personal use motor vehicles from personal property taxation. Due to soaring costs associated with PPTRA, the 2004 and 2005 General Assemblies made significant changes to PPTRA. The changes include converting the program from an entitlement program to a block grant formula that caps statewide relief to local governments at \$950 million annually, which became effective in FY2008. The cap for Poquoson as identified by the State Auditor of Public Accounts for Personal Property Tax Relief is \$1,923,435.

In 2006, the City adopted the “specific relief” method of computing and reflecting tax relief. The “specific relief” method allows a set single tax rate and applies tax relief at a specific percentage to each qualifying vehicle. One hundred percent of the personal property tax will continue to qualify for tax relief for qualifying personal use vehicles used for non-business purposes with a value of one thousand dollars (\$1,000) or less. Tax relief percentage will be at 47% for calendar year 2024.

Since not all personal property is affected by PPTRA, the City has estimated that citizens and businesses will pay 67% of personal property tax in FY2025. The break out between local taxes and state aid is as follows for FY2025 Personal Property tax revenue.

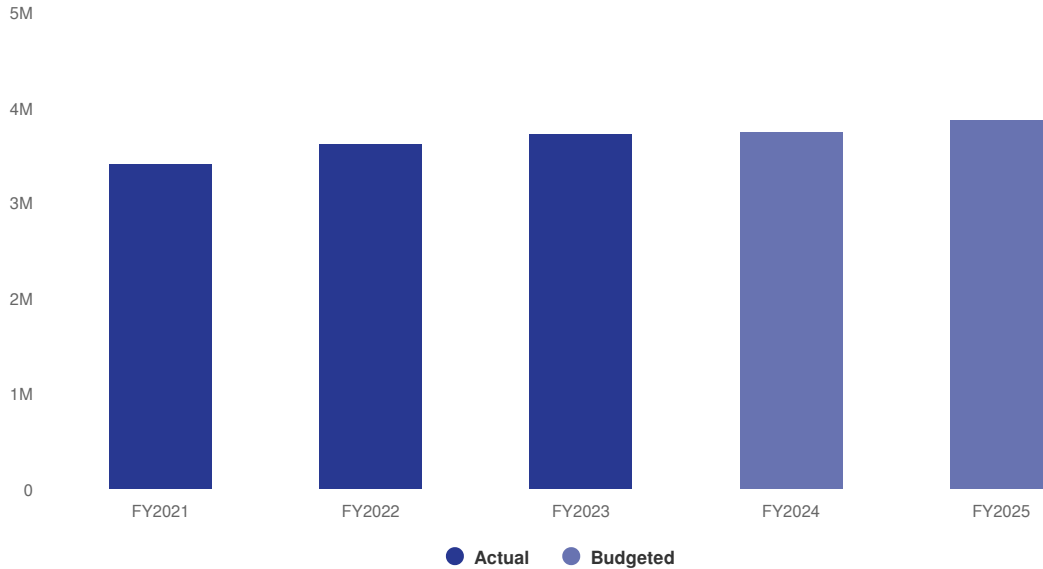
Local Taxes	\$4,300,002
State Aid	<u>\$1,923,435</u>
Total	<u>\$6,223,437</u>



Other Local Taxes Summary

\$3,865,000 **\$120,000**
(3.20% vs. prior year)

Other Local Taxes Proposed and Historical Budget vs. Actual



Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Other Local Taxes							
LOCAL SALES AND USE TAX	\$943,307	\$1,038,184	\$1,112,819	\$1,200,000	\$1,200,000	\$0	0%
COMMUNICATIONS SALES & USE TAX	\$309,319	\$294,171	\$286,658	\$300,000	\$290,000	-\$10,000	-3.3%
CONSUMER UTILITY TAX	\$312,515	\$322,314	\$316,152	\$312,000	\$312,000	\$0	0%
CONSUMPTION TAX	\$41,312	\$40,399	\$38,727	\$40,000	\$40,000	\$0	0%
BUSINESS LICENSE TAX	\$438,859	\$488,190	\$599,477	\$495,000	\$550,000	\$55,000	11.1%
CABLE FRANCHISE FEE	\$1,194	\$1,093	\$1,796			\$0	N/A
BANK FRANCHISE TAX	\$22,709	\$17,794	\$16,053	\$18,000	\$18,000	\$0	0%
RECORDATION TAXES	\$354,873	\$304,821	\$194,458	\$290,000	\$290,000	\$0	0%
DEED OF CONVEYANCE	\$77,153	\$86,306	\$49,657	\$75,000	\$75,000	\$0	0%
MEALS TAX	\$820,404	\$948,641	\$1,038,194	\$950,000	\$1,025,000	\$75,000	7.9%
CIGARETTE TAX	\$86,391	\$69,293	\$77,846	\$65,000	\$65,000	\$0	0%
Total Other Local Taxes:	\$3,408,036	\$3,611,206	\$3,731,837	\$3,745,000	\$3,865,000	\$120,000	3.2%



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Total Revenue Source:	\$3,408,036	\$3,611,206	\$3,731,837	\$3,745,000	\$3,865,000	\$120,000	3.2%

Local Sales Tax

The general sales tax rate of the State of Virginia is 5.3% and an additional 0.7% imposed in localities that make up the Northern Virginia and Hampton Roads areas. Poquoson is one of the Hampton Roads localities. The State returns to the City 1% of the sales tax collected within the City of Poquoson. For FY2025, \$1,200,000 is expected for Local Sales Tax revenue, which is expected to remain flat from FY2024. Many residents redirected their purchases online during the pandemic, and this trend has continued.

Meals Tax

The meals tax rate for FY2025 is 6%. This tax has been imposed on all prepared food and beverages sold in the City since FY2002. In FY2025, meals tax revenue is projected at \$1,025,000, which is an increase of \$75,000 over the FY2024 budget.

Communications Sales & Use Tax

The 2006 Virginia General Assembly completed a major restructuring of telecommunication taxes. Effective January 1, 2007, a statewide Communications Sales and Use Tax applies to retail communication and video services. The tax rate is 5% on local exchange telephone service, paging, inter-exchange (interstate and intrastate), cable and satellite television, wireless and Voice over Internet Protocol (VoIP).

This tax replaces the local consumer utility tax the City collected from both residential and commercial customers of telephone companies. The local E-911 tax was replaced with a \$0.75 "E-911 tax" applied to each local landline and a \$0.75 "State E-911 fee" applied to each wireless number. The Cable Franchise Fee was replaced by the Communications Sales Tax. The tax is collected by the companies and paid to the State, which administers distribution of the tax revenue. The redistribution of taxes is intended to be revenue neutral for the City. In FY2025, it is expected to decrease by \$10,000 for a total of \$290,000. This is due to the reduced number of overall landlines in residential homes.

Consumer Utility Tax

The City collects a tax based upon consumption from residential and commercial users of the service provided by Dominion Virginia Power and Virginia Natural Gas. The monthly charge for residential and commercial users should not exceed \$3 and \$10, respectively.

Consumption Tax

This is a tax instituted by the State to replace the business license tax that electric and gas utilities are no longer required to pay. It is estimated that the City will receive \$40,000 for FY2025, which remains the same as FY2024.



Business License Tax

Poquoson requires that all persons doing business in Poquoson obtain a business license prior to beginning business. Licenses are based on estimated gross receipts from the business beginning date through December 31 of that year. Until you have been in business for a full calendar year, you continue to estimate your gross receipts for the business license renewal. Once in business for a full calendar year, the business license renewal is based on the prior year's gross receipts. [The Code of Virginia (<http://law.lis.virginia.gov/vacode>) (Title 58.1-3700.1) defines gross receipts to mean "the whole, entire, total receipts without deduction."] Business licenses are assessed on a calendar year, January 1 through December 31 and are renewed annually by March 1. The cost of a business license is determined by the following factors:

1. The gross receipts (gross purchases for wholesale merchants)
2. The rate applied for the business industrial category

Rates

Businesses are assessed at the following rates:

- **Professional Services** - \$0.58/\$100 of gross receipts (Virginia State Code § 2.2-4301 states "Professional services" means work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering.)
- **Services** - \$0.36/\$100 of gross receipts
- **Retail Merchants** - \$0.20/\$100 of gross receipts
- **Contractors** - \$0.16/\$100 of gross receipts (Virginia State code 58.1-3715 states that contractors based outside of Poquoson require a Poquoson business license only if calendar year gross receipts exceed \$25,000)
- **Wholesale Merchant** - \$0.05/\$100 of gross purchases

Cigarette Tax

This tax is based on a rate of 20 cents per pack. This tax went into effect October 1, 2001. The amount budgeted for FY2025 is expected to remain level at \$65,000.

Other Local Taxes

Other Local Taxes:

Bank Franchise Tax	\$18,000
Recordation Tax	\$290,000
Deed of Conveyance	\$75,000

The Bank Franchise Tax is a fee that is imposed on the net capital of local banks based on returns filed with the Commissioner of the Revenue. The amount budgeted for Bank Franchise Tax is based on prior years' experience and anticipated economic trends.

Recordation Tax represents fees paid to record any document with the Circuit Court by Poquoson residents selling or refinancing properties. The Recordation Tax reflects the Virginia State House Bill 1726 which no longer provides state funds to localities effective July 1, 2020.

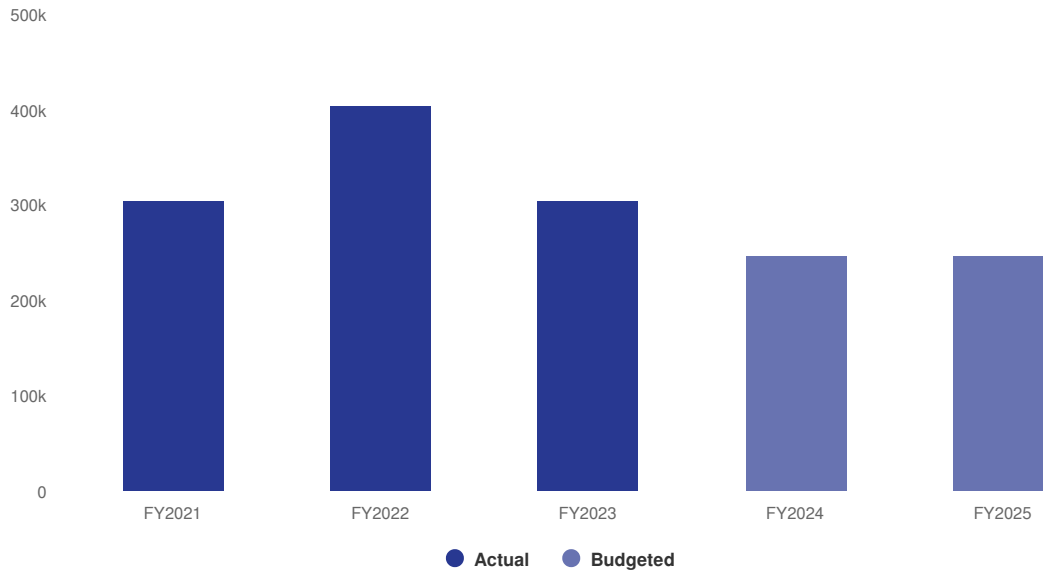
The Deed of Conveyance is a fee that is charged by the Clerk of the York/Poquoson Circuit Court for recording land transfers.



Permits and Licenses Summary

\$246,500 **-\$500**
(-0.20% vs. prior year)

Permits and Licenses Proposed and Historical Budget vs. Actual



The Permits and Licenses revenue is expected to remain relatively flat, with a slight decrease of \$500 for sign permits in FY2025.

Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Permits and Licenses							
DOG LICENSES	\$1,910	\$1,045	\$1,175	\$1,000	\$1,000	\$0	0%
FARM ANIMAL PERMIT	\$150	\$165	\$240			\$0	N/A
SITE PLAN INSPECTION FEE		\$95,361	\$45,016	\$15,000	\$15,000	\$0	0%
TRANSFER FEES	\$486	\$492	\$378			\$0	N/A
ZONING ADVERTISING	\$3,298	\$3,086	\$4,624	\$2,000	\$2,000	\$0	0%
SUBDIVISION PLAN REVIEW FEES	\$44,713	\$13,602	\$3,457	\$10,000	\$10,000	\$0	0%
BUILDING PERMITS	\$89,048	\$46,147	\$86,346	\$140,000	\$140,000	\$0	0%
BUILDING INSPECTION			-\$25			\$0	N/A
ELECTRICAL PERMITS	\$12,467	\$17,190	\$18,903	\$20,000	\$20,000	\$0	0%
PLUMBING PERMITS	\$12,127	\$6,772	\$18,004	\$17,000	\$17,000	\$0	0%
MECHANICAL PERMITS	\$20,577	\$9,847	\$37,531	\$21,000	\$21,000	\$0	0%



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
WETLANDS APPLICATION	\$298	\$1,110	\$1,022			\$0	N/A
EROSION & SEDIMENT	\$116,124	\$148,559	\$6,543	\$15,000	\$15,000	\$0	0%
SOLICITOR PERMITS	\$260	\$20				\$0	N/A
SIGN PERMIT	\$520	\$790	\$205	\$1,000	\$500	-\$500	-50%
RIGHT OF WAY PERMIT	\$2,295	\$3,780	\$2,905	\$4,000	\$4,000	\$0	0%
DRAINAGE PIPE PERMIT	\$1,090	\$825	\$6,770	\$1,000	\$1,000	\$0	0%
SUBDIV. STREET LIGHT		\$55,886	\$72,043			\$0	N/A
GOLF CART FEES	\$130	\$70	\$40			\$0	N/A
Total Permits and Licenses:	\$305,493	\$404,747	\$305,177	\$247,000	\$246,500	-\$500	-0.2%
Total Revenue Source:	\$305,493	\$404,747	\$305,177	\$247,000	\$246,500	-\$500	-0.2%

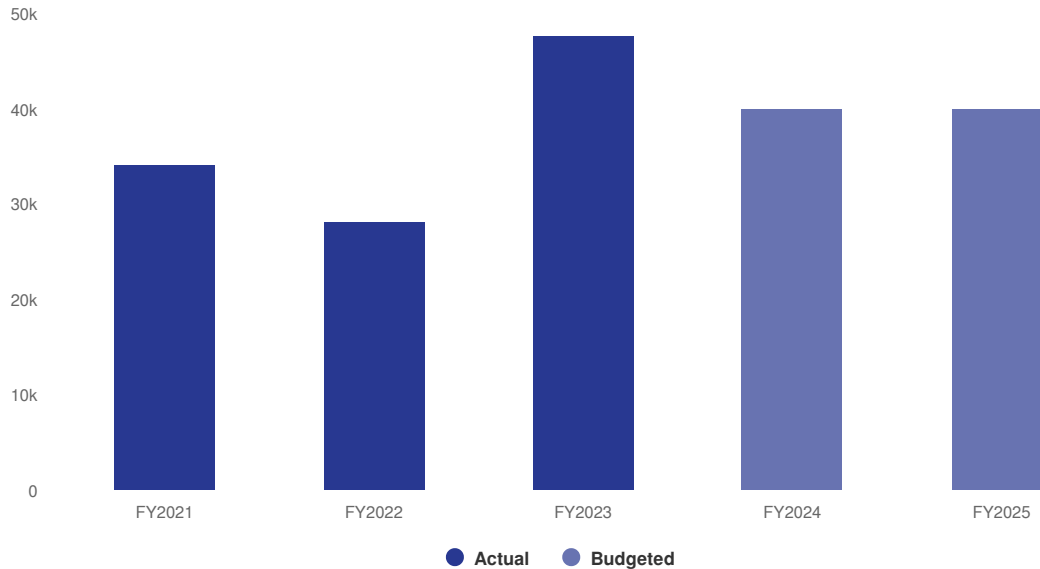


Fines and Fees Summary

Fines and Fees are expected to remain level at \$40,000 in FY2025.

\$40,000 **\$0**
(0.00% vs. prior year)

Fines and Fees Proposed and Historical Budget vs. Actual



Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Fines and Fees							
COURT FINES & FEES	\$32,179	\$27,352	\$47,428	\$40,000	\$40,000	\$0	0%
PARKING FINES	\$900	\$425	\$25			\$0	N/A
CLERK OF COURT SPECIAL ASSESSMENT	\$146	\$36	\$41			\$0	N/A
COURT APPOINTED ATTORNEY	\$916	\$360	\$99			\$0	N/A
Total Fines and Fees:	\$34,141	\$28,173	\$47,593	\$40,000	\$40,000	\$0	0%
Total Revenue Source:	\$34,141	\$28,173	\$47,593	\$40,000	\$40,000	\$0	0%

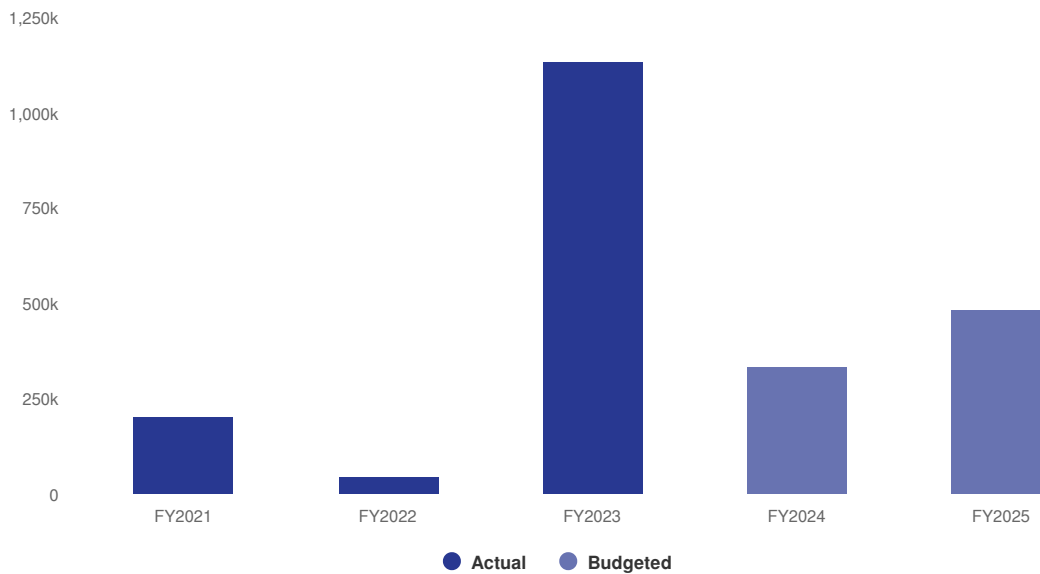


Use of Money and Property Summary

An increase of \$147,500 over FY2024 is projected, bringing the total budget for Use of Money and Property to \$482,000 in FY2025. This increase is primarily due to an expected continuation in favorable interest rates.

\$482,000 **\$147,500**
(44.10% vs. prior year)

Use of Money and Property Proposed and Historical Budget vs. Actual



Interest on Deposit:

The City expects to receive \$272,500 for interest earned on cash invested in banks. This is an increase of \$132,500, which is the result of higher interest rates offered by banks on the City's invested money.

Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Use of Money and Property							
INTEREST ON DEPOSITS	\$15,031	-\$204,524	\$906,028	\$140,000	\$272,500	\$132,500	94.6%
RENTAL OF PROPERTY	\$26,300	\$26,300	\$26,300	\$26,300	\$26,300	\$0	0%
TOWER RENTAL	\$162,643	\$220,537	\$194,366	\$161,000	\$176,000	\$15,000	9.3%
MESSICK POINT PIER RENTAL		\$1,200	\$3,140	\$3,000	\$3,000	\$0	0%
COMMUNITY CENTER RENTAL	\$2,150	\$4,050	\$4,200	\$4,200	\$4,200	\$0	0%
Total Use of Money and Property:	\$206,124	\$47,563	\$1,134,034	\$334,500	\$482,000	\$147,500	44.1%
Total Revenue Source:	\$206,124	\$47,563	\$1,134,034	\$334,500	\$482,000	\$147,500	44.1%

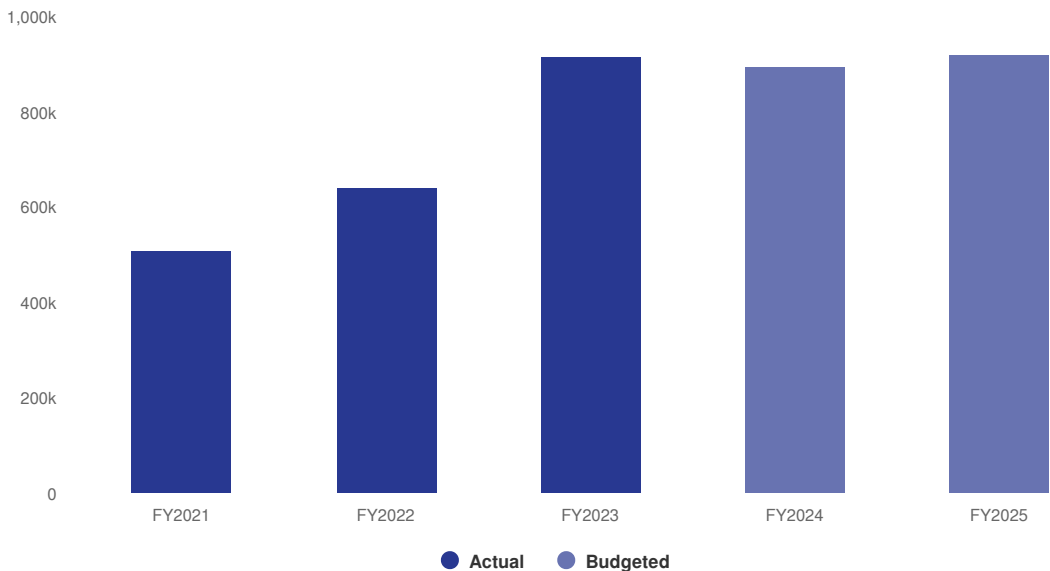


Charges For Services Summary

\$919,720

\$26,186
(2.93% vs. prior year)

Charges For Services Proposed and Historical Budget vs. Actual



Passport Processing Fees:

The City anticipates collecting \$75,000 in passport processing fees for FY2025. As more people wish to travel, there is a need for passports as identification, citizens must obtain this document. In FY2024, a new service was added to provide passport photographs.

Parks and Recreation Revenue for Parks Programs:

It is anticipated in FY2025 that citizens will continue to participate in more Parks and Recreation programs. There has been some increase in the participation numbers for various locations and facilities. Residents of Poquoson participate in the maximum number allowed.

Parks and Recreation Pool:

Revenue for the pool is expected to decrease to \$96,420; down from \$107,744 for all different activities relating to the pool.

Parks and Recreation Festival and Workboat Race:

The Poquoson Seafood Festival is expected to produce revenue of \$171,500 for parking, vendor fees and festival sponsors. The festival is expected to be held in October 2024. The Workboat Race revenue is anticipated to be \$19,200 for FY2025.



Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Charges for Services							
LIBRARY FEES	\$9,919	\$11,110	\$11,712			\$0	N/A
COPYING CHARGES	\$2,992	\$3,969	\$4,246	\$4,000	\$4,000	\$0	0%
PASSPORT PROCESSING FEES	\$23,841	\$50,636	\$66,163	\$70,000	\$75,000	\$5,000	7.1%
TEST PROCTORING FEES - LIBRARY	\$277	\$120	\$200	\$100	\$100	\$0	0%
EMS FEES	\$325,565	\$359,177	\$414,363	\$375,000	\$425,000	\$50,000	13.3%
FACILITY USER FEE	\$5,894	\$8,340	\$19,830	\$9,000	\$17,000	\$8,000	88.9%
YOUTH ATHLETICS	\$12,037	\$38,840	\$54,463	\$51,000	\$53,000	\$2,000	3.9%
ADULT ATHLETICS		\$1,060	\$5,910	\$1,000	\$3,500	\$2,500	250%
INSTRUCTIONAL CLASS	\$40,465	\$88,757	\$69,094	\$59,300	\$55,000	-\$4,300	-7.3%
MISCELLANEOUS REVENUE	\$10,075	-\$10,075				\$0	N/A
GATE ADMISSION	\$17,636	\$21,985	\$23,326	\$24,264	\$25,000	\$736	3%
CONCESSION STAND	-\$364	\$889	-\$112	\$1,500	\$1,500	\$0	0%
POOL RENTAL	\$975	\$452	\$210	\$1,260	\$1,200	-\$60	-4.8%
SWIMMING LESSONS	\$17,195	\$28,565	\$23,455	\$34,000	\$27,000	-\$7,000	-20.6%
SWIM TEAM	\$25,450	\$19,440	\$22,890	\$20,220	\$20,220	\$0	0%
OTHER POOL ACTIVITY	\$4,000	\$1,225	\$915	\$1,500	\$1,500	\$0	0%
POOL PASSES	\$12,245	\$17,475	\$16,185	\$25,000	\$20,000	-\$5,000	-20%
SEAFOOD FEST VENDOR FEES			\$54,892	\$54,890	\$54,000	-\$890	-1.6%
SEAFOOD FEST PARKING			\$69,798	\$70,000	\$50,000	-\$20,000	-28.6%
HOLIDAY PARADE			\$2,500	\$2,500	\$1,500	-\$1,000	-40%
SEAFOOD FEST ACTIVITIES			\$2,288	\$24,250	\$24,000	-\$250	-1%
SEAFOOD FEST SPONSORS			\$39,804	\$47,800	\$42,000	-\$5,800	-12.1%
WORKBOAT RACE ACTIVITIES			\$2,200	\$2,200	\$2,200	\$0	0%
WORKBOAT RACE SPONSORS			\$11,600	\$14,750	\$17,000	\$2,250	15.3%
Total Charges for Services:	\$508,202	\$641,965	\$915,932	\$893,534	\$919,720	\$26,186	2.9%
Total Revenue Source:	\$508,202	\$641,965	\$915,932	\$893,534	\$919,720	\$26,186	2.9%

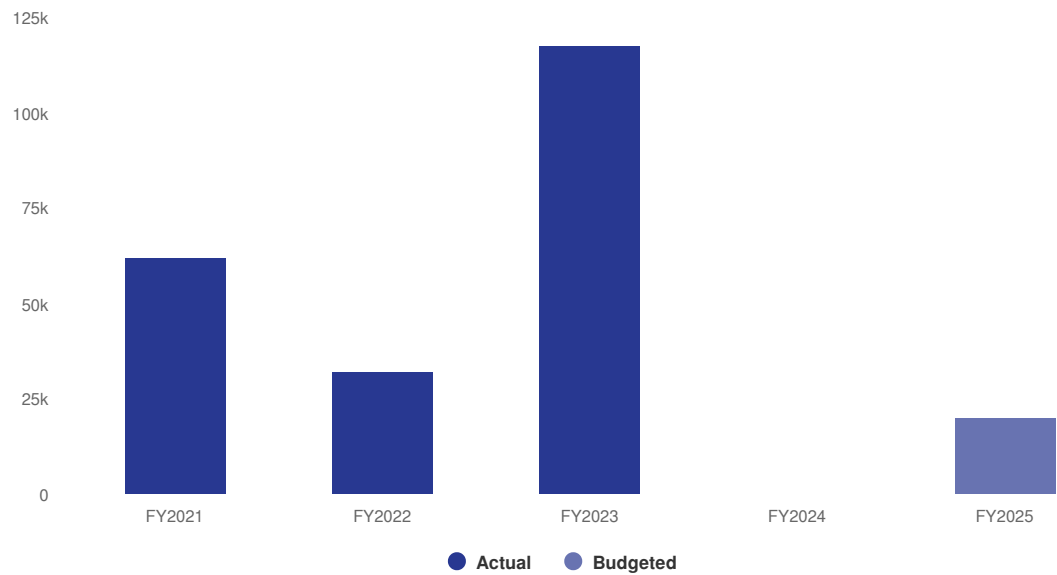


Miscellaneous Revenue Summary

Note to readers: There was no Miscellaneous Revenue originally budgeted for FY2024. For this reason, there is no data to pull into a graph for FY2024. However, for FY 2025, an initial \$19,949 is budgeted for anticipated library donations and opioid abatement funds.



Miscellaneous Revenue Proposed and Historical Budget vs. Actual



In many cases, the City does not initially appropriate funds for miscellaneous revenue. Instead, during the fiscal year, budget supplements are presented to City Council. When City Council approves the award for such things as miscellaneous grants, donations, sale of equipment, which would then require the budget supplement to be entered into the applicable funding category.

Revenues by Source

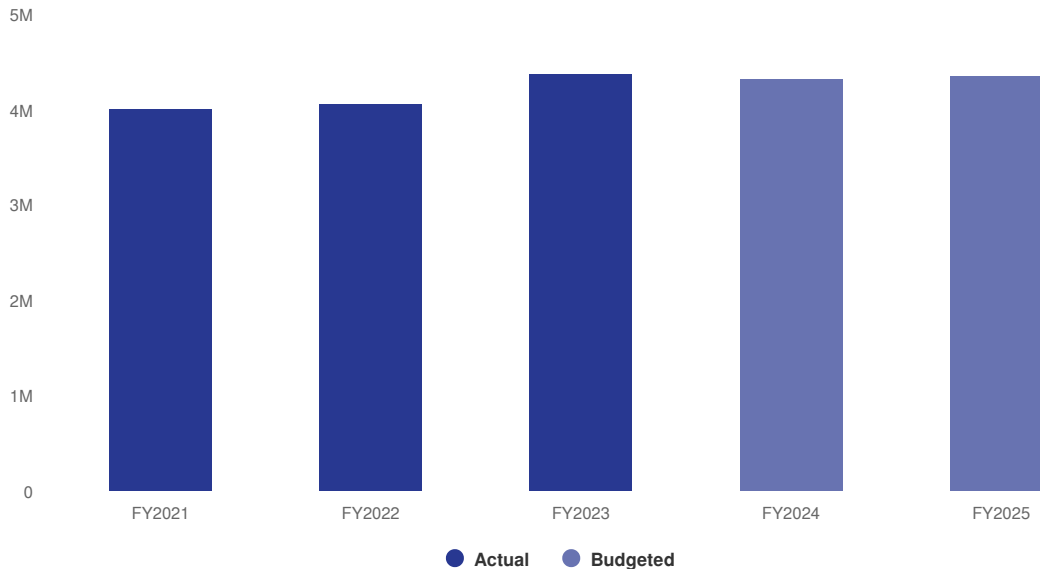
Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Governmental Funds							
Miscellaneous Revenue	\$62,140	\$32,330	\$117,719	\$0	\$19,949	\$19,949	N/A
Total Governmental Funds:	\$62,140	\$32,330	\$117,719	\$0	\$19,949	\$19,949	N/A



State Revenue Summary

\$4,359,990 **\$43,502**
(1.01% vs. prior year)

State Revenue Proposed and Historical Budget vs. Actual



Personal Property Tax Relief Act (PPTRA):

In FY2025, the City expects to receive \$1,923,435 for PPTRA. This is the State's share of the "No Car Tax" initiative to provide relief to taxpayers. The amount reflects the permanent cap on the State's share that began in 2006.

Street and Highway Maintenance Funds:

Each year, the City allocates a portion of the funding it receives from the Virginia Department of Transportation (VDOT) to the City for the annual paving and drainage programs. For FY2025, the City is projected to receive a total of \$1.9 million from the State Highway Maintenance Fund, and \$1,000,000 is recorded in the General Fund and the remaining \$900,000 is recorded in the Capital Projects Fund. The exact amount of revenue for FY2025 will not be available until August 2024.

State Non-Categorical Revenue:

In FY2025, it is anticipated that the City will receive \$139,000 as DMV reimbursement for the revenue that is collected at the City's DMV Select Office.

State Categorical Revenue:

In FY2025, the City anticipates receiving \$372,628 to assist with the salaries and benefits of the Commissioner of the Revenue, Treasurer and Registrar's Offices. This is an increase of \$14,585.

Library Aid:

The City anticipates receiving \$216,914 in FY2025 for Library Aid. This State funding is provided on a per capita basis and will be used for library books and materials, online database subscriptions and replacement furniture in the public area of the library.

State 599 Funds Police:

The State funding allotment for police services in FY2025 is recommended and budgeted at \$299,000.



Revenues by Source

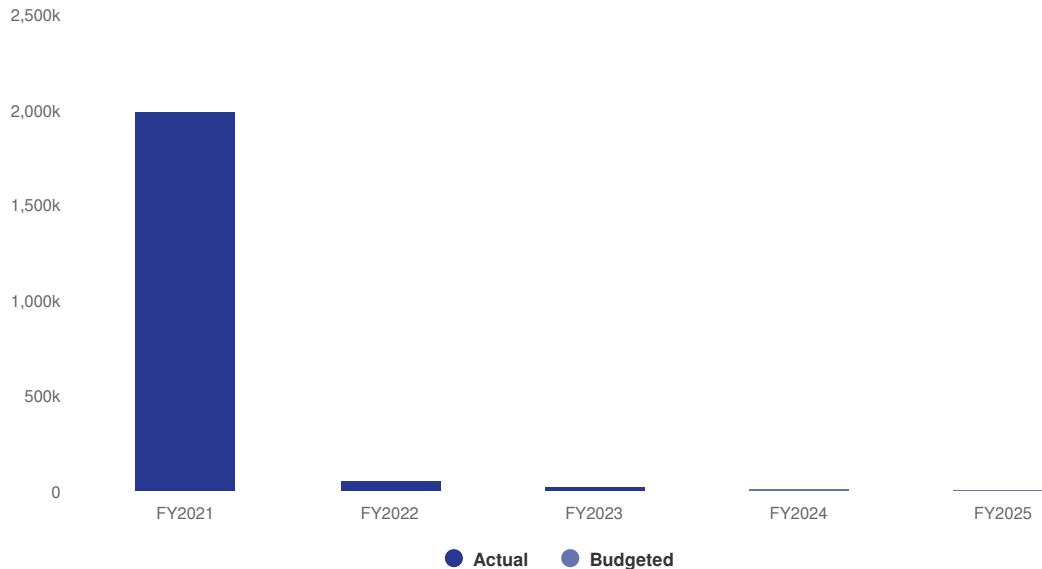
Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
State Revenue							
P2P AND/OR GAMING FEE	\$15,766	\$2,412	\$967			\$0	N/A
ROLLING STOCK TAX	\$56		\$14			\$0	N/A
MOBILE HOME TITLING	\$40,221	\$18,398	\$22,544	\$20,000	\$20,000	\$0	0%
PPTRA	\$1,923,427	\$1,923,431	\$1,923,431	\$1,923,435	\$1,923,435	\$0	0%
DMV REIMBURSEMENT	\$130,923	\$138,498	\$137,429	\$139,000	\$139,000	\$0	0%
SHARED SALARY-COM	\$96,183	\$122,712	\$134,521	\$136,520	\$143,337	\$6,817	5%
SHARED FRINGES-COM	\$8,803	\$11,370	\$12,368	\$13,375	\$13,845	\$470	3.5%
SHARED SALARY-TREASURER	\$96,394	\$112,047	\$120,568	\$120,855	\$128,122	\$7,267	6%
SHARED FRINGES-TREASURER	\$8,234	\$9,581	\$10,368	\$12,158	\$12,189	\$31	0.3%
SHARED-REGISTRAR	\$39,983	\$63,641	\$66,030	\$75,135	\$75,135	\$0	0%
CHILDREN'S SERVICE ACT	\$152,542	\$155,925	\$242,862	\$252,000	\$252,000	\$0	0%
STATE DRUG SEIZURE	\$1,770	\$1,023	\$1,107			\$0	N/A
EMERGENCY MANAGEMENT GRANT	\$6,500	\$10,297	\$51,457	\$20,000	\$20,500	\$500	2.5%
EMS GRANT (4 FOR LIFE)	\$12,723	\$8,282	\$61,946	\$23,000		-\$23,000	N/A
FIRE PROGRAM FUND	\$46,304	\$49,177	\$49,991	\$50,000	\$50,000	\$0	0%
LITTER CONTROL GRANT	\$5,608	\$7,981	\$9,570	\$9,570	\$12,513	\$2,943	30.8%
LIBRARY AID	\$167,250	\$173,639	\$181,715	\$189,359	\$216,914	\$27,555	14.6%
FIRE GRANT - TRAINING/HARDWARE			\$700			\$0	N/A
VA TOURISM CORP GRANT			\$8,543	\$0		\$0	N/A
DEPT. OF ENVIRONMENTAL QUALITY	\$756	\$2,376	\$10,026			\$0	N/A
STATE 599 FUNDS (POLICE)	\$275,493	\$259,380	\$285,151	\$285,160	\$299,000	\$13,840	4.9%
SCHOOL RESOURCE OFFICER GRANT	\$67,674	\$68,650	\$66,919	\$96,921	\$54,000	-\$42,921	-44.3%
VMRC LICENSES			\$1			\$0	N/A
VMRC LOCAL FEE REVENUE	\$1,458	\$1,533	\$1,384			\$0	N/A
MISC STATE GRANTS	\$1,700	\$45	\$18,330			\$0	N/A
STREET & HIGHWAY MAINTENANCE	\$915,000	\$915,000	\$950,000	\$950,000	\$1,000,000	\$50,000	5.3%
Total State Revenue:	\$4,014,768	\$4,055,398	\$4,367,942	\$4,316,488	\$4,359,990	\$43,502	1%
Total Revenue Source:	\$4,014,768	\$4,055,398	\$4,367,942	\$4,316,488	\$4,359,990	\$43,502	1%



Federal Revenue Summary

\$7,500 **-\$7,405**
 (-49.68% vs. prior year)

Federal Revenue Proposed and Historical Budget vs. Actual



Federal Revenue:

For FY2025, the City expects to receive approximately \$7,500 for an LEMPG Grant in the Fire Department.

As additional Federal grant opportunities become available for the City, staff will bring them before City Council for review and approval.

Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Federal Revenue							
CARES FUNDS COVID-19	\$1,751,821	\$26,468				\$0	N/A
PLUM TREE ISLAND REFUGE	\$28,719	\$2,328	\$2,605			\$0	N/A
DUI GRANTS-SELECTIVE ENFORCE	\$10,920	\$10,583	\$6,022	\$6,500		-\$6,500	N/A
BYRNE JUSTICE ASSISTANCE GRANT		\$6,482	\$5,278	\$0		\$0	N/A
LEMPG GRANT (FIRE DEPT GRANT)	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$0	0%
FEMA PUBLIC ASSISTANCE GRANT	\$3,398					\$0	N/A



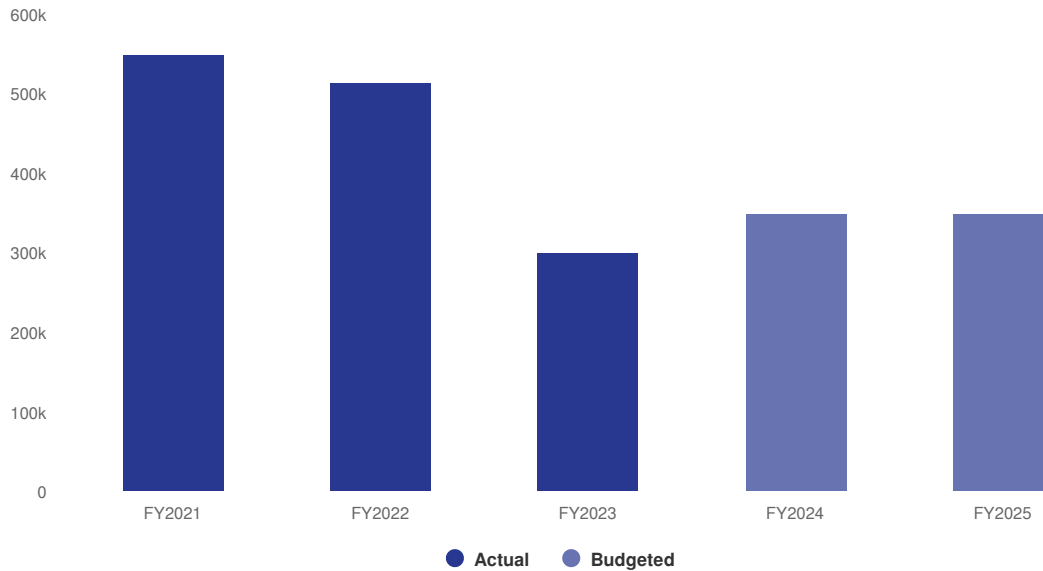
Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
DEPT HOMELAND SECURITY GRANT	\$186,465					\$0	N/A
FEDERAL E-RATE TELEPHONE DIS	\$825	\$905	\$905	\$905		-\$905	N/A
Total Federal Revenue:	\$1,989,648	\$54,266	\$22,310	\$14,905	\$7,500	-\$7,405	-49.7%
Total Revenue Source:	\$1,989,648	\$54,266	\$22,310	\$14,905	\$7,500	-\$7,405	-49.7%



Transfers In - General Fund Summary

\$350,000 **\$0**
(0.00% vs. prior year)

Transfers In - General Fund Proposed and Historical Budget vs. Actual



Transfers In:

In FY2025, the transfer from the Sewer Fund totals \$300,000, which is the same as FY 2024. This provides funds to reimburse the General Fund for expenses incurred in the overall administration of the sewer system.

In FY2025, there is a Solid Waste Fund transfer to the General Fund for expenses incurred for administration of the City's solid waste program in the amount of \$50,000, which is the same as FY2024.

Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
General Fund Transfers	\$549,994	\$513,000	\$300,000	\$350,000	\$350,000	\$0	0%
Total Revenue Source:	\$549,994	\$513,000	\$300,000	\$350,000	\$350,000	\$0	0%

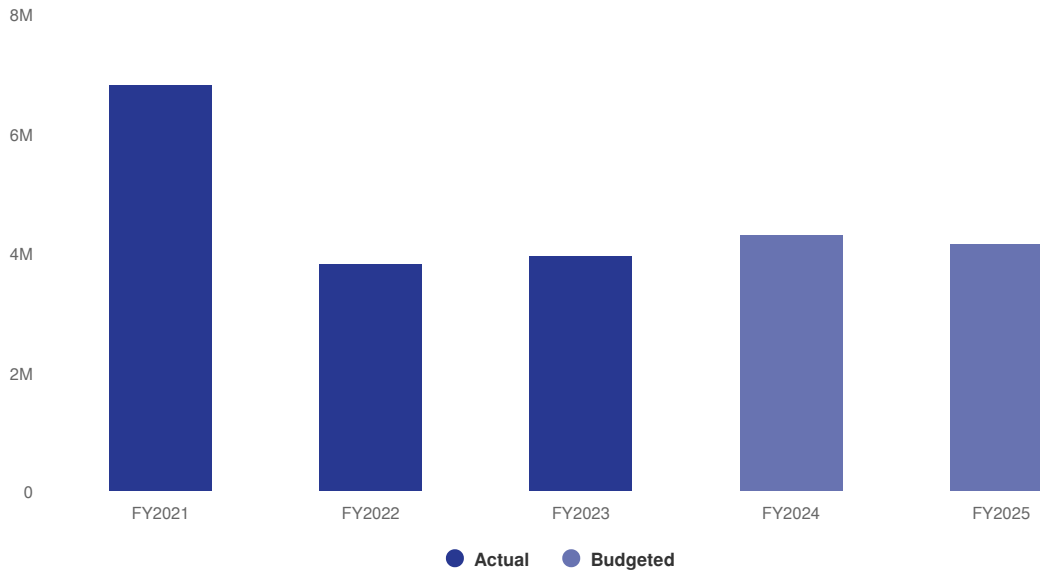


Debt Service Fund Summary

The City's Debt Service Fund is used to report revenues and financing sources, and the related expenditures for long-term debt. The Debt Service Fund is financed exclusively from transfers made by other funds. In the past years, the transfer of debt has come from the General Fund. In FY2025, there is no planned used of the reserve.

