

CITY OF
POQUOSON
VIRGINIA



ADOPTED ANNUAL
FINANCIAL PLAN

FISCAL YEAR JULY 1, 2017 – JUNE 30, 2018

**CITY OF POQUOSON, VIRGINIA
ADOPTED ANNUAL FINANCIAL PLAN
FISCAL YEAR 2018**

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The Government Finance Officers Association of the United States and Canada (GFOA) presented the City of Poquoson an Award for Distinguished Budget Presentation for the Fiscal Year beginning July 1, 2016. In order to receive this award, a governmental unit must publish a document that meets program criteria as a policy document, an operations guide, a financial plan and a communications medium.

This award is valid for a period of one year only. We believe our current budget continues to conform to the program requirements and we are submitting it to the GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

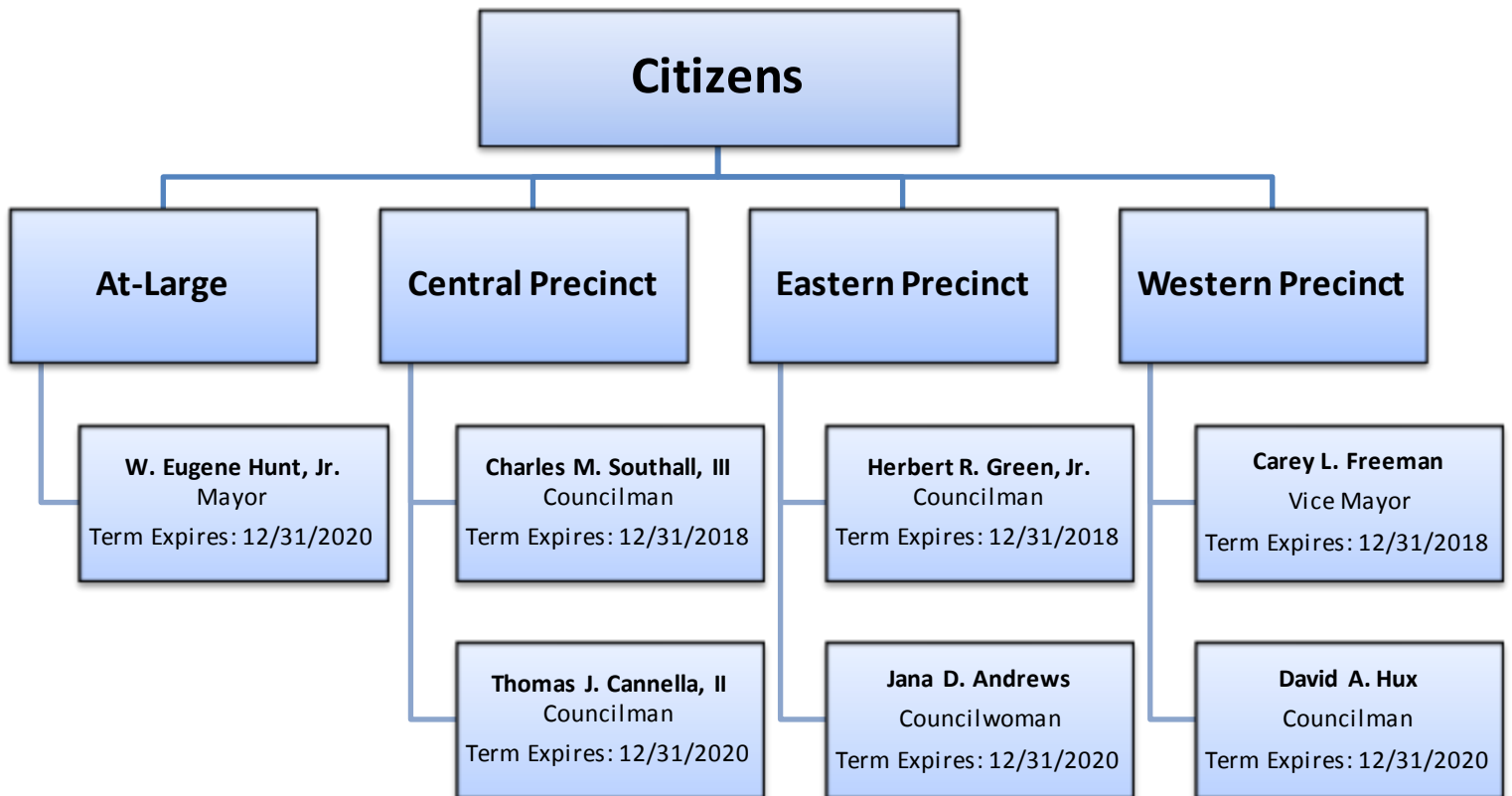
**City of Poquoson
Virginia**

For the Fiscal Year Beginning

July 1, 2016

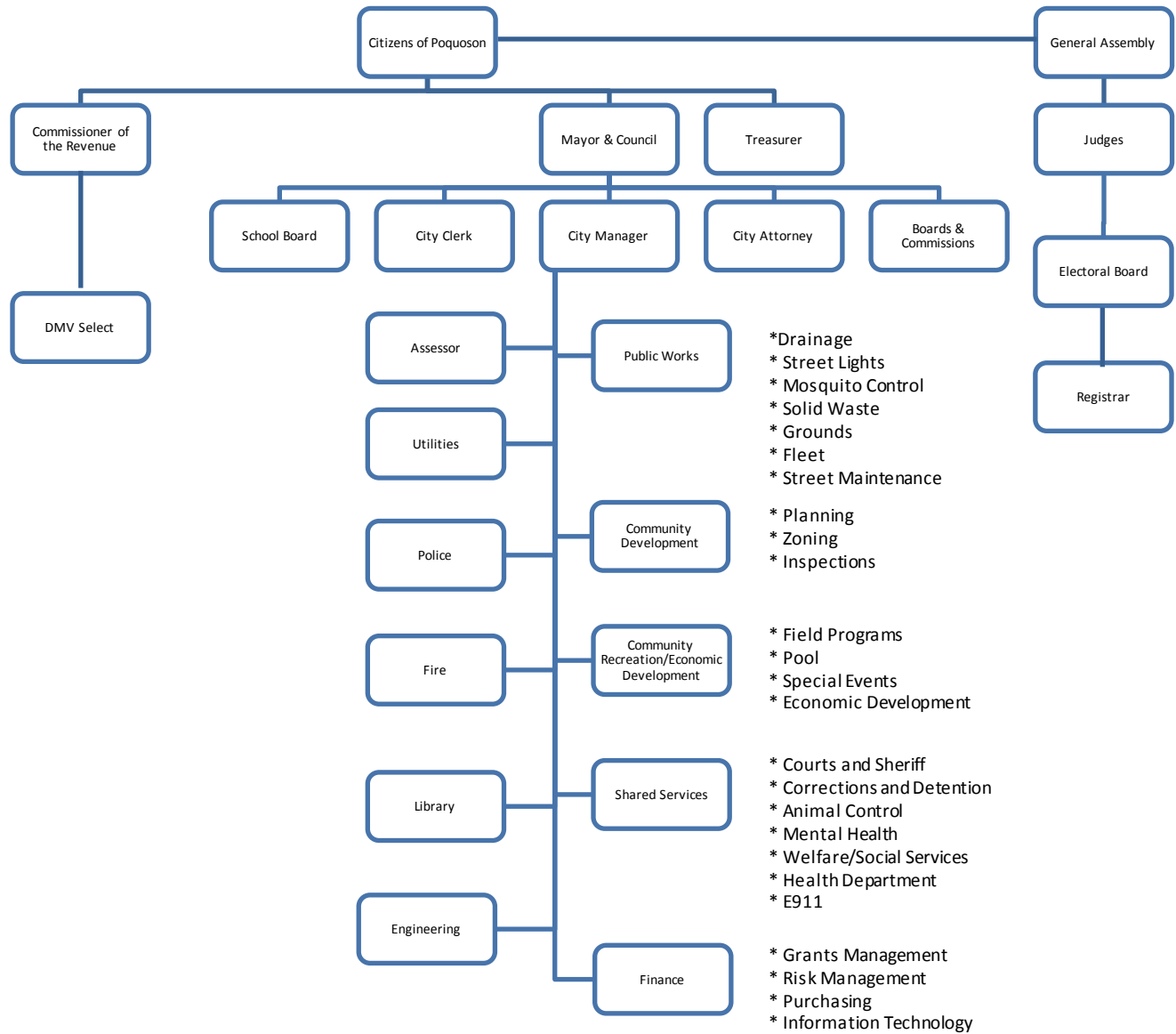
Executive Director

POQUOSON CITY COUNCIL



CITY OF POQUOSON, VIRGINIA

CITY GOVERNMENT ORGANIZATION CHART



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The Executive Summary includes the City Manager's budget message and a general overview of the Annual Financial Plan for Fiscal Year 2018 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 following the Executive Summary 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 Executive Summary. 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, and the Special Revenue/Grants Fund.

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



- **Budget Message from the City Manager**
- **The Adopted Budget in Brief**
 - **General Fund**
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Executive Summary

Fiscal Year July 1, 2017 to June 30, 2018

Budget Message

April 10, 2017

Honorable Mayor and Members of City Council
Poquoson, Virginia:

Thank you for the opportunity to present the City Manager's Proposed Budget of FY 2018, submitted in accordance with Article V of the Poquoson City Charter.

Introduction:

As we prepared this budget for your consideration we began, as always, with a detailed review of the current fiscal year. I am pleased to report that based on our mid-year analysis our fiscal situation remains on a strong, solid foundation. Our reserves meet or exceed established guidelines, General Fund revenues overall are performing as projected and all of our enterprise funds are healthy. As we look forward to next year, this budget continues to incorporate the guiding principles of the present budget: stable tax rates, strict adherence to the City Council's adopted financial guidelines, constrained new expenditures to stay within projected revenues and reliance on ongoing revenues to support ongoing expenses.

To assist me in developing the Proposed Budget, I once again sought assistance from the City Department Heads and Constitutional Officers. In November of 2016, I facilitated a budget retreat with the staff leadership team. During this session the staff reviewed the approximately twenty strategic issues that the team has identified over the last two years and worked together to identify seven strategic priorities for the FY 2018 Budget. These seven priority areas (unranked), along with the guiding principles, provided the framework for the January 2017 City Council Budget Retreat and for the development of this budget recommendation. For your reference the seven strategic budget priorities developed by the leadership team are:

- * School Division Base Budget
- * Succession Management
- * New Facilities

- * City Base Budget
- * Capital Maintenance

- * Salary Study/Implementation
- * New Staff

Budget Message (Continued)

The City Manager's Proposed Budget Overview:

The proposed budget reflects all four of the guiding principles. The budget is constrained to stay within our projected revenue while maintaining stable tax rates. The budget was developed in accordance with all adopted financial policies. General Fund revenues are expected to increase as a result of an improving economy, increased development and a modest increase in average real property values associated with the upcoming real property reassessment (2.8%). It is also worth noting that the projected increase in City health insurance costs which was discussed as part of the council budget retreat did not materialize. In fact, for the second time in three years our health insurance costs are scheduled to decrease. These changes taken together, in addition to other revenue and expenditure base budget changes, have served to increase available funding to help address some of the strategic budget priorities as compared to the initial estimates discussed with Council during the budget retreat.

Strategic Priority – School Division Base Budget: One of the things that sets the City of Poquoson apart from many localities is the close working relationship between the City Council and the School Board. As City Manager, I work closely with the Superintendent throughout the budget process. Like the City government, the School Division must meet a number of base budget challenges, including but not limited to health insurance, employee retirement, state and federal mandates, the need for competitive salaries and in the School Division's case, the revenue losses and operational impacts associated with decreasing enrollment. The Proposed Budget includes a recommended increase in local funding for the School Division of \$195,000. This amount of increase is \$20,000 more than the increase provided in the current year and is intended to allow the School Division, when combined with anticipated State and Federal funding, to continue to provide outstanding public education, meet significant additional expenditure requirements associated with health insurance, the required contributions to the Virginia State Retirement System (VRS) and implement the second phase of its three phase pay plan update. In addition, the proposed budget also recommends the appropriation of \$88,000 from the undesignated General Fund Balance for the replacement of one school bus. (This is the only recommended appropriation from the unassigned General Fund Balance associated with this budget recommendation).

Strategic Priority – City Base Budget: As part of budget development process each base budget submission is carefully reviewed. Adjustments are made to specific line items to ensure that departments are able to continue to meet their respective departmental missions. Budget line items such as VRS, health insurances, and utilities are also included in the base budget review. There are several specific base budget adjustments I would like to bring to your attention. First, with this budget, for the first time since the Great Recession we have included a vehicle replacement item within the Police Department's Budget supported by on-going revenue. As the Council is aware during the recessionary and post recessionary period items like vehicle replacement were funded through appropriation from the General Fund Balance, when available. Over the next several years it is my hope that we can return more capital replacement and capital maintenance items to the normal operating budget. I believe this is good practice and it also recognizes that our undesignated General Fund Balance (in excess of the established guidelines) has not been growing at the rate that it had in the past due to the City's recent success in recruiting and retaining personnel, particularly in public safety. Second, the base budget also includes full funding for the Fire Fighter/EMS position added by the City Council in November of 2016, full year funding for the 1% pay adjustment provided to most employees January 1, 2017 and a dedicated contribution to the OPEB Trust to help pay for the costs associated with the retiree health care benefit established by the Council in 2016. Finally, the base budget reduces the vacancy factor incorporated into the Fire and Rescue Department's Budget from one FTE to ½ FTE. New initiatives are reviewed separately and in most cases, due to budgetary constraints are not included in the recommended budget.

Strategic Priority – Salary Study/Implementation: Conducting a thorough review and update to the City's compensation plan has and continues to be an important priority for the Senior Staff and myself. It is through these periodic updates that localities ensure that rates of pay and associated pay ranges reflect the knowledge,

Budget Message (Continued)

skills and abilities of the various job descriptions as they compared to each other within the City workforce and also reflect a fair and competitive wage as it relates to other employers, particularly, but not exclusively, other local government on or near the Peninsula for which we compete in terms of recruitment and retention of employees. While there is no fixed schedule for when an update should occur, in my experience local governments typically update their compensation plan every 3-5 years. The City of Hampton and York County have completed and implemented a pay plan update within the last year and the City of Williamsburg is in the process of pay study update at this time. The City has not had a pay study done in my time as City Manager. I know that the City Council recognizes this is an important priority as well, but due to continuing resource constraints we had not been able to move forward with this priority. The City Council, at its budget retreat, directed that the FY 2018 Recommended Budget include a 2% pay increase for all employees.

Strategic Priority – Succession Management: As the Council is aware, we expect significant staff turnover in the next four years in the form of retirement of a large number of long term employees, including more than 75% of the senior management team, to include those larger departments that officially have designated “assistant director” positions. Unlike the other Strategic Priorities there is not one, specific initiative included in the budget, but rather a series of changes and refinements in the how we organize, how we train, how and whom we hire, how we prepare staff for promotion, how we position our organization to respond more flexibly to the retirement of these senior employees, many of whom have more than 30 years of experience with the city government, some of these things are reflected in the budget some of them are not, but the issue is of such importance it is presented here because successfully meeting this challenge is vital to our continued success.

Strategic Priority – Capital Maintenance/Replacement: As Council is aware, in response to the economic downturn experienced in 2008-2009, the City reduced or eliminated funding in many areas of the budget including the operating and capital budgets for facilities maintenance and equipment replacement. In the last few years we have restored some building and facilities maintenance budgets; however due to continuing resource constraints we have been unable to address a number of significant capital maintenance/capital replacement items contained within our five year Capital Improvements Plan (CIP). The FY 2018-FY 2022 Proposed CIP contains requests for millions of dollars in capital maintenance/replacement funding ranging from roof and HVAC system replacements to major equipment replacements for the Fire Department, Public Works and the School Division. While we may not be able to make significant progress in this priority area in FY 2018, it is my hope that working together we can begin to dedicate a portion of natural revenue growth to the Capital Projects Fund beginning in FY2019 to support pay-as-you-go CIP projects such as these.