\$4,157,790 **-\$150,625**
(-3.50% vs. prior year)

Debt Service Proposed and Historical Budget vs. Actual



Revenues by Source

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Transfers In							
TRANSFER FROM GENERAL FUND	\$3,795,082	\$3,795,000	\$3,795,000	\$3,993,000	\$3,993,000	\$0	0%
TRANSFER FROM EDA	\$24,583	\$17,516	\$16,053	\$15,415	\$14,790	-\$625	-4.1%
NOTE PROCEEDS	\$2,977,921		\$131,794	\$300,000	\$150,000	-\$150,000	-50%
OTHER FINANCING SOURCES PREM	\$12,908	\$20				\$0	N/A
Total Transfers In:	\$6,810,494	\$3,812,536	\$3,942,847	\$4,308,415	\$4,157,790	-\$150,625	-3.5%
Total Revenue Source:	\$6,810,494	\$3,812,536	\$3,942,847	\$4,308,415	\$4,157,790	-\$150,625	-3.5%

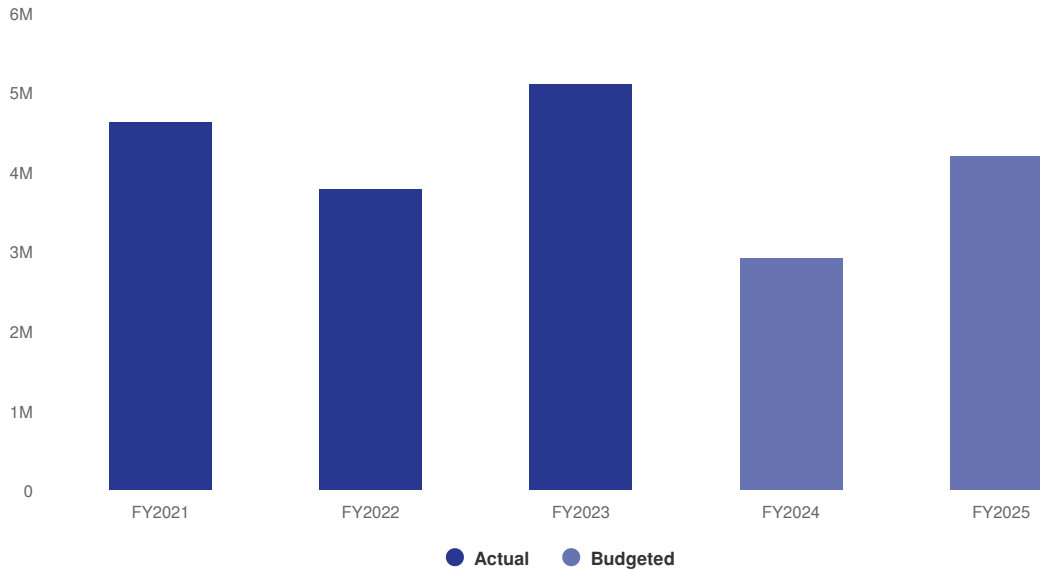


Capital Projects Fund Summary

The City's Capital Projects Fund is utilized to track the financial resources used to acquire and/or construct a major capital asset. These projects usually involve large expenditures and result in assets with extended life spans.

\$4,200,500 **\$1,273,000**
(43.48% vs. prior year)

Capital Projects Fund Proposed and Historical Budget vs. Actual



Revenues by Source

Local Revenue: No anticipated revenue from donations or private grants is anticipated for the FY2025 Budget.

State Highway Funds: Each year, the City allocates a portion of the funding it receives from the Virginia Department of Transportation (VDOT) to the City for the annual paving and drainage programs. The City is projected to receive a total of \$1.9 Million from the State Highway Maintenance Fund, and \$900,000 is recorded in the Capital Projects Fund and the remaining \$1,000,000 is recorded in the General Fund. The exact amount of revenue for FY2025 will not be available until August 2024.

Transfers: The Capital Projects Fund will receive a transfer from the General Fund in the amount of \$210,500.

Bond Proceeds: In FY2025, the City anticipates Bond Proceeds of \$2,950,000 to fund a replacement of the Poquoson High School HVAC system and one school bus.

Reappropriation of Fund Balance: The Capital Projects Fund will utilize \$140,000 from the fund balance for one school bus replacement.



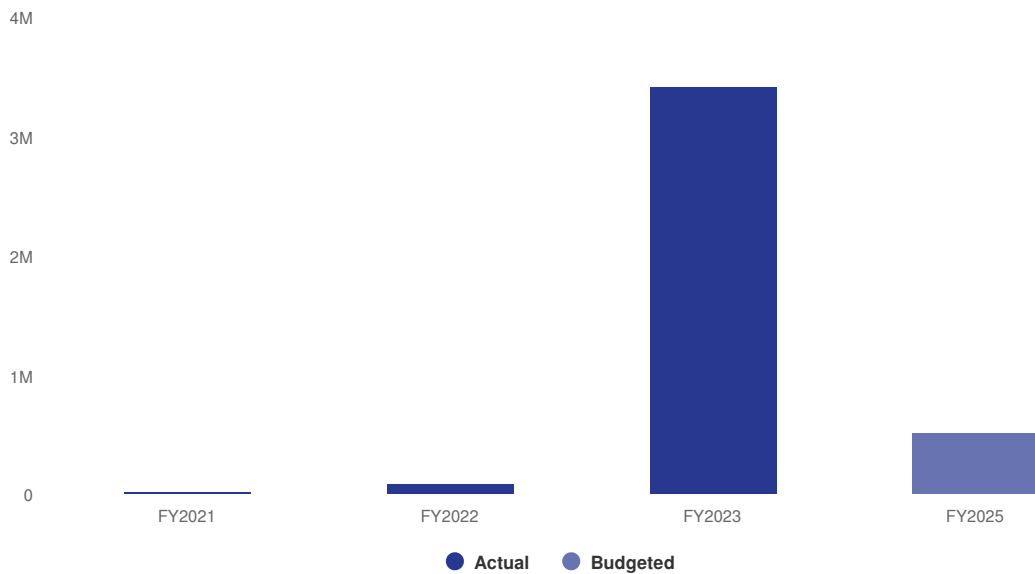
Special Revenue Fund/Grants

The Special Revenue Fund/Grants accounts for all Non-General Grant Fund revenue. The majority of this revenue is derived from specific sources (other than capital projects) that are restricted by legal and regulatory provisions to finance specific activities as identified by the grants.

For the FY2025 budget, \$515,380 is the additional revenue from the ARPA funding that will be utilized for additional sewer projects.

\$515,380 **\$515,380**
(100.00% vs. prior year)

Special Revenue Fund/Grants Proposed and Historical Budget vs. Actual

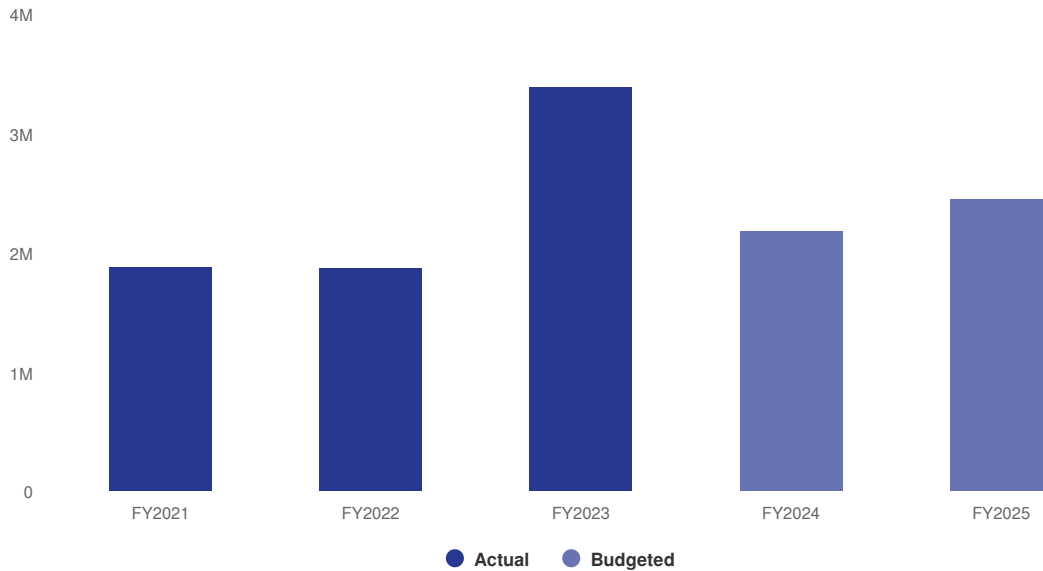


Sewer Fund Summary

For the City's Sewer fund, FY2025 projects an increase of \$130,825 in sewer service fees within the operating revenue budget. This increase is primarily the result of projected growth from the new developments under construction. For the sewer fund non-operating revenue, the City is projecting an \$80,000 increase over last year with sewer availability fees, due to an increase in new sewer connections from the two new developments that will continue construction during FY2025.

\$2,451,674 **\$260,936**
(11.91% vs. prior year)

Sewer Fund Proposed and Historical Budget vs. Actual



Revenues by Source

The Sewer Fund is operated as an Enterprise Fund which is used to account for sewer operations that function as though they were a private-sector entity. The Sewer Fund is expected to cover its costs through user charges. For FY2025, users are estimated at 5,529. The bi-monthly fee per user will remain at \$53. Commercial users are charged a flat sewer service fee plus a fee based on water consumption.

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Budgetary							
TRANSFER FROM RETAINED EARNINGS				\$131,038	\$176,149	\$45,111	34.4%
Total Budgetary:				\$131,038	\$176,149	\$45,111	34.4%
Sewer Operating							
SEWER SERVICE FEES	\$1,784,895	\$1,797,796	\$1,797,728	\$1,699,700	\$1,830,525	\$130,825	7.7%
MISCELLANEOUS REVENUE	\$9,238	\$835	\$1,747	\$1,000		-\$1,000	N/A
Total Sewer Operating:	\$1,794,133	\$1,798,631	\$1,799,475	\$1,700,700	\$1,830,525	\$129,825	7.6%
Sewer Non-Operating							
INTEREST INCOME	\$2,130					\$0	N/A
SERVICE FEES INTEREST	\$13	\$18,075	\$49,758	\$39,000	\$45,000	\$6,000	15.4%
INTEREST INCOME NOTES	\$33	\$18	\$2			\$0	N/A
SEWER AVAILABILITY FEES	\$96,015	\$54,182	\$1,550,400	\$320,000	\$400,000	\$80,000	25%
SALE OF EQUIPMENT	\$494					\$0	N/A
Total Sewer Non-Operating:	\$98,685	\$72,275	\$1,600,160	\$359,000	\$445,000	\$86,000	24%
Total Revenue Source:	\$1,892,818	\$1,870,906	\$3,399,635	\$2,190,738	\$2,451,674	\$260,936	11.9%



Revenue Explanations

Sewer Service Fees: Each household which is connected to sewer is assessed a flat sewer service fee unless a waiver is granted by City Council. In FY2025, the Sewer Service fee will remain \$53 bi-monthly.

The Sewer Ordinance has a sliding scale that is offered to households that meet certain income requirements. It is estimated that \$28,462 in sewer fees are waived due to the scale.

In FY2025, there are 5,529 estimated users of sewer, for total revenues of \$1,830,525.

	FY2024 Adopted Bi-Monthly Fees	FY2025 Adopted Bi-Monthly Fees	Projected Number of Accounts	FY2025 Projected Revenue	FY2025 Fees Waived
Combined Income					
\$29,000 or less	\$0	\$0	64	\$0	(\$20,352)
29,001 - 37,000	13.25	13.25	21	1,669	(5,009)
37,001 - 45,000	26.50	26.50	18	2,862	(2,862)
45,001 - 53,700	39.75	39.75	3	239	(238)
over 53,701	53.00	53.00	5,423	<u>1,784,669</u>	<u>-</u>
			Total	<u>\$1,789,915</u>	<u>(\$28,462)</u>

Commercial users are charged a flat sewer service fee plus a fee based on water consumption. In FY2025, the commercial fee is adopted at \$1.75 for every 100 cubic feet of water consumed. In FY2025, it is estimated that \$40,610 in commercial water consumption fees will be collected.

Sewer Availability Fees: The sewer availability fee for a vacant lot is \$6,000. For FY2025, it is estimated that new properties will generate \$400,000 in revenue.

Water Meter Size (inches)	Availability Fee
5/8	\$6,000
3/4	6,600
1	7,200
1 1/2	7,800
2	8,400
3	9,000
4	10,500
6	14,500

Late Payment Fees: Represents \$5 fee bi-monthly, plus 1% interest per month on unpaid bi-monthly sewer service fees for homeowners and commercial accounts.

Miscellaneous Revenue: Accounts for miscellaneous revenue not classified as service fees or interest income.

Interest Income: Includes interest earned on non-restricted investments.



Solid Waste Fund Summary

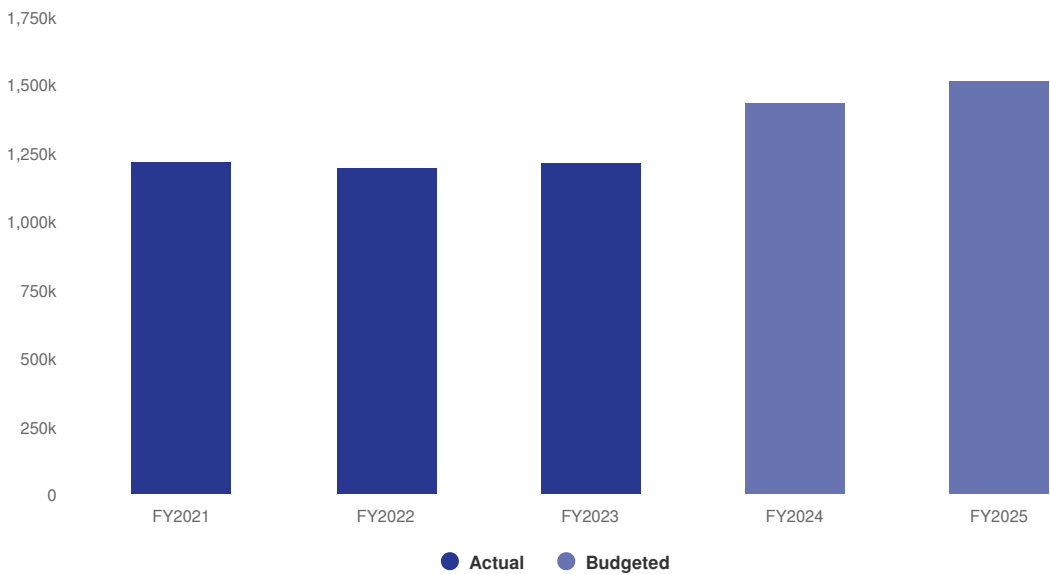
The change in the budget is due to the increase in operations. The increased budget of \$78,810 for FY2025 is primarily due to operating solid waste fee revenues.

\$1,516,945

\$78,810

(5.48% vs. prior year)

Solid Waste Fund Proposed and Historical Budget vs. Actual



Revenues by Source

Solid Waste Fees: The fees are based on the container/cart program implemented on October 1, 2007. Citizens have the option to choose from 3 plans, or an additional 2 plans, if eligible. The Solid Waste Ordinance has a sliding scale that is offered to households who meet certain income requirements. It is estimated that \$22,010 of Solid Waste fees will be waived due to the scale. The combined rate for Solid Waste includes garbage and recycling.

Residents have a choice of Plan A, Plan B or Plan C. Residents who qualify have a choice of Plan D for pick-up every other week based on age. Plan E is offered only to residents who live on a private lane or townhomes where hardship exists that a trash container/cart is impractical to use. Residents choosing Plan E will still use the pay-by-the-bag system and the bi-monthly fee is to cover the cost of recycling. All residents may use the pay-by-the-bag system when their chosen trash container/cart is not large enough for their weekly trash service. Trash bags will still be available for purchase at local businesses.

Bag Fees: The fee for the green bags remains at 5 bags for \$8.75 per package (\$1.75 per bag). This fee has been the same for the previous seventeen fiscal years.

Landscaping Debris Charges: The City provides curbside pickup service for woody waste for a fee of \$60 per pickup. The fee is intended to cover a small portion of the cost incurred in picking up landscaping debris. The City is estimated to pay VPPSA \$53,232 to operate the composting/disposal facility in FY2025. Residents may take their landscaping debris to the VPPSA regional composting facility located at the York County Landfill at no charge to the resident. Residents may also bring woody waste to a free designated drop off site that is provided twice a month.

Bulky Item Charge: The City also provides curbside pickup for bulky items. The fee is \$63 per pickup. The fee is intended to limit the number of bulky item pickups in a year, not to cover the cost of the operation. In 2011, the City implemented a free drop off service twice a month for residents to dispose of unwanted items instead of paying for a residential pickup.

Recycle Can Fee: Due to request of residents, the City will provide to residents upon request a second recycle can. The fee (\$6 per month/\$12 per billing cycle) is based on the per cart fee charged to the City.

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Budgetary							
TRANSFER FROM RETAINED EARNINGS				\$135,935	\$125,945	-\$9,990	-7.3%
Total Budgetary:				\$135,935	\$125,945	-\$9,990	-7.3%
Transfers In							
TRANSFER FROM GENERAL FUND	\$15,000					\$0	N/A
Total Transfers In:	\$15,000					\$0	N/A
Solid Waste Non Operating							
LATE FEES	\$276	\$552	\$297			\$0	N/A
SALE OF EQUIPMENT	\$24,317					\$0	N/A
Total Solid Waste Non Operating:	\$24,593	\$552	\$297			\$0	N/A



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Solid Waste Revenue							
GREEN BAG FEES	\$24,675	\$18,375	\$18,900	\$18,500	\$18,000	-\$500	-2.7%
LANDSCAPING DEBRIS	\$2,440	\$3,120	\$1,380	\$2,000	\$2,000	\$0	0%
BULKY ITEM CHARGE	\$4,510	\$4,423	\$2,633	\$2,000	\$2,500	\$500	25%
RECYCLING FEES	\$2,432	\$2,682	\$2,588	\$1,000	\$1,000	\$0	0%
DISPOSAL DECALS	\$618	\$640	\$440	\$500	\$500	\$0	0%
SOLID WASTE FEES	\$1,144,590	\$1,167,973	\$1,187,288	\$1,278,200	\$1,367,000	\$88,800	6.9%
MISCELLANEOUS REVENUE	\$300	\$104	\$245			\$0	N/A
Total Solid Waste Revenue:	\$1,179,565	\$1,197,317	\$1,213,474	\$1,302,200	\$1,391,000	\$88,800	6.8%
Total Revenue Source:	\$1,219,158	\$1,197,869	\$1,213,771	\$1,438,135	\$1,516,945	\$78,810	5.5%



Revenue Explanations

Solid Waste Fees: In FY2025, the fees are based on the container/cart program implemented on October 1, 2007. Citizens have the option to choose from 3 plans, or an additional 2 plans if eligible. The Solid Waste Ordinance has a sliding scale that is offered to households who meet certain income requirements. It is estimated that \$22,010 of Solid Waste fees will be waived due to the scale. The combined rate for solid waste includes garbage and recycling.

Residents have a choice of Plan A, Plan B or Plan C. Residents who qualify have a choice of Plan D for pick-up every other week based on age. Plan E is offered only to residents who live in a private lane or townhomes where hardship exists and a trash container/cart is impractical to use. Residents choosing Plan E will still use the pay-by-the-bag system and the bi-monthly fee is to cover the cost of recycling. All residents may use the pay-by-the-bag system when their chosen trash container/cart is not large enough for their weekly trash service. Trash bags will still be available for purchase at local businesses.

	Projected	FY2024 Adopted	FY2025 Adopted	FY2025 Projected	FY2025 Estimated	FY2025
	Number	Bi-Monthly	Bi-Monthly	Revenue	Fees	Total
	of Units	Fees	Fees		Waived	Revenue
Plans:						
Plan A = 35 gallon container/cart	1,668	\$40.00	\$40.00	\$384,720	(\$8,880)	\$375,840
Plan B = 65 gallon container/cart	2,603	56.00	56.00	870,184	(\$8,492)	861,692
Plan C = Two 65 containers/carts	170	90.00	90.00	91,800	(\$1,620)	90,180
Plan D = 35 gallon container/cart <i>(bi-weekly)</i>	199	30.00	30.00	35,820	(\$2,880)	32,940
Plan E = no container/cart <i>(private lanes, townhouses)</i>	<u>47</u>	23.00	23.00	<u>6,486</u>	<u>(\$138)</u>	<u>6,348</u>
	4,687			\$1,389,010	(\$22,010)	\$1,367,000

Bag Fees: The fee for the green bags remains at 5 bags for \$8.75 per package (\$1.75 per bag). This fee has been the same for the previous sixteen fiscal years.

Landscaping Debris Charges: The City provides a curbside pickup service for woody waste for a fee of \$60 per pickup. The fee is intended to cover a small portion of the cost incurred in picking up landscaping debris. The City is estimated to pay VPPSA \$53,232 to operate the composting/disposal facility in FY2025. Residents may take their landscaping debris to the VPPSA regional composting facility located at the York County Landfill at no charge to the resident. Residents may also bring woody waste to a free designated drop off site that is provided twice a month.

Bulky Item Charge: The City also provides curbside pickup for bulky items. In FY2025, the fee is \$63 per pickup. The fee is intended to limit the number of bulky item pickups in a year, not to cover the cost of the operation. In 2011, the City implemented a free drop off service twice a month for residents to dispose of unwanted items instead of paying for a residential pickup.

Recycle Can Fee: The City will provide a second recycle can for residents upon request. The fee (\$6 per month/\$12 per billing cycle) is based on the per cart fee charged to the City.

The resident has the choice of one free landscaping debris or bulky pick-up each year before being charged the respective fee.

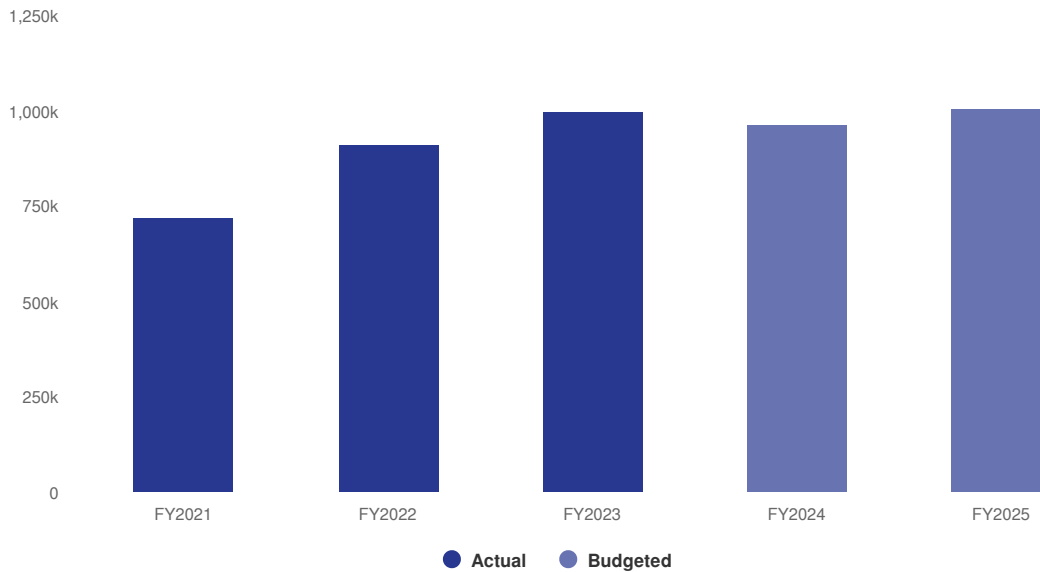


Fleet Fund Summary

The Fleet revenue budget for FY2025 projects an increase based on increased services for repair revenues, service fees, and gas and oil revenues.

\$1,007,889 **\$43,427**
(4.50% vs. prior year)

Fleet Fund Proposed and Historical Budget vs. Actual



Revenues by Source

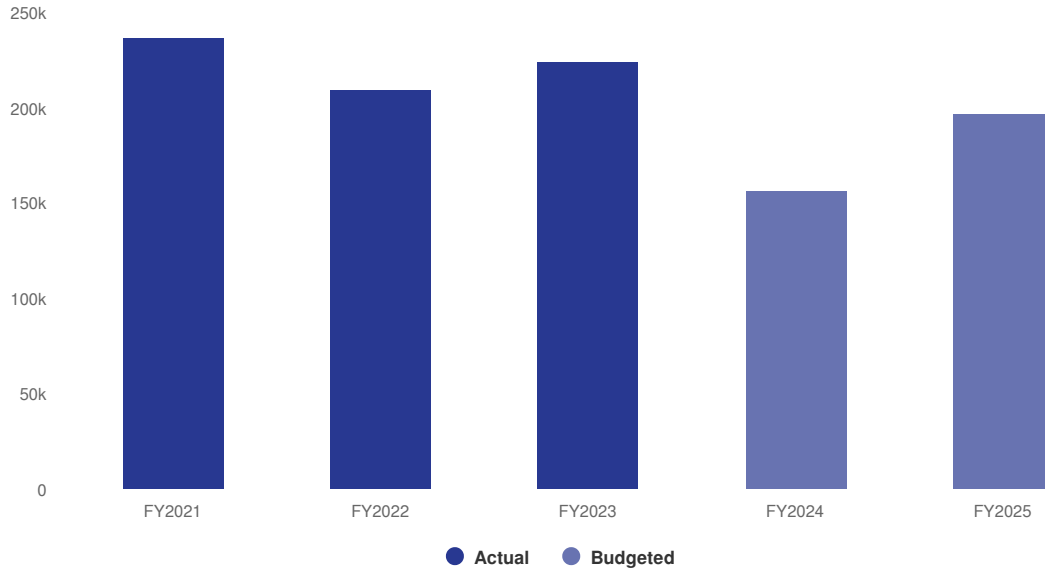
Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
Transfers In							
TRANSFER FROM GENERAL FUND	\$2,000					\$0	N/A
Total Transfers In:	\$2,000					\$0	N/A
Fleet Operating							
REPAIR REVENUES	\$216,847	\$253,241	\$304,888	\$253,750	\$261,400	\$7,650	3%
SERVICE FEES	\$313,476	\$347,306	\$347,209	\$394,856	\$422,626	\$27,770	7%
GAS & OIL REVENUES	\$188,917	\$313,028	\$347,692	\$315,856	\$323,863	\$8,007	2.5%
Total Fleet Operating:	\$719,240	\$913,575	\$999,789	\$964,462	\$1,007,889	\$43,427	4.5%
Total Revenue Source:	\$721,240	\$913,575	\$999,789	\$964,462	\$1,007,889	\$43,427	4.5%



OPEB Summary

\$196,488 **\$40,351**
(25.84% vs. prior year)

OPEB Proposed and Historical Budget vs. Actual



Revenues by Source

Retiree contributions: Revenue from retirees who are eligible and elect to continue on the City-sponsored health insurance plan for their portion of the cost.

City Contribution: Transfer to cover the City's portion of the retirement cost for those retirees who are eligible and elect to continue on the City-sponsored health insurance plan for the City's portion of the cost.

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Revenue Source							
OPEB Revenue							
REVENUES FROM RETIREEES	\$122,439	\$93,491	\$87,389	\$75,581	\$88,653	\$13,072	17.3%
ACCRUED INCOME	\$35,300	\$11,151	\$36,721			\$0	N/A
TRANSFER FROM GENERAL FUND	\$78,697	\$104,388	\$100,000	\$80,556	\$107,835	\$27,279	33.9%
Total OPEB Revenue:	\$236,436	\$209,030	\$224,110	\$156,137	\$196,488	\$40,351	25.8%
Total Revenue Source:	\$236,436	\$209,030	\$224,110	\$156,137	\$196,488	\$40,351	25.8%



DEPARTMENTS



City Council

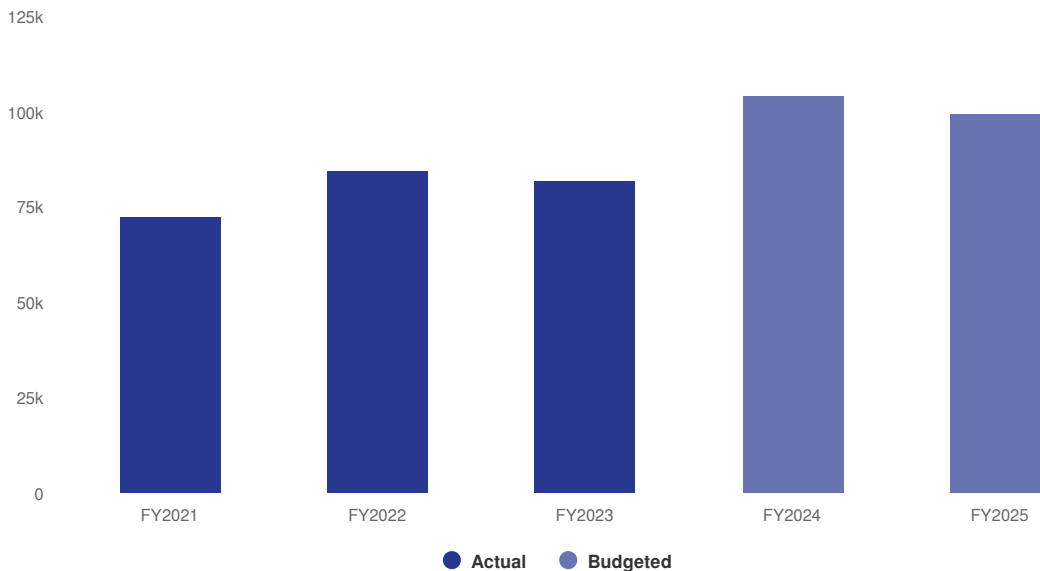
The City of Poquoson is organized under the Council-Manager form of government. The Poquoson City Council is composed of seven members who are elected by the voters and serve four-year staggered terms. The City is divided into three precincts, each of which is entitled to two representatives. The City Mayor is elected at large. Persons elected to City Council take office on the first day of January following the election which is held in November of even number years. The City Council appoints the City Manager, City Clerk, City Attorney, and members to various Boards and Commissions. The City Council adopts the City Budget, Constrained Capital Improvement Plan, ordinances and resolutions relating to municipal affairs and imposes fines and penalties for noncompliance. The Council is served by a City Clerk who is responsible for transcribing the minutes of Council meetings and generally managing City Council's affairs. The City Clerk provides administrative support to the Mayor and Council and maintains City records in accordance with the Code of Virginia.

Expenditures Summary

The budget for FY2025 takes into account a 4% base compensation increase and a 1% merit-based compression adjustment as well as related benefit increases. There is also a decrease in costs associated with advertising.

\$99,534 **-\$4,636**
(-4.45% vs. prior year)

City Council Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Legislative							
City Council	\$72,337	\$84,364	\$81,718	\$104,170	\$99,534	-\$4,636	-4.5%
Total Legislative:	\$72,337	\$84,364	\$81,718	\$104,170	\$99,534	-\$4,636	-4.5%
Total Expenditures:	\$72,337	\$84,364	\$81,718	\$104,170	\$99,534	-\$4,636	-4.5%

Personnel Summary

Positions Personnel Summary:	Authorized FY2022	Authorized FY2023	Authorized FY2024	Requested FY2025	Authorized FY2025
City Clerk	<u>0.40</u>	<u>0.40</u>	<u>0.40</u>	<u>0.40</u>	<u>0.40</u>
Totals	0.40	0.40	0.40	0.40	0.40

Goals and Objectives

The City Council promotes economic development opportunities as a means of bringing balance to local revenue generation. They also provide outstanding leadership on behalf of the citizens.

Program Measures

	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 <u>Estimated</u>	FY2025 <u>Estimated</u>
Regular Meetings	14	17	13	18
Work Sessions	2	2	2	3
Special Sessions/Retreats	-	1	-	2



City Manager

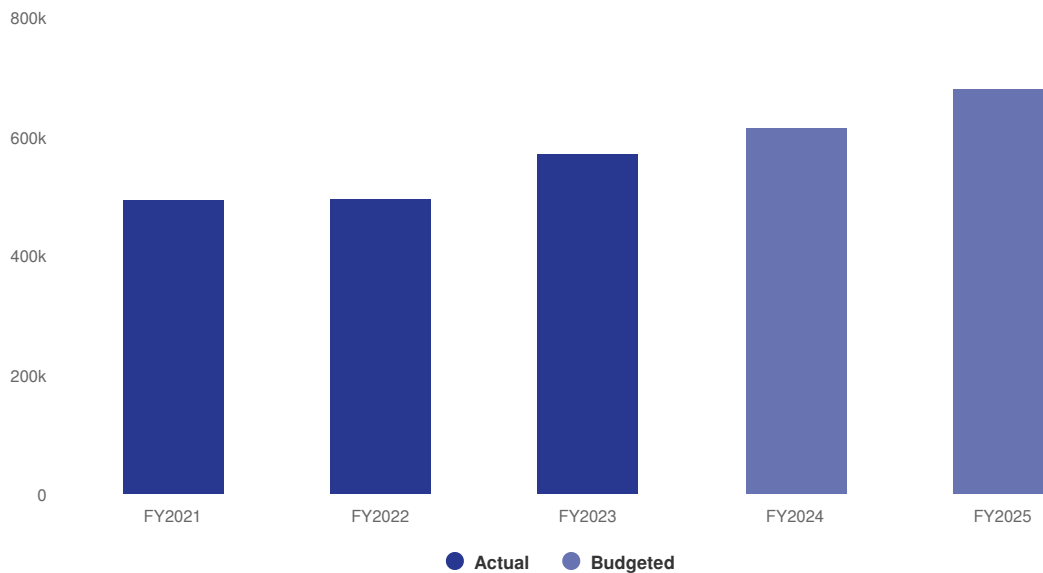
The City Manager's Office serves as the primary point of contact for citizen questions and requests for service, as well as serves as the public information office for media requests for non-public safety related information. In addition, the City Manager's Office partners with our Superintendent of Schools, our Constitutional Officers, the York-Poquoson Department of Social Services and other state, federal and regional partners on a variety of issues and programs that serve the City's residents, businesses and greater Hampton Roads. Lastly, the City Manager's Office oversees all human resource matters.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and 1% merit-based, compression adjustment, as well as related benefit increases. Additionally, this department reflects an increase associated with training and office supplies.

\$678,759 **\$66,118**
(10.79% vs. prior year)

City Manager Proposed and Historical Budget vs. Actual

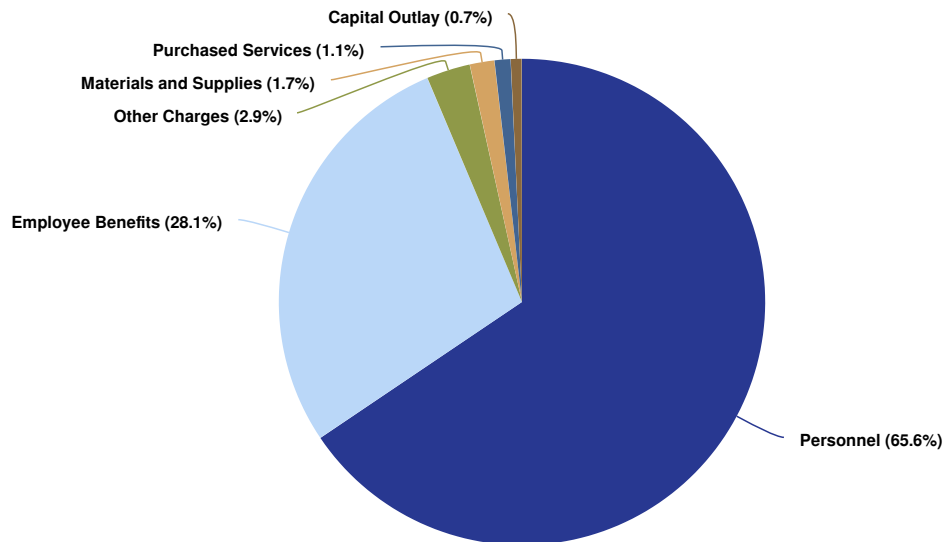


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
City Manager							
Personnel	\$358,424	\$355,764	\$378,066	\$405,181	\$445,023	\$39,842	9.8%
Employee Benefits	\$116,975	\$117,644	\$153,702	\$164,060	\$190,636	\$26,576	16.2%
Other Charges	\$13,471	\$15,670	\$16,229	\$18,200	\$19,700	\$1,500	8.2%
Purchased Services	\$1,181	\$3,969	\$9,549	\$5,200	\$7,200	\$2,000	38.5%
Internal Services	\$130					\$0	N/A
Materials and Supplies	\$2,838	\$2,949	\$9,570	\$7,000	\$11,200	\$4,200	60%
Capital Outlay	\$714	\$173	\$3,989	\$13,000	\$5,000	-\$8,000	-61.5%
Total City Manager:	\$493,733	\$496,169	\$571,105	\$612,641	\$678,759	\$66,118	10.8%
Total General Administration:	\$493,733	\$496,169	\$571,105	\$612,641	\$678,759	\$66,118	10.8%
Total Expenditures:	\$493,733	\$496,169	\$571,105	\$612,641	\$678,759	\$66,118	10.8%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
City Manager	1	1	1	1	1
Assistant City Manager	1	1	1	1	1
Human Resources Manager	-	-	-	1	-
Assistant to the City Manager	0.6	0.6	0.6	0.6	0.6
Executive Assistant	1	1	1	1	1
Part-Time (FTE)	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>
Totals	3.8	3.8	3.8	4.8	3.8

Goals and Objectives

The City Manager's goals are to provide outstanding leadership to the City Government, and increase economic growth within the City. Additionally, the City Manager's objective is to effectively manage all governmental services, and maintain an excellent working partnership with the Superintendent and Poquoson City Public Schools.



Legal Services

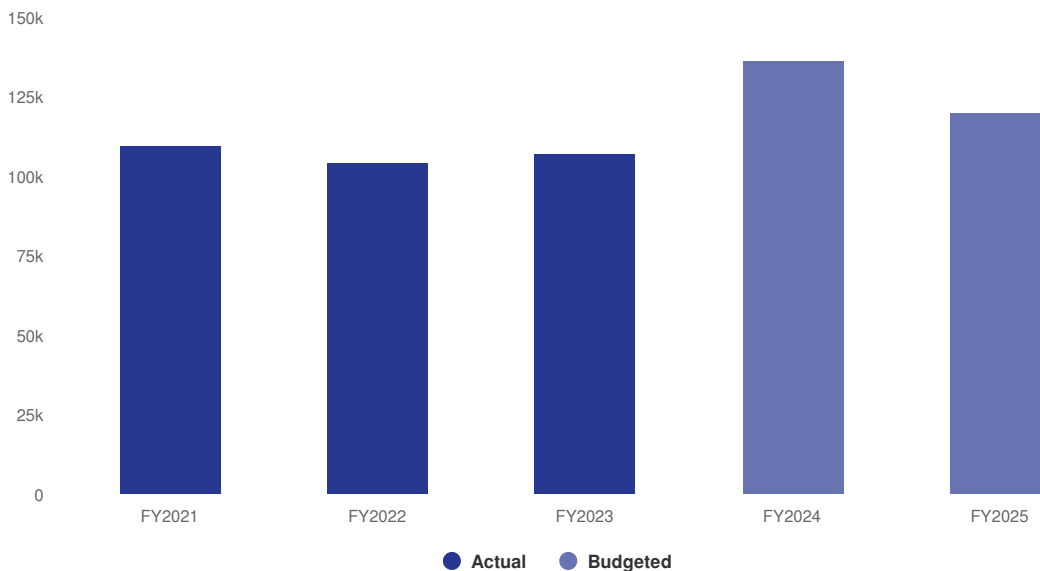
The City Attorney is appointed by the City Council to serve as legal advisor to the City Council, the City Manager, and all Departments and Boards and Commissions of the City. The City Attorney prepares and reviews ordinances for introduction to the City Council, as well as drafts and reviews all contracts, licenses, permits, deeds, leases and other legal documents to which the City is a party. The City Attorney also represents the City in all legal proceedings and prosecutes violations of City ordinances.

Expenditures Summary

This department does not have any costs associated with personnel. There is a projected decrease in the cost of legal services.

\$119,605 **-\$16,700**
(-12.25% vs. prior year)

Legal Services Proposed and Historical Budget vs. Actual



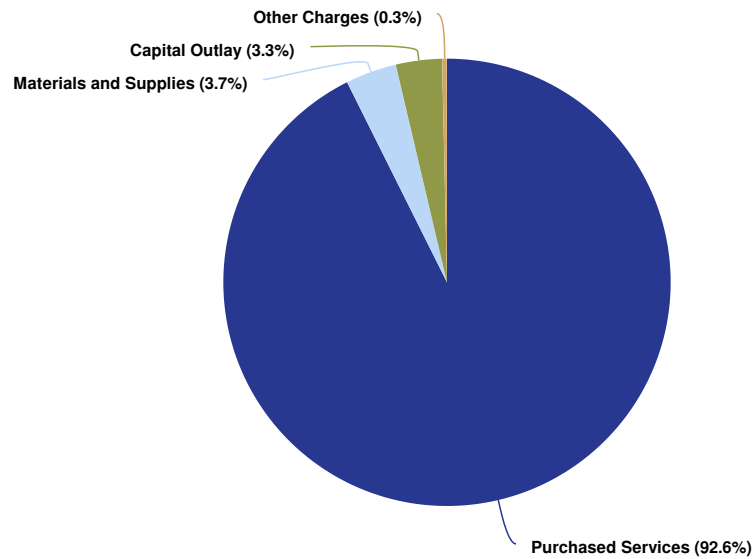
Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Legal							
Other Charges	\$345	\$325	\$325	\$500	\$400	-\$100	-20%
Purchased Services	\$105,333	\$98,505	\$96,154	\$129,305	\$110,805	-\$18,500	-14.3%
Materials and Supplies	\$1,592	\$3,092	\$7,661	\$4,000	\$4,400	\$400	10%
Capital Outlay	\$2,280	\$2,280	\$2,813	\$2,500	\$4,000	\$1,500	60%
Total Legal:	\$109,550	\$104,202	\$106,953	\$136,305	\$119,605	-\$16,700	-12.3%
Total General Administration:	\$109,550	\$104,202	\$106,953	\$136,305	\$119,605	-\$16,700	-12.3%
Total Expenditures:	\$109,550	\$104,202	\$106,953	\$136,305	\$119,605	-\$16,700	-12.3%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Legal Services are provided by a licensed attorney, contracted and appointed by City Council. Since the City does not employ the City Attorney, the cost of the legal services is reflected in purchased services.

The City Attorney will practice preventive law on behalf of the City of Poquoson through regular meetings with the City Manager and recommendations to improve the legal position of the City. City Attorney will handle legal matters concerning the City in accordance with law in a timely and efficient manner.



Independent Auditor

Independent Auditor accounts for an independent accounting firm to conduct an audit of the City's, Schools', and EDA's financial records for the preceding fiscal year in accordance with law.

Expenditures Summary

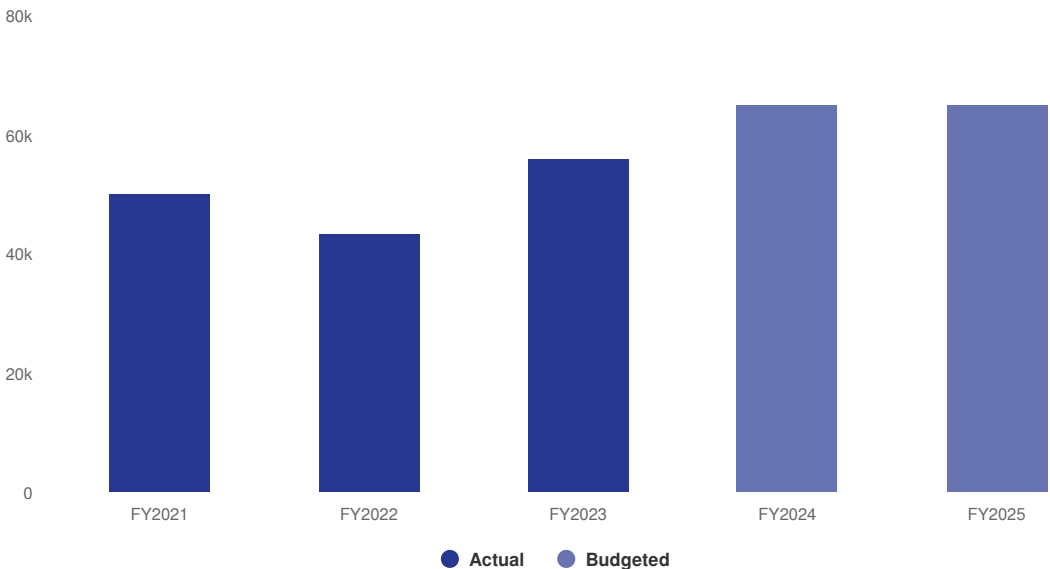
This department does not have any costs associated with personnel. There is no increase projected for the Fiscal Year 2025 budget. This budget represents the cost associated with professional auditing services by an independent accounting firm.

\$65,000

\$0

(0.00% vs. prior year)

Independent Auditor Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Audit	\$50,150	\$43,337	\$55,767	\$65,000	\$65,000	\$0	0%
Total General Administration:	\$50,150	\$43,337	\$55,767	\$65,000	\$65,000	\$0	0%
Total Expenditures:	\$50,150	\$43,337	\$55,767	\$65,000	\$65,000	\$0	0%

Goals and Objectives

An independent accounting firm is contracted to conduct the audit of the City, School and EDA. In order to receive an independent review of the financial records, no personnel services are reflected. They provide City Council and City administration analysis, recommendations, counsel and information concerning financial related activities of the City in accordance with generally accepted government auditing standards promulgated by the Comptroller General of the United States and the Auditor of Public Accounts of the Commonwealth of Virginia. They perform FY2024 audits of the City, School Board, School Activity Funds and Economic Development Authority (EDA) and draft the Annual Comprehensive Financial Report by November 30, 2024. They prepare the Comparative Cost Report for the City, and provide suggestions to strengthen internal accounting and administrative controls.

Program Measures

	FY2022 Actual	FY2023 Actual	FY2024 Estimated	FY2025 Estimated
Auditing Hours	780	780	780	780

Program Accomplishments

Assisting in reviewing Government Finance Officers Association (GFOA) prior year comments and financial statement check list in order to apply for the GFOA award for certification of Achievement for Excellence in Financial Reporting for FY2024.



Commissioner of the Revenue

Maintain owners of record for all real estate parcels; prepare land book in accordance with State Code. Ensure that all personal property, business property and public utility taxes are assessed. Render fair and consistent assessments with regards to all personal property. Audit all locally filed Virginia State income tax returns and provide reports to State and City Treasurer. Utilize the online computer systems with the department of Taxation for processing refunds. Administer tax exemption and deferral program for elderly and handicapped and Disabled Veteran Program. Issue business licenses to all businesses operating within the City and non-city contractor businesses which gross \$25,000 or more in business within the City of Poquoson. Prepare food and beverage tax forms and enforce such tax. Administer and enforce the rules and regulations relating to cigarette taxation.

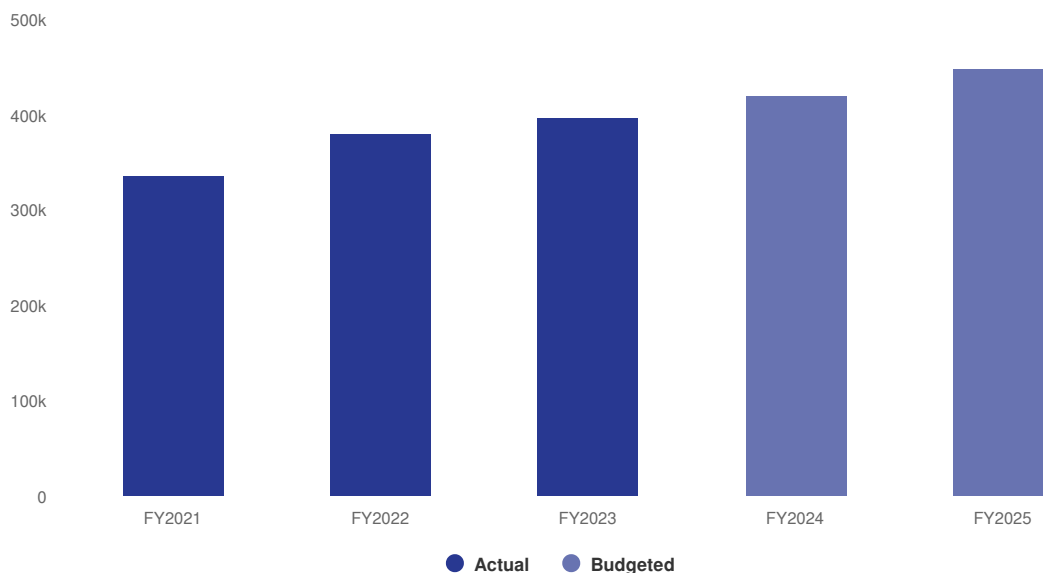
The Commissioner of Revenue also manages the DMV Select Office. The DMV Select Office budget information is listed separately and can be found on page 208.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Additionally, this department reflects increases in professional services associated with valuation services.

\$448,570 **\$28,931**
(6.89% vs. prior year)

Commissioner of the Revenue Proposed and Historical Budget vs. Actual

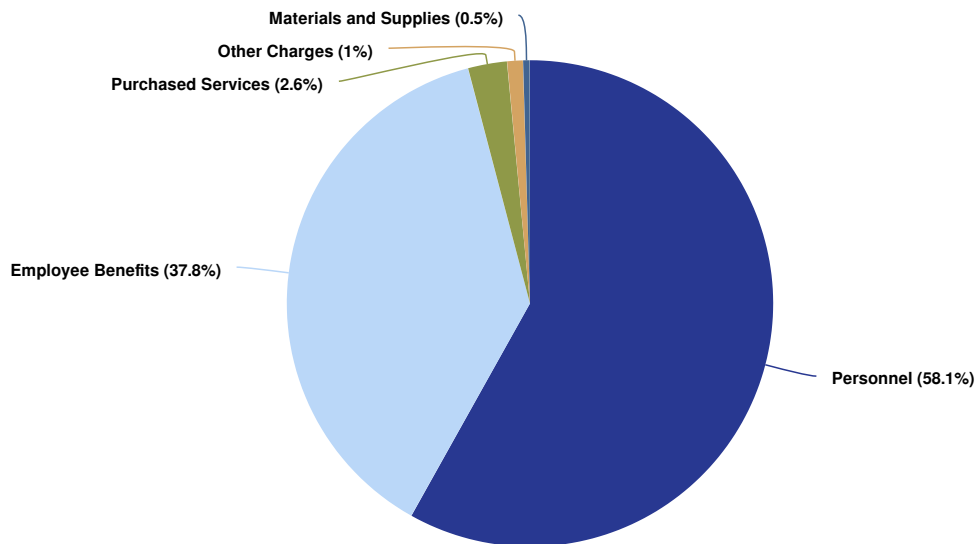


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Commissioner of Revenue							
Personnel	\$199,637	\$216,469	\$233,815	\$250,758	\$260,695	\$9,937	4%
Employee Benefits	\$124,582	\$133,389	\$146,339	\$153,781	\$169,475	\$15,694	10.2%
Other Charges	\$4,107	\$4,636	\$4,005	\$4,650	\$4,700	\$50	1.1%
Purchased Services	\$6,103	\$24,428	\$10,592	\$8,600	\$11,650	\$3,050	35.5%
Materials and Supplies	\$1,869	\$1,631	\$1,615	\$1,850	\$2,050	\$200	10.8%
Capital Outlay	\$19	\$114			\$0	\$0	N/A
Total Commissioner of Revenue:	\$336,317	\$380,667	\$396,366	\$419,639	\$448,570	\$28,931	6.9%
Total General Administration:	\$336,317	\$380,667	\$396,366	\$419,639	\$448,570	\$28,931	6.9%
Total Expenditures:	\$336,317	\$380,667	\$396,366	\$419,639	\$448,570	\$28,931	6.9%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Commissioner of the Revenue	1	1	1	1	1
Deputy Commissioner II	1	1	1	1	1
Deputy Commissioner I	1	1	1	1	1
Assessment Tech/DMV Clerk	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	1
Totals	4	4	4	4	4

Goals and Objectives

The goals for the Commissioner of the Revenue are preparing the Real Estate Land Book and all necessary supplements. They will execute deferral and exemption of real estate taxes for elderly and disabled persons who meet requirements. The office will meet all of the deadlines for the assessment book and business license for the year. This office will continue to audit the Virginia Department of Taxation for proper remittance of Poquoson's sales tax, and enforce prepared food, beverage and cigarette tax. The Commissioner of the Revenue's Office will assist residents with their state tax preparation and submission, and provide outstanding customer service to all of our patrons.

Outflow Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Business License	808	825	830	835
Meals Tax	52	52	55	55
Personal Property Abatements	3,234	3,148	3,200	3,250
Personal Property Assessments	21,797	21,848	21,900	22,000
Property Transfers	574	518	550	575
Public Service Corporations	10	10	10	10
Real Estate Abatements	87	105	110	115
Real Estate Parcels	5,531	5,696	5,800	5,850
State Estimated Returns	139	113	100	95
State Tax Returns Audited	627	491	450	425
Tax Exemption and Deferral Applications	219	237	288	323



Assessor - Equalization Board

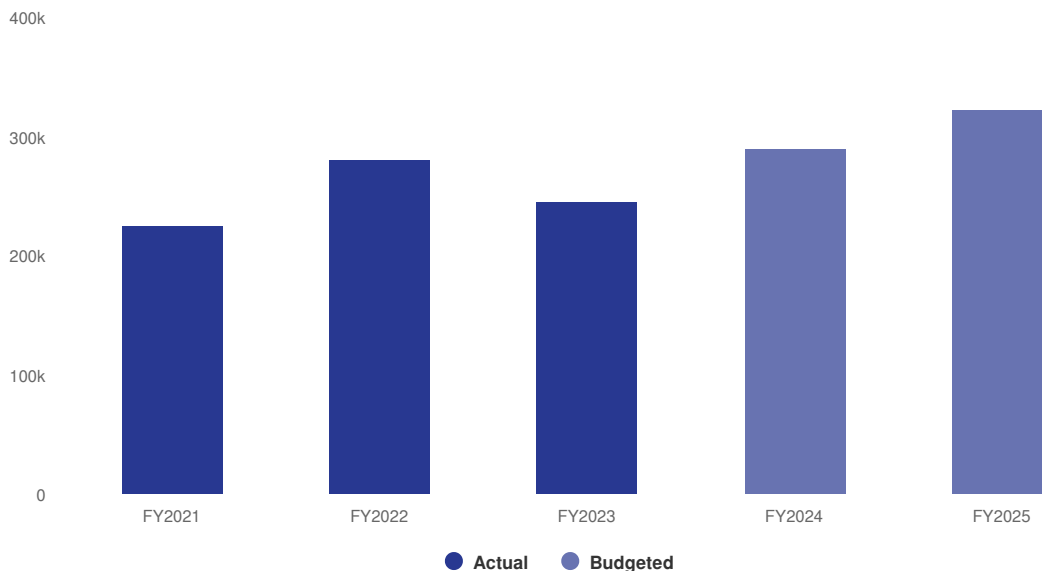
The Assessor's Office appraises all real estate in Poquoson and interprets and administers all laws pertaining to assessments. This task forms the base of all real estate taxes which is a substantial portion of the revenue used to operate the City. The Assessor's Office is also in charge of the real estate property record and the reporting and maintenance of such record. This includes mapping and map changes, new construction, additions, demolitions, use changes, GIS maintenance and Land Book creation (in conjunction with the Commissioner of the Revenue).

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. There is an increase in this department related to anticipated increases in software costs, including GIS website maintenance and VISION, as well as Multiple Listing Service subscription costs.

\$322,166 **\$32,347**
(11.16% vs. prior year)

Assessor - Equalization Board Proposed and Historical Budget vs. Actual

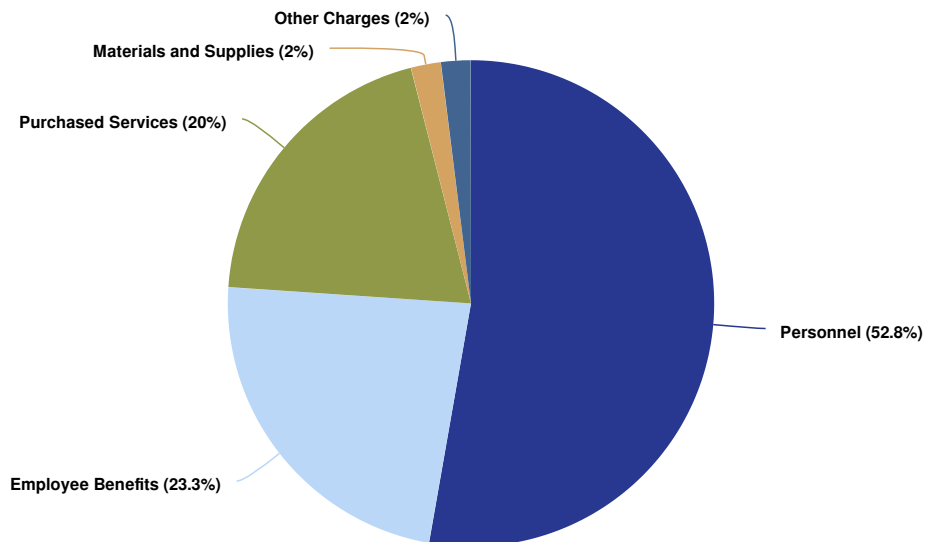


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Assessor-Equalization Board							
Personnel	\$132,812	\$176,593	\$153,615	\$163,148	\$170,034	\$6,886	4.2%
Employee Benefits	\$68,892	\$77,566	\$63,627	\$65,541	\$75,052	\$9,511	14.5%
Other Charges	\$2,540	\$1,809	\$4,560	\$5,280	\$6,380	\$1,100	20.8%
Purchased Services	\$18,047	\$20,262	\$19,499	\$51,850	\$64,300	\$12,450	24%
Materials and Supplies	\$2,978	\$3,808	\$3,936	\$4,000	\$6,400	\$2,400	60%
Capital Outlay		\$295				\$0	N/A
Total Assessor- Equalization Board:	\$225,269	\$280,333	\$245,237	\$289,819	\$322,166	\$32,347	11.2%
Total General Administration:	\$225,269	\$280,333	\$245,237	\$289,819	\$322,166	\$32,347	11.2%
Total Expenditures:	\$225,269	\$280,333	\$245,237	\$289,819	\$322,166	\$32,347	11.2%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
City Real Estate Assessor	1	1	1	1	1
Assessor Technician	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	2	2	2	2	2

Goals and Objectives

The Assessor's Office continues to maintain the record through detailed validation of real estate sales using both the Real Estate Information Network Multiple Listing Service (REIN MLS) and oblique aerial photography. Permit maintenance is performed in collaboration with the Community Development Department, planning and building officials. The office is preparing to launch a new comprehensive GIS website for use by City ESRI licensees. A constricted version of the website will be available via the City website to the public.

Program Measures

Assessor	<u>FY2022</u> <u>Actual</u>	<u>FY2023</u> <u>Actual</u>	<u>FY2024</u> <u>Estimated</u>	<u>FY2025</u> <u>Estimated</u>
Real Estate Parcels	5,686	5,696	5,879	5,900
Total Assessed Value	\$1,796,949,800	\$2,048,711,100	\$2,086,711,100	\$2,100,000,000
Property Transfers	575	682	700	720
Abatements and Supplements	352	118	150	150
Assessed Value - Abate/Sup	\$13,204,100	\$10,046,700	\$38,000,000	\$20,000,000

Equalization Board

# of Property Owners Appealing	5	0	7	0
# of Parcels Reviewed	6	0	7	0
# of Parcels Increased	0	0	0	0
Value of Increases	0	0	0	0
# of Assessments Decreased	5	0	3	0
Value of Decreases	\$94,096	\$0	\$74,100	\$0

*Assessments are performed every two years; therefore, the Equalization Board only meets every two years.

Program Accomplishments

The Assessor's Office completed a full reassessment of the City. The land book was created and recorded earlier than in the past. With the help of new permitting software, the department is up to date on all new construction and permits. Supplements and abatements are processed and owners are sent 'notice of change' letters approximately every 3 months. Residential Property Types will also be identified and categorized to improve market data analysis for next reassessment. Specific goals for FY2025 include correcting and improving the data for the GIS system and making that system as user-friendly as possible.



Treasurer

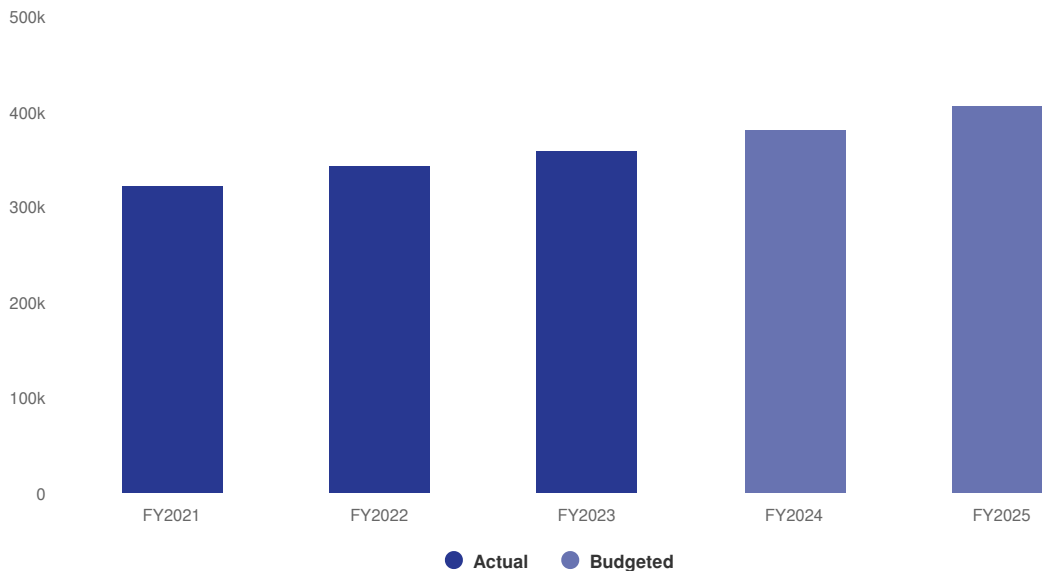
The Treasurer's Office collects all revenue due to the City and School Division, including real estate, personal property, service fees, prepared meals tax, license fees, and utility fees. This office administers the online-payment website, direct-debit program and credit cards. The Treasurer's Office pursues delinquent taxes and fees through DMV stops, debt setoff through the Virginia Department of Taxation, wage and bank liens and warrants. This office is responsible for maintaining proper accounting of all cash receipts, the investing of idle cash and assisting in debt service management. They maintain and reconcile bank accounts used by the City and School Division. Collecting and depositing state income taxes and State estimated taxes. They process and mail all original and delinquent personal property, real estate and public service bills. They maintain mortgage files so real estate taxes can be conveyed against escrowed funds for taxpayers.

Expenditures Summary

This budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Additionally, this department reflects an increase anticipated in postage.

\$405,949 **\$24,864**
(6.52% vs. prior year)

Treasurer Proposed and Historical Budget vs. Actual

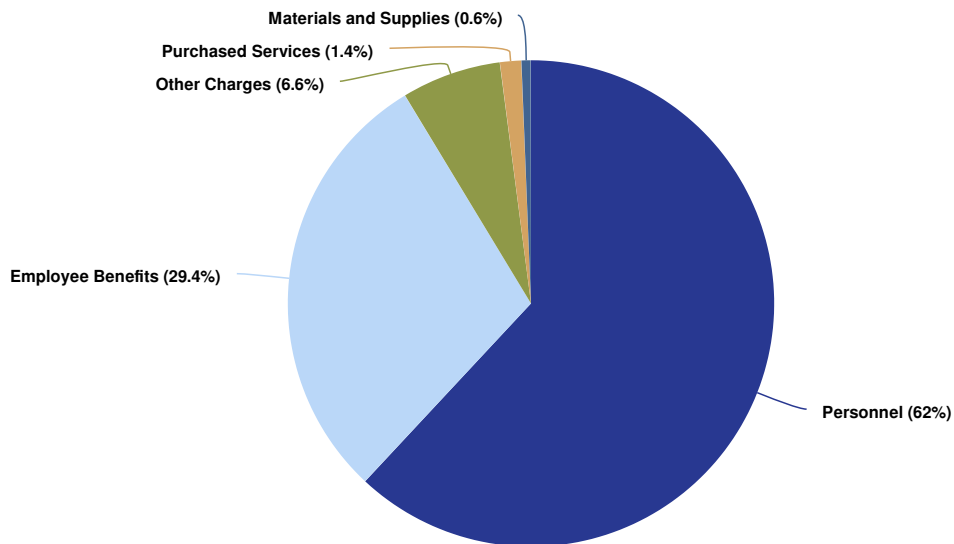


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Treasurer							
Personnel	\$194,609	\$212,536	\$225,122	\$239,509	\$251,504	\$11,995	5%
Employee Benefits	\$94,248	\$95,219	\$105,093	\$108,826	\$119,295	\$10,469	9.6%
Other Charges	\$24,387	\$27,965	\$21,548	\$24,870	\$26,850	\$1,980	8%
Purchased Services	\$5,955	\$5,149	\$4,779	\$5,730	\$5,750	\$20	0.3%
Materials and Supplies	\$2,408	\$1,121	\$2,689	\$2,150	\$2,550	\$400	18.6%
Capital Outlay		\$642				\$0	N/A
Total Treasurer:	\$321,607	\$342,632	\$359,231	\$381,085	\$405,949	\$24,864	6.5%
Total General Administration:	\$321,607	\$342,632	\$359,231	\$381,085	\$405,949	\$24,864	6.5%
Total Expenditures:	\$321,607	\$342,632	\$359,231	\$381,085	\$405,949	\$24,864	6.5%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Treasurer	1	1	1	1	1
Deputy Treasurer	1	1	1	1	1
Accounting Technician	1	1	1	1	1
Account Clerk	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	4	4	4	4	4

Goals and Objectives

The Treasurer's Office will maintain high collection rates and offer excellent customer service. The employees will continue participating in the training and certification program provided through the Treasurer's Association of Virginia for which the Treasurer and two deputies are currently certified as Master Governmental Treasurer and Master Governmental Deputy Treasurers. The Treasurer's Office was first accredited by the Treasurer's Association of Virginia in 2014 and this certification has been retained annually.

Outflow Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
First Year Personal Property Collection Rate	89.85%	90.31%	90.00%	90.00%
First Year Real Estate Collection Rate	98.70%	99.01%	99.00%	99.00%
Business Licenses Processed	841	821	830	830
Dog Tags Processed	180	208	170	170
Estimated Tax Payments	467	383	339	350
Meals Tax Payments Processed	331	335	340	350
Miscellaneous Payments Processed	6,637	6,289	6,500	6,500
Personal Property Tax Tickets Processed	33,453	34,356	31,066	35,000
Real Estate Tax Tickets Processed	12,332	12,120	12,300	12,500
Utility Account Payments Processed	27,003	27,611	28,000	28,500



Finance

The Finance Department provides financial services for all City operations. Duties include general accounting, payroll, accounts payable, purchasing, sewer and solid waste utility billing, computer support services, risk management program, and administering employee benefit programs. Through the preparation of the City's Annual Comprehensive Financial Report and the Annual Financial Plan, the department develops, monitors, and reports the financial activities of the City. The Department is also the audit liaison for the City's annual financial audit.

Expenditures Summary

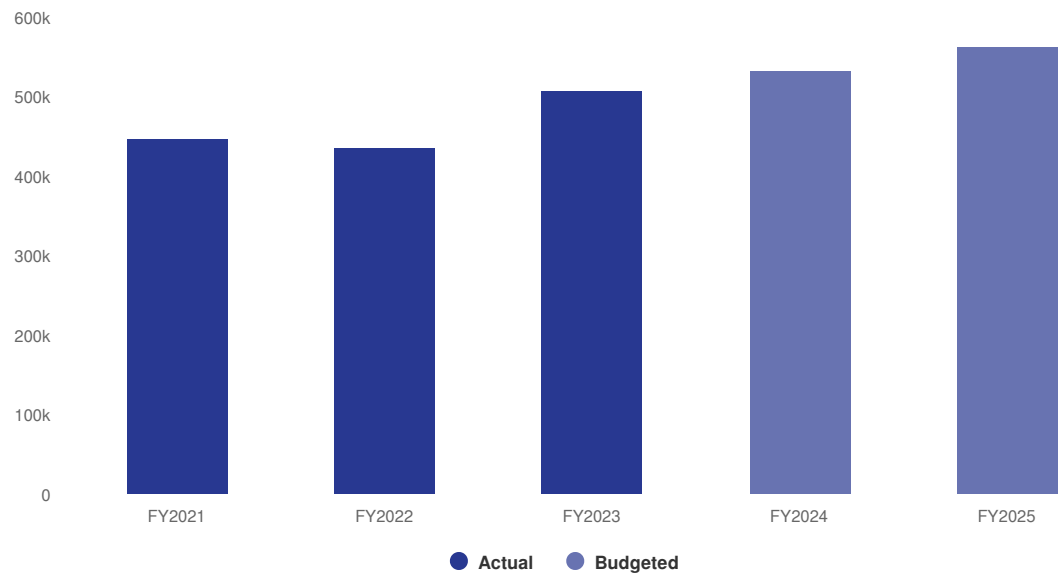
The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Projected increases are also included for postage and support costs for financial software.

\$562,514

\$31,340

(5.90% vs. prior year)

Finance Proposed and Historical Budget vs. Actual

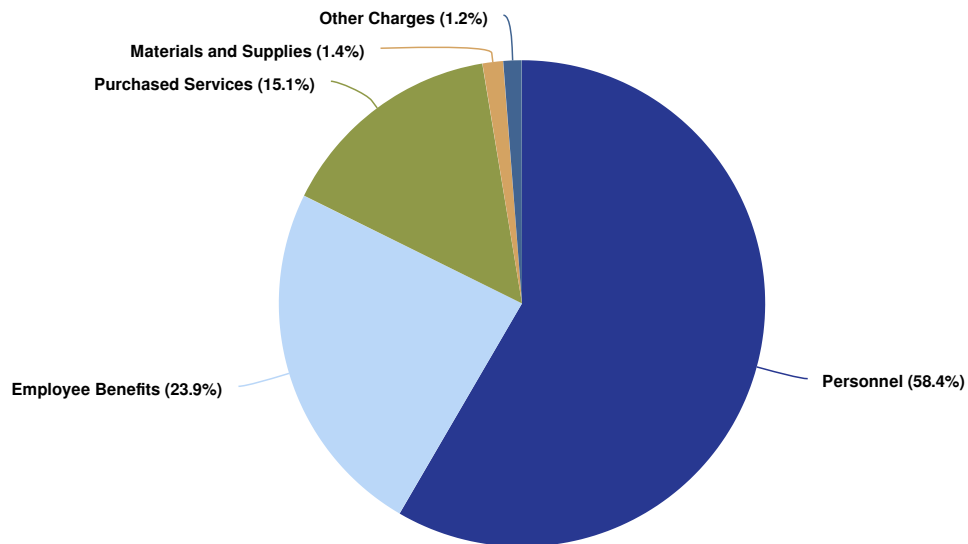


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Finance							
Personnel	\$251,789	\$230,350	\$313,425	\$314,530	\$328,555	\$14,025	4.5%
Employee Benefits	\$125,841	\$104,114	\$110,274	\$123,364	\$134,419	\$11,055	9%
Other Charges	\$4,044	\$5,059	\$4,848	\$6,530	\$6,890	\$360	5.5%
Purchased Services	\$57,339	\$90,138	\$72,631	\$79,000	\$84,900	\$5,900	7.5%
Materials and Supplies	\$7,105	\$5,471	\$6,145	\$7,750	\$7,750	\$0	0%
Capital Outlay	\$238	\$109				\$0	N/A
Total Finance:	\$446,356	\$435,241	\$507,323	\$531,174	\$562,514	\$31,340	5.9%
Total General Administration:	\$446,356	\$435,241	\$507,323	\$531,174	\$562,514	\$31,340	5.9%
Total Expenditures:	\$446,356	\$435,241	\$507,323	\$531,174	\$562,514	\$31,340	5.9%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2025</u>
Director of Finance	1	1	1	1	1
Asst. Director of Finance	1	1	1	1	1
Account Analyst	1	1	1	1	1
Finance Specialist	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	4	4	4	4	4

Goals and Objectives

Finance oversees annual audit, risk management activities, and employee benefits; maintains and monitors all financial records and prepares an annual financial plan. They continue to identify areas of cost savings on a city-wide basis. They identify areas where City financial policies should be developed, such as cash management, fund balance requirements and equipment replacement. Finance prepares a budget that meets or exceeds the requirements of the GFOA Distinguished Budget Award, and the Annual Comprehensive Financial Report that also meets or exceeds the requirements of the GFOA Award in Financial Reporting.

Program Measures

	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Accounts Payable Checks Issued	3,283	3,272	3,500	3,500
Invoices Paid	6,883	6,648	7,000	7,000
Payroll Checks Issued	243	268	170	170
Payroll Direct Deposits	4,118	4,318	4,172	4,250
Utility Bills Printed	31,843	31,291	32,000	33,000
Utility Customers	4,018	4,818	5,179	5,529
Utility Customers with Special Rates	96	98	106	106



Technology

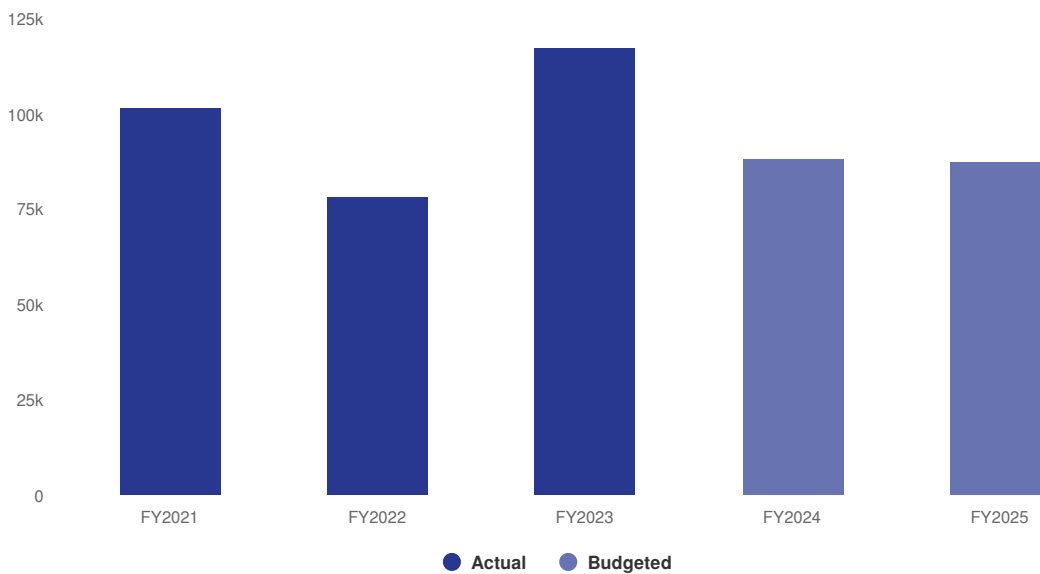
This department supports the contractor that maintains and assists with the City's GIS database as well as the shared information technology support from the Poquoson City Public Schools. Purchases technology equipment for the City.

Expenditures Summary

This department does not have any costs associated with personnel. The technology function lies with the Finance Department along with the assistance of the City's operating divisions. The decrease in this department is associated with a reduction in cost related to the fios connection.

\$87,300 **-\$900**
(-1.02% vs. prior year)

Technology Proposed and Historical Budget vs. Actual

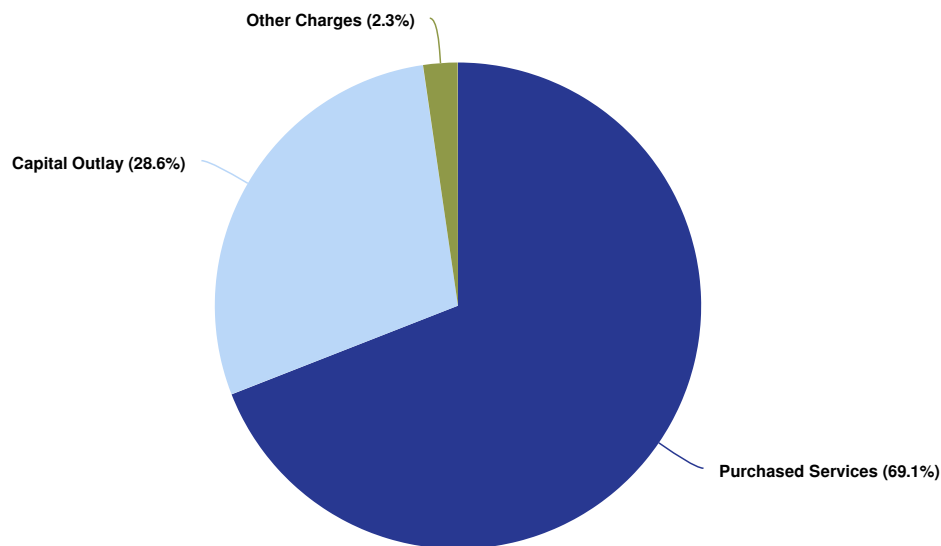


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Technology	\$101,535	\$78,386	\$117,301	\$88,200	\$87,300	-\$900	-1%
Total General Administration:	\$101,535	\$78,386	\$117,301	\$88,200	\$87,300	-\$900	-1%
Total Expenditures:	\$101,535	\$78,386	\$117,301	\$88,200	\$87,300	-\$900	-1%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Goals and Objectives

The Technology department will provide maintenance and technical support for the City's GIS database, computer systems and purchase of technology equipment. They will also continue City-wide replacement plan for technology equipment.

Program Accomplishments

- Various computer, printer, and server equipment was purchased and upgraded throughout the City, including a new financial software server.
- Worked with Assura to create an Incident Response Plan for the City.



Risk Management

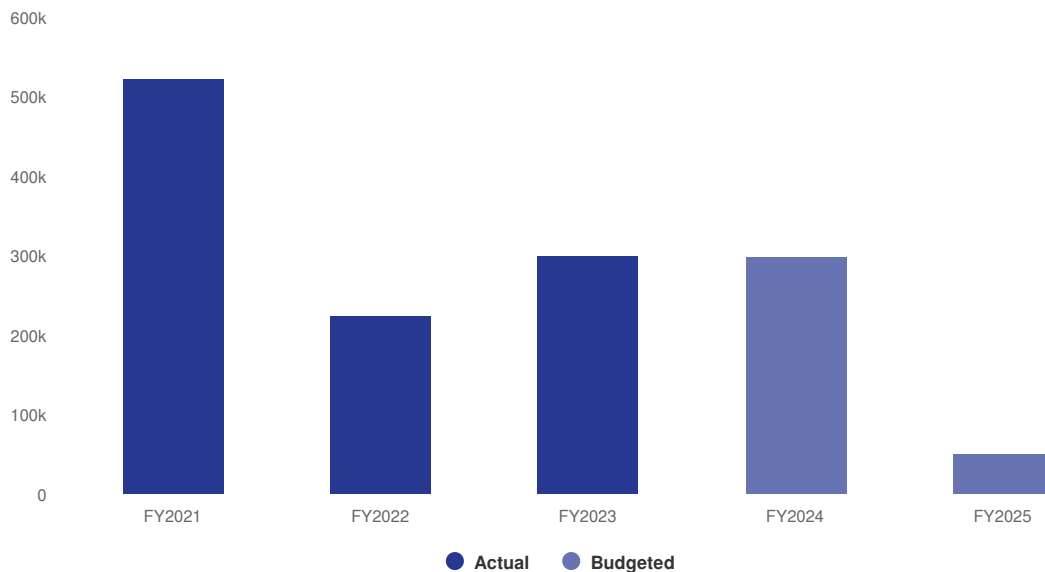
Contain expenses relating to the city's property, liability, and automobile insurance coverage for general administration departments. This department funds other fringe benefits that cannot be allocated to a particular department. The City has been recognized as a member of the Gold Star List by the Virginia Risk Sharing Association for reporting workers' compensation claims within three days of injury.

Expenditures Summary

This department does not have any costs associated with personnel. The Fiscal Year 2025 budget incorporated additional funding for potential growth in staffing needs related to the Legacy Development. The Fire Department applied for a SAFER grant for additional positions, but was not awarded. Therefore, this budget is showing an overall decrease from FY 2024 due to an additional appropriation on November 13, 2023 to re-allocate funding for three additional fire positions to the Fire Department that were effective January 1, 2024.

\$51,189 **-\$246,607**
(-82.81% vs. prior year)

Risk Management Proposed and Historical Budget vs. Actual

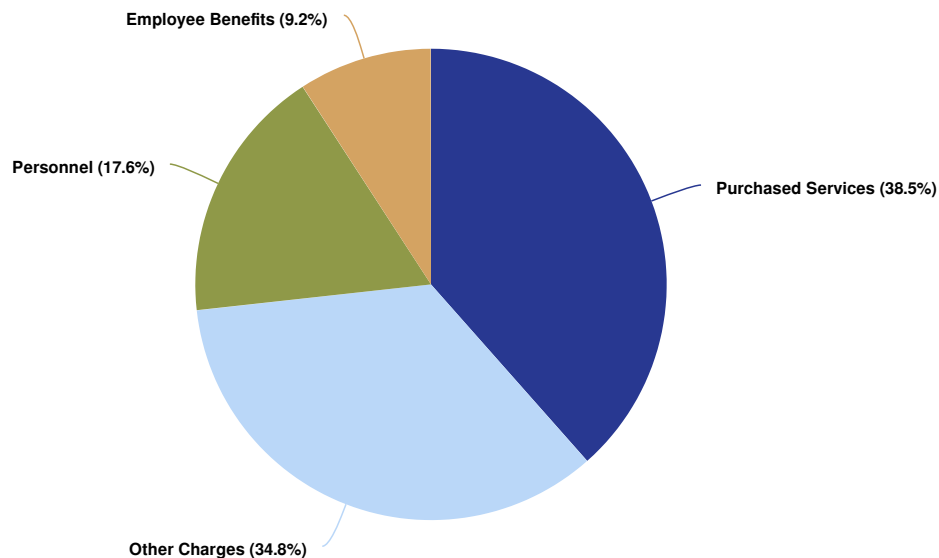


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Risk Management							
Personnel	\$437,635	\$154,007	\$275,058	\$255,246	\$9,000	-\$246,246	-96.5%
Employee Benefits	\$49,352	\$4,866	\$2,688	\$4,650	\$4,689	\$39	0.8%
Other Charges	\$15,713	\$18,373	\$14,376	\$18,200	\$17,800	-\$400	-2.2%
Purchased Services	\$17,934	\$46,927	\$8,226	\$19,700	\$19,700	\$0	0%
Materials and Supplies	\$1,101	\$300	\$176			\$0	N/A
Total Risk Management:	\$521,735	\$224,473	\$300,524	\$297,796	\$51,189	-\$246,607	-82.8%
Total General Administration:	\$521,735	\$224,473	\$300,524	\$297,796	\$51,189	-\$246,607	-82.8%
Total Expenditures:	\$521,735	\$224,473	\$300,524	\$297,796	\$51,189	-\$246,607	-82.8%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Goals and Objectives

Risk Management will work to minimize liability exposure and to seek coverage wherever exposure exists. They will continue to stress the importance of safety programs and other preventive measures for reducing loss. Risk Management works with departments on safety, conducts inspections and various types of safety training.



Registrar

Process registrations of residents not only in Poquoson but throughout Virginia and the United States. Assist registrations at Poquoson High School, Bayside Convalescent Center and Dominion Village. Maintain accurate records of all registered voters. Process and enter all registrations, deletions, name and address changes into the voter Registration System. Create Photo ID's for voters who do not have an acceptable ID for voting purposes at no cost to voters. Oversee all elections and absentee voting, ensuring that they are handled in accordance with Virginia Election Laws. Verify Certificate of Candidate Qualifications, Declarations of Candidacy and all petitions filed by candidates or groups seeking a referendum. Verify the results of each election and certify to the State Board of Elections. Recruit and train Officers of Election and schedule officers to work at polling places.

Expenditures Summary

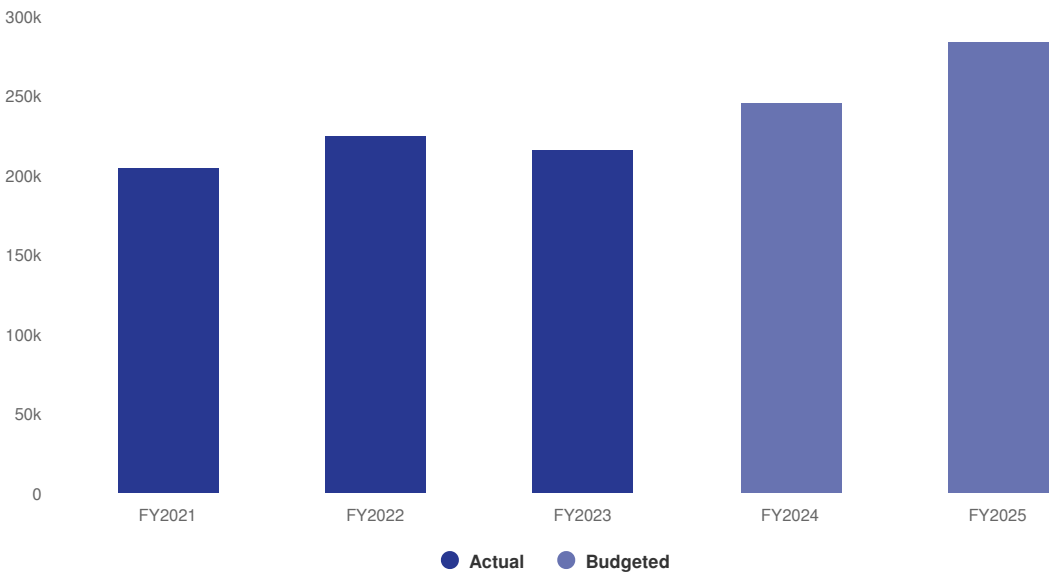
The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. The increased budget for this department consists of funding required for officers and other operating expenditures required during a presidential election year.