Strategic Priority – New Staff: Each year as part of the budget deliberative process, I receive several requests from department heads for additional staff. Normally, these requests are from the City’s larger departments such as Fire and Rescue, Police and Public Works. In most cases and in most years, regrettably I have been unable to include any of these new positions in the budget due to resource constraints; however due to positive changes in FY 2018 budget estimates, particularly related to health insurance costs, we now have a limited ability, within the current tax rates, to consider a small number of staff additions.

As Council may recall, the current fiscal year budget included the addition of two grant funded positions for the Fire Department which were intended to bring the number of assigned personnel on each operational shift to ten, which coupled with recent improvements in our ability to hire and retain qualified staff would allow us to establish a minimum staffing number per shift of eight. Regrettably, the City’s grant application was unsuccessful. Last fall, the City Council approved the addition of one locally funded position, the full year cost of which has been added to the FY 2018 Proposed Budget. In addition, this budget recommendation also plans for one additional grant approved position. One important difference I would like to highlight is that this year’s federal

Budget Message (Continued)

grant process, unlike the previous years' process, requires a first year local match. The Proposed Budget includes the local match, in the event that we are once again unsuccessful in the Federal grant process, I am proposing that we utilize the local match funds to move forward and hire the position as a locally funded position. This would ensure that one way or the other we would have ten assigned positions for each operational shift. I look forward to accomplishing this milestone and look forward to working with Council in future years to increase this number further. To provide the local matching funds, I am proposing an increase to the Revenue Recovery fees associated with EMS Service.

In addition to Fire Department, I am also recommending the addition of one additional Police Officer position, the addition of a Technician I in the Mosquito Control/Drainage Division of Public Works, and a Technical Assistant position for the Utilities Department. While Poquoson remains and will continue to remain one the safest communities in Virginia, we have seen a significant increase in calls for service over the past several years. The recommended position is intended to be a flexible departmental asset that the Police Chief can deploy as situations and needs dictate rather than as a permanent addition to a specific shift or area of responsibility.

The same concept of flexibility applies to the recommended Technician position for Public Works; though the position will be assigned to drainage/mosquito control, it will assist and be assisted by staff from each responsibility area as departmental work load changes during the course of the year. At present there are two employees assigned to this division.

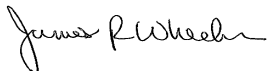
The Technical Assistant position in the Utilities Department will provide needed assistance in record keeping, reporting and other administrative responsibilities and is part of our succession management plan. This position will be paid for by funding available within the Sewer Fund.

Strategic Priority – New Facilities/Facility Replacement: In the coming year the City Council and School Board will be working together to make two very important facilities related decisions. The first is whether or not to move forward with School consolidation. The second decision, which may be impacted by the first, is to make decisions regarding the Middle School project. Given the importance of this project, its significant financial impact and its possible bearing on other space availability/needs within the city, all other major facility-related decisions like the future Public Safety Building are temporarily on hold pending the completion of the process outlined above.

General Observations and Conclusion: As I approach my eighth anniversary of City service I have had occasion to reflect on just how far we have come as a community budgetarily from my first days as City Manager in Poquoson during the first year of the local recession. While our resources are still constrained, our financial situation is significantly improved. We have a AAA bond rating, the focus of the proposed budget is on strategic investment and our local economy, and average residential property values, are growing. This is quite a positive change and a reason for optimism as we approach the challenges and opportunities of FY2018 and beyond.

I look forward to working with the City Council as you begin your deliberations on the FY 2018 Proposed Budget. I would like to express my thanks to the members of my staff who have worked with me to prepare this budget and to the Superintendent of Schools who has worked closely with me throughout this process. I would also like to take a moment to thank all City and School staff for all that they do to support our community each and every day.

Respectfully,



James. R. Wheeler

The Adopted Budget in Brief

The total revenue budgeted for FY 2018 by fund is as follows:

| | |
|-----------------------------|---------------------|
| General Operating Fund | \$27,540,014 |
| Use of Fund Balance | <u>127,230</u> |
| General Operating Fund | 27,667,244 |
| Debt Service Fund | 2,902,671 |
| Use of Fund Balance | <u>33,000</u> |
| Debt Service Fund | 2,935,671 |
| Capital Projects Fund | 595,324 |
| Solid Waste Fund | 847,406 |
| Utilities Fund | 2,052,145 |
| Fleet Fund | 729,281 |
| Special Revenue Fund/Grants | 2,557,395 |
| Special Revenue Fund/OPEB | <u>91,695</u> |
| Revenues & Transfers In | 37,476,161 |
| Less Interfund Transfers: | |
| Utilities Fund | (150,000) |
| Debt Service Fund | (2,902,671) |
| Capital Projects Fund | (88,000) |
| Solid Waste Fund | (50,000) |
| Special Revenue Fund/OPEB | <u>(46,865)</u> |
| Total Revenues | <u>\$34,238,625</u> |

The total expenditures budgeted for FY 2018 by fund is as follows:

| | |
|-----------------------------|---------------------|
| General Operating Fund | \$27,667,244 |
| Less Interfund transfers: | |
| Debt Service | (2,902,671) |
| Capital Projects | (88,000) |
| Special Revenue Fund (OPEB) | <u>(46,865)</u> |
| | (3,037,536) |
| Debt Service Fund | 2,935,671 |
| Capital Projects | 595,324 |
| Solid Waste Fund | 847,406 |
| Less Interfund transfers | |
| General Fund | (50,000) |
| Utilities Fund | 2,052,145 |
| Less Interfund transfers | |
| General Fund | (150,000) |
| Fleet Management Fund | 729,281 |
| Special Revenue Fund/Grants | 2,557,395 |
| Special Revenue Fund/OPEB | <u>91,695</u> |
| Total Expenditures | <u>\$34,238,625</u> |

General Fund

Revenues by Category:

The General Fund derives its revenue from a variety of sources as the pie chart on page vii illustrates. The largest source is from general property taxes, which includes real estate taxes, personal property taxes, public service corporation taxes, delinquent taxes and penalties and interest.