\$283,544

\$38,343

(15.64% vs. prior year)

Registrar Proposed and Historical Budget vs. Actual

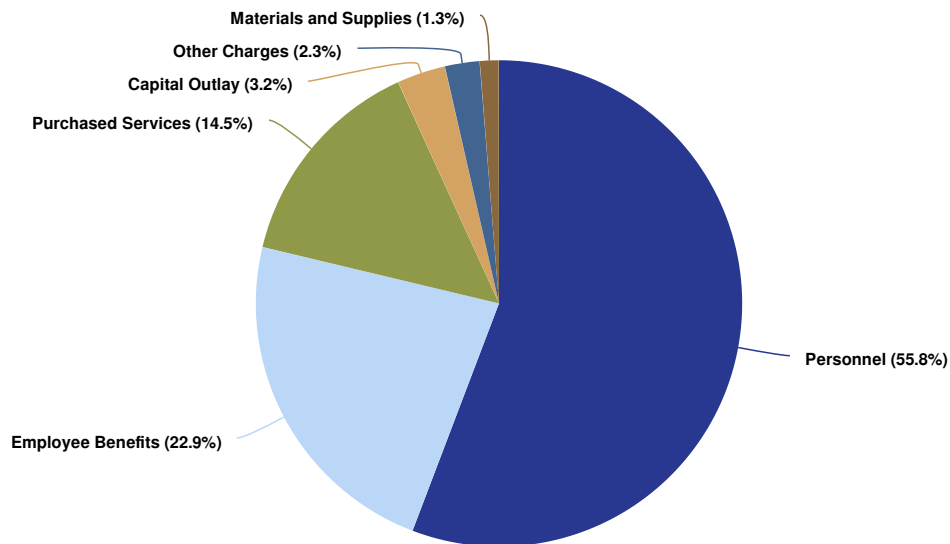


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
General Administration							
Electoral Board- Registrar							
Personnel	\$117,203	\$133,514	\$134,534	\$142,935	\$158,225	\$15,290	10.7%
Employee Benefits	\$46,793	\$51,704	\$57,352	\$59,056	\$65,005	\$5,949	10.1%
Other Charges	\$5,059	\$4,145	\$3,167	\$5,775	\$6,505	\$730	12.6%
Purchased Services	\$19,362	\$12,796	\$13,107	\$35,035	\$41,034	\$5,999	17.1%
Materials and Supplies	\$16,754	\$1,388	\$3,251	\$2,400	\$3,600	\$1,200	50%
Capital Outlay		\$20,792	\$4,834		\$9,175	\$9,175	N/A
Total Electoral Board- Registrar:	\$205,171	\$224,339	\$216,245	\$245,201	\$283,544	\$38,343	15.6%
Total General Administration:	\$205,171	\$224,339	\$216,245	\$245,201	\$283,544	\$38,343	15.6%
Total Expenditures:	\$205,171	\$224,339	\$216,245	\$245,201	\$283,544	\$38,343	15.6%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Registrar	1	1	1	1	1
Assistant Registrar	1	1	1	1	1
Part Time (FTE)	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>
Totals	2.1	2.1	2.1	2.1	2.1

Goals and Objectives

The Registrars Office, along with the Electoral Board, will conduct elections, absentee, 45 days early voting, curbside and pre-processing held in the City of Poquoson. They will certify election results accurately and expeditiously. They will protect the integrity of the electoral process and efficiently conduct the elections in FY2025 within the provisions of the Code of Virginia. They will recruit, appoint and train qualified Officers of Election and schedule officers to work at the polling precincts. They will purchase, maintain and test voting equipment approved by the Virginia Department of Elections prior to each election.

FY2025 elections to include the November 5, 2024, Presidential Election and, if called, a primary election on June 17, 2025. Register all qualified Poquoson residents to vote. Assist all other Virginia residents to submit an application and forward to the correct locality. Process changes of address and all other changes. Send voter cancellation notices to previous states of residence. Provide information and assistance to Poquoson High School, Bayside Convalescent Center and Dominion Village as requested. Maintain accurate records of all registered voters.

Increase public awareness of voter registration, early voting and absentee voting processes.

Verify Certificate of Candidate Qualifications, Declarations of Candidacy and all petitions led by Candidates of groups seeking a referendum.

Provide timely and quality service to residents, candidates, news media and elected officials.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Changes in Address	496	433	500	550
Deletions	575	702	600	650
New Registrants	343	313	400	450
Other Changes	323	373	350	400
Registered Voters	9,572	9,521	9,750	9,850
Voters Transferred In	320	308	450	475

Program Accomplishments

- Worked with the City Manager's Office and Technology to meet minimum security standards as set by Virginia law.
- Successfully conducted the November 7, 2023, election.
- Presidential Primary held on March 5, 2024.



Courts and Sheriff

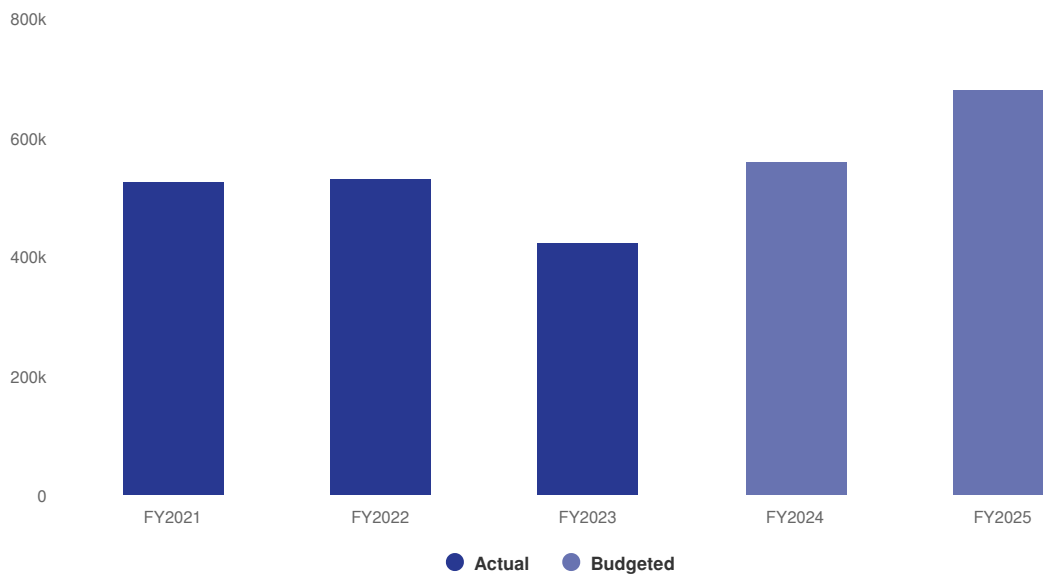
This department includes the cost of judicial services, which are shared with York County. Included are the prorated costs of the Commonwealth Attorney, Juvenile/Domestic Relations Court, services provided by the Clerk of Court, Sheriff services, and certain capital and maintenance costs for the court buildings. All court activity is located in Yorktown. This department also includes Colonial Community Corrections, whose mission is to enhance public safety, empower clients and improve the quality of the community by providing judicial alternatives to adult incarceration, transitional services, and criminal justice planning to the localities served in the region.

Expenditures Summary

The personnel services are administered by York County and Colonial Community Corrections. For FY 2025, an increase in the overall budget is due to increases in both court administration and building maintenance operations for shared services.

\$678,954 **\$121,448**
(21.78% vs. prior year)

Courts and Sheriff Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Safety							
Courts							
Payment to Joint Operations	\$526,467	\$529,597	\$423,660	\$557,506	\$678,954	\$121,448	21.8%
Total Courts:	\$526,467	\$529,597	\$423,660	\$557,506	\$678,954	\$121,448	21.8%
Total Public Safety:	\$526,467	\$529,597	\$423,660	\$557,506	\$678,954	\$121,448	21.8%
Total Expenditures:	\$526,467	\$529,597	\$423,660	\$557,506	\$678,954	\$121,448	21.8%

Budget Detail

	FY2021	FY2022	FY2023	FY2024 City Council	FY2025 City Council
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>
York/Poquoson Courthouse	\$270,594	\$274,700	\$205,823	\$319,844	\$373,073
Sheriff	229,110	230,000	186,758	205,739	255,122
9th District Court	6,797	4,931	8,986	5,475	23,385
Colonial Community Corrections	<u>19,966</u>	<u>19,966</u>	<u>22,093</u>	<u>26,448</u>	<u>27,374</u>
Total	\$526,467	\$529,597	\$423,660	\$557,506	\$678,954



Police

Enforce the laws of the Commonwealth of Virginia and the ordinances of the City of Poquoson. Prevent and deter crime to provide for the safety of the public. Preserve and maintain a safe and secure living and business environment in Poquoson. Provide assistance and friendly service to all people within the city. Assist in providing on-scene emergency medical assistance to persons in need. Provide quality investigative services for the community and pursue those who violate the law or threaten the safety of our community.

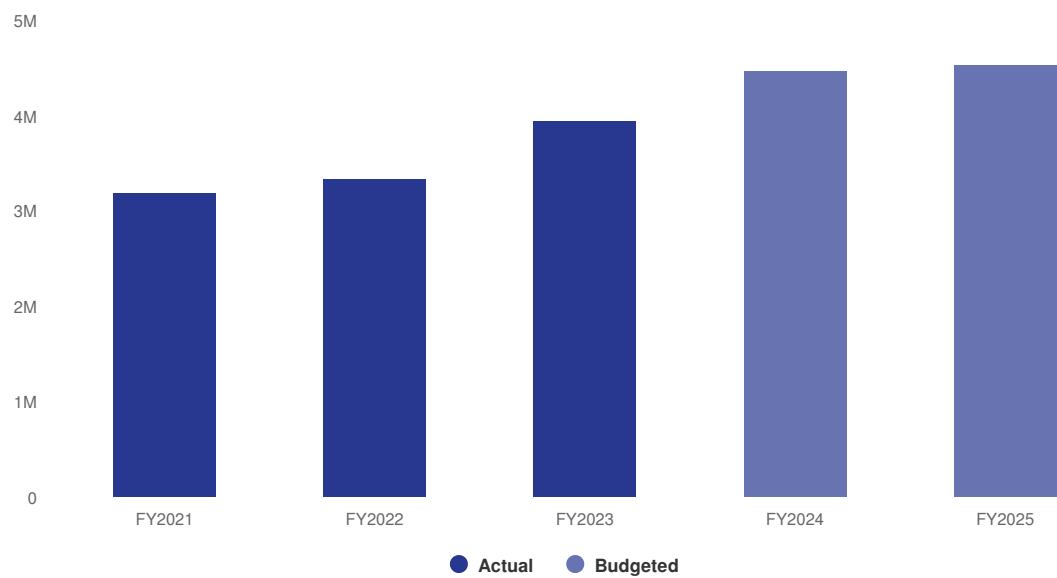
Expenditures Summary

The budget for FY 2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. The Police Department received a new three-year grant for a School Resource Officer, so this added two more during FY2023. FY2025 is the third year of this grant, and provides all four schools in Poquoson with a School Resource Officer. During FY2024, three additional officers were included as of January 1, 2024, and the FY2025 budget includes a full year of funding for these positions. The budget also includes a \$17,838 increase for shared E-911 services, which brings this total cost to \$414,224.

\$4,536,101

\$72,810
(1.63% vs. prior year)

Police Proposed and Historical Budget vs. Actual

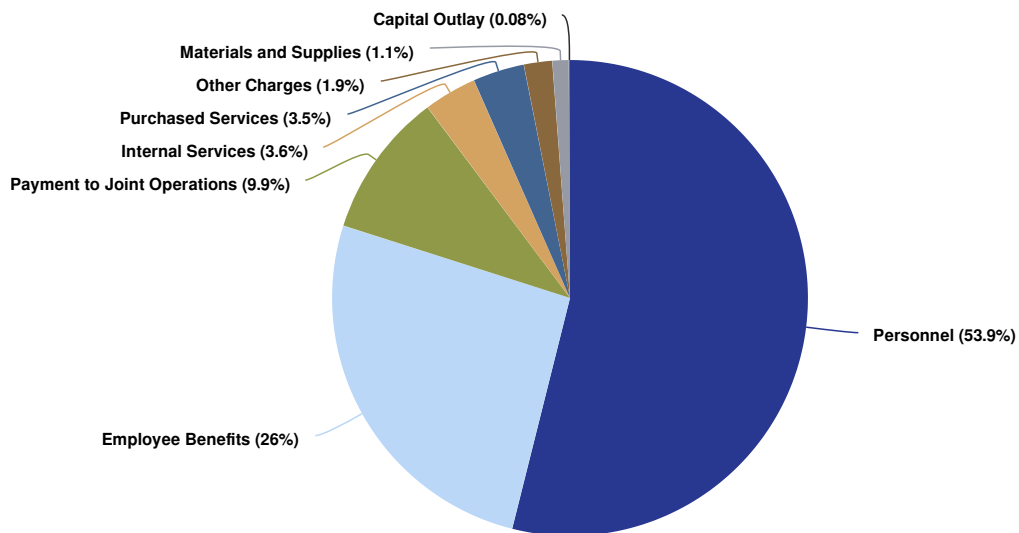


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Safety							
Police							
Personnel	\$1,583,875	\$1,717,023	\$1,864,095	\$2,374,305	\$2,445,667	\$71,362	3%
Employee Benefits	\$742,187	\$784,170	\$819,971	\$1,098,774	\$1,179,512	\$80,738	7.3%
Other Charges	\$68,272	\$81,175	\$89,704	\$73,200	\$87,449	\$14,249	19.5%
Purchased Services	\$105,969	\$99,980	\$108,274	\$135,075	\$158,578	\$23,503	17.4%
Internal Services	\$143,057	\$170,356	\$174,359	\$161,101	\$163,671	\$2,570	1.6%
Materials and Supplies	\$64,965	\$39,239	\$39,122	\$41,950	\$50,200	\$8,250	19.7%
Payment to Joint Operations	\$342,818	\$360,817	\$403,074	\$429,386	\$447,524	\$18,138	4.2%
Capital Outlay	\$133,938	\$83,695	\$452,392	\$149,500	\$3,500	-\$146,000	-97.7%
Total Police:	\$3,185,081	\$3,336,455	\$3,950,991	\$4,463,291	\$4,536,101	\$72,810	1.6%
Total Public Safety:	\$3,185,081	\$3,336,455	\$3,950,991	\$4,463,291	\$4,536,101	\$72,810	1.6%
Total Expenditures:	\$3,185,081	\$3,336,455	\$3,950,991	\$4,463,291	\$4,536,101	\$72,810	1.6%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Police Chief	1	1	1	1	1
Captain/Assistant Police Chief	1	1	1	1	1
Lieutenant	2	2	2	2	2
Planning and Admin. Sergeant	1	1	-	-	-
Investigations Sergeant	1	1	1	1	1
Patrol Sergeant	4	4	5	5	5
School Resource Sergeant	-	1	1	1	1
Detective	3	3	3	3	3
Corporal	4	4	4	4	4
School Resource Officer	2	3	3	3	3
Police Officer - Patrol	8	8	11	11	11
Records Administrator	1	1	1	1	1
Administrative Secretary	1	1	1	1	1
Part Time Prop. and Evidence Tech	0.5	0.5	0.5	0.5	0.5
Part Time Prop. and Evidence Spec	<u>0.5</u>	<u>0.5</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	30.00	32.00	34.50	34.50	34.50

Goals and Objectives

The prevention and reduction of crime through education and partnership will remain the department's primary focus. The department will continue to focus on recruitment and retention to fill vacancies so that we may maintain the high level of service that our community deserves. Officers and staff will maintain training and certification goals. The department will continue to provide holiday and bicycle patrols throughout the year. They will continue to seek grant opportunities for funding that will enhance our abilities without increasing demand on the budget, as well as maintain regional partnerships that enable them to provide efficient delivery of services to the community. The department will work diligently to keep the development of the Public Safety Building on track to ensure goals are met and the facility is completed within the time constraints set by the funding source.

Program Measures

	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Accidents	152	103	125	125
Arrests/Charges/Apprehensions	200	221	225	250
Calls for Service	17,006	15,055	15,500	16,000
First Responder Calls	271	186	225	225
Traffic Tickets	812	844	900	900
Training Hours	3,576	2,137	2,500	3,000
Keep Checks	5,800	3,301	4,000	4,500



Program Accomplishments

The Department conducted two sessions each of DARE Camp, 911 Leadership Camp and Safety Town. In partnership with the Virginia Attorney General's Office, the Department provided Child ID kits to all middle school students. The annual Shop with a Cop Program provided 26 children in Poquoson with Christmas shopping opportunity.

Work on the Public Safety Building is progressing well. Installation of bi-directional amplifiers for radio communications was completed in all Poquoson City Public Schools in January 2024. All portable radios for Poquoson public safety personnel have been upgraded.



Fire

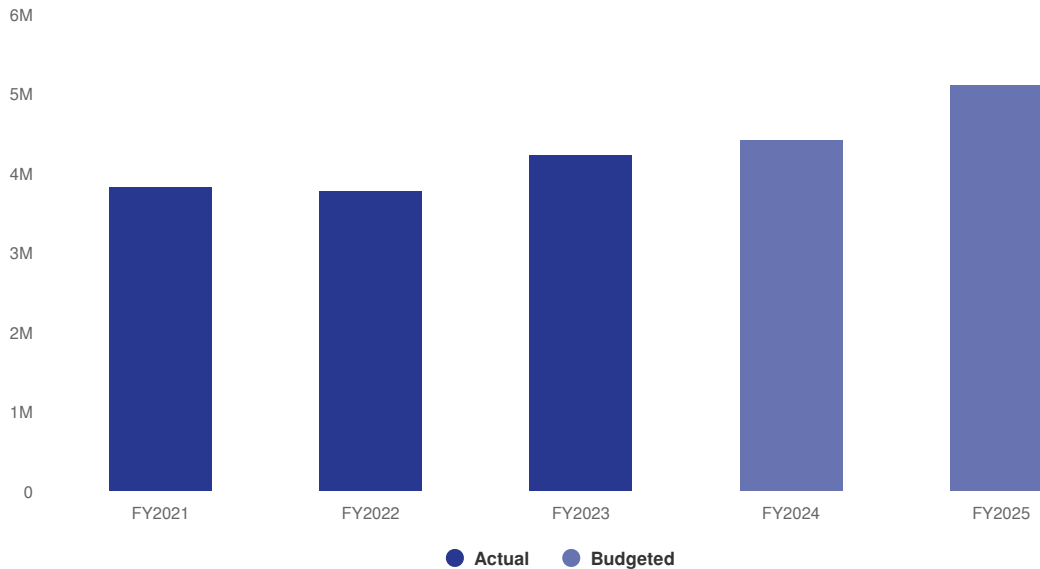
Provide 24 hour emergency services for fire suppression, ambulance service, rescue service, hazardous materials spills, water rescue, and radiological monitoring. Provide non-emergency services in fire prevention, education and training.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. During FY2024, three additional Firefighter positions were included as of January 1, 2024, and the FY2025 budget includes a full year of funding for these positions. There is also increased funding included for supplies and equipment related to anticipated changes in the administration of the EMS medication exchange program effective November 2024.

\$5,119,384 **\$695,515**
(15.72% vs. prior year)

Fire Proposed and Historical Budget vs. Actual

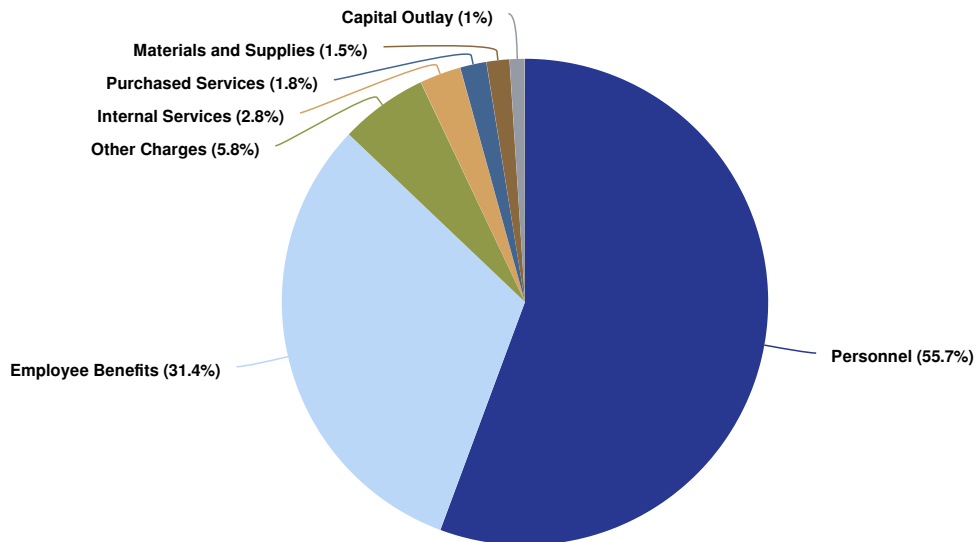


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Safety							
Fire							
Personnel	\$2,111,232	\$2,192,030	\$2,438,397	\$2,502,625	\$2,850,189	\$347,564	13.9%
Employee Benefits	\$1,031,511	\$1,161,764	\$1,302,998	\$1,345,763	\$1,609,162	\$263,399	19.6%
Other Charges	\$516,781	\$252,527	\$262,006	\$291,405	\$299,180	\$7,775	2.7%
Purchased Services	\$27,099	\$20,911	\$24,955	\$73,757	\$89,705	\$15,948	21.6%
Internal Services	\$111,688	\$116,928	\$166,308	\$146,234	\$141,036	-\$5,198	-3.6%
Materials and Supplies	\$31,505	\$23,692	\$31,389	\$46,885	\$78,412	\$31,527	67.2%
Capital Outlay	\$2,107	\$6,124	\$7,134	\$17,200	\$51,700	\$34,500	200.6%
Total Fire:	\$3,831,923	\$3,773,976	\$4,233,187	\$4,423,869	\$5,119,384	\$695,515	15.7%
Total Public Safety:	\$3,831,923	\$3,773,976	\$4,233,187	\$4,423,869	\$5,119,384	\$695,515	15.7%
Total Expenditures:	\$3,831,923	\$3,773,976	\$4,233,187	\$4,423,869	\$5,119,384	\$695,515	15.7%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Fire Chief/Fire Official	1	1	1	1	1
Dep Fire Chief/Emergency Mgt Coord	1	1	1	1	1
Battalion Chief	3	3	3	3	3
Fire Lieutenant	3	3	3	3	3
Firefighter: Paramedic, Enhanced or EMT	24	24	27	30	27
Office Manager	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	33	33	36	39	36

Goals and Objectives

The Fire Department will continue to improve training programs through increased teaching aids, equipment and class offerings. They will continue a basic community education program, refine and improve the fire prevention program. The Fire Department will continue the partnership with the Port of Virginia in assisting with responses throughout the region. They will secure the Fire Training Center in Newport News, Virginia, for annual training with all staff. The Fire Department will seek out and apply for various grants to assist with training, equipment or programs to enhance the department.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Average Fire/EMT calls per month	179	229	248	258
Training hours	8,700	7,558	8,200	8,200
Fire Truck Dispatched for Calls:				
Structure Fire	21	14	18	20
Brush Fire	4	3	6	6
Miscellaneous Fire	1,114	990	1,100	1,120
Ambulance Dispatched for Calls:				
Advanced Life Support	474	638	710	750
Basic Life Support	478	535	545	550
Miscellaneous	733	609	600	650



Program Accomplishments

- Received several grant awards during FY2024, which included:
 - Fire Fund Grant (\$56,101) to purchase extrication tools, turnout gear, overtime for Burn Building training, hose & stabilization straps for backboards.
 - EMS "Four For Life" (\$13,002) to purchase ESO software for scheduling and academy, Defibrillator mount, LifePak & Lucas Maintenance, Pulse Point and EMS symposium.
 - LEMPG Grant (\$7500 50/50 match) to purchase Code Red, ESO software scheduling and academy.
 - FY23 Port Security Grant (\$24,900) to purchase an ROV underwater drone.
 - FY22 AFG Grant (\$172,095) to replace the apparatus bay exhaust systems at both stations.
 - With REPP Funds by Dominion we were able to purchase a SurfacePro for our new Deputy Chief, change station alerting tones, boom and extrication adjustment kits.
- The new Aerial Fire Truck has been ordered, and is expected to be received in June 2025.
- A new boat trailer was purchased.



Corrections and Detention

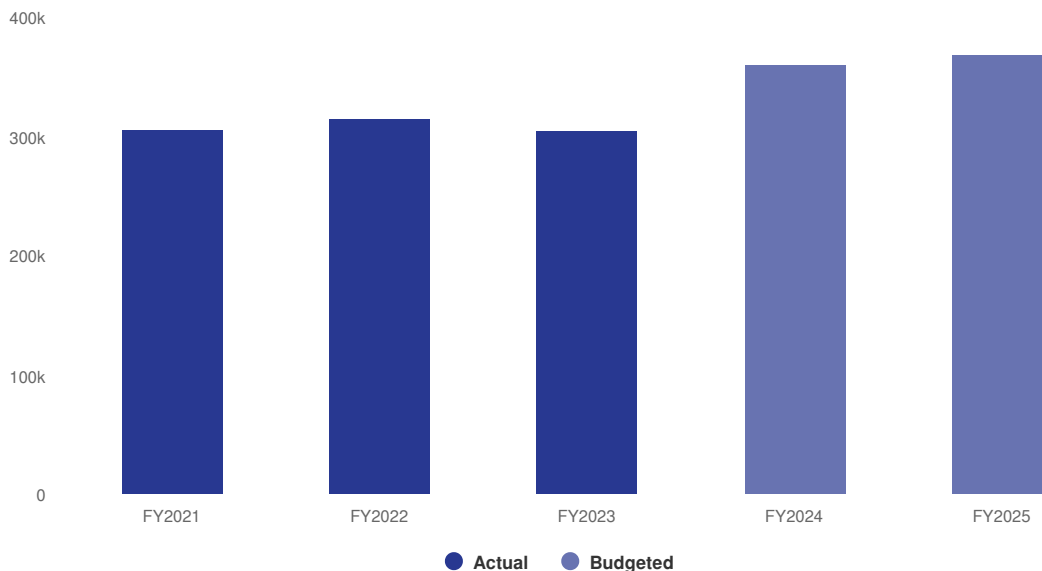
The City of Poquoson shares the Virginia Peninsula Regional Jail with York County, James City County and the City of Williamsburg. Poquoson's financial share is determined by a cost formula based on an overall percentage of use history. The City of Poquoson shares the Merrimac Center Juvenile Detention with 18 other localities. Prior to FY2018, Poquoson's financial share was based on a per diem rate for each day a juvenile offender from Poquoson was incarcerated. Since FY2018, Poquoson's financial share is determined by a cost formula based on overall percentage of use history. Along with jail costs, other rehabilitative and correctional programs are accounted for in this department, which includes Family Group Homes, Project Insight, which is a work program that provides opportunities for young people to perform public service work in lieu of traditional sanctions and other services.

Expenditures Summary

The personnel services are administered by Virginia Peninsula Regional Jail and Merrimac Center Juvenile Detention. There was a decrease in the Colonial Group Home Commission request due to a decrease in the five-year utilization trend for Poquoson. These costs are directly related to the Commission's administration of programs for our youth. The remaining increase is primarily related to Virginia Peninsula Regional Jail. In FY2025, the Jail requested localities provide capital funding for high security trayslots, magistrate window, perimeter fence installation and electrical panels at the facility.

\$369,170 **\$9,430**
(2.62% vs. prior year)

Corrections and Detention Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Safety							
Corrections and Detention	\$305,140	\$314,384	\$304,326	\$359,740	\$369,170	\$9,430	2.6%
Total Public Safety:	\$305,140	\$314,384	\$304,326	\$359,740	\$369,170	\$9,430	2.6%
Total Expenditures:	\$305,140	\$314,384	\$304,326	\$359,740	\$369,170	\$9,430	2.6%

Budget Detail

	FY2021 <u>Actual</u>	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 City Council Adopted <u>Budget</u>	FY2025 City Council Adopted <u>Budget</u>
Adult Detention	\$260,866	\$261,120	\$247,337	\$291,045	\$322,690
Juvenile Services:					
Juvenile Detention	34,212	28,704	22,364	30,708	18,240
Project Insight	<u>10,062</u>	<u>24,560</u>	<u>34,625</u>	<u>37,987</u>	<u>28,240</u>
Total	\$305,140	\$314,384	\$304,326	\$359,740	\$369,170



Inspections

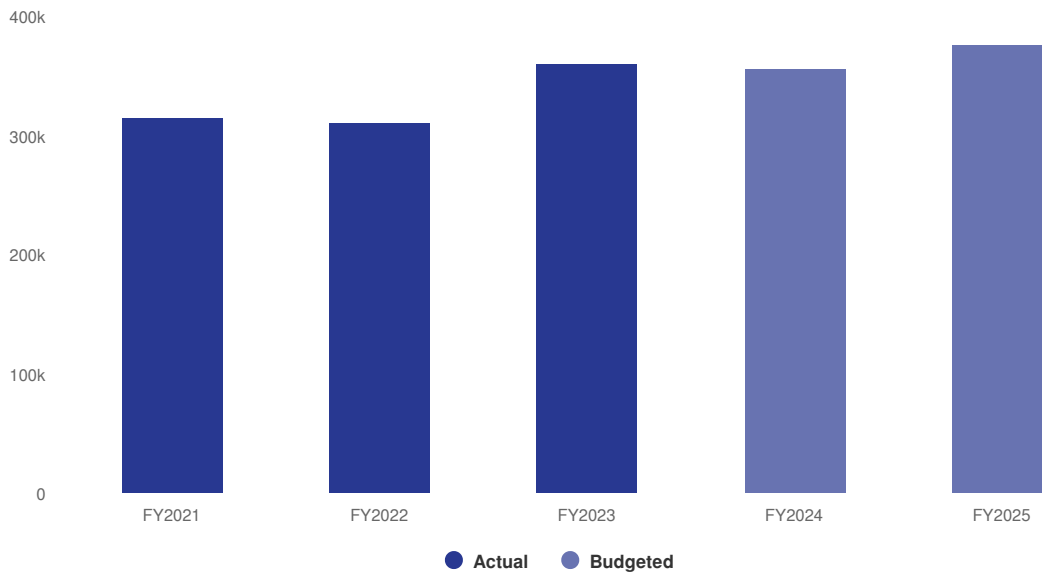
The Inspections Department ensures through the inspection process, plan review and issuing permits that construction performed in the City is in accordance with all applicable City ordinances, State Codes and Federal requirements. They provide information to contractors, the public and any interested parties as requested. They issue building, electrical, plumbing, mechanical, sign driveway, land disturbance and demolition permits. The department verifies that contractors are licensed with the City and through the Commonwealth of Virginia. They enforce zoning, building, and property maintenance requirements as specified by the City ordinance and State law. Ensuring through the permit process, that requirements for new and existing structures are in compliance with Federal Emergency Management Agency (FEMA) regulations. They assign addresses to new structures located on existing and newly created lots, review all building plans, address complaints and violations as reported. The department manages the CRS program.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefits increase.

\$375,781 **\$19,793**
(5.56% vs. prior year)

Inspections Proposed and Historical Budget vs. Actual

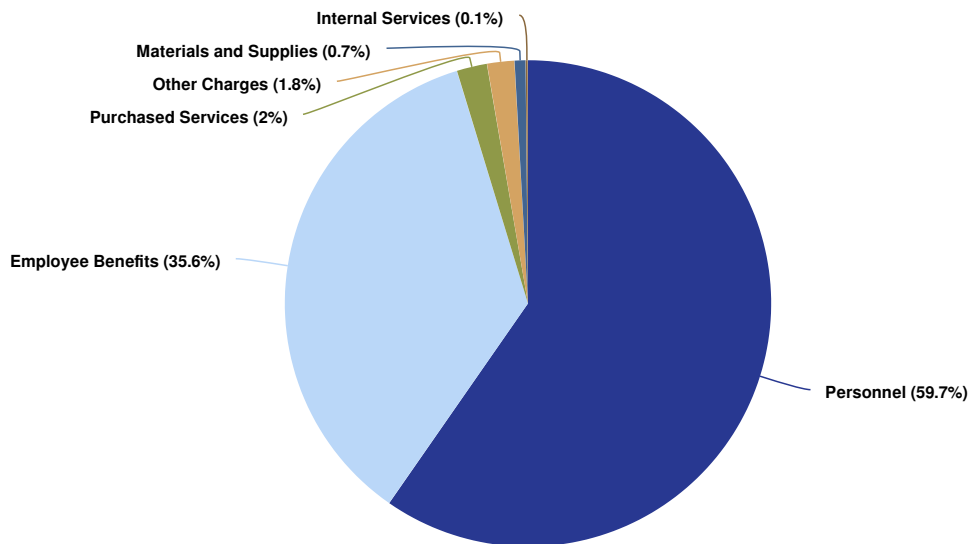


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Safety							
Inspections							
Personnel	\$235,116	\$220,613	\$242,156	\$212,486	\$224,245	\$11,759	5.5%
Employee Benefits	\$71,041	\$86,307	\$117,291	\$125,502	\$133,802	\$8,300	6.6%
Other Charges	\$8,457	\$4,628	\$4,772	\$6,900	\$6,800	-\$100	-1.4%
Purchased Services	-\$5,112	-\$4,985	-\$7,420	\$8,300	\$7,600	-\$700	-8.4%
Internal Services	\$2,424	\$2,349	\$2,211		\$534	\$534	N/A
Materials and Supplies	\$3,063	\$1,325	\$904	\$2,800	\$2,800	\$0	0%
Total Inspections:	\$314,989	\$310,237	\$359,914	\$355,988	\$375,781	\$19,793	5.6%
Total Public Safety:	\$314,989	\$310,237	\$359,914	\$355,988	\$375,781	\$19,793	5.6%
Total Expenditures:	\$314,989	\$310,237	\$359,914	\$355,988	\$375,781	\$19,793	5.6%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Inspector	1	-	-	-	-
Building Official	1	1	1	1	1
Senior Building Inspector	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Part Time (FTE)	<u>0.75</u>	<u>0.75</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	4.75	3.75	3	3	3

Goals and Objectives

- Continue staff education in various building related trades.
- Provide citizens and contractors with the most updated information on codes and ordinances.
- Continue to improve the methods used to obtain compliance with zoning, property maintenance and building codes.
- Work towards Class 7 community service rates to increase the percentage of discounts on flood insurance.
- Continue to implement and improve the electronic method of field inspections.
- Continue to build an electronic database of permit information.
- Facilitate an update of GIS to include flood zone information and elevation certificates.
- Prepare and host a minimum of two citizen workshops related to flood issues.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Building Permits Issued	577	550	1,198	1,350
Certificate of Occupancies Issued	75	80	99	105
Code Violations Cited and Enforced	320	450	350	425
Inspections Performed	1,854	1,900	1,944	2,100
Meetings	260	260	168	180
Plans Reviewed	275	550	1,198	1,250
Other Permits (Elect, Plumbing, Mech, etc.)	672	700	1,053	1,300
Citizen Workshops on Flood Issues	-	-	2	2



Program Accomplishments

- Continued to work towards a Class 7 Community Service Rating (CRS) to increase the percentage of discounts on flood insurance.
- Continued the development of efficient methods of notifying violators of the City codes and policies.
- Continued to update/maintain a database of all elevation certificates currently on file with the department.
- Continued to put elevation certificates online through the City's GIS program.
- Continued education of staff in related building trades.
- Communicated with the community and contractors on the most updated information in regard to codes and ordinances.
- Initiated the usage of the iWorQ permit program.
- Use of the Virginia Building Code adopted by the Virginia General Assembly in September 2018 and 2021.
- Assisted 4 citizens to obtain a Letter of Map Amendment (LOMA) from FEMA.
- Continued to help citizens reduce flood insurance premiums.
- Expanded work with realtors related to flood issues, on how to lower flood insurance premium costs and helping with the sale and purchase of structures in the City.
- Serving on ICC Codes Committee for residential structures in flooded areas.
- Served on the Board of Directors of Virginia Floodplain Management Association (VFMA). Moderated conference sessions and presented awards at a conference.



Animal Control

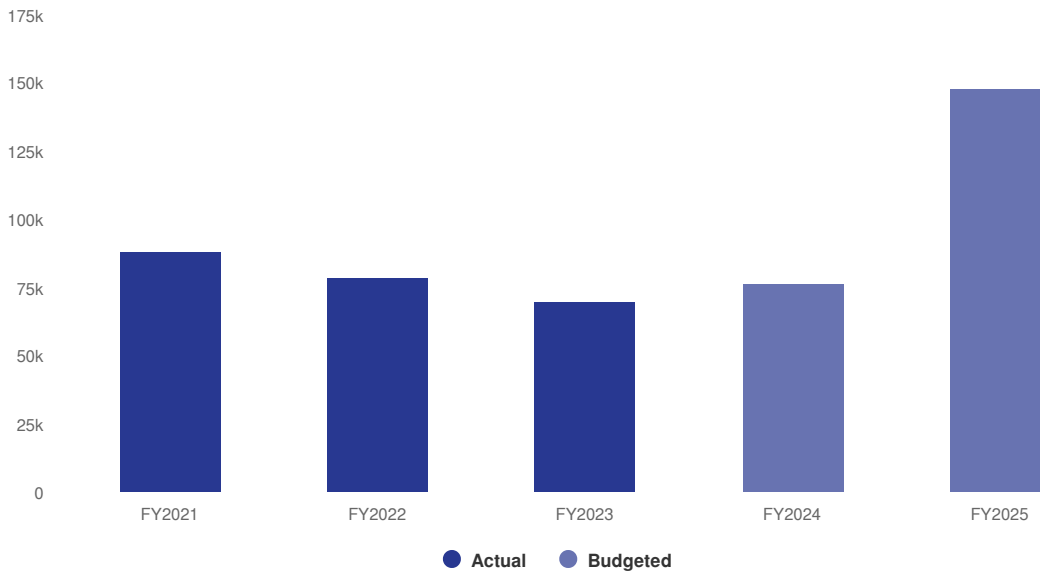
Animal Control is handled by City of Newport News Animal Control. The fully certified officers pick up stray animals, nuisance wildlife, deceased animals on public roadways, and investigate cruelty complaints. The City of Poquoson joined the Peninsula Regional Animal Shelter along with the cities of Newport News, Hampton and York County. Poquoson's financial share of the operating costs is determined by a cost formula based on overall percentage. Debt services share is based on total population at the time of debt issuance and annual installments will be made by the City of Newport News through 2034.

Expenditures Summary

The personnel services are administered by the City of Newport News, and the FY2025 budget includes the City's proportional share of the operational and debt service costs for the City of Newport News Animal Control and the Peninsula Regional Animal Shelter.

\$148,018 **\$71,418**
(93.23% vs. prior year)

Animal Control Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Safety							
Animal Control	\$88,071	\$78,498	\$69,822	\$76,600	\$148,018	\$71,418	93.2%
Total Public Safety:	\$88,071	\$78,498	\$69,822	\$76,600	\$148,018	\$71,418	93.2%
Total Expenditures:	\$88,071	\$78,498	\$69,822	\$76,600	\$148,018	\$71,418	93.2%

Goals and Objectives

Animal Control will continue to provide education and intervention when needed to prevent animal suffering and facilitate compatibility between our citizens and the animals in our community. They will train humane officers in mandated animal control, and answer citizen complaints involving wild as well as domestic animals.

Animal Control will enforce animal control and cruelty laws and ordinances of the City of Poquoson, issuing summonses for violations of any applicable ordinances. They will pick up running dogs, feral cats, and dead animals on public roadways and dispose of animals. Animal Control will continue to enforce dog licensing laws which require proof of rabies, one of the most effective means of limiting the number of rabies cases.

Outflow Measures

	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 <u>Estimated</u>	FY2025 <u>Estimated</u>
Calls for Service	88	108	95	97
Written Warnings	19	13	17	16
Summons / Warrants	13	1	2	2
Calls for Stray Animals	28	37	31	32
Calls for Animal Bites	8	8	8	8
Calls for Sick/Injured Animals	2	23	9	5
Calls for Nuisance Wildlife	16	22	21	20
Other Calls	18	28	9	18
Dogs Impounded	84	9	7	8
Cats Impounded	13	1	3	3
Other Impounded Animals	7	1	2	2
Wildlife Impounded	4	11	12	9
Animal Cruelty / Welfare	16	12	13	13



Engineering

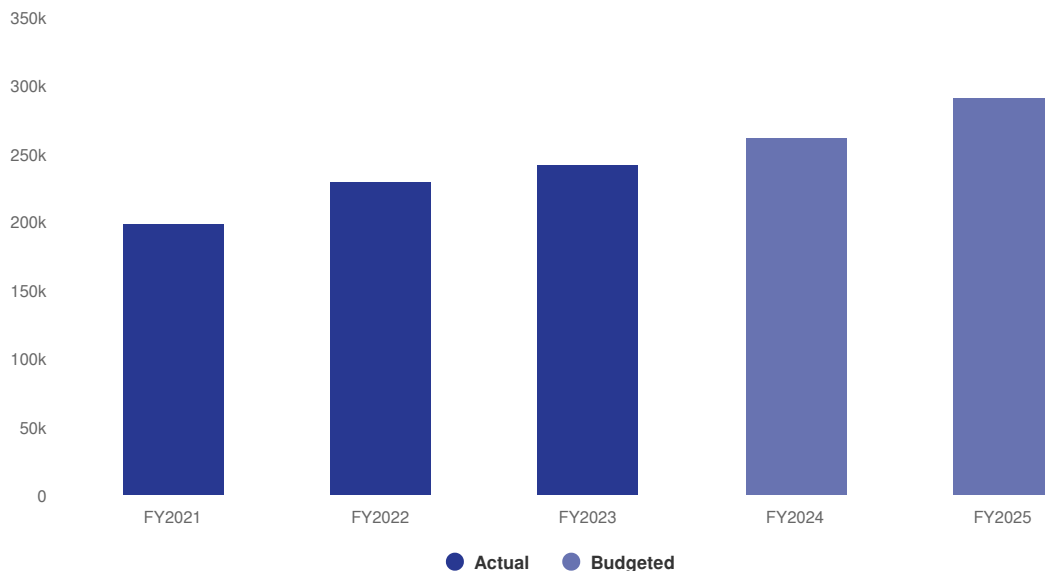
The Engineering Department provides or oversees all engineering services required by the City of Poquoson. They lead all City efforts on road improvement projects, and liaise with VDOT and other communities on joint road projects. They direct the City's storm water permits; lead development of new environmental programs, provide engineering and technical services required for new permits. They develop, lead design and construction of infrastructure projects, with an emphasis on storm water, public right-of-way, and flood control projects. The department manages special projects, studies and analyses related to the City's infrastructure. Leading development and implementation of the Chesapeake Bay TMDL program. They provide technical reviews/guidance on Consent Order work. They provide solutions for drainage, transportation, environmental and other civil engineering issues. Engineering represents the City in negotiations and meetings with various Federal and State agencies on technical issue. They provide technical input to DEQ during its development of a Bacterial TMDL implantation plan, and handle all storm water issues within the City. This includes response to citizen concerns, flood mitigation, water quality issues, and water-related environmental programs. Engineering sets all development and Erosion and Sediment Control bond amounts for all commercial and residential development in the City.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases.

\$291,584 **\$29,318**
(11.18% vs. prior year)

Engineering Proposed and Historical Budget vs. Actual

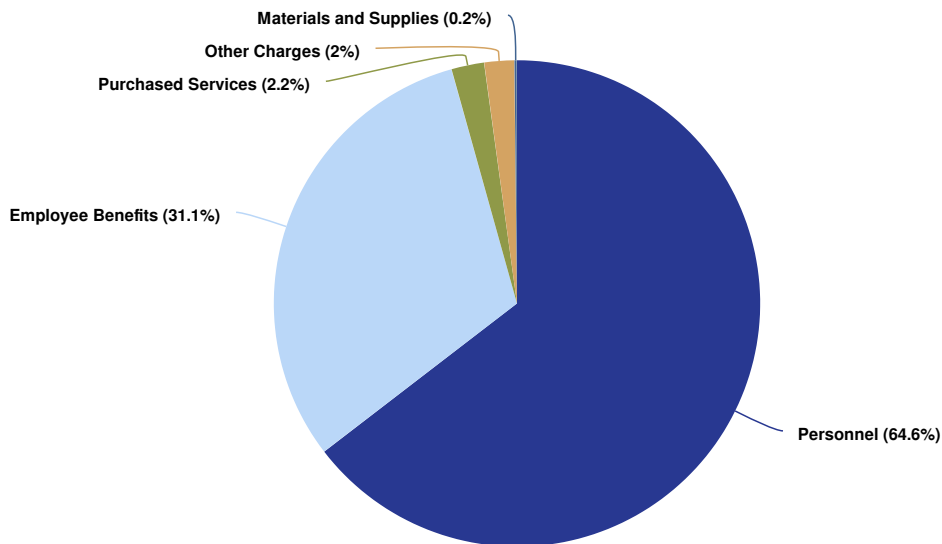


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Works							
General Engineering							
Personnel	\$136,613	\$150,732	\$163,502	\$179,267	\$188,301	\$9,034	5%
Employee Benefits	\$49,965	\$59,671	\$68,472	\$70,999	\$90,633	\$19,634	27.7%
Other Charges	\$4,495	\$3,818	\$4,778	\$5,975	\$5,800	-\$175	-2.9%
Purchased Services	\$5,918	\$14,518	\$5,121	\$5,400	\$6,350	\$950	17.6%
Internal Services	\$1,500					\$0	N/A
Materials and Supplies	\$751	\$1,374	\$600	\$625	\$500	-\$125	-20%
Total General Engineering:	\$199,242	\$230,113	\$242,473	\$262,266	\$291,584	\$29,318	11.2%
Total Public Works:	\$199,242	\$230,113	\$242,473	\$262,266	\$291,584	\$29,318	11.2%
Total Expenditures:	\$199,242	\$230,113	\$242,473	\$262,266	\$291,584	\$29,318	11.2%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
City Engineer	1	1	1	1	1
Engineer I	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	2	2	2	2	2

Goals and Objectives

- Review all developmental submittals for compliance with local, state, and federal laws.
- Provide Professional Engineering oversight in accordance with state requirements.
- Provide engineering/technical information required for the Comprehensive Plan, Multi-Hazard Mitigation Plan, and the Emergency Operations Center.
- Develop grant eligible projects for the city.
- Work closely with citizens to address any engineering concerns, and provide technical solutions.
- Represent the city on all applicable panels and advocate for Poquoson.
- Continue the implementation of Federal Projects using ARPA funding; to include studies and construction.
- Work with consultants to compile watershed studies for the community to ensure best practices when implementing new work.
- Work on the TMDL action plan for FY2025-2028.
- Work closely with VDOT on the Wythe Creek Road Widening Project as construction is planned to take place in FY2025.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Right of Way Permits Issued	58	62	60	60
Major Capital Projects	6	7	6	5
Citywide Permits Reissued/Maintained	2	2	2	2
Request for Engineering Information	170	215	250	225

Program Accomplishments

- Wrote and submitted the annual report with 100% satisfaction with DEQ.
- Successfully passed a DEQ audit with outstanding results.
- Completed construction on 3 of 5 ARPA projects with the other two to be completed early FY2025.
- Worked heavily in the development review process on Legacy, Darden, and Quarter Creek; as well as other smaller developments.
- Reviewed drainage and roadway plans for multiply developments throughout the City.
- Worked as the lead DEQ liason for the City in providing information and answering questions throughout the year.
- Completed registration statement to ensure coverage for the 2023-2028 permit cycle. TMDL action plan was approved by DEQ.
- Designed and had the parking lot paved for the upcoming Two Tree Park.
- Successfully complete the preliminary and construcion phase of VDOT federally funded South Lawson Multi-Use Path.



Public Works

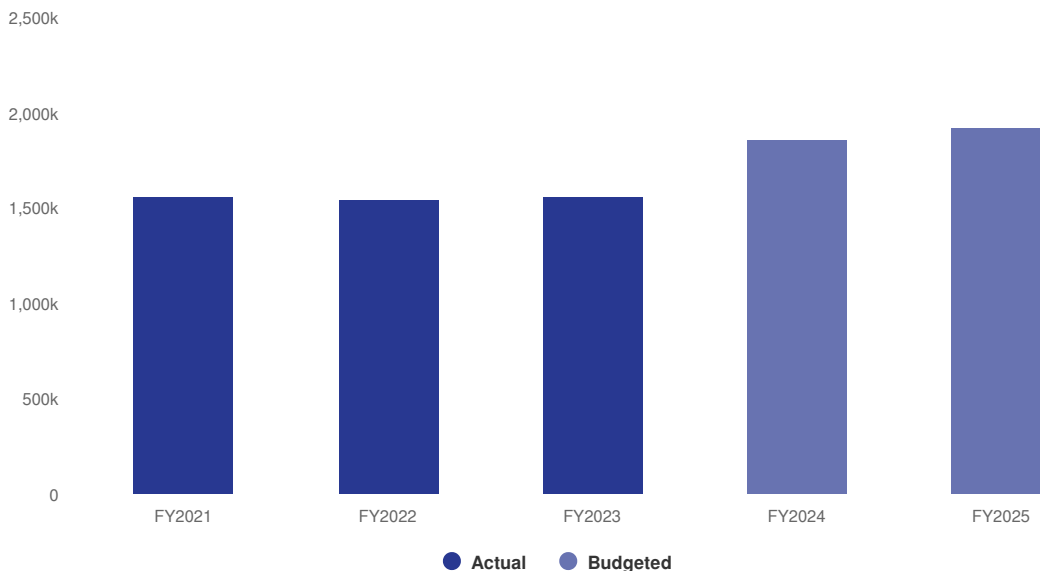
Public Works constructs and maintains all City streets to Virginia Department of Transportation (VDOT) standards. They keep roadside drainage ditches clean to eliminate standing water and reduce pavement failure. They maintain road shoulders by placing stone along the edge of pavement, mowing grass and policing litter. They maintain traffic control devices, traffic lines, traffic lights, and traffic signs. Public Works provide safe travel for the public on City right-of-way, and oversee the maintenance of parks and athletic fields. Public Works continue to upgrade roadside and outfall drainage systems throughout the City in accordance with the City's drainage studies. They review new construction plans and perform inspections of all new infrastructure work. Maintaining 39 acres of recreation, park, and municipal property, including 7 baseball/softball fields, 7 multi-use fields, 3 tennis courts, 3 playgrounds, 5 picnic areas, Oxford Run Trail, and the City's public boat launching facilities. They assist with sewer repairs and installations.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Other increases include right of way maintenance costs.

\$1,917,649 **\$58,604**
(3.15% vs. prior year)

Public Works Proposed and Historical Budget vs. Actual

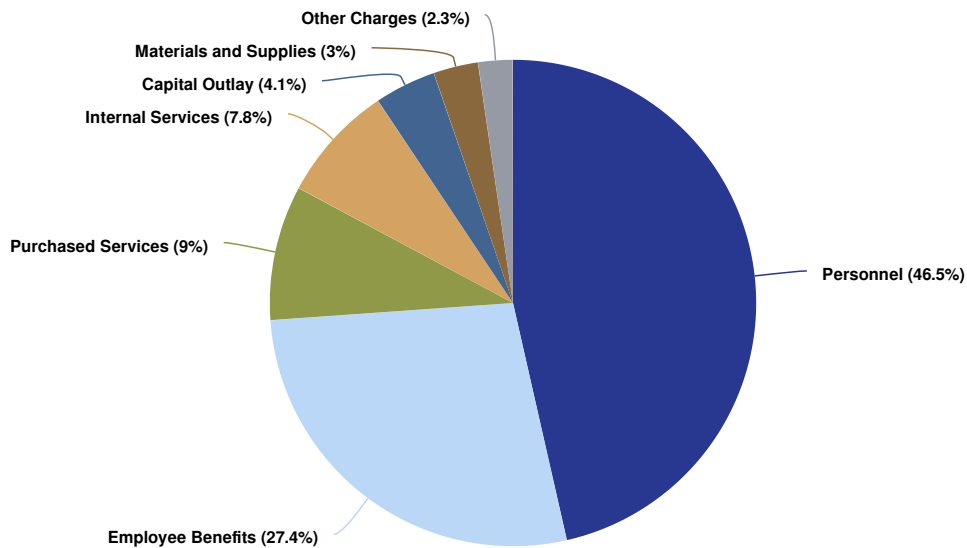


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Works							
Public Works							
Personnel	\$690,403	\$730,327	\$730,146	\$871,223	\$890,788	\$19,565	2.2%
Employee Benefits	\$419,231	\$394,748	\$389,641	\$497,959	\$525,880	\$27,921	5.6%
Other Charges	\$35,003	\$38,175	\$38,747	\$44,745	\$43,995	-\$750	-1.7%
Purchased Services	\$130,464	\$143,990	\$112,175	\$150,050	\$171,950	\$21,900	14.6%
Internal Services	\$128,622	\$158,605	\$158,049	\$159,861	\$149,393	-\$10,468	-6.5%
Materials and Supplies	\$56,311	\$33,988	\$43,810	\$56,707	\$57,143	\$436	0.8%
Capital Outlay	\$97,804	\$41,960	\$82,857	\$78,500	\$78,500	\$0	0%
Total Public Works:	\$1,557,838	\$1,541,793	\$1,555,425	\$1,859,045	\$1,917,649	\$58,604	3.2%
Total Public Works:	\$1,557,838	\$1,541,793	\$1,555,425	\$1,859,045	\$1,917,649	\$58,604	3.2%
Total Expenditures:	\$1,557,838	\$1,541,793	\$1,555,425	\$1,859,045	\$1,917,649	\$58,604	3.2%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Director of Public Works	1	1	1	1	1
Construction Inspector	1	-	-	-	-
Pub Wks Mgr/Construction Sup	-	1	1	1	1
Street Maintenance Supervisor	1	1	1	1	1
Senior Crew Leader	1	1	1	1	1
Crew Leader	1	1	1	1	1
Equipment Operator II	1	1	1	1	1
Equipment Operator I	2	2	2	2	2
Maintenance Worker IV	1	1	1	1	1
Maintenance Worker III	2	2	1	1	1
Maintenance Worker II	1	1	1	1	1
Maintenance Worker I	2	2	3	3	3
Parks Maintenance Supervisor	1	1	1	1	1
Parks Maintenance Worker	2	2	2	2	2
Office Manager	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Totals	17.5	17.5	17.5	17.5	17.5

Goals and Objectives

Public Works oversees the construction and maintenance of all City streets in accordance with Virginia Department of Transportation (VDOT) standards to ensure safe vehicle operation for all motorists. They maintain all City public right-of-ways to create a positive City image and promote safety and environmental quality throughout the City. Maintenance includes cleaning/sweeping the City on a regular basis, mowing grass and median during the normal growing season, beautification and maintenance of landscaped areas. Public Works plans to schedule at least one in-house training session per month. This will train employees in more versatility in infrastructure maintenance, "on and off the job" safety issues, and teach correct procedures for performance of specific tasks. Public Works will continue to complete 100% of all works orders within the same week as request. Public Works will conduct regular maintenance to keep all equipment in good running order. They will remove any and all storm (snow/hurricane) debris in a timely and safe manner.



Program Measures

	FY2022	FY2023	FY2024	FY2025
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Street Maintenance:				
Asphalt Material Used for Patching (tons)	30.05	34.57	29	35
Asphalt Paving Material Applied (tons)	7,135	8,175	3,350	4,488
Delivery of cases of Green Bags	70	72	75	75
Installation of New Drainage Pipe (feet)	24	0	0	0
Regrading of Roadside Ditches (feet)	8,919	13,274	13,480	13,300
Stone Used for Street Maintenance (tons)	54	516	125	150
Work Orders Completed	42	39	60	55
Construction Inspections Performed:				
Driveways	11	23	110	80
Curb & Gutter (feet)	3,000	405	800	800
Sanitary Sewer Pipeline (feet)	1,500	1,500	1,500	3,000
Storm Pipe & Drainage Ditches (feet)	6,575	10,550	9,120	8,000
New Street Construction (feet)	10,695	20,298	11,668	10,889

Program Accomplishments

- Completed paving of planned streets in accordance with Virginia Department of Highways and Transportation standards to ensure safe vehicle operation for all motorists. The streets re-paved were Rens Road, Bunting Lane, Lodge Road, Locust Run, and Martha Court.
- Continue to complete 100% of all work orders within the same week of receipt of request.
- Performed preventative maintenance on City streets to maximize expected life, including timely road shoulder maintenance, street restoration, pothole repair, paving and drainage maintenance.
- Resolved a malfunctioning traffic signal at Wythe Creek Road and Victory Boulevard by removing an old severed connection which caused it to go into flashing mode during periods of rain and high winds.
- Used Virginia Marine Resource Commission (VMRC) grant funding to have a contractor remove two abandoned vessels adjacent to Messick Point.



Street Lights

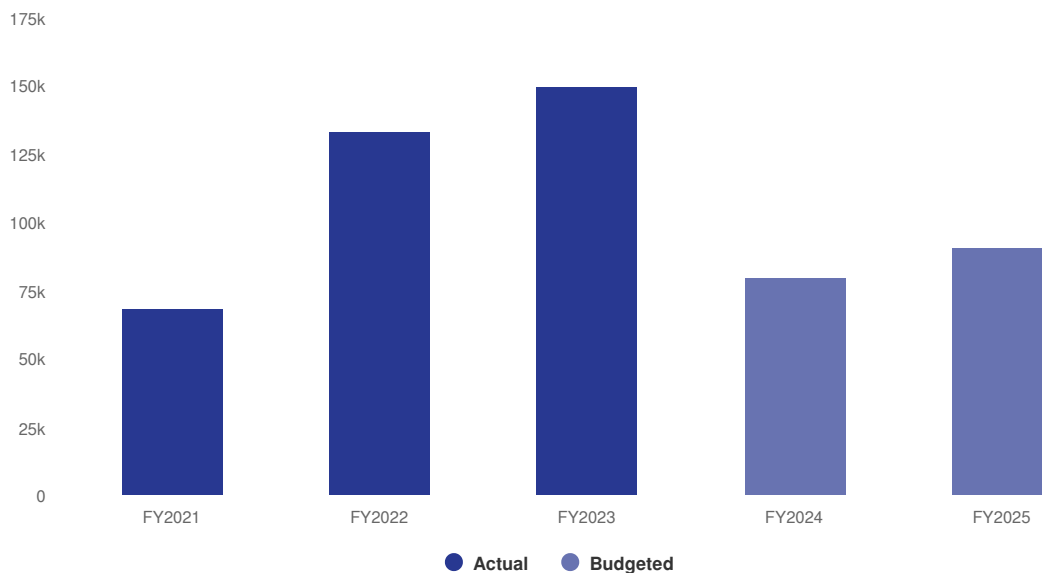
This department contains funding for electricity for existing streetlights and the installation of new streetlights. Developers pay the cost of installing streetlights in new subdivisions. The City is responsible for paying the cost of installing new streetlights in already developed areas.

Expenditures Summary

The oversight of streetlights resides with the Inspections Department and personnel services are reflected in that department. The FY2025 budget includes a slight increase based on the streetlights that will be added next year.

\$90,846 **\$10,846**
(13.56% vs. prior year)

Street Lights Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Works							
Street Lights							
Other Charges	\$67,005	\$73,384	\$77,676	\$77,000	\$82,200	\$5,200	6.8%
Capital Outlay	\$1,317	\$59,750	\$72,215	\$3,000	\$8,646	\$5,646	188.2%
Total Street Lights:	\$68,322	\$133,134	\$149,891	\$80,000	\$90,846	\$10,846	13.6%
Total Public Works:	\$68,322	\$133,134	\$149,891	\$80,000	\$90,846	\$10,846	13.6%
Total Expenditures:	\$68,322	\$133,134	\$149,891	\$80,000	\$90,846	\$10,846	13.6%

Goals and Objectives

The department provides electricity for the City streetlights in order to maintain a safe community. The City is working with Dominion Energy on a project to upgrade streetlights to LED. On January 27, 2020, City Council seeded the initial \$18,000 through Ordinance Number 1636. The realized savings from the program have been invested each year to fund future replacement phases. The City anticipates replacing approximately 120 "enclosed" lamps in FY 2024. With the anticipation to complete the remaining "enclosed" lamp conversion of 69 in FY 2025. After completing the conversion of the 189 "enclosed" lamps, the City will see an annual saving of \$4,018. It will take over 5 years to recoup the cost of the conversion project for the above lamps. Once the "enclosed" lamps are converted, the City will determine the next phase to convert the 123 "colonial" lamps that are remaining.

Program Measures

	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 <u>Estimated</u>	FY2025 <u>Estimated</u>
New Lights Installed:				
Developer Installed	83	19	30	10
Replacement to LED	9	0	120	69

Program Accomplishments

The City has contracted with Dominion to replace 98 "enclosed" lamps as of March 2024. The remaining "enclosed" lamps will be contracted in May 2024 based on availability of funds.



Facilities

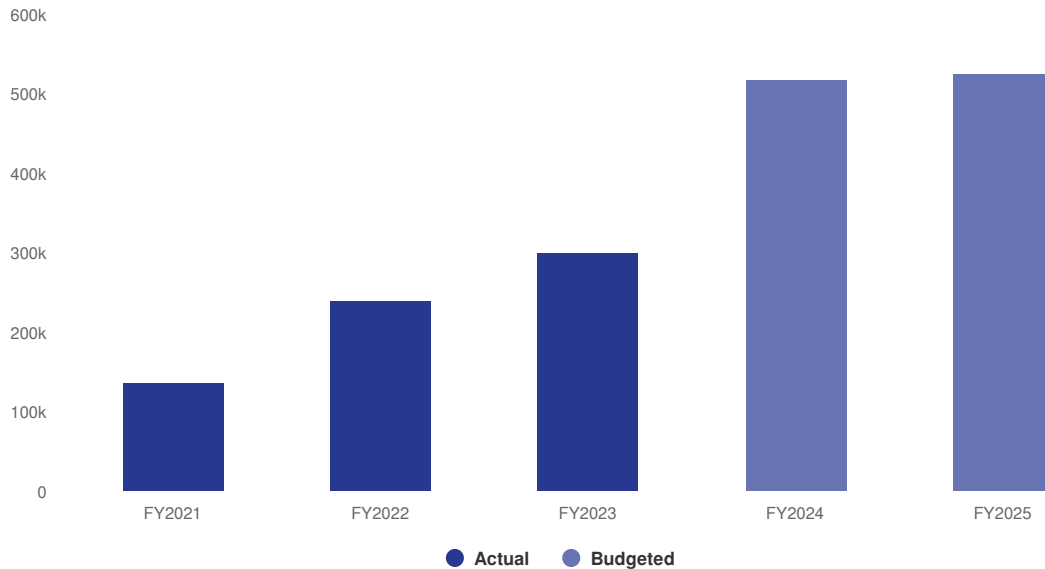
A portion of this department's cost is supported by the Poquoson City Public Schools' administration's rent of \$26,300 per year. Operating items include general liability and property insurance; building heating, ventilation, and air conditioning repairs; and janitorial services. They maintain the appearance of the City properties and address maintenance needs every day as they become apparent. They maintain and repair facilities, and are on call 24/7 for emergency operations.

Expenditures Summary

The oversight of Facilities resides with the Utilities Department. The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Increases are also included in supplies and equipment to maintain and repair facilities.

\$524,288 **\$7,182**
(1.39% vs. prior year)

Facilities Proposed and Historical Budget vs. Actual

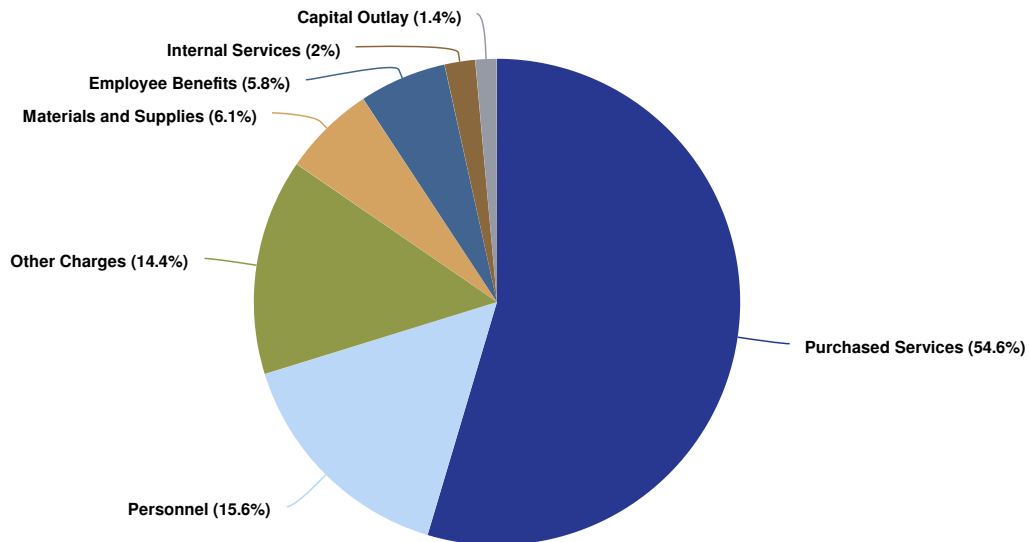


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Public Works							
Facilities and Grounds							
Personnel		\$2,939	\$32,205	\$75,636	\$81,759	\$6,123	8.1%
Employee Benefits		\$217	\$11,761	\$40,730	\$30,405	-\$10,325	-25.3%
Other Charges	\$47,790	\$56,704	\$54,269	\$61,625	\$75,400	\$13,775	22.4%
Purchased Services	\$58,961	\$152,341	\$166,823	\$300,400	\$286,400	-\$14,000	-4.7%
Internal Services	\$4,794	\$7,917	\$6,032	\$12,815	\$10,674	-\$2,141	-16.7%
Materials and Supplies	\$6,436	\$12,251	\$24,434	\$23,400	\$32,150	\$8,750	37.4%
Capital Outlay	\$17,440	\$8,114	\$3,826	\$2,500	\$7,500	\$5,000	200%
Total Facilities and Grounds:	\$135,421	\$240,483	\$299,350	\$517,106	\$524,288	\$7,182	1.4%
Total Public Works:	\$135,421	\$240,483	\$299,350	\$517,106	\$524,288	\$7,182	1.4%
Total Expenditures:	\$135,421	\$240,483	\$299,350	\$517,106	\$524,288	\$7,182	1.4%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions Personnel Summary:	Authorized <u>FY2022</u>	Authorized <u>FY2023</u>	Authorized <u>FY2024</u>	Requested <u>FY2025</u>	Authorized <u>FY2025</u>
Facilities Maintenance Technician	-	1	1	1	1
Part Time (FTE)	<u>—</u>	<u>—</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>
Totals	-	1	1.75	1.75	1.75

Goals and Objectives

- Maintain and upkeep of all City owned buildings. Improve costs of building operations and expenditures.
- Work with other departments to improve all City owned facilities.

Program Measures

	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 <u>Estimated</u>	FY2025 <u>Estimated</u>
Facilities Maintained	7	7	7	8

Program Accomplishments

- Updated the lighting at City Hall and Library.
- Adjusted and fine tuned HVAC system at City Hall.
- Complete work orders in a timely manner.



Health Department

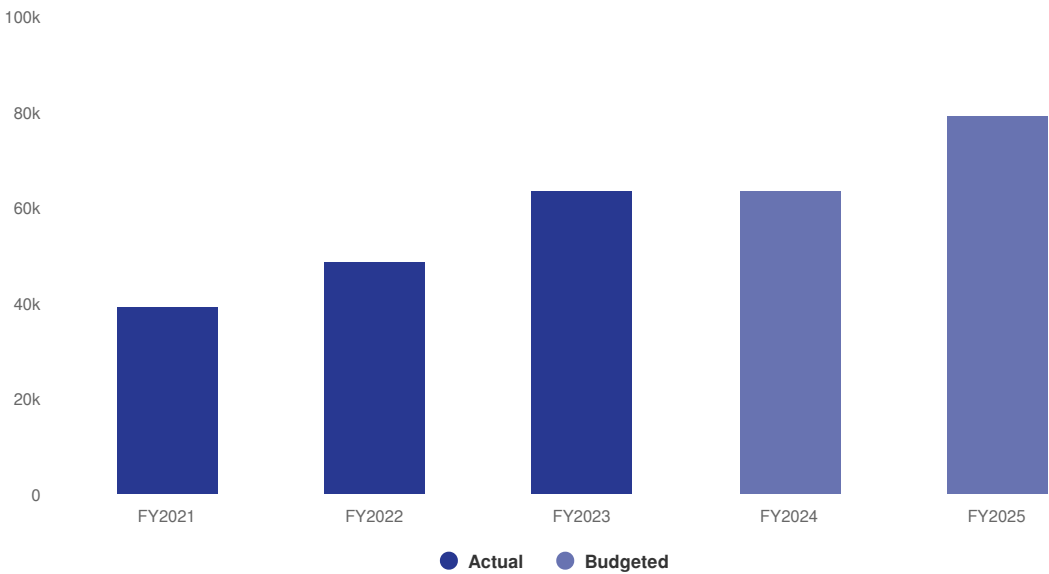
The Health Department provides the City's contribution to the Poquoson Health Department, which is an organizational unit of the Peninsula Health District. The Peninsula Health District is funded through a cooperative agreement between its five local governments and the Commonwealth of Virginia. The localities include Poquoson, Newport News, York County, Williamsburg and James City County. The City's minimum "match" requirement is 45% of the City's portion of the total Peninsula Health District budget. The total Health Department budget for Poquoson is \$163,564. The required "match" is estimated at \$79,327 based on receiving funds from the state and other sources. This also takes into account the anticipated salary increase for state employees in the as yet to be adopted state budget. The total Health District's budget for FY2025 is \$9,123,936. The Health Department offers a wide range of preventative, diagnostic and rehabilitative medical and health services to City residents. Clinics are held regularly for family planning, immunization, pediatrics, and senior citizens medical exams, among others. Nurses provide home care for homebound patients. Sanitarians inspect all eating establishments, train food handlers, supervise the installation and proper operation of septic tanks, inspect housing, and provide rabies surveillance for all animal bites.

Expenditures Summary

The personnel services are administered by the Health Department. There is an overall increase in the department as requested by the Peninsula Health Department.



Health Department Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Health and Welfare							
Health Department							
Other Charges	\$39,418	\$48,728	\$63,507	\$63,487	\$79,327	\$15,840	24.9%
Total Health Department:	\$39,418	\$48,728	\$63,507	\$63,487	\$79,327	\$15,840	24.9%
Total Health and Welfare:	\$39,418	\$48,728	\$63,507	\$63,487	\$79,327	\$15,840	24.9%
Total Expenditures:	\$39,418	\$48,728	\$63,507	\$63,487	\$79,327	\$15,840	24.9%

The City will continue to provide funding for the regional Public Health Department's services.



Mosquito and Drainage

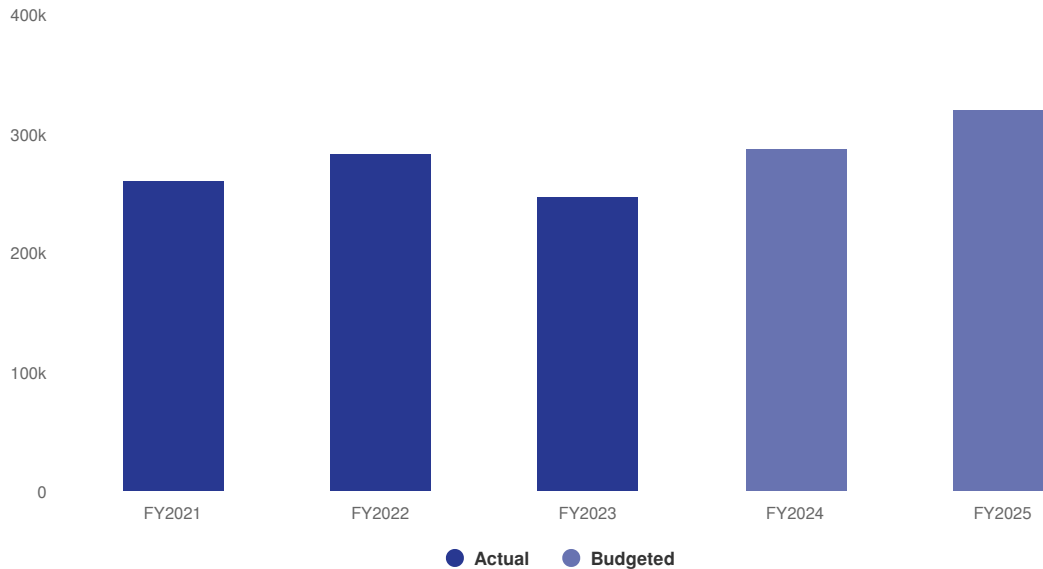
Provide good drainage in the City's rights-of-way to improve pavement life. Eliminate or treat standing water to reduce mosquito breeding. Keep outfall drainage ditches clean to improve water runoff from streets and reduce property flooding. Educate employees through in-house training. Maintain 26.22 miles of outfall ditches and cement swales as part of regular maintenance of storm systems.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. There is an increase in health insurance benefits due to a change in health plan selections. There are minimal decreases in other garage labor and projected fuel costs.

\$319,310 **\$32,158**
(11.20% vs. prior year)

Mosquito and Drainage Proposed and Historical Budget vs. Actual

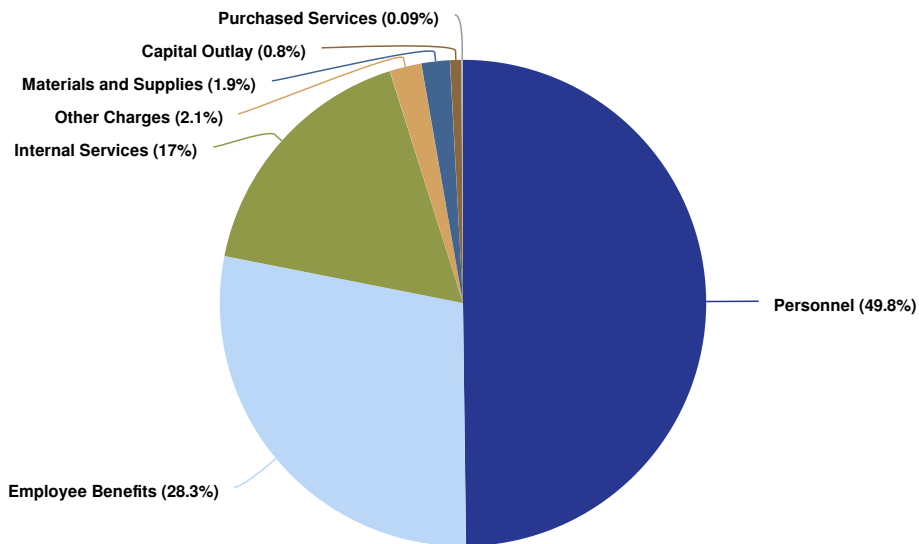


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Health and Welfare							
Mosquito Control							
Personnel	\$130,765	\$145,954	\$127,816	\$151,300	\$159,040	\$7,740	5.1%
Employee Benefits	\$58,949	\$55,782	\$48,798	\$61,003	\$90,347	\$29,344	48.1%
Other Charges	\$4,425	\$5,801	\$5,813	\$6,795	\$6,775	-\$20	-0.3%
Purchased Services	\$44	\$32	\$155	\$300	\$300	\$0	0%
Internal Services	\$59,750	\$65,963	\$60,455	\$59,304	\$54,398	-\$4,906	-8.3%
Materials and Supplies	\$3,351	\$5,088	\$1,917	\$6,050	\$6,050	\$0	0%
Capital Outlay	\$3,221	\$4,361	\$1,898	\$2,400	\$2,400	\$0	0%
Total Mosquito Control:	\$260,505	\$282,981	\$246,852	\$287,152	\$319,310	\$32,158	11.2%
Total Health and Welfare:	\$260,505	\$282,981	\$246,852	\$287,152	\$319,310	\$32,158	11.2%
Total Expenditures:	\$260,505	\$282,981	\$246,852	\$287,152	\$319,310	\$32,158	11.2%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Crew Leader	2	2	2	2	2
Mosquito and Drainage Tech I	1	1	1	1	1
Part Time (FTE)	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>
Totals	3.75	3.75	3.75	3.75	3.75

Goals and Objectives

- Obtain drainage easements in areas where outfall ditches need to be upgraded.
- Educate the public on mosquito prevention and have property owners remove obstructions from drainage easements to allow proper cleaning with City equipment.
- Continue to stress safety on and off-job, through departmental training.
- Improve drainage maintenance and mosquito prevention with additional manpower and equipment.
- Clean the outfall ditches throughout the City on a preventative maintenance schedule.
- Work with the City Engineer on drainage projects.
- Pipe in outfall ditches where necessary, to improve drainage maintenance.
- Larvicide and treat all drop inlets, and catch basins in the entire City for mosquito control.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Cleaning Outfall Ditches by Hand (Feet)	57,020	60,000	61,000	62,000
Cleaning Outfall Ditches with Equip (Feet)	2,765	910	910	1,000
Drainage Structures Maintained	860	915	920	925
Weed Killer Applied (Gallons)	30	22	24	24

Program Accomplishments

- Provided well functioning drainage throughout the City's right-of-ways.
- Kept outfall drainage ditches clean to improve water runoff from streets and reduce property flooding.



Mental Health

This Department provides the City's contribution to Colonial Behavioral Health, a regional agency that provides overall administration and coordination of mental health, mental retardation and substance abuse programs for Poquoson, Williamsburg, York County and James City County. Their services include psychiatric evaluation and treatment, individual and group counseling, drug abuse treatment, vocational workshops for the developmentally disabled, special education and rehabilitation programs for handicapped children. Local funding is shared according to a predetermined formula. Funding for administrative expenses is based on 20% of the City's population and 80% of current utilization figures. The headquarters for Colonial Behavioral Health is located in Williamsburg.

Expenditures Summary

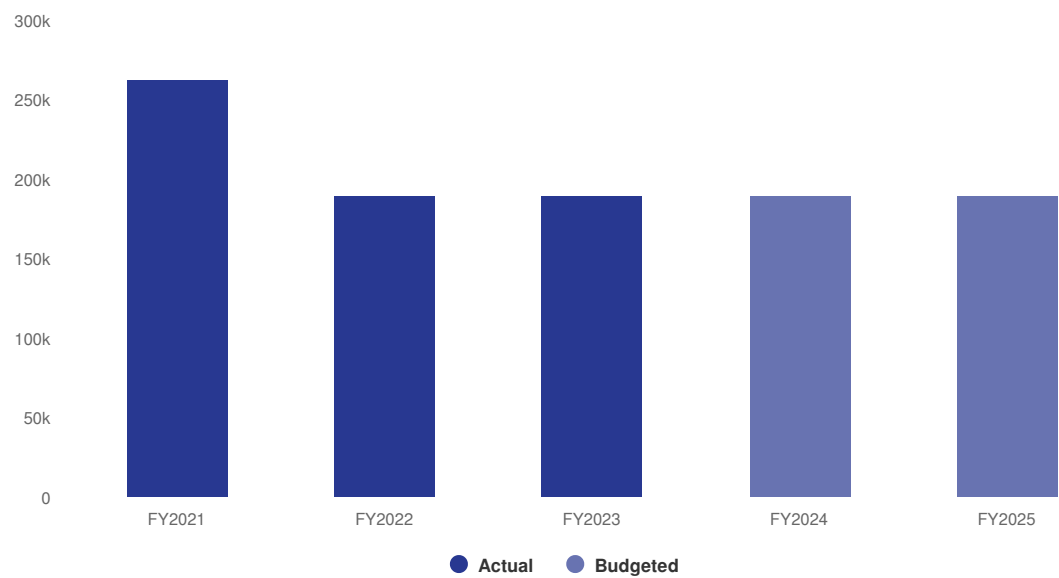
For FY2025, the budget remains neutral for the City's contribution to shared mental health services in our region. The contribution is based on a predetermined formula based on population and utilization of services.

\$190,000

\$0

(0.00% vs. prior year)

Mental Health Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Health and Welfare							
Mental Health							
Other Charges	\$262,632	\$190,000	\$190,000	\$190,000	\$190,000	\$0	0%
Total Mental Health:	\$262,632	\$190,000	\$190,000	\$190,000	\$190,000	\$0	0%
Total Health and Welfare:	\$262,632	\$190,000	\$190,000	\$190,000	\$190,000	\$0	0%
Total Expenditures:	\$262,632	\$190,000	\$190,000	\$190,000	\$190,000	\$0	0%

Goals and Objectives

The City provides funding to Colonial Behavioral Health for Poquoson's share of needed programming for mental health, mental retardation, or substance abuse. The total budget for Colonial Behavioral Health is \$22,750,000 with the local share of \$3,974,000. Poquoson's share is 5% or \$190,000; James City County's share is 58% or \$2,306,000; York County's share is 29% or \$1,172,000 and Williamsburg's share is 8% or \$306,000.



Welfare/Social Services

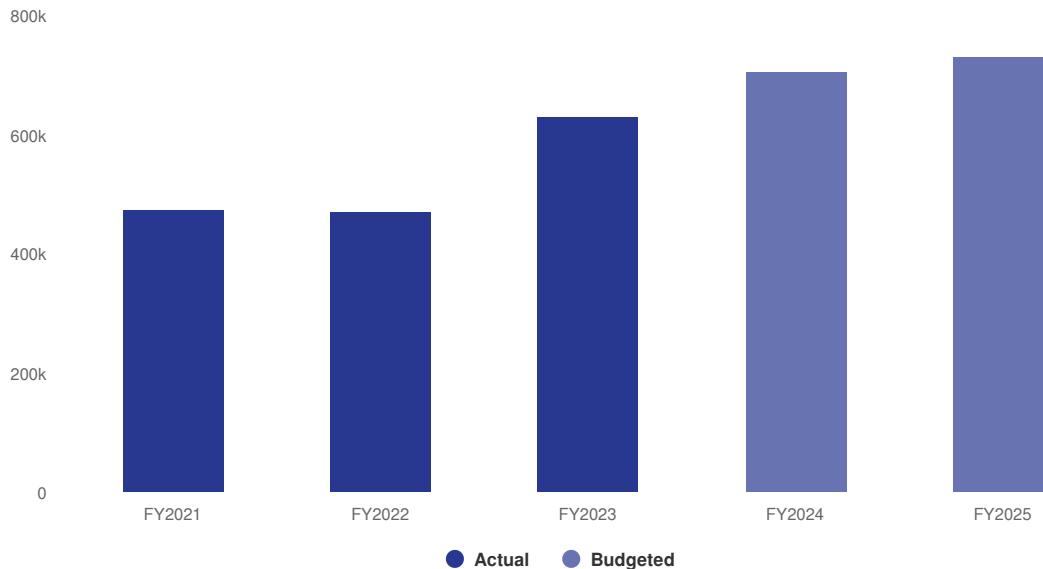
This department funds the Peninsula Agency on Aging, York/Poquoson Social Services, and Children's Services Act (CSA).

Expenditures Summary

For the FY2025 Social Services budget, there is an overall increase of \$24,000. Funding is based on utilization of services and program methodology for shared services within the region.

\$729,000 **\$24,000**
(3.40% vs. prior year)

Welfare/Social Services Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Health and Welfare							
Welfare-Social Service							
Other Charges	\$189,143	\$209,294	\$302,574	\$350,000	\$350,000	\$0	0%
Payment to Joint Operations	\$284,543	\$261,061	\$327,064	\$355,000	\$379,000	\$24,000	6.8%
Total Welfare-Social Service:	\$473,686	\$470,355	\$629,638	\$705,000	\$729,000	\$24,000	3.4%
Total Health and Welfare:	\$473,686	\$470,355	\$629,638	\$705,000	\$729,000	\$24,000	3.4%
Total Expenditures:	\$473,686	\$470,355	\$629,638	\$705,000	\$729,000	\$24,000	3.4%

Budget Detail

	FY2021	FY2022	FY2023	FY2024	FY2025
				City Council	City Council
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>
				<u>Budget</u>	<u>Budget</u>
Children's Services Act	\$185,743	\$206,000	\$302,574	\$350,000	\$350,000
Peninsula Agency on Aging	3,400	3,294	-	-	-
York/Poquoson Social Services	<u>284,543</u>	<u>261,061</u>	<u>327,064</u>	<u>355,000</u>	<u>379,000</u>
Totals	\$473,686	\$470,355	\$629,638	\$705,000	\$729,000

* Peninsula Agency on Aging was moved to Community Development in FY2023.



Poquoson School Board

City Council appoints a seven member School Board to administer the Poquoson City Public School system. The School Board is the policy making body for the school system and appoints the School Superintendent, who is responsible for the day-to-day administration of the schools. Funding for the operation of the schools and administration is shared by the State and the City with some limited assistance from the Federal government. The State's funding is determined by a formula based on the average daily membership (ADM) of students and Poquoson's local composite index (LCI) which measures a locality's ability to pay.

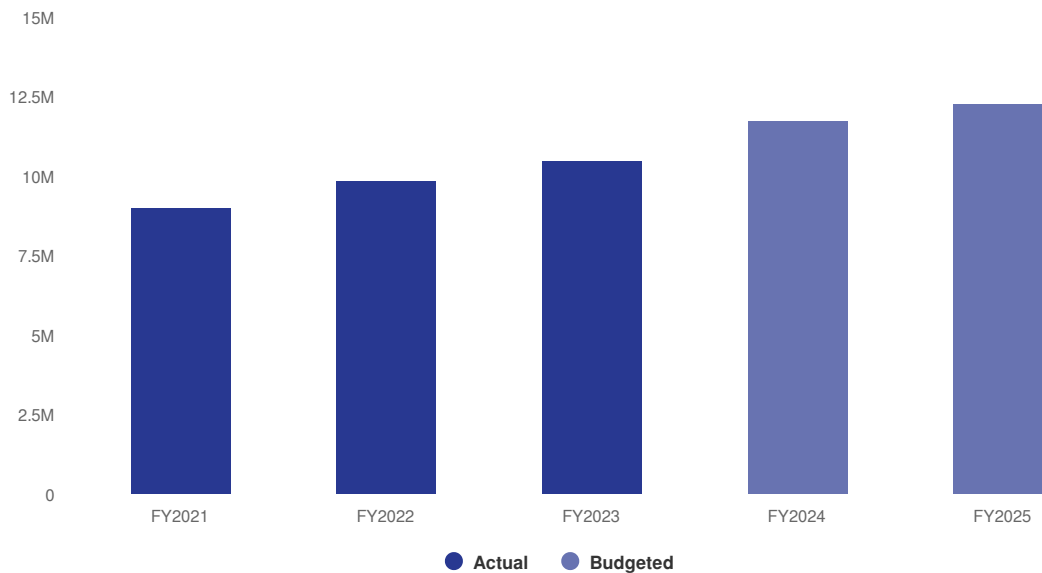
Expenditures Summary

The Poquoson City Public School Board requested an additional \$508,738 for FY2025, which includes a 5% compensation increase for all employees. The School's Budget is based on the Governor's Budget, which only included a 1% bonus for state supported positions. The FY2025 School Transfer from the City is budgeted at \$12,268,128, which fully funds the School Board's budget request.

As in prior years, if the Schools have unexpended transfers at the end of the year that are returned to the City, the funding can subsequently be re-appropriated to the schools in the upcoming fiscal year.

\$12,268,128 **\$508,738**
(4.33% vs. prior year)

Poquoson School Board Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Education							
School Transfers	\$9,031,974	\$9,879,994	\$10,488,504	\$11,759,390	\$12,268,128	\$508,738	4.3%
Total Education:	\$9,031,974	\$9,879,994	\$10,488,504	\$11,759,390	\$12,268,128	\$508,738	4.3%
Total Expenditures:	\$9,031,974	\$9,879,994	\$10,488,504	\$11,759,390	\$12,268,128	\$508,738	4.3%

Budget Detail

	FY2021 <u>Actual</u>	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 City Council Adopted <u>Budget</u>	FY2025 City Council Adopted <u>Budget</u>
School Contribution	\$10,146,687	\$10,442,429	\$11,059,602	\$11,759,390	\$12,268,128
Reappropriation	-	296,545	697,979	-	-
Return of Funds *	<u>-(1,114,713)</u>	<u>-(858,980)</u>	<u>-(1,269,077)</u>	<u>-</u>	<u>-</u>
Total	\$9,031,974	\$9,879,994	\$10,488,504	\$11,759,390	\$12,268,128

* Any unspent local funds at the end of the fiscal year are returned to the City, and may be considered for reappropriation in the following fiscal year.

Program Measures

	FY2021 <u>Actual</u>	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 <u>Estimated</u>	FY2025 <u>Estimated</u>
Local Composite Index ⁽¹⁾	0.3703	0.3703	0.3641	0.3641	0.3466
Average Daily Membership ⁽²⁾	2,051	2,031	2,040	2,038	2,038
Total Operating Expenditures ⁽³⁾	\$24,664,456	\$25,526,211	\$27,933,726	\$28,641,157	\$30,572,840

(1) Every biennium, the State calculates a Local Composite Index (LCI) that outlines the ability of a locality to pay for public education. As the LCI decreases, State funding increases, which typically results in a decrease to the local contribution needed to support schools. LCI data presented is based on the Virginia Department of Education (VDOE) Composite Index of Local Ability-to Pay.