The City expects to receive \$16,260,000 in real estate tax revenue in FY 2018. Real estate taxes are projected to increase \$370,000 or 2.3%. The following factors make up the change in real estate:

- Growth projections for FY 2018 are based on new homes and other improvements to be built throughout the year, or \$12,050,000 in new assessments. Growth will bring approximately \$69,625 of additional tax revenue during FY 2018.
- Fiscal year 2018 is a reassessment year. The proposed real estate tax rate remains \$1.07 per \$100 of assessed value. This is a 2.8% increase in value of real property from the previous year. The tax rate that would levy the same amount of real estate tax as the previous year is \$1.05.

General Fund (Continued)

Revenues by Category: (Continued)

Public services corporation taxes are expected to be \$226,000 an increase of \$9,860.

Personal property taxes and the State Personal Property Tax Relief Act (PPTRA) are projected to be \$4,402,304 a \$81,074 increase from the FY 2017 estimate. 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 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 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 55% for calendar year 2018.

Since not all personal property is affected by PPTRA, the City has estimated that citizens and businesses will pay 55% of personal property tax in FY 2018. FY 2018 budget for local tax is \$2,478,599 and State non-categorical aid remains level at \$1,923,435.

The proposed personal property tax rate is \$4.15 per \$100 of assessed value, which is the same rate since FY 2008. The proposed boat tax rate is \$0.00001, the same since January 1, 2014. The proposed recreational vehicle tax rate is \$1.50, the same rate as previous years.

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 \$2,961,616 other local taxes accounts for 11% of total General Fund revenues and is expected to increase by \$8,866 or .3% from the FY 2017 budget. The proposed meals tax rate is 6%. The proposed cigarette tax rate is 20 cents.

Other local revenue totals \$460,400, a decrease of \$65,785 and includes permits; licenses and fees; fines and forfeitures; interest on investments; rental of property; potential sale of property; and miscellaneous revenue.

Charges for services include library fines, passport fees, copying charges, charges for shared grounds maintenance for the schools, EMS fees and Parks & Recreation activities.

General Fund (Continued)

The EMS Fee rates are proposed to increase for each level of service to better align with Medicare allowable charges and are similar to rates charged by surrounding localities. Revenue for EMS fees is expected to be \$292,000.

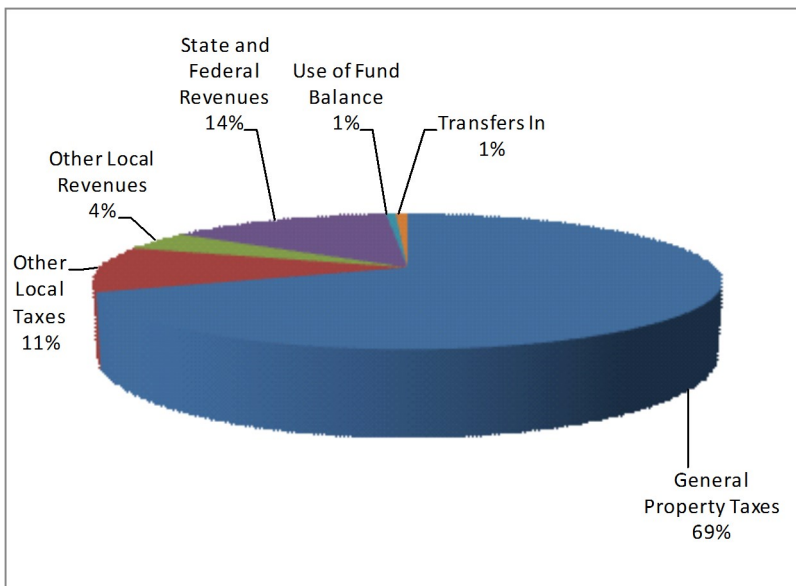
In FY 2018, revenue from parks and recreation programs is expected to be \$132,600. The pool revenue is expected to be \$71,250. The special events revenue is expected to be \$124,930, and \$11,500 in revenue is projected for the workboat race.

The total of all local revenue of taxes, licenses and fees is \$23,455,295.

State and Federal revenue is expected to be \$3,884,719 in FY 2018, a \$51,217 decrease from the FY 2017 revised budget.

Transfers include \$150,000 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.

The FY 2018 budget uses \$19,230 from the General Fund restricted fund balance for 1/10 forgiveness of the Museum Deed of Trust note. Also \$20,000 for debt forgiveness for the relocation of a business to the City. The business must meet certain requirements before the debt is forgiven. If requirements are not met, the business is required to pay \$20,000 to reduce the debt. The remaining \$88,000 of unassigned fund balance is transfer to the Capital Projects fund for one time capital expenditures.