(2) Average Daily Membership (ADM) is the K-12 student enrollment count used by the State to determine the required local share. The ADM presented for FY2021, FY2022 and FY2023 is based on the actual ADM presented on the VDOE Direct Aid Payment Budget Calculation Templates and Planning Tools. The ADM presented for FY2024 is based on the October 2023 estimate provided by Poquoson City Public Schools. The ADM presented for FY2025 is based on the ADM used by Poquoson City Public Schools in the School Board Budget approved on March 19, 2024.

(3) Total Operating Expenditures for FY2021, FY2022 and FY2023 can be found in the City's Annual Comprehensive Financial Report, Schedule 2 for Component Unit-Poquoson City Public Schools, General Fund. The FY2024 and FY2025 Estimated is based on the School Board Budget approved on March 19, 2024.



Parks and Recreational - Programs

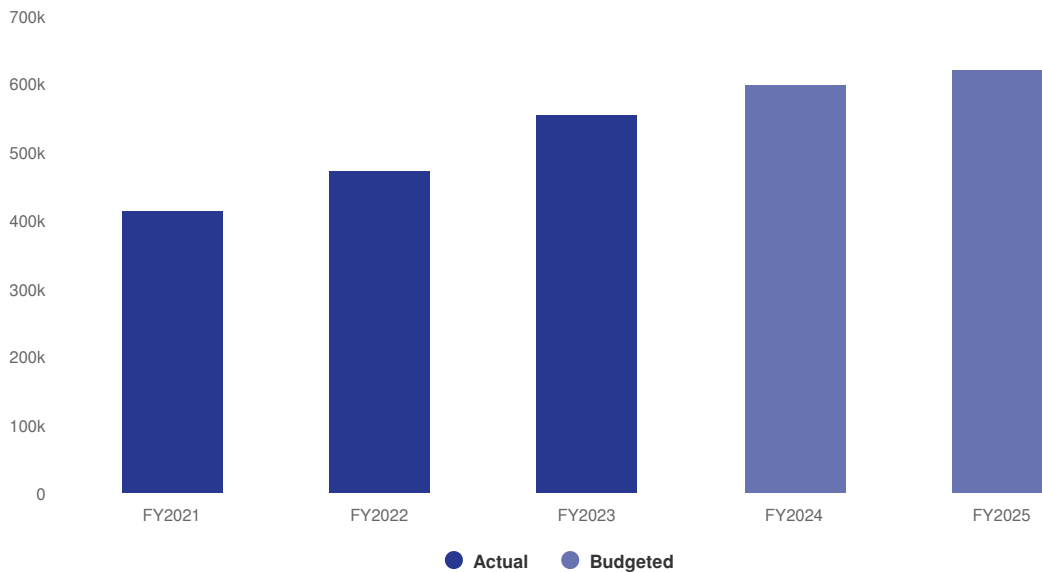
Parks and Recreation plans, coordinates, promotes, organizes, and administers a variety of program activities and special functions to meet the needs of Poquoson citizens. The department coordinates departmental, school, and independent community league athletic activities at parks, recreational facilities, and school facilities. They provide support and location for operation of the Peninsula Agency on Aging's senior adult programs, and support civic initiatives and activities. The department serves as the production house for the Island Tide recreational magazine, which is published twice a year along with a Summer activities/camp guide. This guide communicates City information and events to citizens. The department is responsible for coordinating leisure and athletic programs, providing interconnectivity between civic groups, churches and community groups who utilize City Facilities for their use, special events, sports or other needs.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Slight increases for service equipment repairs and maintenance are included for FY2025.

\$619,809 **\$21,028**
(3.51% vs. prior year)

Parks and Recreational - Programs Proposed and Historical Budget vs. Actual

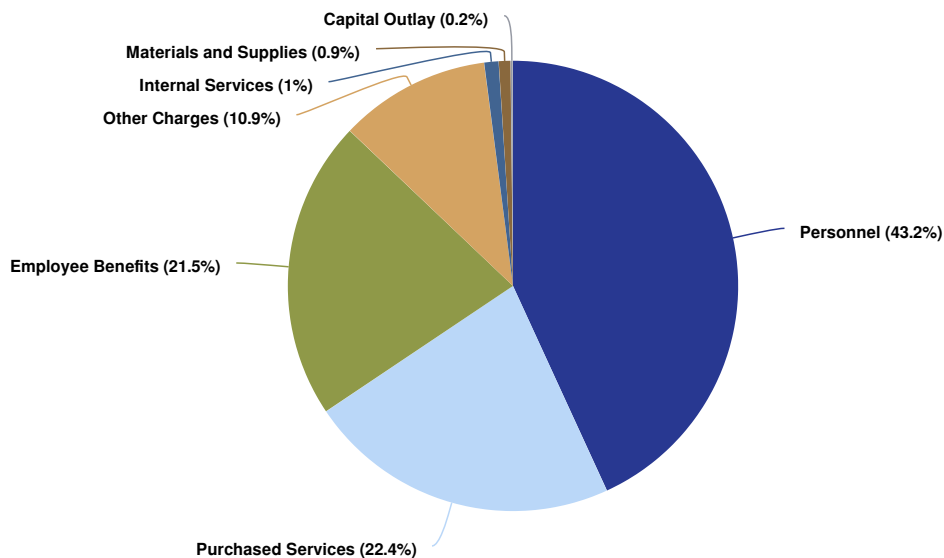


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Parks, Recreation, and Culture							
Parks and Rec							
Personnel	\$193,679	\$209,212	\$227,401	\$250,220	\$267,521	\$17,301	6.9%
Employee Benefits	\$102,781	\$106,791	\$120,030	\$126,481	\$133,239	\$6,758	5.3%
Other Charges	\$55,658	\$52,538	\$60,470	\$74,810	\$67,250	-\$7,560	-10.1%
Purchased Services	\$55,256	\$95,780	\$138,022	\$138,370	\$139,100	\$730	0.5%
Internal Services	\$4,040	\$4,452	\$3,625	\$2,300	\$6,399	\$4,099	178.2%
Materials and Supplies	\$2,590	\$3,517	\$3,952	\$5,600	\$5,300	-\$300	-5.4%
Capital Outlay	\$109	\$1,207	\$1,250	\$1,000	\$1,000	\$0	0%
Total Parks and Rec:	\$414,113	\$473,497	\$554,750	\$598,781	\$619,809	\$21,028	3.5%
Total Parks, Recreation, and Culture:	\$414,113	\$473,497	\$554,750	\$598,781	\$619,809	\$21,028	3.5%
Total Expenditures:	\$414,113	\$473,497	\$554,750	\$598,781	\$619,809	\$21,028	3.5%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions Personnel Summary	Authorized <u>FY2022</u>	Authorized <u>FY2023</u>	Authorized <u>FY2024</u>	Requested <u>FY2025</u>	Authorized <u>FY2025</u>
Dir of Econ Dev/Community Rec	1	1	1	1	1
Asst Director of Community Rec	0.5	0.5	0.5	0.5	0.5
Program Support Technician	1	1	1	1	1
Admin Support Technician	1	1	1	1	1
Part Time (FTE)	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Totals	3.8	3.8	3.8	3.8	3.8

Goals and Objectives

Parks and Recreation provides the City of Poquoson a system of parks, recreation and leisure services that are of the highest quality and most beneficial to improving the quality of life for its citizens. The department follows the Parks and Recreation portion of the City's Comprehensive Plan to reflect current changes and citizens' needs. The department continues to plan for needed recreational facilities within the Constrained Capital Improvements Plan and maintain existing facilities from the Master Infrastructure plan. The department engages with Poquoson civic groups in a mutual support agreement to assist with facility needs, while providing meeting space at the Community Center, and supporting groups with field space. Many of these civic and community projects help share resources to improve life for residents by improving park areas and other City areas.

Program Measures

	<u>FY2022</u> <u>Actual</u>	<u>FY2023</u> <u>Actual</u>	<u>FY2024</u> <u>Estimated</u>	<u>FY2025</u> <u>Estimated</u>
Participants in:				
Adult Athletic Leagues	105	220	240	240
Adult Instructional Classes	78	55	100	100
Senior Center (Mature Adults)	50*	540	550	550
Youth Athletic Leagues	1,262	1,408	1,390	1,400
Youth Instructional Classes	1,560	1,079	1,080	1,080

*Senior programs did not fully resume until FY2023.



Program Accomplishments

- Began the first phase of Two Tree Park with the installation of a bike rack, sign, and parking area. Future planned phased improvements are slated to continue.
- A new outdoor basketball court was installed at South Lawson Park.
- The South Lawson Restroom Project will near completion in the Spring of 2024.
- Published program booklet *Island Tide* two times per year for City residents, highlighting events and recreation for community participants and summer activity/camp guide.
- Continued to host instructional and athletic programs and was able to re-start the youth volleyball league in Spring of 2023 and Fall of 2024. Due to Covid and construction, this program has not been offered since the Fall of 2019.
- Continued to work with both Poquoson Public Schools and Emmaus Baptist Church to support recreational facilities needs both for indoor gym space and outdoor mutual field use.
- In conjunction with the Economic Development division, continued to support advertising efforts for the *Poquoson is the Place* campaign, including a restaurant week, spring shopping, and holiday activities.
- Provided fall and spring youth soccer league and youth basketball league. Offered a variety of instructional programs to support preschoolers for introductory skills in soccer, field hockey, basketball, and an introduction to sports and activities. Programs ranged from art, leadership skills, and cooking basics. Program also supported a Gingerbread Contest, Poquoson Turkey Hunt, Poquoson Seafood Festival, Santa Letters, Spring Easter Egg Hunt, and Adult Cooking classes to list a few.



Parks and Recreational - Pool

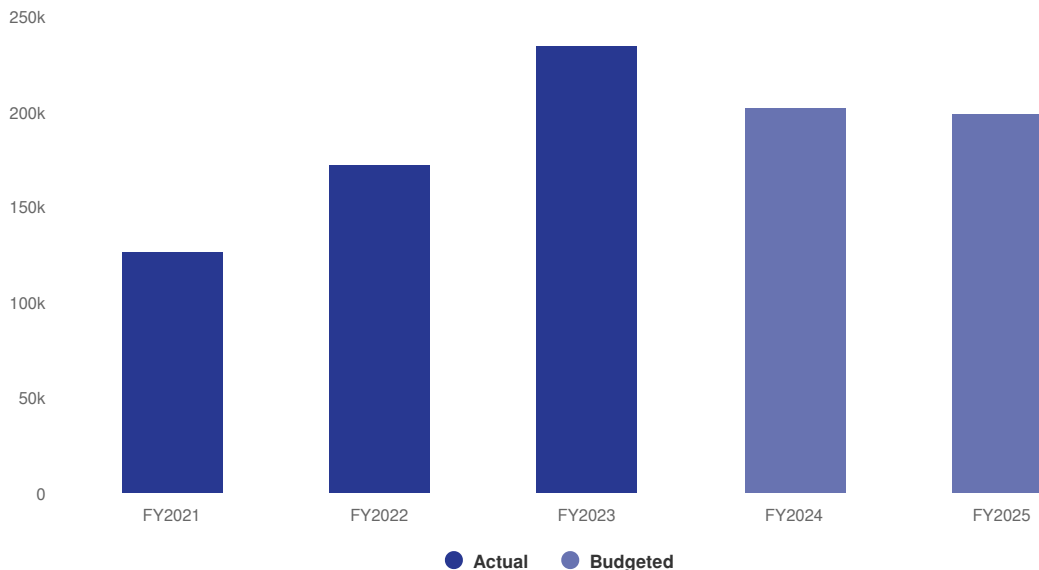
This department provides nationally accredited and quality swimming instruction for both City and regional youth, to include training instructors in quality swimming instructional standards. Due to the operation of the Barracuda summer swim team, the department refines and develops the swimming ability of City youth by providing competitive swimming opportunities as part of participation in the summer team. The program provides a social, athletic, and competitive summer swimming experience as part of the participation in the Greater Peninsula Swim Association. The department is responsible for providing children and adults with water safety instruction and education regarding safety around pools and other bodies of water, and the safe use of life jackets in accordance with Nationally Accredited Safety Standards. The department also provides seasonal recreational swimming opportunities to Poquoson residents, non-residents, and area day care centers in a safe, lifeguard monitored pool environment.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Capital outlay includes some deck chair replacements.

\$198,561 **-\$3,821**
(-1.89% vs. prior year)

Parks and Recreational - Pool Proposed and Historical Budget vs. Actual

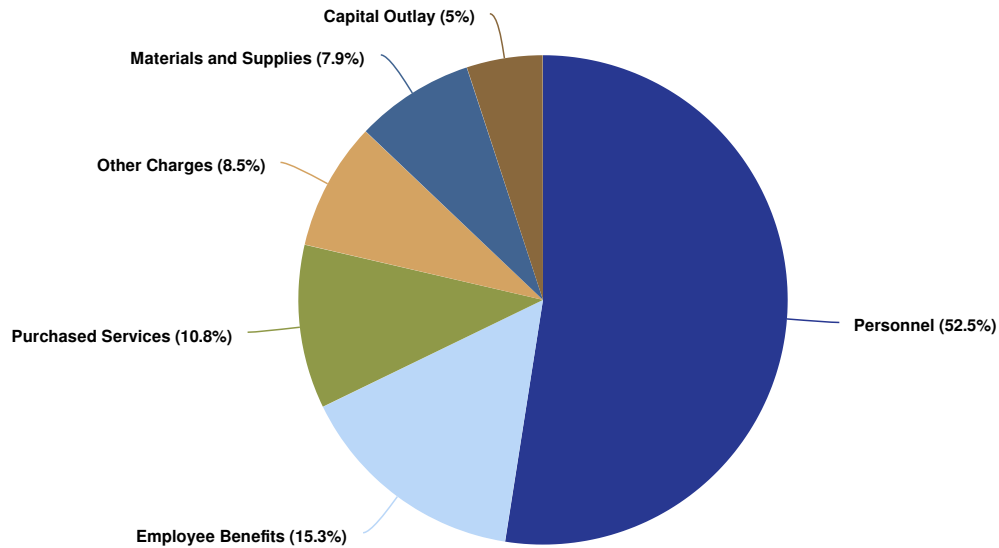


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Parks, Recreation, and Culture							
Parks Pool							
Personnel	\$59,294	\$94,368	\$113,590	\$102,469	\$104,206	\$1,737	1.7%
Employee Benefits	\$20,581	\$25,731	\$28,089	\$29,088	\$30,430	\$1,342	4.6%
Other Charges	\$10,902	\$11,140	\$14,539	\$18,825	\$16,825	-\$2,000	-10.6%
Purchased Services	\$17,487	\$19,074	\$22,157	\$23,600	\$21,500	-\$2,100	-8.9%
Materials and Supplies	\$13,852	\$12,490	\$14,378	\$18,300	\$15,600	-\$2,700	-14.8%
Capital Outlay	\$4,676	\$9,563	\$41,535	\$10,100	\$10,000	-\$100	-1%
Total Parks Pool:	\$126,792	\$172,366	\$234,288	\$202,382	\$198,561	-\$3,821	-1.9%
Total Parks, Recreation, and Culture:	\$126,792	\$172,366	\$234,288	\$202,382	\$198,561	-\$3,821	-1.9%
Total Expenditures:	\$126,792	\$172,366	\$234,288	\$202,382	\$198,561	-\$3,821	-1.9%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Asst Director of Community Rec	0.5	0.5	0.5	0.5	0.5
Part Time (FTE)	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>
Totals	5.0	5.0	5.0	5.0	5.0

Goals and Objectives

Parks and Recreation Pool provides a comprehensive seasonal aquatics program for citizens. They continue to provide swimming lessons, aquatic safety classes for citizens, and opportunities for youth to participate in a competitive swimming program. The Department reviews the Pool Operation Procedures Manual to ensure all safety and industry safety standards are met. They continue to maintain operation of the aging 40+ year old facility. They represent the City at a regional recreation level in the area of swimming.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Daily Gate Admissions	3,750	3,350	3,300	3,500
Season Pass Admissions *	278	290	270	270
Swimming Lessons	475	478	475	475
Swim teams - combined	84	110	105	105

*One pass for each swim team participant as required to participate in a league.

Program Accomplishments

- Completed another season with no serious injuries or drowning incidents from July 1, 2022, through June 30, 2023.
- Provided lifeguard training, and the opportunity to obtain employment at an aquatic facility for 20+ young people.
- Provided swimming lessons to community youth, from preschool to age 14.
- Supported swimming opportunities for community youth programs with local day camps and day cares.
- Maintained aging equipment for completion of a successful season at the Municipal Pool.
- Poquoson Barracudas achieved first place in the white division in the GPSA summer swim league and 4th place overall at the Community championship meet.



Parks and Recreational - Events

This division of Community Recreation plans, organizes and produces special events throughout the year, the largest being the Seafood Festival. This year's budget submission includes support for the Poquoson Easter Egg Hunt, a Mid-June 2025 event, and support for the Annual City Hall Christmas Tree Lighting.

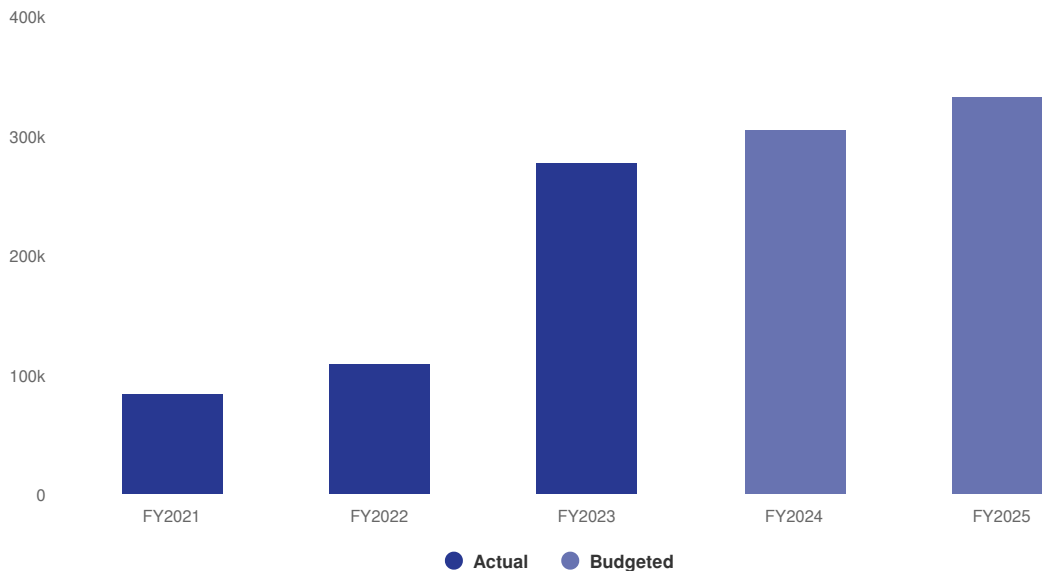
This division is responsible for maintaining a calendar of special events throughout the City with points of contact for each, and providing leadership and direction to the Poquoson Seafood Festival Committee, along with the various activities in support of the Seafood Festival, including the Seafood Festival Workboat races. Functions include coordination among civic and community groups in support of special events, contractors, procurements, and service providers to produce quality large-scale community events as funded. In coordination with recreation, the community channel is updated, and community announcements are promoted.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. Anticipated increases are included for equipment rental, fireworks and community activities for special events throughout the year.

\$333,782 **\$27,557**
(9.00% vs. prior year)

Parks and Recreational - Events Proposed and Historical Budget vs. Actual



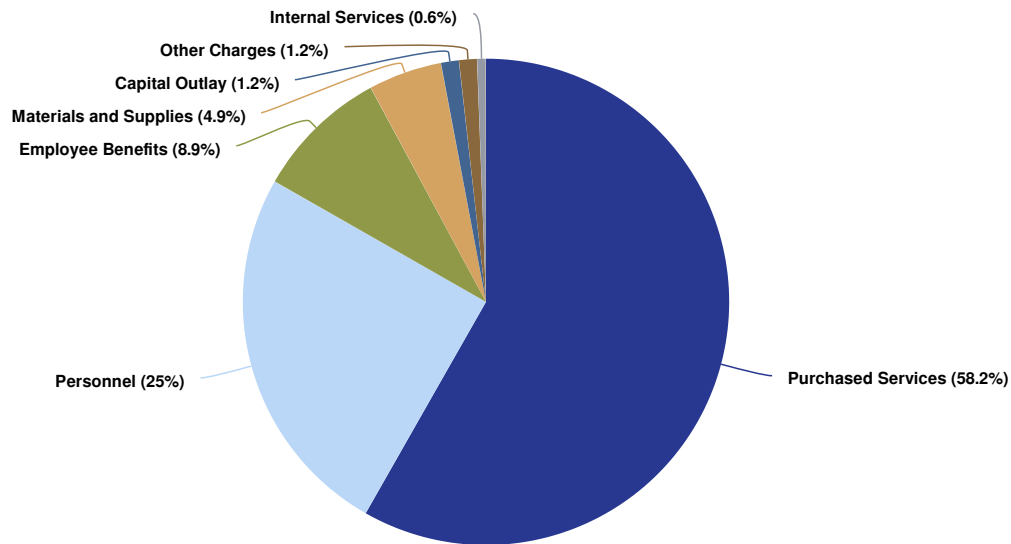
Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Parks, Recreation, and Culture							
Events							
Personnel	\$49,520	\$52,999	\$75,772	\$87,773	\$83,462	-\$4,311	-4.9%
Employee Benefits	\$30,029	\$21,579	\$25,064	\$26,408	\$29,688	\$3,280	12.4%
Other Charges	\$2,566	\$2,795	\$3,098	\$4,275	\$3,750	-\$525	-12.3%
Purchased Services		\$27,798	\$137,002	\$156,319	\$177,225	\$20,906	13.4%
Internal Services	\$1,298	\$1,231	\$933		\$1,957	\$1,957	N/A
Materials and Supplies	\$268	\$2,309	\$17,735	\$14,500	\$14,500	\$0	0%
Capital Outlay					\$4,000	\$4,000	N/A
Total Events:	\$83,681	\$108,711	\$259,604	\$289,275	\$314,582	\$25,307	8.7%
Workboat Race							
Other Charges					\$200	\$200	N/A
Purchased Services		\$400	\$15,857	\$15,300	\$17,200	\$1,900	12.4%
Materials and Supplies			\$2,025	\$1,650	\$1,800	\$150	9.1%
Total Workboat Race:	\$0	\$400	\$17,882	\$16,950	\$19,200	\$2,250	13.3%
Total Parks, Recreation, and Culture:	\$83,681	\$109,111	\$277,486	\$306,225	\$333,782	\$27,557	9%
Total Expenditures:	\$83,681	\$109,111	\$277,486	\$306,225	\$333,782	\$27,557	9%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized FY2022	Authorized FY2023	Authorized FY2024	Requested FY2025	Authorized FY2025
Personnel Summary:					
Community Events Coord	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	1	1	1	1	1

Goals and Objectives

This division creates revenue through a variety of sponsorship, cost deferments, and event fees to support the operation of a variety of community events, including primarily the Poquoson Seafood Festival and an early summer family fun event, known as Picnic in the Park.

Provide family fun and quality of life events that build citizen engagement, support community and civic endeavors, and engage wide-ranging audiences to enjoy outdoor events. Audiences include families, children of all ages, food connoisseurs, and those celebrating holidays and family traditions.

The goals this year are to operate a mid-summer June event with a fireworks/laser show if possible, Poquoson Seafood Festival, Poquoson Seafood Festival Workboat Race, Easter Egg Hunt, and City Hall Christmas Tree Lighting.



Program Measures

	FY2022*	FY2023	FY2024	FY2025
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Poquoson Seafood Festival:				
Arts & Crafts Vendors	-	154	152	160
Exhibitors	-	30	28	30
Food Vendors	-	23	21	25
Attendance	-	50,000	45,000	48,000
Workboat Race Entries	-	50	0**	45

*Due to COVID-19, the Seafood Festival was not held in FY2022.

**No workboat race was held in Fall 2023.

Program Accomplishments

The Poquoson Seafood Festival was again a success with a more moderate attendance and revenue scale, as pent-up demand after the cancellation of the festival for 2 years led to a massively large outpouring for the festival in FY2023. The FY2024 festival was more moderate in attendance, but overall successful for vendors, the community groups, participants, and the Poquoson Art League Partner. An added FY2024 feature at the festival included fireworks, and the continued use of civic groups to assist with staffing of labor for tables and chairs set up, parking areas, and more. New sponsors joined the festival this year, including Langley Federal Credit Union, and Legasea Marine, enhancing the children's area.



Library

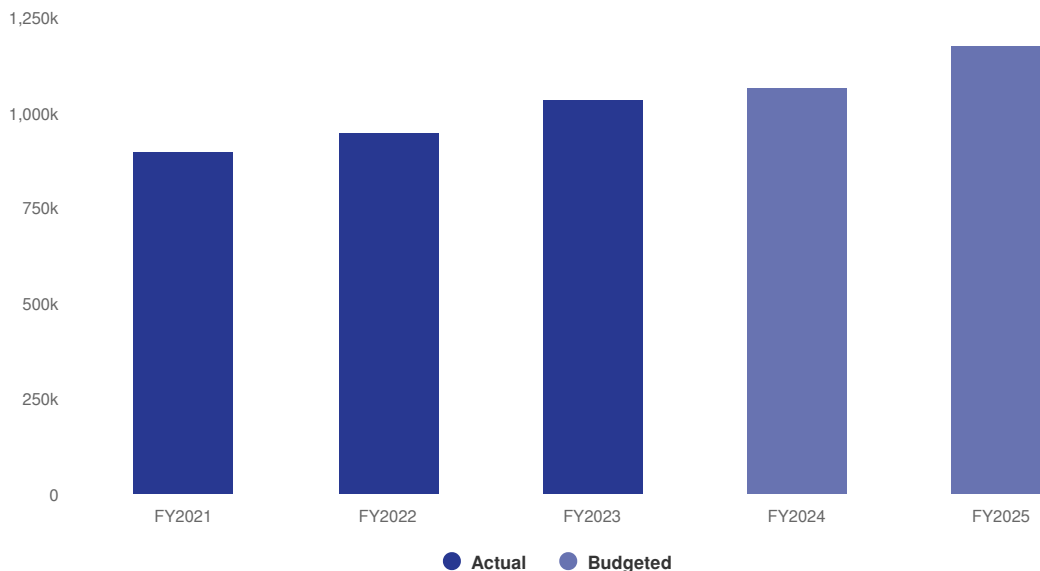
The Library operates as a free public lending facility with reading materials for all ages, in all media. They serve as a community center where exhibits, workshops, book talks, story times, poetry readings, musical performances, reading clubs and other programs and activities for all ages are offered. They provide community with meeting and gathering space to facilitate sharing of ideas. The Library works with the Library Advisory Board, Friends of the Library, Library volunteers, and local business partners to encourage Library usage, endowments and bequests in the community. They encourage pre-schoolers to develop an interest in reading and learning through services for children and for parents and children together. The Library supports students in their educational needs with the various public library/school cooperative programs. They provide the public with free notary public service and serve as a passport acceptance agency for the U.S. State Department. The Library promotes lifelong learning through classes, seminars and hands on workshops.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. During FY2024, two part-time positions were converted to one full-time Library Associate position. There are also increases for books and materials, as well as a server upgrade for the library operating system.

\$1,177,059 **\$113,154**
(10.64% vs. prior year)

Library Proposed and Historical Budget vs. Actual

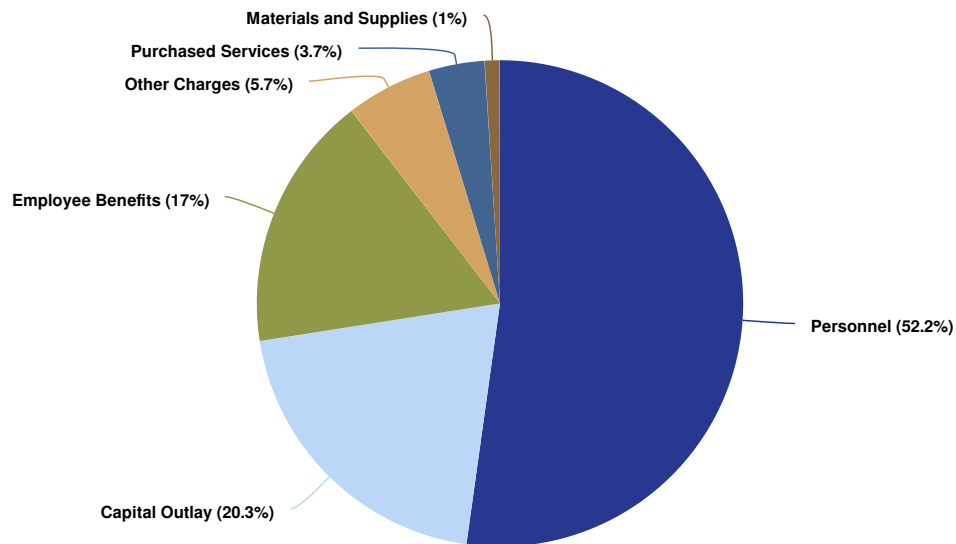


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Parks, Recreation, and Culture							
Library							
Personnel	\$464,176	\$489,211	\$536,280	\$571,829	\$614,659	\$42,830	7.5%
Employee Benefits	\$150,763	\$141,909	\$158,315	\$168,257	\$200,586	\$32,329	19.2%
Other Charges	\$54,016	\$63,552	\$64,169	\$60,150	\$67,400	\$7,250	12.1%
Purchased Services	\$38,276	\$35,828	\$43,564	\$45,660	\$43,700	-\$1,960	-4.3%
Materials and Supplies	\$9,371	\$31,407	\$20,970	\$14,000	\$11,800	-\$2,200	-15.7%
Capital Outlay	\$178,150	\$184,861	\$208,816	\$204,009	\$238,914	\$34,905	17.1%
Total Library:	\$894,752	\$946,768	\$1,032,114	\$1,063,905	\$1,177,059	\$113,154	10.6%
Total Parks, Recreation, and Culture:	\$894,752	\$946,768	\$1,032,114	\$1,063,905	\$1,177,059	\$113,154	10.6%
Total Expenditures:	\$894,752	\$946,768	\$1,032,114	\$1,063,905	\$1,177,059	\$113,154	10.6%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Library Director	1	1	1	1	1
Adult Services Librarian	1	1	1	1	1
Youth Services Librarian	1	1	1	1	1
Technical Services Librarian	1	1	1	1	1
Library Associate	-	-	1	1	1
Administrative Services Coord	1	1	1	1	1
Library Associate (FTE)	2.65	2.65	2.15	2.15	2.15
Library Assistant (FTE)	4.30	4.30	3.60	3.60	3.60
Library Page (FTE)	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
Totals	12.45	12.45	12.25	12.25	12.25

Goals and Objectives

The Library will continue to ensure they are reaching and engaging citizens and effectively articulating the library's value to Poquoson's quality of life. The department will expand outreach services into the community and will continue to enhance public relations and increase visibility. They will also seek partnerships that will help best leverage resources and meet the needs of the community. In order to recruit and retain skilled and knowledgeable staff, the library will actively participate in succession planning and management. The Library will also seek out and expand staff opportunities for library related training. The Library will also continue to successfully leverage volunteer resources.

The Library will work to guarantee that it remains healthy and relevant both physically and fiscally, including continuing to use technology to enhance library services and provide for community needs, and leverage funding resources to improve and update the library facility. The department will also continue to ensure that the library is available, safe, and accessible to everyone, both online and in our physical space, and identify and manage emerging library trends and best practices that best serve the community. Additionally, they will seek out partnerships that will help leverage resources and meet the needs of the community.

The Library will work to guarantee that it is meeting the needs and expectations of the community by continuing to develop the Library's print and digital collection, as well as continue the Library's tradition of excellent customer service. It will also continue to provide enhanced supplemental services not found elsewhere in the community. The Library will continue to serve as a Lifelong Learning and Community Center, in order to support a vibrant and educated community by providing classes and events that support K-12 learning initiatives and provide innovative and stimulating programming for all ages that is relevant and high quality.



Program Measures

	FY2022	FY2023	FY2024	FY2025
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Active Library Members	8,738	8,376	8,500	8,500
Attendance at Library Programs	4,544	5,755	8,000	8,000
Circulation	129,730	135,899	145,000	145,000
Documents Notarized	1,015	978	1,000	1,000
Interlibrary Loans	22	16	20	20
Internet, MS Office, etc. Usage	7,183	7,538	7,600	7,600
Items Purged	6,758	5,719	7,500	7,500
Library Visits	58,576	65,218	67,000	67,000
Meeting Room Usage	1,383	1,319	1,350	1,350
New Items Added to Collection	6,866	6,894	7,000	7,000
Overdue Items Retrieved	550	678	600	600
Passport Applications Processed	1,382	1,759	1,800	1,800
Reading Material Reserves	8,956	8,397	8,500	8,500
Web Page Hits	61,060	59,363	60,000	60,000

Program Accomplishments

- The Library is making efforts to add SMS text messaging for overdue notices to patrons in early 2024.
- It is also making efforts to provide mobile printing services for the public.
- The Library incorporated automatic item renewals for patrons in Fall 2023.
- The Library plans to purchase 8 staff computers in spring 2024, enabling us to catch up on technology purchases that were delayed due to Covid.
- Using donations and state aid funding, the library plans to update the children's area with interactive learning manipulatives in Winter/Spring 2024.
- The Library went fine free in July 2023 and implemented Passport Photo services as a revenue replacement in August 2023.
- A new copier lease was implemented with Virginia Business Systems in Fall 2023 with 2 new copiers replacing the five year old public and staff machines.



Planning

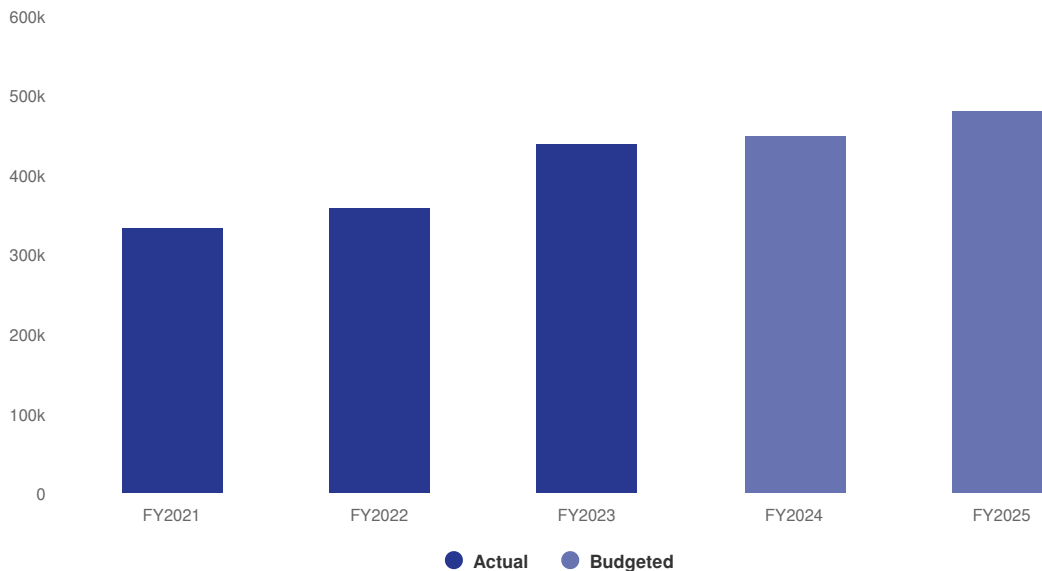
Planning updates and administers City land use ordinances including Zoning Ordinance subdivision Ordinance, Erosion and Sediment Control Ordinance, Site Plan Ordinance, Wetlands Ordinance and Sign Ordinance. They monitor compliance of issued use permits and zoning violations, The Planning Department coordinates with the Inspections Department administering the City's Federal Flood Insurance rating program and the Community Rating System. They provide technical assistance to other departments, real estate agents, developers, contractors, and citizens. Providing staff support to City Council, Planning Commission, Board of Zoning Appeals, Wetlands Board, Architectural Review Board and Economic Development Authority. Manage economic development through comprehensive planning, rezoning, and master planning processes. They serve as participating department for the Hazard Mitigation Planning Committee, and as lead department for the Environmental Development Plan Review Committee. They coordinate and monitor ongoing residential and commercial site development, and develop and maintain community access cable TV channels. Department staff serve as liaison to multiple State and regional agencies and committees. Planning prepares special project studies as assigned by the City Manager, and administers the Erosion and Sediment Control/Stormwater Program.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases.

\$481,397 **\$33,187**
(7.40% vs. prior year)

Planning Proposed and Historical Budget vs. Actual

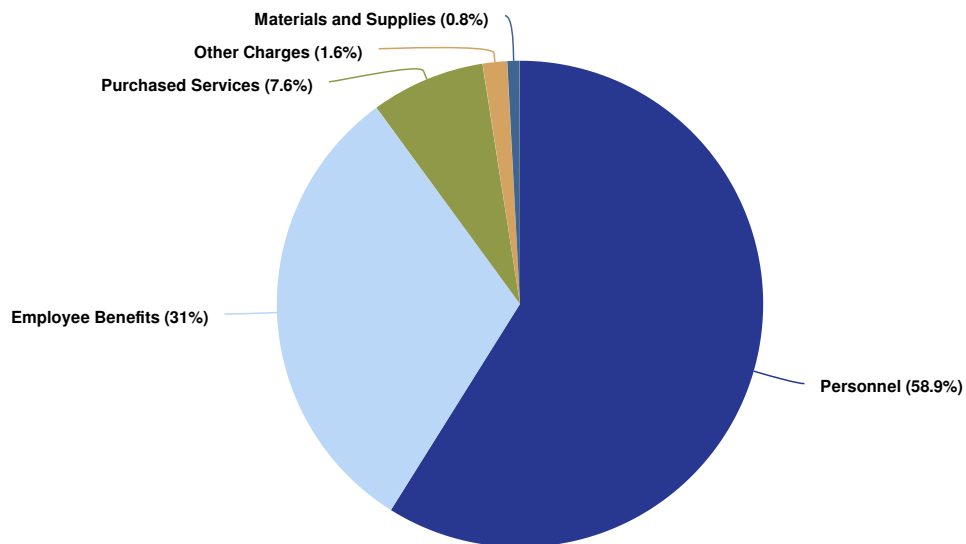


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Community Development							
Planning							
Personnel	\$217,714	\$233,229	\$255,051	\$272,918	\$283,618	\$10,700	3.9%
Employee Benefits	\$93,552	\$101,687	\$130,763	\$135,442	\$149,429	\$13,987	10.3%
Other Charges	\$6,433	\$6,144	\$6,554	\$8,050	\$7,850	-\$200	-2.5%
Purchased Services	\$14,236	\$14,727	\$13,086	\$28,200	\$36,500	\$8,300	29.4%
Materials and Supplies	\$2,077	\$2,731	\$1,511	\$3,600	\$4,000	\$400	11.1%
Capital Outlay	\$26		\$6,350			\$0	N/A
Grants			\$26,616			\$0	N/A
Total Planning:	\$334,038	\$358,518	\$439,931	\$448,210	\$481,397	\$33,187	7.4%
Total Community Development:	\$334,038	\$358,518	\$439,931	\$448,210	\$481,397	\$33,187	7.4%
Total Expenditures:	\$334,038	\$358,518	\$439,931	\$448,210	\$481,397	\$33,187	7.4%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Dir of Community Development	1	1	1	1	1
Planner	1	1	1	1	1
Environmental Compliance Ofcr	1	1	1	1	1
Administrative Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	4	4	4	4	4

Goals and Objectives

The Planning Department assists the EDA, City Manager and City Council in promoting economic growth. They continue to lead the Development Plan Review Committee in processing development plans for adherence of regulations, and development of the GIS program for the City.

They will continue to process a variety of land use applications. They will work with the Virginia Department of Transportation in planning for City roadway improvements. The Planning Department will work with the Hampton Roads Planning District Commission in monitoring development of regional planning practices and issues. They will update City land use ordinances to reflect the City's economic development needs and trends, while continuing to process a variety of land use applications. The department will assist in the implementation of the updated Comprehensive Plan. They will maintain and update the plan to encourage and recognize its goals and objectives. The department will strive to provide professional, expeditious, thorough accurate and courteous services to the public on local, State and Federal land use regulations. Planning will provide adequate staff support to the Architectural Review Board, Board of Zoning Appeals, Wetlands Board, Planning Commission, and the City Council. They will seek to achieve certifications that will allow staff to further their professional development and remain in compliance with State regulations.

The Planning Department played a major role in the the City's Constrained Capital Improvements Plan (CCIP). They obtained a grant for updating the Chesapeake Bay Preservation Area regulations and other Wetland, Erosion and Sediment Control Ordinances from the Department of Environmental Quality (DEQ), They are also seeking a grant for a living shoreline at Amory's Wharf. City Council has allocated 50% of the budget for this project in anticipation of the grant being awarded.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Citizen Requests for Information	2,000	2,000	3,557	4,000
City Council/Board/Comm Agenda Items	43	15	20	25
Erosion and Sediment Applications Processed	22	30	150	160
Erosion and Sediment Inspections	752	800	4,097	4,100
Farm Animal Permits Processed	51	45	70	75
Major Subdivision Plans Reviewed	3	2	2	3
Minor Subdivision Plans Reviewed	4	3	11	13
Sign Permit Applications	12	10	12	13
Site Plans Reviewed	4	4	4	5
Special Projects (Non Planning)	20	20	20	20
Zoning Ordinance/City Code Amendments	6	8	1	3



Program Accomplishments

- Successfully integrated iWorq software.
- Continued the process of updating the City's Land Use Ordinances and City Code Provisions.
- Implemented and monitored state highway, environmental and stormwater regulations.
- Actively participated in regional planning meetings.
- Continued to update the City's official zoning map for adoption by the City Council.
- Facilitated the compliance of outstanding non-conforming uses.
- Continued the function of performing all erosion and sediment control permit inspections.
- Continue to work with Legacy of Poquoson, Fountains of Poquoson, Quarter Creek Subdivision, and Wythe Creek Estates developers.



Planning, Zoning, Wetland, and ARB

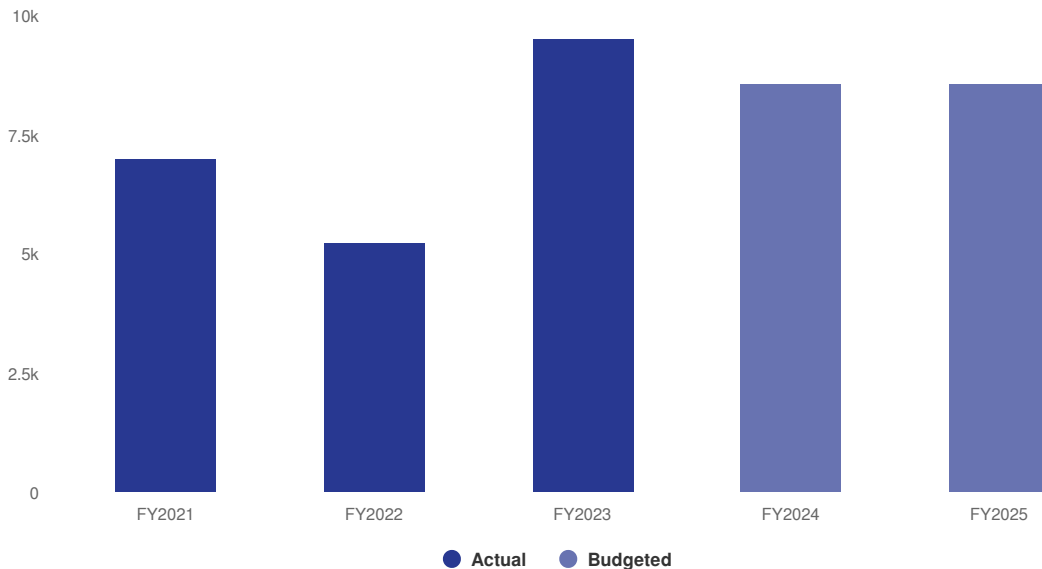
This Department processes a variety of land use applications, assisting the public in City land use policies and standards. They prepare and modify the City's Comprehensive Plan, applications for public hearings, inspecting sites, monitoring construction, assisting the public in preparation and delivery of formal applications, and presentations to City Council/Boards/Commissions.