GENERAL FUND SOURCES OF REVENUE

| | |
|----------------------------|----------------------------|
| General Property Taxes | \$19,324,599 |
| Other Local Taxes | 2,961,616 |
| Other Local Revenues | 1,169,080 |
| State and Federal Revenues | 3,884,719 |
| Use of Fund Balance | 127,230 |
| Transfers In | <u>200,000</u> |
| Total Revenues | <u>\$27,667,244</u> |

- **Real Estate Rate \$1.07 per \$100 Assessed Value**
- **Personal Property Tax Rate \$4.15 per \$100 Assessed Value**

General Fund (Continued)

Expenditures By Category:

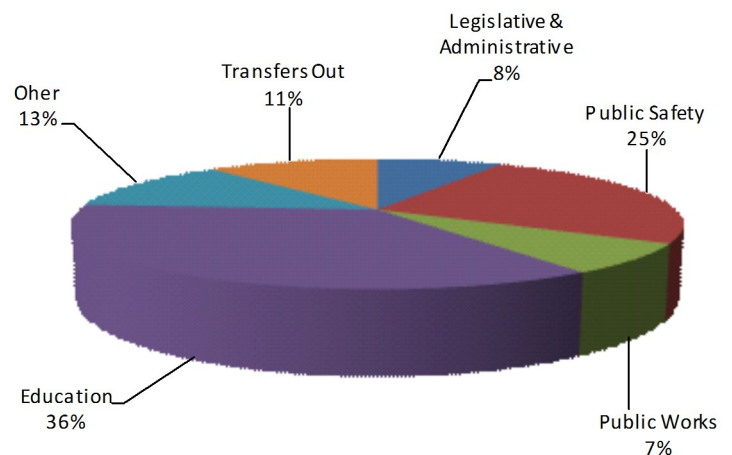
School Expenditures: The contribution to Schools accounts for 36% of the total General Fund budget. The FY 2018 budget includes an increase of \$195,000 to Schools, which fully funds the Superintendent's FY 2018 request from the City. The School's budget is based on an average daily membership of 2,031 students for the FY 2018 school year.

In the past the School Division has had unexpended transfers at the end of the year which was returned to the City. At the end of FY 2016, there was \$27,124 in unexpended transfers. These funds were reappropriated to the School Division in FY 2017. If there are unexpended transfers at the end of FY 2017, they may be reappropriated in FY 2018.

City Personnel Services: Employee salaries, overtime, and benefits account for personnel services. City personnel services are \$9,583,478 in FY 2018, a \$150,418 or 1.6% increase. Employee benefits account for 28% of personnel services. Health insurance premiums decreased 6%.

GENERAL FUND EXPENDITURE USES

| | |
|------------------------------|---------------------|
| Legislative & Administrative | \$2,237,281 |
| Public Safety | 6,906,280 |
| Public Works | 1,966,448 |
| Education | 9,935,403 |
| Other | 3,579,296 |
| Transfers Out | <u>3,042,536</u> |
| Total Expenditures | <u>\$27,667,244</u> |



General Fund Expenditure Uses

| Uses | FY 2017 | FY 2018 | \$ Inc/(Dec) | % Inc/(Dec) |
|--------|---------------|---------------|--------------|-------------|
| School | \$ 9,767,527 | \$ 9,935,403 | \$ 167,876 | 1.7% |
| City | 17,895,520 | 17,731,841 | (163,679) | (0.9%) |
| Total | \$ 27,663,047 | \$ 27,667,244 | \$ 4,197 | (0.02%) |

General Fund Contribution to Schools

| Category | FY 2017 | FY 2018 | \$ Inc/(Dec) | % Inc/(Dec) |
|---------------------|--------------|--------------|--------------|-------------|
| School Contribution | \$ 9,740,403 | \$ 9,935,403 | \$ 195,000 | 2.0% |
| Reappropriation | 27,124 | - | (27,124) | (100%) |
| Total | \$ 9,767,527 | \$ 9,935,403 | \$ 167,876 | 1.7% |

General Fund City Expenditures by Category

| Category | FY 2017 | FY 2017 | \$ Inc/(Dec) | % Inc/(Dec) |
|----------------------|---------------|--------------|---------------|-------------|
| Personnel Services | \$ 9,433,060 | \$ 9,583,478 | \$ 150,418 | 1.6% |
| Operations/Transfers | 5,191,455 | 4,871,485 | (319,970) | (6.2%) |
| Debt Service | 2,888,155 | 2,902,671 | 14,516 | 0.5% |
| Capital Outlay | 382,850 | 374,207 | (8,643) | (2.3%) |
| Total | \$ 17,895,520 | \$17,731,841 | \$ (163,679) | (0.9%) |

Expenditures By Category: (Continued)

City Operations/Transfers: The City's operational costs are \$4,736,620 and transfers are \$134,865 for a total of \$4,871,485 in FY 2018, a \$319,970 or 6.2% decrease.

Debt Service: In FY 2018, the City will transfer \$2,902,671 to the Debt Service Fund an increase of \$14,516. The transfer is explained in the Debt Service Fund section.

Capital Outlay: The City's capital outlay for FY 2018 is \$374,207, a \$8,643 or 2.3% decrease from FY 2017. This category consists of smaller capital outlay in various departments, including library books, computers, equipment, tools, fire hose, and vehicle.

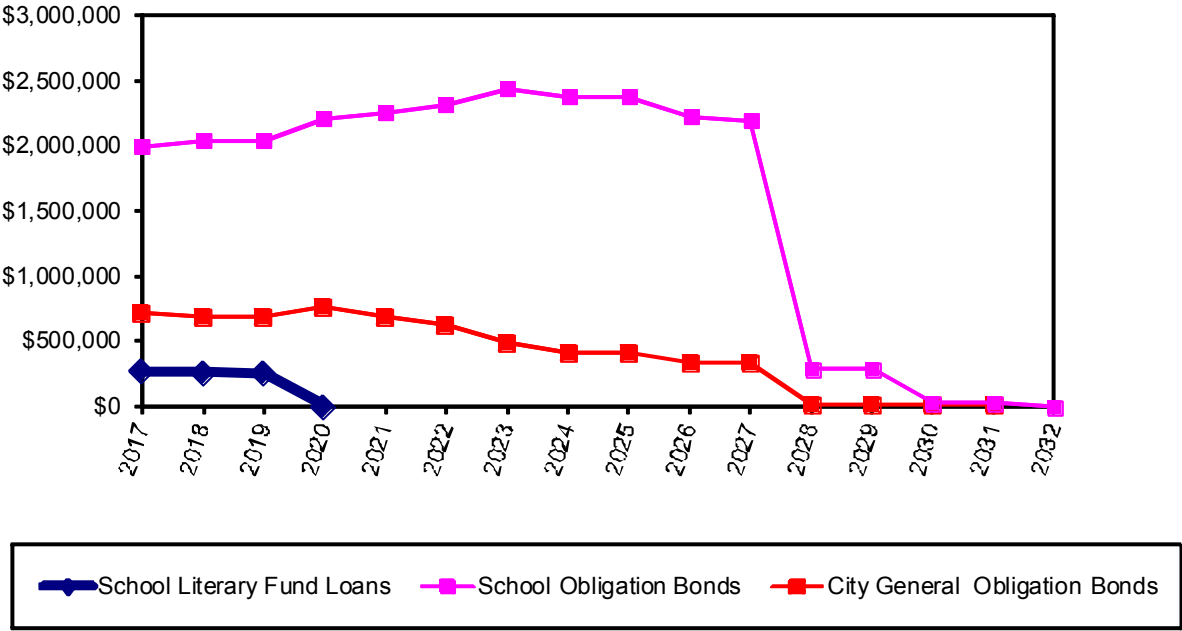
Expenditures By Category: (Continued)***Debt Service Fund*****DEBT SERVICE FUND USES**

| | |
|-------------|--------------------|
| School Debt | \$2,261,767 |
| City Debt | <u>673,904</u> |
| Total | <u>\$2,935,671</u> |

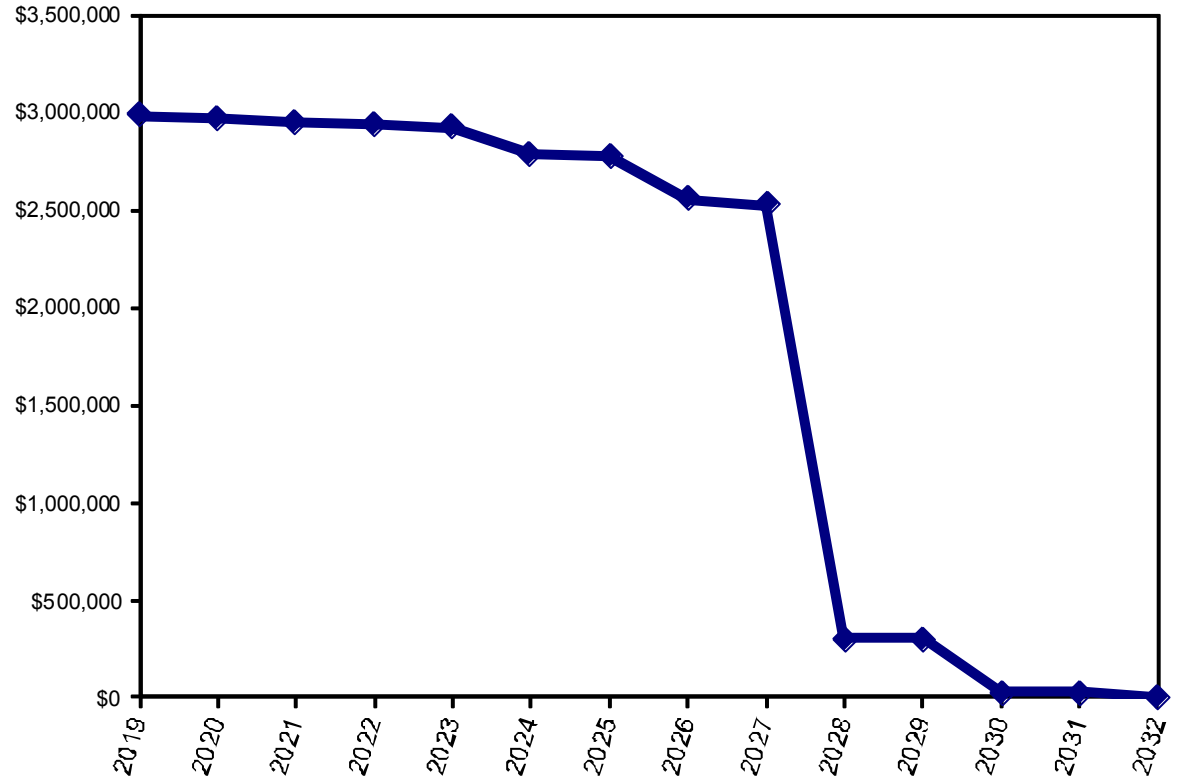
Debt Service Fund projected expenditures in FY 2018 are \$2,935,671 of which \$2,902,671 is transferred from the General Fund and the remaining \$33,000 is a planned use of the debt service reserves.

The graphs on the next page depict the City's debt service over the years. The City's largest outstanding debt is for School Obligation Bonds which were used for School construction projects. The City also has other bonds and notes which have been used to pay for various School and City projects.