Expenditures Summary

For FY 2025, there is no change in operating costs.

\$8,550 **\$0**
(0.00% vs. prior year)

Planning, Zoning, Wetland, and ARB Proposed and Historical Budget vs. Actual

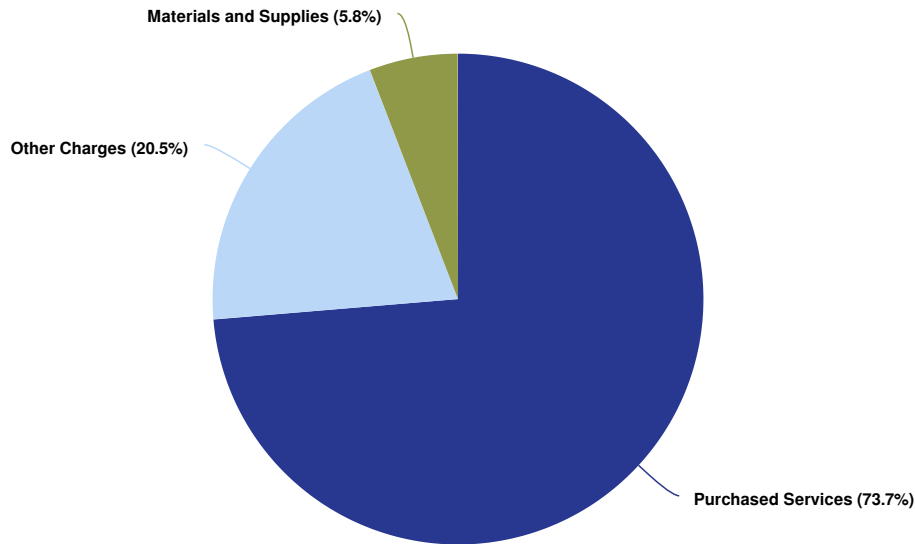


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Community Development							
Planning, Zoning, Wetland, and ARB							
Other Charges	\$5	\$11	\$1	\$1,750	\$1,750	\$0	0%
Purchased Services	\$6,727	\$4,910	\$6,863	\$6,300	\$6,300	\$0	0%
Materials and Supplies	\$247	\$300	\$399	\$500	\$500	\$0	0%
Capital Outlay			\$2,242			\$0	N/A
Total Planning, Zoning, Wetland, and ARB:	\$6,979	\$5,221	\$9,505	\$8,550	\$8,550	\$0	0%
Total Community Development:	\$6,979	\$5,221	\$9,505	\$8,550	\$8,550	\$0	0%
Total Expenditures:	\$6,979	\$5,221	\$9,505	\$8,550	\$8,550	\$0	0%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Goals and Objectives

Architectural Review Board (ARB)

- Regulate exterior appearance of buildings, structures and improvements proposed for erection or alteration in the Village Commercial, General Commercial and Research and Development Districts and the City's business corridor.
- Encourage construction of attractive commercial development and prevent garish, bizarre and inappropriate exterior designs which could deteriorate the appearance of development and ultimately threaten the integrity of future development and revenue within the City of Poquoson.

Board of Zoning Appeals (BZA)

- Provide relief to property owners from the Zoning Ordinance when the strict application of the ordinance would prevent the reasonable use of land. Determine mitigation requirements.
- Continue education and certification of Board Members through the Certified Professional Education Association of Virginia.
- Provide competent, expedient and professional advice and technical support to City Council pertaining to land use and development issues facing Poquoson.
- Expand staff's knowledge and technical abilities of planning, land use, development, and zoning issues.
- Assist in guiding the development of the revised Comprehensive Plan and in conjunction facilitate a public outreach program for the formulation of the revised plan.
- Assist in guiding development in a fashion compatible with the City's adopted Comprehensive Plan.
- Oversee and guide the process to update the City's Comprehensive Plan.

Wetlands Board

- Provide competent, expedient and professional services and technical support to property owners proposing to perform development activities in wetlands.
- Protect Poquoson's environmentally sensitive wetlands, through the enforcement and administration of local and State wetlands laws and expand upon the Board's and staff's knowledge.
- Review permit applications for projects proposing impact on wetlands per State guidance and regulations.
- Monitor progress of permitted projects.

Environmental Development Plan Review Committee (EDPRC)

- Review site and subdivision plans, proposed Resource Protection Area (RPA) encroachment on grandfathered lots, grant waivers where appropriate and determine mitigation requirements.
- Determine mitigation requirements for waivers to Chesapeake Bay regulations.
- Review wetland permits for land disturbance impacts in the RPA.
- Meet with potential developers to discuss requirements and offer guidance and assistance during the early stages of development to ensure applications are handled in an expeditious manner.

Program Accomplishments

- Continued to advance education opportunities and obtain certifications.
- BZA approved 2 Chesapeake Bay exceptions and zero Zoning variances.
- The EDPRC considered 2 waiver requests.
- The Wetlands Board finalized 5 final permits.
- Evaluated Joint Permit Applications (JPAs) to determine 25 "No Permits Required".
- The Planning Commission recommended approval of four Conditional Use Permits, with one application still outstanding (5 total).
- The Planning Commission conducted work sessions throughout the year in regard to a revision of the Zoning Ordinance.



Economic Development

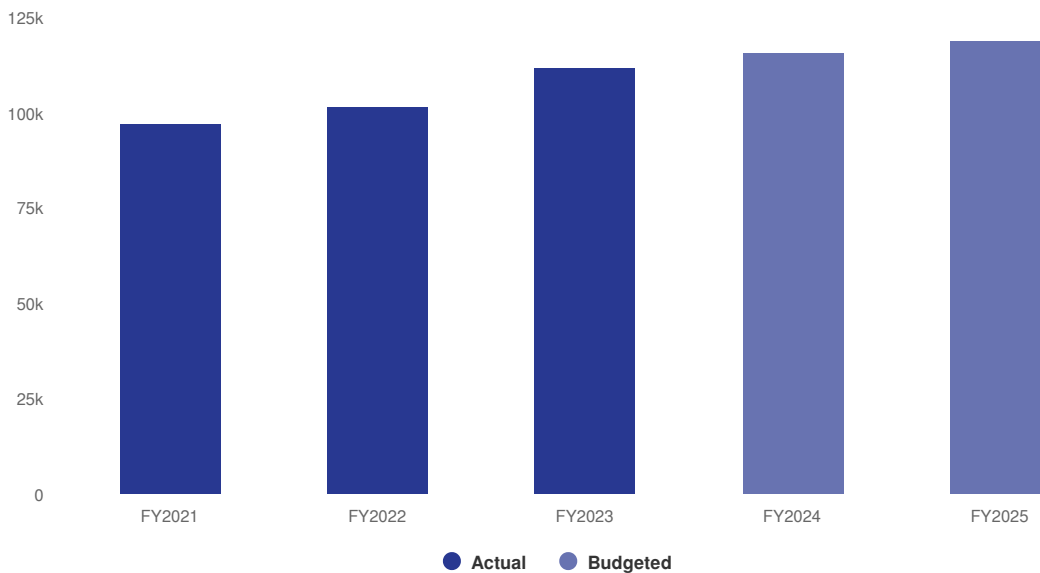
The Economic Development Department serves as staff liaison for the Poquoson Economic Development Authority. Retention and expansion opportunities are promoted as recruitment efforts continue for new businesses. The department promotes quality, safe, and environmentally friendly growth in the City. They work with City businesses and organizations to support a productive growth atmosphere for existing and future businesses. They serve as City representatives to the Hampton Roads Economic Resource Team (PERT), Virginia Economic & Development Partnership (VEDP), the Hampton Roads Economic Development Alliance (the Alliance), the Virginia Peninsula Chamber of Commerce (VPCC), and the Small Business Development Center arm of the Chamber, as well as seeking involvement in special initiatives of these organizations, such as child care. The department develops and implements marketing initiatives to publicize the Poquoson Business Community. They maintain and update the City's Commercial Property inventory. The Department schedules and coordinates business development events.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases.

\$118,801 **\$3,266**
(2.83% vs. prior year)

Economic Development Proposed and Historical Budget vs. Actual

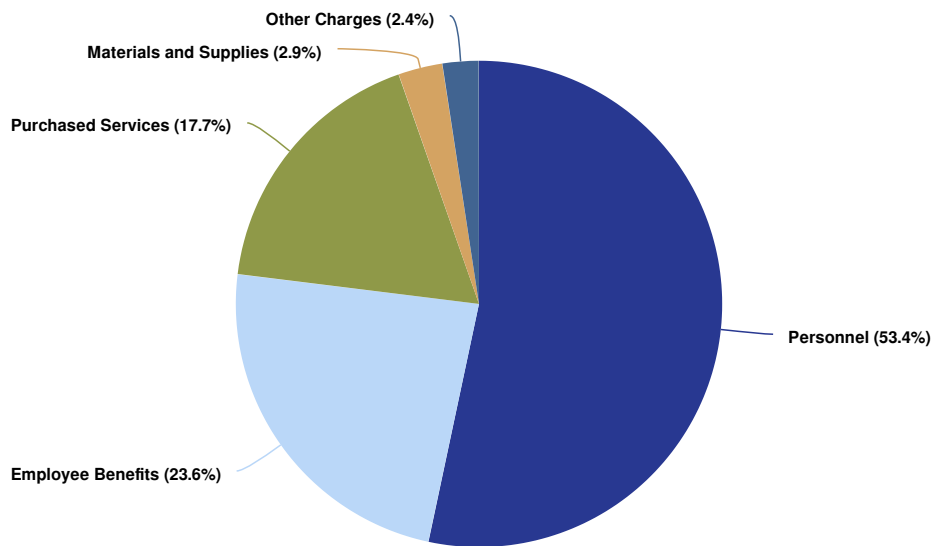


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Community Development							
Economic Development							
Personnel	\$53,228	\$56,613	\$59,884	\$63,704	\$63,384	-\$320	-0.5%
Employee Benefits	\$20,410	\$21,432	\$23,621	\$24,371	\$28,057	\$3,686	15.1%
Other Charges	\$1,516	\$1,220	\$3,018	\$2,960	\$2,860	-\$100	-3.4%
Purchased Services	\$21,938	\$19,957	\$20,396	\$21,000	\$21,000	\$0	0%
Materials and Supplies	\$131	\$2,324	\$4,636	\$3,500	\$3,500	\$0	0%
Total Economic Development:	\$97,223	\$101,546	\$111,555	\$115,535	\$118,801	\$3,266	2.8%
Total Community Development:	\$97,223	\$101,546	\$111,555	\$115,535	\$118,801	\$3,266	2.8%
Total Expenditures:	\$97,223	\$101,546	\$111,555	\$115,535	\$118,801	\$3,266	2.8%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2025</u>
Economic Development Coord	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	1	1	1	1	1

Goals and Objectives

Between wetlands issues and the development of EDA-owned property for a new Public Safety Building, the potential for promoting Big Woods properties has declined. The Economic Development Office continues to seek new businesses to locate on existing or available properties in the City. The last round of ARPA grant funds were utilized to support 19 businesses, and the remaining \$9,130 is being considered for other allowable uses. The Economic Development Office continues to be the liaison with Start Peninsula and Hybrid Broadcast Broadband (HBB) Network to support start-up and fledgling businesses. The department will work with other locality members of the Regional Infrastructure Facility Authority (RIFA) to identify mutual participation opportunities to benefit the City. Although efforts to support Poquoson businesses forming a new self-run organization have not met with success, the importance of establishing such an organization continues to be a goal.

Program Measures

	FY2022	FY2023	FY2024	FY2025
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Economic Development Events	2	3	3	3
Small Business Grant Programs	1	2	1	-

Program Accomplishments

- Supported 19 businesses with provision of ARPA grants totaling nearly \$200,000.
- Worked with regional organizations and localities to target provision of child care.
- Provided support for 2024 Garden Week organizers seeking advertisers for their publication and other connections supporting their event, which will include homes in Poquoson.
- Assisted existing Poquoson companies with relocation.



Community Development

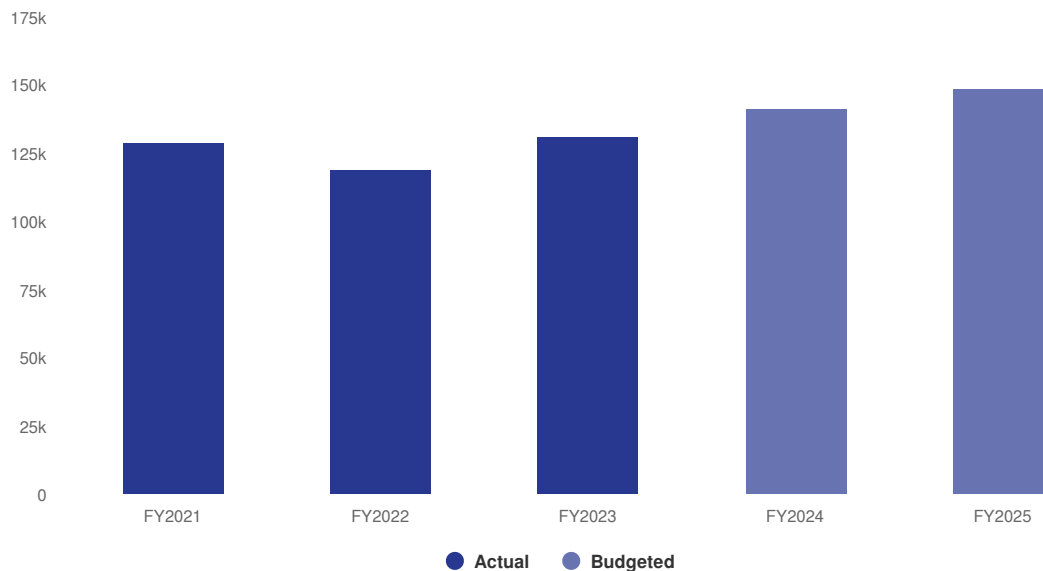
Participate in agencies which provide services that improve the quality of life for citizens of Poquoson.

Expenditures Summary

Minimal increases in FY2025 for community partners that provide services to citizens of Poquoson.

\$148,446 **\$7,242**
(5.13% vs. prior year)

Community Development Proposed and Historical Budget vs. Actual



Goals and Objectives

Community Development will continue to contribute to a number of agencies which provide services to disadvantaged, elderly, and youth. They contribute to agencies which provide services that benefit Poquoson's economy, including those which attract new businesses to the area and increase local tourism.



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Community Development							
Other Charges							
HRPDC LOCAL CONTRIBUTION	\$9,916	\$10,596	\$24,663	\$24,880	\$26,786	\$1,906	7.7%
HRPDC REGIONAL WATER PROGRAM	\$2,242	\$2,170				\$0	N/A
HRPDC STORMWATER MGMT	\$2,240	\$2,079				\$0	N/A
HRPDC MUNICIPAL CONSTRUCTION	\$481	\$481				\$0	N/A
HRPDC OTHER PROJECTS	\$8,696	\$8,500				\$0	N/A
SMALL BUSINESS DEVELOPMENT C	\$3,000	\$3,000	\$3,000	\$3,500	\$3,000	-\$500	-14.3%
TRANSITIONS FAMILY VIOLENCE	\$2,500	\$3,000	\$2,500	\$3,000	\$3,000	\$0	0%
PEN CHAMBER OF COMMERCE	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$0	0%
VPCC LOCAL CAPITAL SUPPORT	\$31,814	\$18,459	\$31,814	\$31,814	\$31,814	\$0	0%
PEN EMERGENCY MED SERV COUNC	\$1,602	\$1,611	\$1,981	\$2,002	\$2,020	\$18	0.9%
PEN AGENCY AGING DISAB TRANS	\$3,800	\$3,906		\$7,826	\$8,053	\$227	2.9%
PEN COUNCIL WORKFORCE DEVELO	\$5,847	\$5,847	\$3,023	\$3,144	\$3,146	\$2	0.1%
POQUOSON HISTORICAL SOCIETY		\$500	\$500	\$500	\$500	\$0	0%
POQUOSON MUSEUM FOUNDATION	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500	\$0	0%
HR MILITARY/FED FACILITIES A	\$6,160	\$6,198	\$6,055	\$6,257	\$6,312	\$55	0.9%
LITTER CONTROL GRANT	\$7,239	\$7,230	\$9,607	\$9,570	\$12,513	\$2,943	30.8%
COMMISSION ON HOMELESSNESS	\$2,781	\$2,781	\$2,781	\$2,781	\$2,781	\$0	0%
CASA	\$750	\$750	\$750	\$750	\$750	\$0	0%
YORK/POQUOSON EXTENSION SERV	\$10,515	\$10,550	\$10,330	\$11,180	\$13,435	\$2,255	20.2%
PAWS	\$15,000	\$12,000	\$15,000	\$15,000	\$15,336	\$336	2.2%
PENINSULA ASAP (ALCOHOL SAFE		\$5,000	\$5,000	\$5,000	\$5,000	\$0	0%
Total Other Charges:	\$128,583	\$118,658	\$131,004	\$141,204	\$148,446	\$7,242	5.1%
Total Community Development:	\$128,583	\$118,658	\$131,004	\$141,204	\$148,446	\$7,242	5.1%
Total Expenditures:	\$128,583	\$118,658	\$131,004	\$141,204	\$148,446	\$7,242	5.1%



Non-Departmental

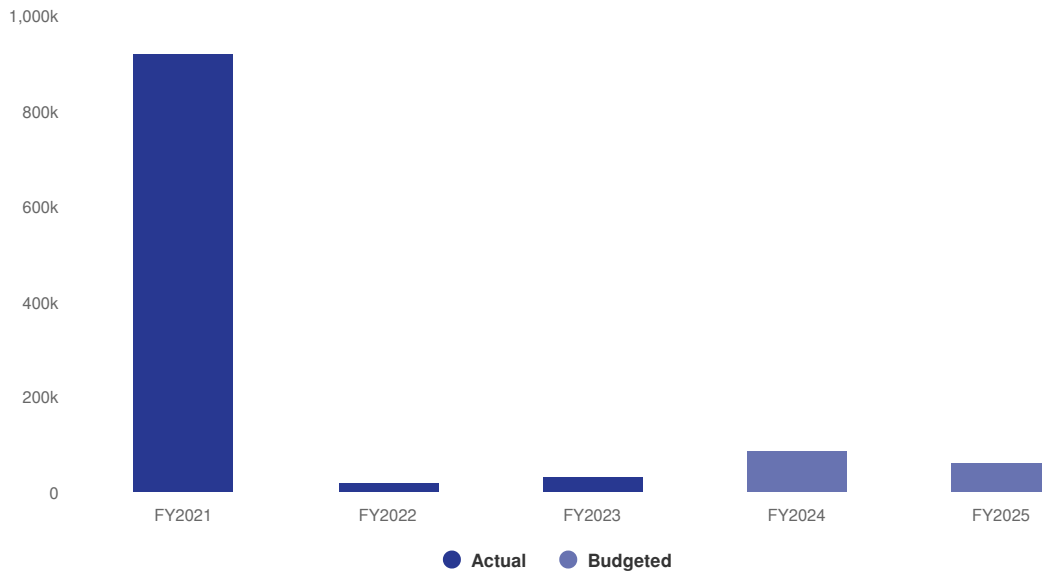
Account of expenses that are not readily classified in other areas. Hold funds in reserve for any contingent situations which may occur.

Expenditures Summary

There is a minimum of \$63,226 for unforeseen costs in FY2025.

\$63,226 **-\$26,077**
(-29.20% vs. prior year)

Non-Departmental Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Non-Departmental							
Community Relations							
Other Charges	\$920,563	\$20,704	\$36,050	\$89,303	\$63,226	-\$26,077	-29.2%
Total Community Relations:	\$920,563	\$20,704	\$36,050	\$89,303	\$63,226	-\$26,077	-29.2%
Total Non- Departmental:	\$920,563	\$20,704	\$36,050	\$89,303	\$63,226	-\$26,077	-29.2%
Total Expenditures:	\$920,563	\$20,704	\$36,050	\$89,303	\$63,226	-\$26,077	-29.2%

Goals and Objectives

Non-Departmental provides a contingency for certain unanticipated expenses which inevitably arise during the year. They continue to keep the contingency account less than one quarter of one percent of the total general fund budget.



DMV Select

This DMV Select Office processes applications for titling and registration of motor vehicles, issues license plates and/or decals, handicap placards, and driver transcripts. They collect fees, taxes, penalties and other monies in connection with the above transactions. They also issue boat registrations, hunting and fishing licenses for the Virginia Department of Game and Island Fisheries.

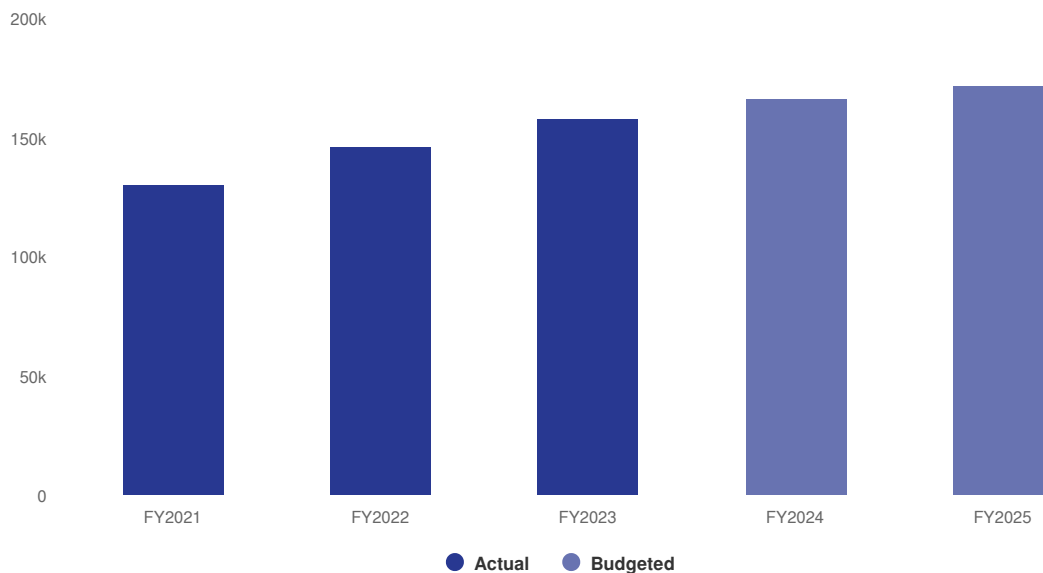
The DMV Select Office is managed by the Commissioner of the Revenue. Budget information for the Commissioner of the Revenue is listed separately and can be found on page 119.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases.

\$171,918 **\$6,010**
(3.62% vs. prior year)

DMV Select Proposed and Historical Budget vs. Actual

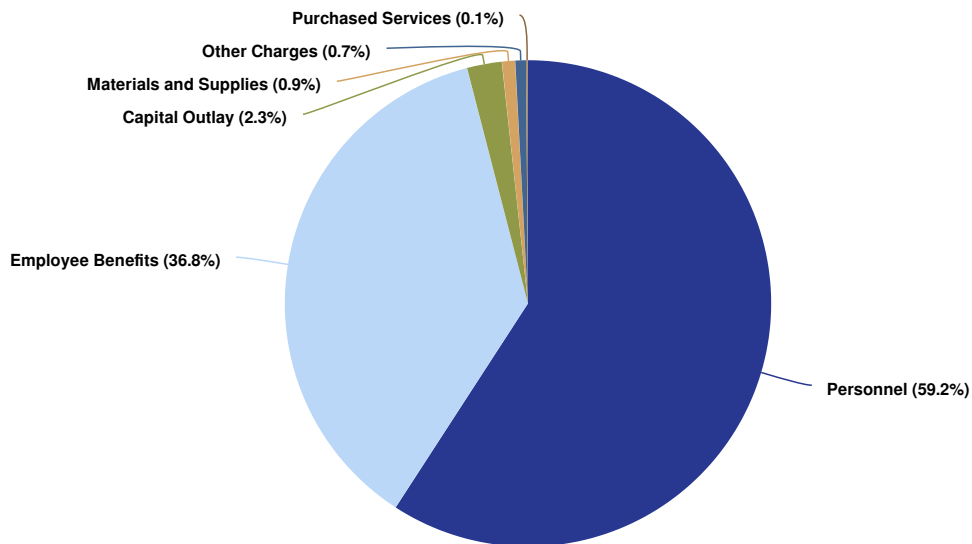


Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Non-Departmental							
Dept of Motor Vehicles							
Personnel	\$75,884	\$85,347	\$90,992	\$96,833	\$101,714	\$4,881	5%
Employee Benefits	\$52,063	\$58,180	\$64,587	\$66,425	\$63,259	-\$3,166	-4.8%
Other Charges	\$926	\$918	\$947	\$1,300	\$1,250	-\$50	-3.8%
Purchased Services	\$105	\$180	\$140		\$195	\$195	N/A
Materials and Supplies	\$1,062	\$1,208	\$1,437	\$1,350	\$1,500	\$150	11.1%
Capital Outlay					\$4,000	\$4,000	N/A
Total Dept of Motor Vehicles:	\$130,040	\$145,833	\$158,103	\$165,908	\$171,918	\$6,010	3.6%
Total Non- Departmental:	\$130,040	\$145,833	\$158,103	\$165,908	\$171,918	\$6,010	3.6%
Total Expenditures:	\$130,040	\$145,833	\$158,103	\$165,908	\$171,918	\$6,010	3.6%

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions	Authorized	Authorized	Authorized	Requested	Authorized
Personnel Summary:	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>	<u>FY2025</u>
Senior DMV Service Clerk	1	1	1	1	1
DMV Service Clerk	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	2	2	2	2	2

Goals and Objectives

DMV Select provides excellent customer service to all DMV customers. they advertise and promote new services offered (boat registrations, hunting and fishing licenses) as a result of the relationship established with the Department of Game and Inland Fisheries (DGIF). The Department improves the efficiency of DMV Select and DMV Connect by expanding customer service resources as customer service needs increase.

Program Measures

	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Total DMV Transactions	40,714	38,598	38,000	38,000
Car Dealers Served	15	15	15	15

Program Accomplishments

The DMV Select will conduct and complete about 40,000 transactions this year. These transactions are responsible for the generation of about \$140,000 in revenue for the City of Poquoson. Our Google ratings have increased from 4.1 stars in FY2023 to 4.3 stars for FY2024. As compared to other DMV offices and services, we continue to provide the highest levels of customer satisfaction. Our veteran team is often sought out by patrons, who travel further than they have to, seeking out our DMV Select.



Transfers Out - General Fund

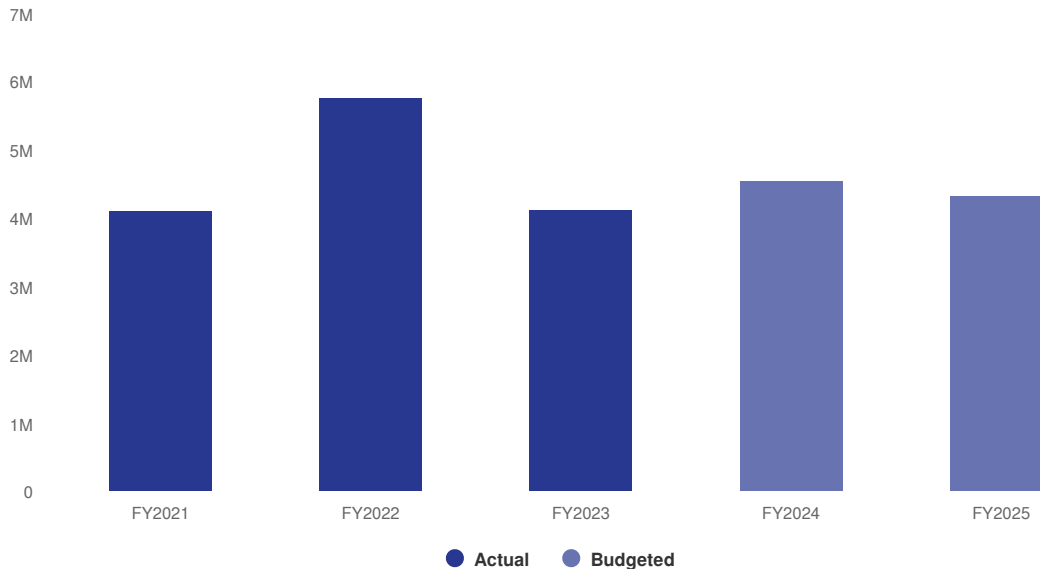
Account for all transfers from the General Fund to other funds of the City. The transfer to Debt Service provides the funding to process principal and interest on the general obligation debts. The transfer to Capital Projects Fund provides the funding for projects approved in the Constrained Capital Improvements Plan document. The transfer to the OPEB Fund provides the funding for the City's portion of retiree healthcare benefits as well as a contribution to the Virginia Pooled OPEB Trust Fund administered by VACo/VML. The transfer to the Economic Development Authority provides funding for operations.

Expenditures Summary

The General Fund provides transfers to other City Funds for necessary expenditures. In FY 2025, \$4,332,335 is budgeted. This funding supports the City's Debt Service, Capital Projects, Special Revenue Funds, and other related boards and authorities.

\$4,332,335 **-\$234,721**
(-5.14% vs. prior year)

Transfers Out - General Fund Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (% Change)	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)
Expenditures							
Transfers Out							
Transfers							
TRANSFER TO DEBT SERVICE	\$3,795,082	\$3,795,000	\$3,795,000	\$3,993,000	\$3,993,000	0%	\$0
TRANSFER TO CAPITAL	\$227,241	\$1,836,167	\$228,000	\$472,500	\$210,500	-55.4%	-\$262,000
TRANSFER TO SP REV FUND OPEB	\$78,697	\$104,388	\$100,000	\$80,556	\$107,835	33.9%	\$27,279
TRANSFER TO EDA	\$19,141	\$21,000	\$21,000	\$21,000	\$21,000	0%	\$0
TRANSFER TO FLEET FUND	\$2,000					N/A	\$0
Total Transfers:	\$4,122,161	\$5,756,555	\$4,144,000	\$4,567,056	\$4,332,335	-5.1%	-\$234,721
Total Transfers Out:	\$4,122,161	\$5,756,555	\$4,144,000	\$4,567,056	\$4,332,335	-5.1%	-\$234,721
Total Expenditures:	\$4,122,161	\$5,756,555	\$4,144,000	\$4,567,056	\$4,332,335	-5.1%	-\$234,721

Goals and Objectives

Transfer to Debt Service Fund is to cover current payment of all general governmental debt service for the City, Schools and EDA. Transfer to the Capital Projects Fund to support one time spending on approved projects from the Constrained Capital Improvement Plan. Transfer to OPEB Fund will provide funding for the City's portion of other post-employment benefits and payment to the trust fund. Transfer to the EDA to support operations of the Board and regional economic development efforts.



Debt Service

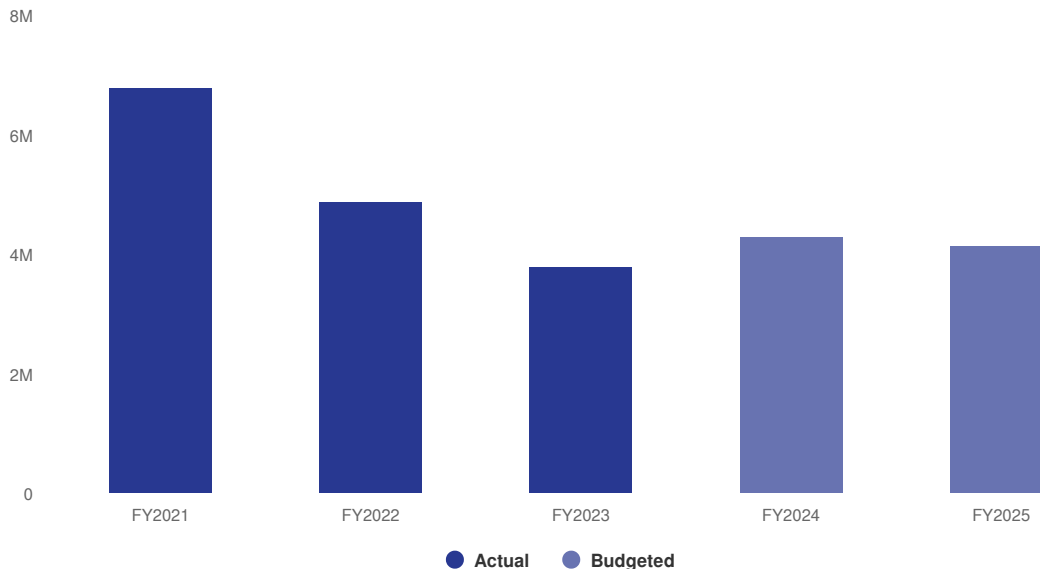
The debt service expenditures account for issuance and repayment of debt along with related interest on construction of City and School facilities and major equipment purchases.

Expenditures Summary

In Fiscal Year 2025, the principal and interest for School related debt is 74.6% or \$3.1 million of the overall Debt Service budget. The principal and interest for City related debt totals \$830,936 or 20% of the overall Debt Service Budget. The City anticipates issuing \$3 million in long-term financing in FY2025 for the replacement of the Poquoson High School HVAC system and one school bus. The total anticipated borrowing includes an estimated \$150,000 of related bond issuance cost that is budgeted in Debt Service, which is 3.6% of the overall Debt Service Budget. The remaining portion of the budget of 1.8% is \$75,075 that will be applied to the reserve for future debt.

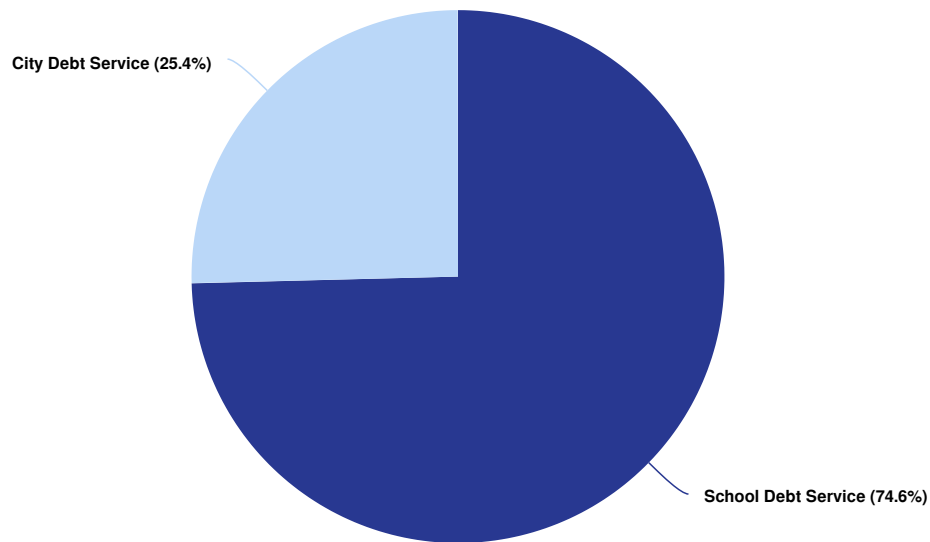
\$4,157,790 **-\$150,625**
(-3.50% vs. prior year)

Debt Service Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expense Objects							
Transfers	\$446,900	\$1,299,000				\$0	N/A
City Debt Service	\$2,722,878	\$787,016	\$702,884	\$1,216,257	\$1,056,011	-\$160,246	-13.2%
School Debt Service	\$3,633,666	\$2,790,967	\$3,102,891	\$3,092,158	\$3,101,779	\$9,621	0.3%
Total Expense Objects:	\$6,803,444	\$4,876,983	\$3,805,775	\$4,308,415	\$4,157,790	-\$150,625	-3.5%



Debt Service Fund - Expenditures

	FY 2025 <u>Principal</u>	FY 2025 <u>Interest</u>	FY 2025 <u>Budget</u>
School Bonds:			
2016 Refunded 2010 Refunded 2005 PES	\$358,286	\$45,290	\$403,576
2016 Refunded 2010 Refunded 2007 PES	467,808	59,134	526,942
2016 Refunded 2010 Refunded 2006B-PES	830,621	104,996	935,617
2016 Refunded 2011B Refunded 2009A Refunded 2006A PES	222,570	38,308	260,878
2016 Primary School HVAC	20,000	2,250	22,250
2016 High School HVAC	10,000	1,000	11,000
2016 High School Track	20,000	5,100	25,100
2018 Middle School Renovations	95,000	588,781	683,781
2018 School Bus	10,000	2,000	12,000
2020A 2012-2011 Refunded 2008 PMS Stadium	5,353	2,322	7,675
2020A 2012-2011 Refunded 2008 PES	30,022	13,023	43,045
2021A Middle School Renovations	91,000	32,373	123,373
2021A Middle School Renovations, Turf Field	<u>43,000</u>	<u>3,542</u>	<u>46,542</u>
Total School Bonds	\$2,203,660	\$898,119	\$3,101,779
City Bonds:			
2016 Refunded 2010 Refunded 2005 Fire Station #1	\$153,551	\$19,410	\$172,961
2016 Refunded 2010 Refunded 2007 Fire Station #1	109,733	13,871	123,604
2016 Refunded 2011B Public Works	37,430	6,442	43,872
2016 Fire Apparatus (Formerly Messick Point Beach)	10,000	2,200	12,200
2016 City Hall HVAC (Formerly Undesignated Project)	5,000	1,150	6,150
2018 Fire Engine 102	10,000	2,250	12,250
2018 City Hall HVAC	30,000	6,250	36,250
2018 TMDL	15,000	3,250	18,250
2020A - 2012-2011 Refunding 2007 Unrefunded Fire Station	1,827	793	2,620
2020A - 2012-2011/2009B Refunding 1998A Courthouse	4,798	2,081	6,879
2020B - Refinance 2013 GO to Refinance LOC for EDA	42,000	14,790	56,790
2022 GO Public Safety Building	10,000	140,494	150,494
2023 Ladder Truck	100,000	83,616	183,616
<u>Trustee Fees:</u>			
US Bank	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Total City Bonds	\$529,339	\$301,597	\$830,936
Cost of Debt Issuance	-	150,000	150,000
Reserve for Future Debt Service	<u>-</u>	<u>75,075</u>	<u>75,075</u>
Total Debt Service for FY2025	\$2,732,999	\$1,424,791	\$4,157,790



Debt Service - General Obligation Bonds

Outstanding general obligation bonds of the City's governmental activities are comprised of the following:

General Obligation Bonds, Series 2016 - \$14,830,000 bonds issued and due in annual installments varying from \$40,000 to \$2,245,000 beginning February 2015 through February 2031, with interest payable semi-annually at rates from 2% to 5%. Total outstanding at June 30, 2024 is \$7,234,999.

General Obligation Bonds, Series 2018 - \$18,070,000 bonds issued and due in annual installments varying from \$100,000 to \$1,565,000 beginning February 2020 through February 2040, with interest payable semi-annually at rates from 3% to 5%. Total outstanding at June 30, 2024 is \$17,480,000.

General Obligation Refunding Bonds, Series 2020A - \$1,385,000 bonds issued and due in annual installments varying from \$41,000 to \$725,000 beginning February 2021 through February 2028, with interest payable semi-annually at rates from 3% to 5%. Total outstanding at June 30, 2024 is \$1,078,000.

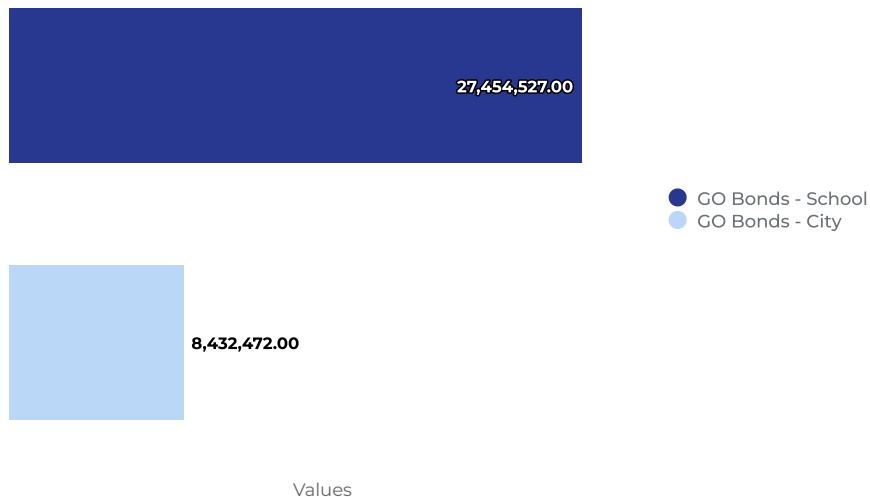
General Obligation Refunding Bonds, Series 2020B - \$1,434,000 bonds issued and due in annual installments varying from \$42,000 to \$752,000 beginning February 2021 through February 2028, with interest payable semi-annually at rates from 3% to 5%. Total outstanding at June 30, 2024 is \$1,112,000.

General Obligation Bonds, Series 2021A - \$3,522,000 bonds issued and due in annual installments varying from \$169,915 to \$346,000 beginning June 2022 through February 2036, with interest payable semi-annually at rates from 3% to 5%. Total outstanding at June 30, 2024 is \$3,123,000.

General Obligation Bonds, Series 2022 - \$4,000,000 bonds issued and due in annual installments varying from \$10,000 to \$304,000 beginning February 2023 through February 2042, with interest payable semi-annually at 3.53%. Total outstanding at June 30, 2024 is \$3,980,000.

General Obligation Bonds, Series 2023 - \$2,000,000 bonds issued and due in annual installments varying from \$100,000 to \$175,000 beginning February 2024 through February 2038, with interest payable semi-annually at 4.45%. Total outstanding at June 30, 2024 is \$1,879,000.

General Obligation Bonds as of July 1, 2024



Long Term Debt Obligations

	Projected Balance	Principal	Projected Balance
	<u>June 30, 2024 Retirement</u>		<u>June 30, 2025</u>
School Bonds:			
2016 Refunded 2010 Refunded 2005 PES	\$1,046,868	\$358,286	\$688,582
2016 Refunded 2010 Refunded 2007	1,366,878	467,808	899,070
2016 Refunded 2010 Refunded 2006B-PES	2,426,970	830,621	1,596,349
2016 Refunded 2011B Refunded 2009A Refunded 2006A PES	1,112,851	222,570	890,281
2016 Primary School HVAC	45,000	20,000	25,000
2016 High School HVAC	20,000	10,000	10,000
2016 High School Track	160,000	20,000	140,000
2018 Middle School Renovations	17,205,000	95,000	17,110,000
2018 School Bus	40,000	10,000	30,000
2020A 2012-2011 Refunded 2008 PMS Stadium	137,391	5,353	132,038
2020A 2012-2011 Refunded 2008 PES	770,569	30,022	740,547
2021A Middle School Renovations	2,815,000	91,000	2,724,000
2021A Middle School Renovations	<u>308,000</u>	<u>43,000</u>	<u>265,000</u>
	\$27,454,527	\$2,203,660	\$25,250,867
City Bonds:			
2016 Refunded 2010 Refunded 2005 Fire Station #1	\$448,658	\$153,551	\$295,107
2016 Refunded 2010 Refunded 2007 Fire Station #1	320,625	109,733	210,892
2016 Refunded 2011B Public Works	187,149	37,430	149,719
2016 Fire Apparratus (Formerly Messick Point Beach)	65,000	10,000	55,000
2016 City Hall HVAC (Formerly Undesignated Projects)	35,000	5,000	30,000
2018 Fire Engine	45,000	10,000	35,000
2018 City Hall HVAC	125,000	30,000	95,000
2018 TMDL	65,000	15,000	50,000
2020A - 2012-2011 Refunding 2007 Unrefunded Fire Station	46,893	1,827	45,066
2020A - 2012-2011/2009B Refunding 1998A Courthouse	123,147	4,798	118,349
2020B - Refinance 2013 GO to refinance LOC for EDA	1,112,000	42,000	1,070,000
2022 - Public Safety Building	3,980,000	10,000	3,970,000
2023 Ladder Truck	<u>1,879,000</u>	<u>100,000</u>	<u>1,779,000</u>
	\$8,432,472	\$529,339	\$7,903,133
Total Projected General Long Term Obligations	\$35,886,999	\$2,732,999	\$33,154,000



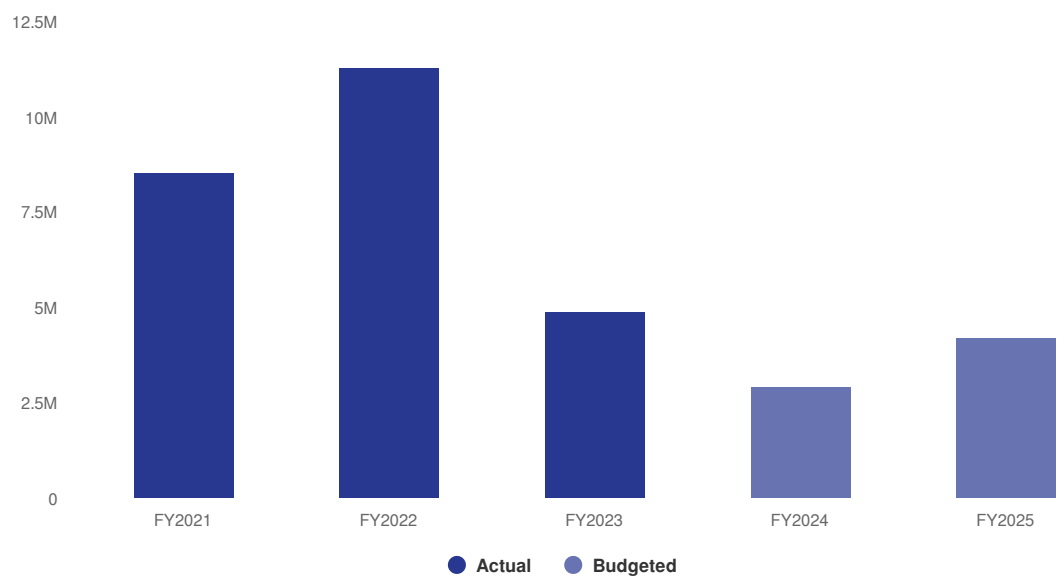
Capital Projects

Expenditures Summary

Capital budgets are intended to cover the cost of major improvements to a local government's infrastructure and are separate and distinct from a local government's operating budget, which is intended to cover the day-to-day cost of service delivery. The City's total Capital Projects budget for FY2025 totals \$4,200,500.



Capital Projects Proposed and Historical Budget vs. Actual



Funds are appropriated in the Capital Projects Fund as Year 1 projects, usually with a Transfer from the General Fund or issuance of new debt. Unexpended funds at the end of Year 1 lapse into the Fund Balance of the Capital Projects fund for future expenditures. Those unspent funds are then reappropriated the next fiscal year provided the project is not completed. Completed projects with leftover funds may be transferred to the General Fund Unassigned Fund Balance or designated to other projects within the fund.



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (%) Change)
Expenditures							
Capital Project							
Capital Projects							
PAVING	\$134,865	\$451,389	\$901,294	\$610,000	\$900,000	\$290,000	47.5%
DRAINAGE PROJECTS			\$15,894			\$0	N/A
SIDEWALKS	\$247,169	\$2,562				\$0	N/A
CITY HALL- ROOF & DOORS				\$70,000		-\$70,000	N/A
POLICE EQUIPMENT CARS,BWC	\$27,950	\$68,358		\$145,000	\$76,000	-\$69,000	-47.6%
FIRE APPARATUS				\$225,000		-\$225,000	N/A
FIRE EQUIP LIFPK/MDT	\$49,570		\$3,955		\$42,500	\$42,500	N/A
PROFESSIONAL SERVICES	\$2,733			\$17,000	\$30,000	\$13,000	76.5%
SCHOOL BUS REPLACEMENT		\$214,000	\$25,179		\$290,000	\$290,000	N/A
TRAFFIC SIGNAL SUPPORT SYSTEM				\$38,500		-\$38,500	N/A
SIGNAL UPGRADE- VDOT/CITY	\$99,871	\$14,000				\$0	N/A
PMS STADIUM/FOOTBALL FIELD		\$360,890				\$0	N/A
MESSICK PT BLEACHERS		\$11,416				\$0	N/A
SOUTH LAWSON PARK	\$74,495					\$0	N/A
LAND PURCHASE	\$5,000	\$433,721				\$0	N/A
FINANCIAL SOFT/HARDWARE				\$60,000		-\$60,000	N/A
POLICE SOFTWARE SYSTEM	\$60,000					\$0	N/A
CITY MISCELLANEOUS EQUIPMENT	\$7,375					\$0	N/A
PUBLIC SAFETY REPLACEMENT MD				\$42,000	\$42,000	\$0	0%
RADIOS -- FIRE DEPT				\$20,000	\$20,000	\$0	0%
REASSESSMENT SOFTWARE		\$121,021				\$0	N/A
PUBLIC WORKS EQUIPMENT		\$158,383				\$0	N/A
PHS HVAC	\$2,000				\$2,800,000	\$2,800,000	N/A
FIRE LADDER TRUCK REPLACE				\$1,700,000		-\$1,700,000	N/A
TRACTOR LEASE PRINCIPAL	\$66,814	\$34,547				\$0	N/A
TRACTOR LEASE INTEREST	\$3,605	\$1,228				\$0	N/A



Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
TRANSFER TO GENERAL FUND		\$50,000				\$0	N/A
PAVING	\$464,878		\$125,625			\$0	N/A
WYTHE CREEK ROAD SOUTH	\$3,008					\$0	N/A
SIDEWALKS		\$189,212				\$0	N/A
FIRE EQUIP LIFEPAK 15			\$57,175			\$0	N/A
SCHOOL BUS REPLACEMENT			\$110,000			\$0	N/A
PMS PRESS BOX / SCOREBOARD			\$101,149			\$0	N/A
BUILDING AND FACILITIES			\$75,909			\$0	N/A
SOUTH LAWSON PARK		\$18,385		\$0		\$0	N/A
MESSICK POINT BOAT RAMP		\$25,914	\$4,920			\$0	N/A
PARK IMPROVEMENTS			\$17,000			\$0	N/A
MESSICK POINT IMPROVEMENTS			\$38,933			\$0	N/A
REASSESSMENT SOFTWARE			\$50,750			\$0	N/A
PHS TRACK LOOP			\$153,554			\$0	N/A
PAVING	\$256,967					\$0	N/A
ENGINEERING SERVICES	\$1,486					\$0	N/A
VEHICLES & CAPITAL	\$27,724					\$0	N/A
SIGNAL UPGRADE- VDOT	\$5,443					\$0	N/A
SOUTH LAWSON PARK			\$1,934			\$0	N/A
PS REPLACEMENT	\$7,036					\$0	N/A
Total Capital Projects:	\$1,547,989	\$2,155,026	\$1,683,271	\$2,927,500	\$4,200,500	\$1,273,000	43.5%
Total Capital Project:	\$1,547,989	\$2,155,026	\$1,683,271	\$2,927,500	\$4,200,500	\$1,273,000	43.5%
PMS School Renovation 2019							
Capital Projects							
PROFESSIONAL SERVICES	\$448,585	\$237,007	\$179,440			\$0	N/A
CONTRACT LABOR	\$24,808	\$56,516	\$29,954			\$0	N/A
CONTRACTORS OPERATION	\$6,498,969	\$8,758,968	\$2,427,972			\$0	N/A
CONTINGENCY		\$13,333				\$0	N/A
OFFICE FURNITURE		\$72,844	\$562,954			\$0	N/A
Total Capital Projects:	\$6,972,362	\$9,138,668	\$3,200,320			\$0	N/A
Total PMS School Renovation 2019:	\$6,972,362	\$9,138,668	\$3,200,320			\$0	N/A
Total Expenditures:	\$8,520,351	\$11,293,694	\$4,883,591	\$2,927,500	\$4,200,500	\$1,273,000	43.5%



Major Function

- Account for financial resources to be used for the acquisition or construction of major City or School capital facilities, land, infrastructure, and equipment, other than those financed by proprietary funds.
- Incorporate into the Annual Financial Plan those items of a general governmental nature planned for in the Constrained Capital Improvements Plan.
- May include projects such as parks and recreation improvements, transportation projects and capital feasibility studies where project total is greater than \$50,000.

FY 2025 New Projects

Street Paving: The funding comes through the State Highway Funds from the Virginia Department of Transportation for maintenance, resurfacing and improvements. Projects are at the City's discretion based on needs. The following streets are scheduled to be repaved in FY2025: Court DeAyllon, Sir Ralph, Laydon Way, Nick Landing, Bessies Landing, Johns Landing, Roberts Landing, Robert Circle, and Poquoson Avenue (from S. Lawson to Messick Rd).

Professional Services: Cost to cover specialized services related to VDOT grants, to the City's stormwater permit-mandated bacterial TMDL Impairment Action Plan and watershed studies. The cost recommended in the FY2025 Budget is funded by a transfer from the General Fund.

Public Safety Replacement - MDTs: In FY2021, the City replaced the Fire Department's existing Mobile Device Terminals and purchased new terminals for the Police Department. The MDTs have a useful life of five years. The funding will go towards one-fifth of the replacement cost needed in FY2026 to purchase replacements for both departments. The cost recommended in the FY2025 Budget is funded by a transfer from the General Fund.

Public Safety Vehicle Replacement: Funding to provide for one replacement vehicle for the Police Department. The vehicles have an average useful life of seven to nine years. The cost recommended in the FY2025 Budget is funded by a transfer from the General Fund.

Poquoson High School HVAC Replacement: This project is for the replacement of the HVAC system, including boilers and chillers to a VAV system at PHS. The current HVAC system is approximately 27 years old. The VAV system is a more efficient system and has a useful life of 16-20 years. The cost recommended in the FY2025 Budget is funded through debt issuance.

School Bus Replacements: Funding to provide for two school bus replacements. The state recommends replacement at 15 years old. The cost in the FY2025 Budget includes one bus replacement funded through debt issuance and the other replacement would be from reappropriation of fund balance.



Special Revenue Fund/Grants

In FY2023, the City of Poquoson received approximately \$15.1 million in American Rescue Plan Act (ARPA) funds. All ARPA funds must be spent or contractually committed by the end of 2024 and all funds must be expended by the end of 2026. All funds must be spent on eligible expenses and any ARPA funds unspent by the aforementioned period must be returned by the City.

Expenditures Summary

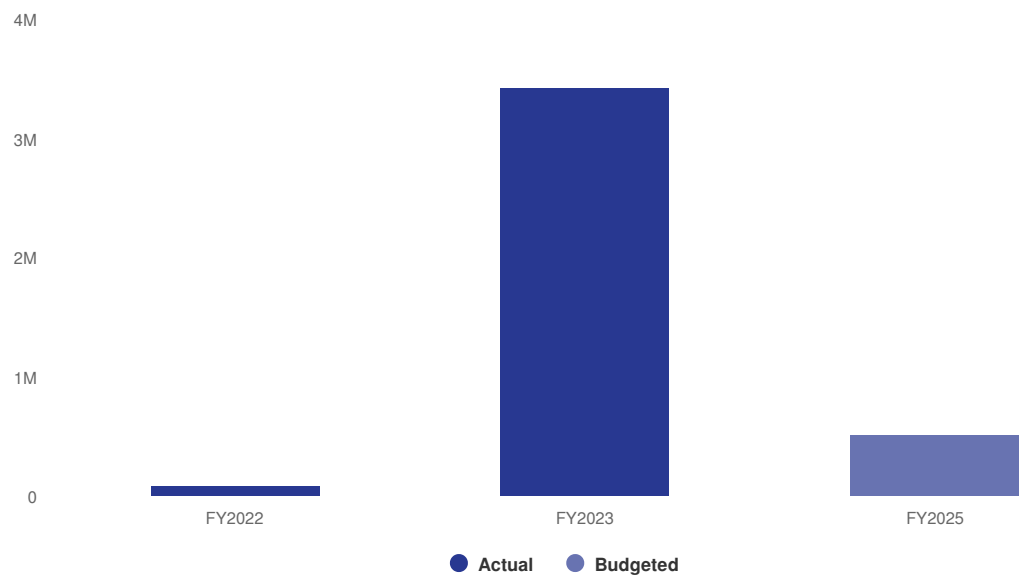
A special revenue fund is an account established by a government where funding sources must be used for a specific project. For FY 2023, the City budgeted a total of \$14,113,410 for various special projects throughout the City and across all service areas. For the FY2025 budget, an additional \$515,380 is included for sewer projects. The Temporary Construction Manager position continues work in FY2025 to assist with oversight of the construction of the Public Safety Building and will be funded solely by the ARPA grant funds that have been appropriated. This is a temporary position and will conclude once the building is completed.

\$515,380

\$515,380

(100.00% vs. prior year)

Special Revenue Grant Fund Proposed and Historical Budget vs. Actual



Personnel Summary

Positions	Authorized FY 2022	Authorized FY2023	Authorized FY2024	Requested FY2025	Authorized FY2025
Personnel Summary:					
Temp Construction Manager (FTE)	-	-	0.5	0.5	0.5
Totals	-	-	0.5	0.5	0.5



Sewer Fund

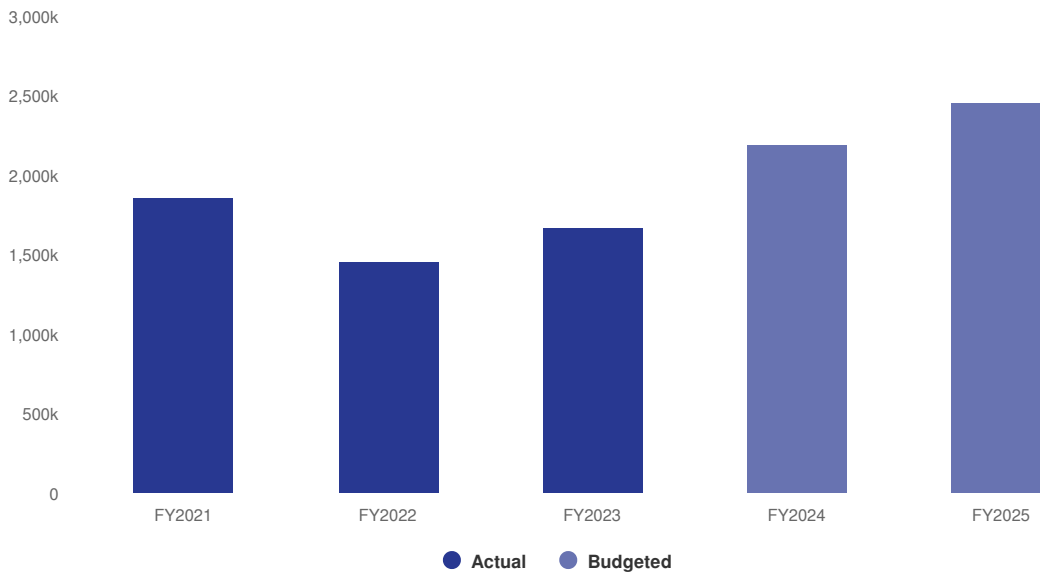
The Sewer Fund is operated as an Enterprise Fund which is used to account for sewer operations that function as though they were a private-sector entity. An Enterprise Fund is expected to cover its costs through user charges. The Sewer Fund provides for the maintenance of sewer lines, pump stations, backup generators, and its related equipment to operate. The Department provides 24-hour service for the 29 pump stations, 52 miles of gravity sewer lines and 12.4 miles of sewer force mains, installation of sewer taps, replacement or repair of broken or misaligned lines.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. One additional Utilities Worker position is included. Capital outlay includes replacement of pumps, upgrade of equipment at pump stations, as well as upgrade of the pump station system control and data acquisition system (SCADA) alarm system.

\$2,451,674 **\$260,936**
(11.91% vs. prior year)

Sewer Fund Proposed and Historical Budget vs. Actual



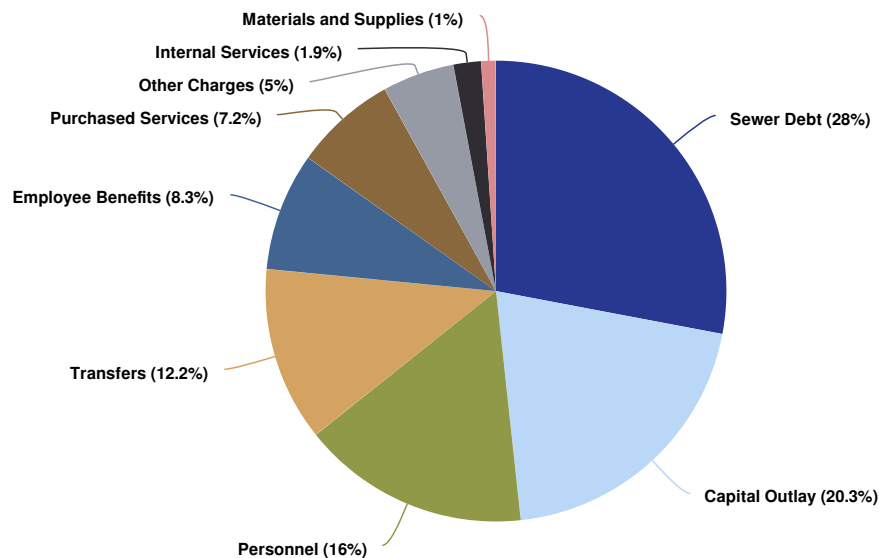
Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Sewer Operations							
Personnel	\$220,395	\$245,335	\$275,239	\$305,472	\$392,800	\$87,328	28.6%
Employee Benefits	\$117,790	\$88,412	\$121,353	\$145,024	\$203,127	\$58,103	40.1%
Other Charges	\$110,264	\$108,648	\$124,056	\$114,300	\$123,800	\$9,500	8.3%
Purchased Services	\$97,877	\$82,714	\$148,559	\$149,150	\$175,700	\$26,550	17.8%
Internal Services	\$27,414	\$32,531	\$43,877	\$40,081	\$47,597	\$7,516	18.8%
Materials and Supplies	\$11,207	\$12,994	\$19,635	\$13,450	\$25,000	\$11,550	85.9%
Capital Outlay	\$789,530	\$708,604	\$673,855	\$439,250	\$497,250	\$58,000	13.2%
Total Sewer Operations:	\$1,374,477	\$1,279,238	\$1,406,574	\$1,206,727	\$1,465,274	\$258,547	21.4%
Sewer Non Operations							
Materials and Supplies	\$9,238	\$290	\$41			\$0	N/A
Sewer Debt	\$270,634	-\$30,186	\$14,805	\$39,011	\$31,400	-\$7,611	-19.5%
Total Sewer Non Operations:	\$279,872	-\$29,896	\$14,846	\$39,011	\$31,400	-\$7,611	-19.5%
Budgetary Use of Fund Balance							
Sewer Debt				\$645,000	\$655,000	\$10,000	1.6%
Total Budgetary Use of Fund Balance:				\$645,000	\$655,000	\$10,000	1.6%
Transfers Out							
Transfers	\$200,000	\$200,000	\$250,000	\$300,000	\$300,000	\$0	0%
Total Transfers Out:	\$200,000	\$200,000	\$250,000	\$300,000	\$300,000	\$0	0%
Total Expenditures:	\$1,854,349	\$1,449,342	\$1,671,420	\$2,190,738	\$2,451,674	\$260,936	11.9%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Goals and Objectives

- Provide excellent and timely service to the residents of Poquoson.
- Train employees on the safe operation of the entire sanitary sewer system, and it's equipment.
- Continue to Slip-line leaking main lines through the City.
- Add Emergency Generators to pump stations that currently do not have them.
- Continue to upgrade the SCADA System.
- Continue replacing E-One pumps on North Lawson Road as needed.
- Continue upgrading older pumps, as needed, as they get closer to their end of life cycle.

Personnel Summary

Positions Personnel Summary:	Authorized <u>FY2022</u>	Authorized <u>FY2023</u>	Authorized <u>FY2024</u>	Requested <u>FY2025</u>	Authorized <u>FY2025</u>
Superintendent of Utilities	1	1	1	1	1
Utilities Foreman	1	1	1	1	1
Utilities Technician	1	1	1	1	1
Utilities Worker	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>
Totals	5	5	5	6	6



Project Information

Pump Station

Replacement of Gorman Rupp pumps and upgrading equipment at pump stations that are past their life cycle. (Station 2D, 2E, 2F, 2G, 3, 5, 7, 8, 10A, 10B, 11, 12, 13, 15)

Upgrade SCADA 18-SWR-002

Upgrade the pump station system control and data acquisition (SCADA) alarm system. Advancements in electronic systems are creating a situation where parts and programming will no longer be available to support our current operating system. The continuous monitoring of all the sanitary sewer pump stations is mandated by the Department of Environmental Quality/Health Department to ensure proper operation of the sanitary sewer system.

Pump Station Building

Buildings are needed to protect pump station equipment and to allow space for maintenance of the pump station equipment. Currently, stations 5, 7, 8, 10 and 11 have Quonset huts, but there is limited space available inside the huts for the pumps. The temperature and humidity changes cause the equipment to rust faster than normal, and a building would help prolong the normal life cycle of the sewer pumps. Station 9 does not currently have anything to protect its equipment and Station 13 needs an expansion to allow space to perform maintenance.

Backup Emergency Diesel Generator

Installation of Back-up Emergency Diesel Generators at Pump Stations at Station #5 (Wythe Creek Road). Upon completion of this project, all sewer pump stations in the City will have generators. The cost per generator is \$38,750. Installation, transfer switches, control panel, wiring, concrete work and testing are \$27,500. The total cost per pump station is \$66,250.

Replace/Repair Manholes on Messick Road

Repair multiple (ten) leaking manholes on Messick Road. Over the years, wear and tear along with salt water from the tide coming over the road has caused some manholes on Messick Road to be rusted, resulting in the water tight seal failing. This failure allows salt water and dirt to enter the sewer system. The DEQ consent order states that if we know of leaks, we have to take action on repairing those leaks.

Long Term Debt

General long-term obligations and notes payable are comprised of the following:

General Obligation Refunding Sewer Bonds, Series 2021B - \$3,983,000 bonds issued and due in annual installments varying from \$41,000 to \$675,000 through June 2028, with interest payable semi-annually at 3%.

	Projected Balance <u>June 30, 2024</u>	<u>Retirement</u>	Projected Balance <u>June 30, 2025</u>
Sewer Bonds, Series 2021B Refunding	\$2,661,000	\$655,000	\$2,006,000



Program Accomplishments

	FY2022	FY2023	FY2024	FY2025
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Force Main Miles	12.4	12.4	12.4	12.4
Grinder Pump Stations	18	18	18	18
Grinder Pumps Repaired	6	7	6	6
Laterals Cleaned bi-monthly	15	14	13	10
Laterals Cleaned bi-yearly	22	22	20	18
Laterals Installed	2	0	2	2
Laterals Repaired	9	10	8	8
Back-up Calls	-	-	70	70
Locations Marked for Miss Utilities	2,530	2,737	2,850	2,850
Pump Stations	29	29	29	29
Pumps Repaired	1	2	1	1
Sewer Connections	5,275	5,300	5,450	5,550
Sewer Gravity Miles	51.7	52	52.2	52.2
Pumps Replaced	5	9	6	6
Grinder Pumps Replaced	6	4	4	4



Solid Waste Fund

The Solid Waste Fund is an Enterprise Fund which accounts for the collection, disposal, and recycling of household and municipal solid waste, residential hazardous materials, bulky items and landscaping debris.

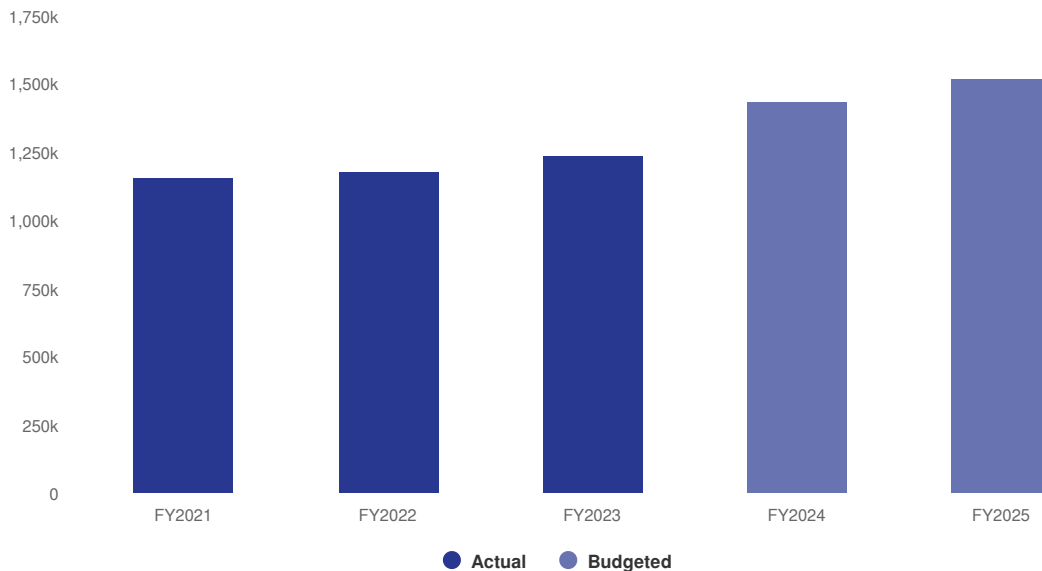
In January 2007, City Council adopted a Committee's recommendation and City staff implemented the container/cart program on October 1, 2007. This program utilizes contracted disposal of all household solid waste.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. The Solid Waste departmental budget for FY2025 reflects additional funding for increased landfill costs and motor vehicle parts.

\$1,516,945 **\$78,810**
(5.48% vs. prior year)

Solid Waste Fund Proposed and Historical Budget vs. Actual



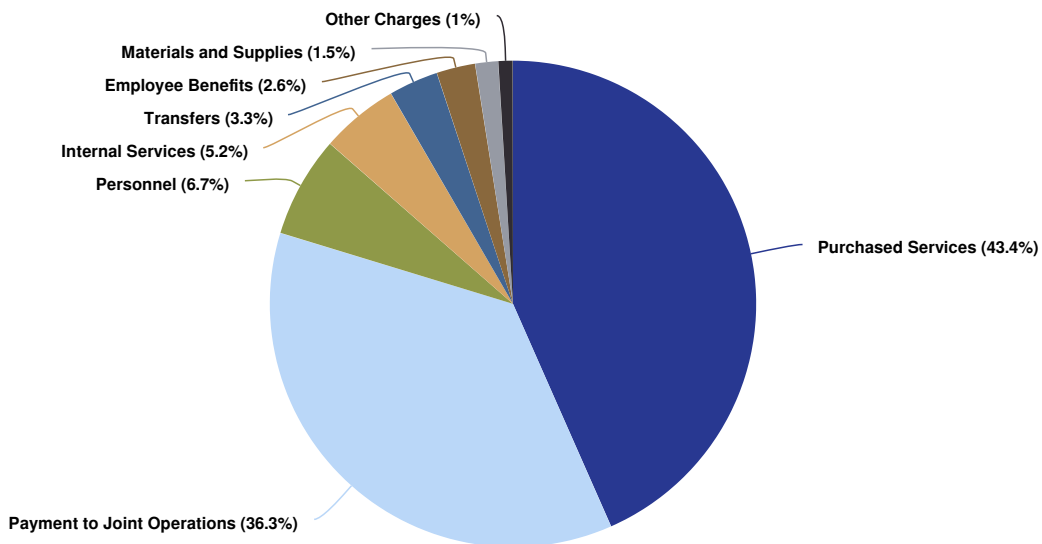
Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Solid Waste Garbage Operations							
Garbage and Recycling							
Employee Benefits		-\$95,431	-\$2,783			\$0	N/A
Other Charges	\$7,551	\$7,609	\$11,426	\$8,200	\$8,200	\$0	0%
Purchased Services	\$400,043	\$389,749	\$423,253	\$532,920	\$518,731	-\$14,189	-2.7%
Materials and Supplies	\$20,406	\$37,830	\$28,848	\$31,800	\$16,800	-\$15,000	-47.2%
Payment to Joint Operations	\$353,283	\$362,473	\$379,594	\$417,336	\$492,131	\$74,795	17.9%
Capital Outlay	\$24,716	\$18,535	\$12,354			\$0	N/A
Total Garbage and Recycling:	\$805,999	\$720,765	\$852,692	\$990,256	\$1,035,862	\$45,606	4.6%
Total Solid Waste Garbage Operations:	\$805,999	\$720,765	\$852,692	\$990,256	\$1,035,862	\$45,606	4.6%
Solid Waste Bulky Item Operations							
Bulky Item-Landscaping							
Personnel	\$74,071	\$81,222	\$89,486	\$91,300	\$102,163	\$10,863	11.9%
Employee Benefits	\$42,208	\$119,641	\$33,243	\$36,688	\$39,135	\$2,447	6.7%
Other Charges	\$4,555	\$5,927	\$6,138	\$7,200	\$6,500	-\$700	-9.7%
Purchased Services	\$99,330	\$118,207	\$114,541	\$142,156	\$139,610	-\$2,546	-1.8%
Internal Services	\$44,928	\$58,402	\$67,946	\$63,736	\$78,719	\$14,983	23.5%
Materials and Supplies	\$852	\$3,128	\$5,979	\$5,932	\$6,224	\$292	4.9%
Payment to Joint Operations	\$31,839	\$22,836	\$20,688	\$50,867	\$58,732	\$7,865	15.5%
Transfers	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$0	0%
Total Bulky Item- Landscaping:	\$347,783	\$459,363	\$388,021	\$447,879	\$481,083	\$33,204	7.4%
Total Solid Waste Bulky Item Operations:	\$347,783	\$459,363	\$388,021	\$447,879	\$481,083	\$33,204	7.4%
Total Expenditures:	\$1,153,782	\$1,180,128	\$1,240,713	\$1,438,135	\$1,516,945	\$78,810	5.5%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Positions Personnel Summary:	Authorized FY2022	Authorized FY2023	Authorized FY2024	Requested FY2025	Authorized FY2025
Equipment Operator II	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Totals	1	1	1	1	1

Program Measures

	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 <u>Estimated</u>	FY2025 <u>Estimated</u>
Trash Collected (tons)	3,194	3,042	3,200	3,300
Recyclables Collected (tons)	975	968	980	990
Waste Oil Collected for Recycling (gallons)	2,207	1,559	2,000	2,000
Bulky Item Debris Collected for Disposal (tons)	1,939	1,960	2,000	2,100
Landscape Debris Collected for Recycling (tons)	490	403	500	500
Metal Items Collected for Recycling (GT)	17.3	18	18	18
Used Tires Collected for Recycling (tons)	11.21	10.35	11	11
Convenience Site Total Visitors	11,099	12,663	13,200	13,500



Fleet Fund

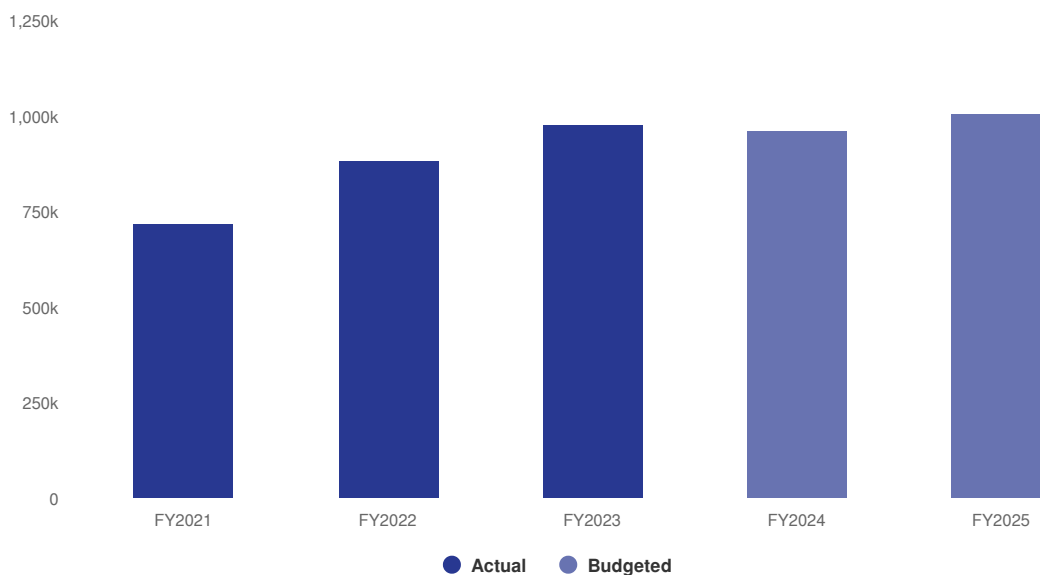
The Fleet Management Fund is operated as an Internal Service Fund. An Internal Service Fund is used to account for the financing of costs of services provided by one department to other departments or agencies of the governmental unit, or to governmental units on a cost-reimbursement basis. Internal Service Funds are classified as proprietary funds in recognition of the commercial accounting principles they follow. The Fleet Management Fund, which consists of the garage operation, provides maintenance/repair service of all City vehicles and equipment as well as the School Division vehicles and buses. The charging of garage services through an Internal Service Fund allows for equitable distribution of the cost of operating the garage to the departments using the services. Each department is billed directly for repair and maintenance of vehicles. The Fleet Management Fund also provides fuel and lubricants for City and School vehicles, which are billed directly to the departments based on usage.

Expenditures Summary

The budget for FY2025 includes a 4% base compensation increase and a 1% merit-based compression adjustment, as well as related benefit increases. The main operational increase within the Fleet budget for FY2025 is direct costs for fuel and lubricants within Garage overhead.

\$1,007,889 **\$43,427**
(4.50% vs. prior year)

Fleet Fund Proposed and Historical Budget vs. Actual



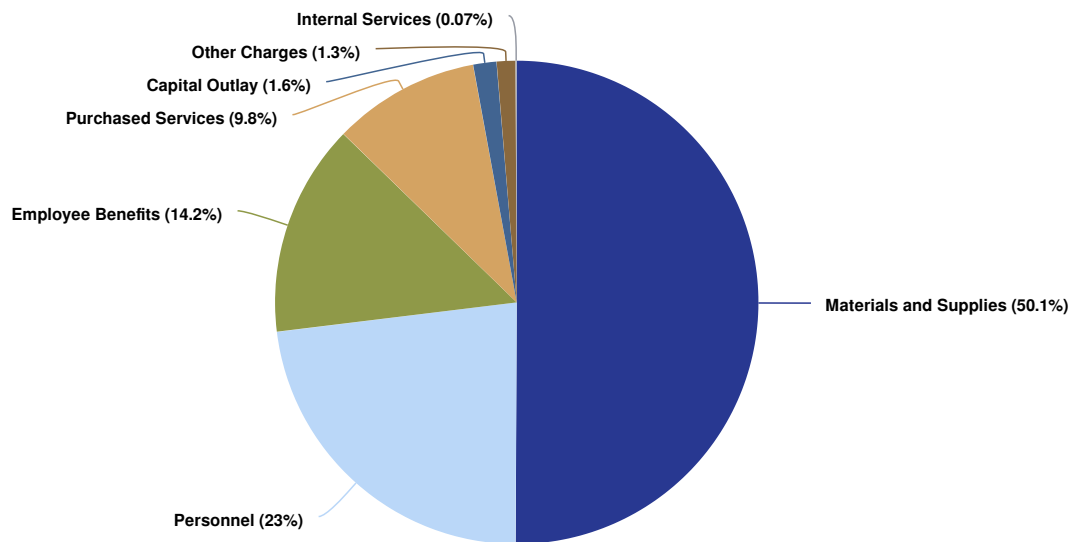
Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
Fleet Direct Operations							
Direct Exps							
Purchased Services	\$68,066	\$80,133	\$83,165	\$80,600	\$83,950	\$3,350	4.2%
Materials and Supplies	\$299,907	\$463,390	\$543,319	\$489,006	\$501,313	\$12,307	2.5%
Total Direct Exps:	\$367,973	\$543,523	\$626,484	\$569,606	\$585,263	\$15,657	2.7%
Total Fleet Direct Operations:	\$367,973	\$543,523	\$626,484	\$569,606	\$585,263	\$15,657	2.7%
Fleet Overhead							
Garage Overhead							
Personnel	\$183,718	\$203,392	\$217,399	\$216,416	\$231,730	\$15,314	7.1%
Employee Benefits	\$140,401	\$105,583	\$97,458	\$134,357	\$143,148	\$8,791	6.5%
Other Charges	\$8,605	\$9,504	\$11,002	\$12,600	\$12,700	\$100	0.8%
Purchased Services	\$7,342	\$6,695	\$11,298	\$11,280	\$15,230	\$3,950	35%
Internal Services	\$406	\$683	\$368	\$1,050	\$739	-\$311	-29.6%
Materials and Supplies	\$3,550	\$2,608	\$2,517	\$2,550	\$3,441	\$891	34.9%
Capital Outlay	\$9,157	\$10,679	\$10,677	\$16,603	\$15,638	-\$965	-5.8%
Total Garage Overhead:	\$353,179	\$339,144	\$350,719	\$394,856	\$422,626	\$27,770	7%
Total Fleet Overhead:	\$353,179	\$339,144	\$350,719	\$394,856	\$422,626	\$27,770	7%
Total Expenditures:	\$721,152	\$882,667	\$977,203	\$964,462	\$1,007,889	\$43,427	4.5%



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Personnel Summary

Position	Authorized FY2022	Authorized FY2023	Authorized FY2024	Requested FY2025	Authorized FY2025
Personnel Summary:					
Fleet Maintenance Supervisor	1	1	1	1	1
Chief Mechanic	1	1	1	1	1
Mechanic	1	1	1	1	1
Office Manager (FTE)	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
Totals	3.50	3.50	3.50	3.50	3.50

Goals and Objectives

Maintaining 90% or higher rate on in-house repairs. Additionally, performing visual inspections during preventive maintenance work and addressing issues seen during inspections cut back on overall parts transactions and cost.



Program Measures

	FY2022	FY2023	FY2024	FY2025
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Number of Vehicles & Equipment	358	364	360	355
% of Maintenance Performed In-House	93%	95%	95%	95%
Scheduled Maintenance Work Order	475	472	500	500
Unscheduled Maintenance Work Orders	899	977	1,000	1,000
Sublet Work Orders (Outside Repairs)	82	70	80	80
Service Calls for Repairs Out of Shop	52	50	70	70
Parts Transactions	2,060	2,060	2,800	2,800



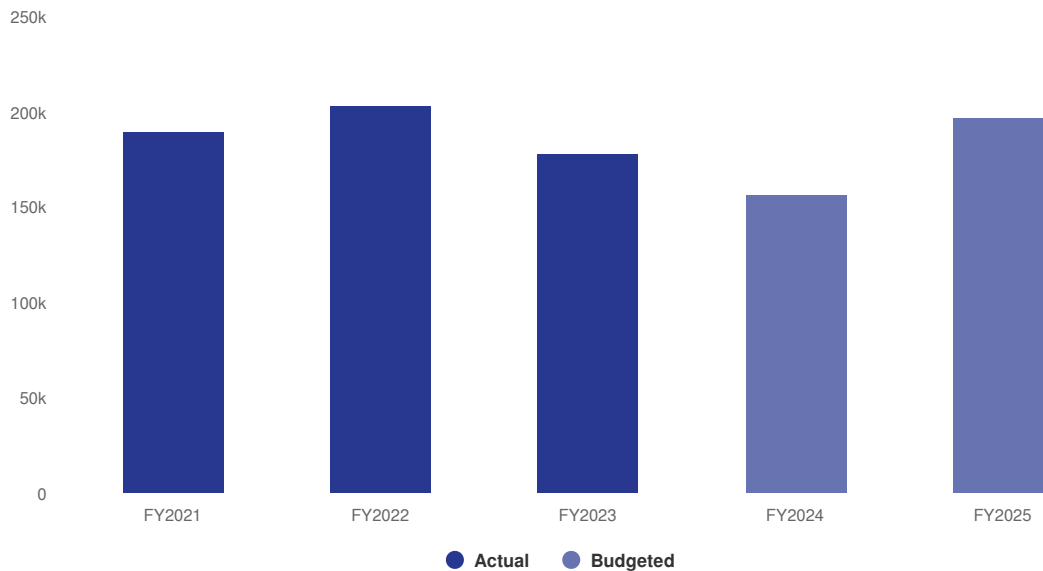
Special Revenue Fund/OPEB

Expenditures Summary

This budget is a special fund that contains the City's pension liability for other post-employment benefits. Increases and decreases to this fund per GASB 75 are budgeted appropriately each year. For FY2025, the City has budgeted \$196,488, which is an increase over FY2024 due to three retirements and one retirement is anticipated during FY2025.

\$196,488 **\$40,351**
(25.84% vs. prior year)

OPEB Proposed and Historical Budget vs. Actual



Expenditures by Function

Name	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Budgeted	FY2025 Budgeted	FY2024 Budgeted vs. FY2025 Budgeted (\$ Change)	FY2024 Budgeted vs. FY2025 Budgeted (% Change)
Expenditures							
OPEB							
Employee Benefits	\$189,116	\$202,677	\$177,861	\$141,137	\$181,488	\$40,351	28.6%
Other Charges				\$15,000	\$15,000	\$0	0%
Total OPEB:	\$189,116	\$202,677	\$177,861	\$156,137	\$196,488	\$40,351	25.8%
Total Expenditures:	\$189,116	\$202,677	\$177,861	\$156,137	\$196,488	\$40,351	25.8%

Goals and Objectives

Assure the retiree other post employment benefits are administered and accounted for according to the personnel policies.

Program Measures

	FY2022 <u>Actual</u>	FY2023 <u>Actual</u>	FY2024 <u>Estimated</u>	FY2025 <u>Estimated</u>
No City Contribution				
Retiree - Dental Only	3	3	3	3
Retiree - Medical Coverage	3	3	2	1
City Contribution				
Retiree - Medicare Coverage	3	3	3	3
Retiree - Medical Coverage	<u>10</u>	<u>7</u>	<u>9</u>	<u>9</u>
Totals	19	16	17	16



APPENDIX



Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

American Rescue Plan Act (ARPA): Federal Government funding providing a substantial infusion of resources to eligible state, local, territorial, and tribal governments to help reverse the negative impacts of the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Balanced Budget: The City Manager annually proposes, and the City Council adopts, a budget or financial plan for the upcoming year in which the revenues available (including any available fund balance from prior years) match the projected expenditures.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid



in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Budgeted Fiscal Year 2024: The budget reflected includes the adopted budget.

Budgeted Fiscal Year 2024 vs. Budgeted FY 2025 (% Change/\$ Change): The budget reflected in Fiscal Year 2024 is the adopted budget. The budget reflected in Fiscal Year 2025 is the adopted budget. The change of percentage and dollars are compared against the adopted budget of Fiscal Year 2024 versus the adopted budget for Fiscal Year 2025.

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of monitoring the ebb and flow of money in and out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.



Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real property, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes, debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of the total cost of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represents funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.



Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefits) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria for the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, roads, sewers, etc. It also requires the presentation of a narrative statement of the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity accounts for and reports other post employment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.



Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.



Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn from other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