Debt Service By Type



Total Debt Service Fund



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 \$507,324 in State Highway Funds for street and drainage improvements and a transfer of \$88,000 from the General Fund. The FY 2018 - Beyond FY 2022 Capital Improvements Plan (CIP) prepared by staff will be presented to the Poquoson Planning Commission at a later date. Subsequent to the Planning Commission's recommendation, City Council will hold a public hearing. Adoption of the CIP will occur after the public hearing and discussions.

Total FY 2018 year expenditures for the Capital Projects Fund are \$595,324. Unspent funds from FY 2017 are allowed to be carried forward for two additional years. If the project is not completed in three years, 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 | \$507,324 |
| Transfer from the General Fund | <u>88,000</u> |
| | |
| Total | <u>\$595,324</u> |

CAPITAL PROJECTS FUND EXPENDITURE USES

| | |
|---------------|------------------|
| Street Paving | \$507,324 |
| School Bus | <u>88,000</u> |
| | |
| Total | <u>\$595,324</u> |

Solid Waste Fund

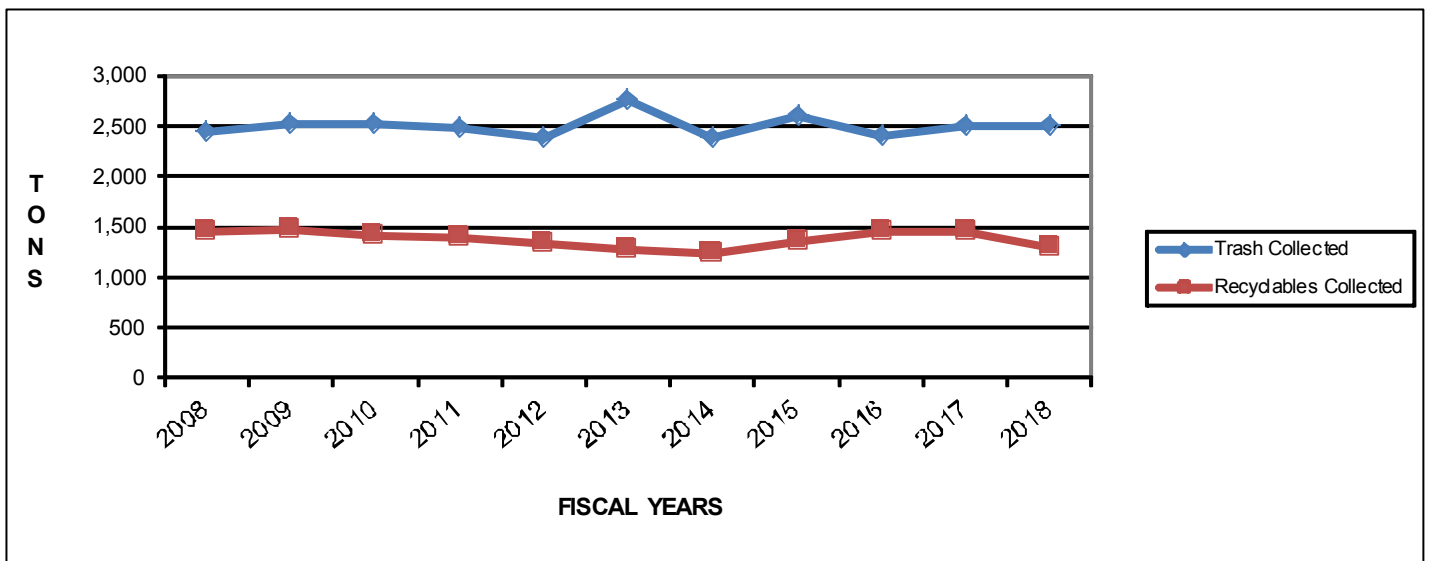
The Solid Waste Fund is an enterprise fund which accounts for the collection, disposal, and recycling of household and municipal solid waste, residential hazardous materials, bulky items, and landscaping debris. The projected revenues for FY 2018 are \$847,406. The adopted fee structure remains the same as FY 2017.

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

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 to the resident. The City is estimated to pay VPPSA \$34,797 to operate the composting/disposal facility in FY 2018.

In FY 2011, the City began 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 charge for this service. Also in FY 2011, the City began a leaf pickup program. During the months of November through February, residents may put their leaves at curbside to be picked up by the City as long as the requirements of packing the leaves are met.

As noted on the graph below, trash tons collected and recyclables have remained level.



Solid Waste Fund (continued)

SOLID WASTE

SOURCES OF REVENUE

| | |
|----------------------------------|------------------|
| Solid Waste Fees | \$815,406 |
| Bag Fees | 23,000 |
| Landscaping & Bulky Item Charges | <u>9,000</u> |
| | |
| Total | <u>\$847,406</u> |

SOLID WASTE

EXPENDITURE USES

| | |
|--------------------------|------------------|
| Personnel Services | \$ 91,024 |
| Garbage Disposal | 409,006 |
| Recycling | 95,055 |
| Bulky Item/Landscaping | 97,290 |
| Hazardous Material | 25,637 |
| Other Costs | 79,394 |
| Transfer to General Fund | <u>50,000</u> |
| | |
| Total | <u>\$847,406</u> |

Utilities Fund

The Utilities Fund is operated as an enterprise fund and provides for the maintenance of sewer lines and pump stations. The FY 2018 budget is \$2,052,145 which is \$78,285 or 3.7% less than the FY 2017 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 remains at \$62 bi-monthly for FY 2018. The adopted 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 35% of the expenditures in the Utilities Fund covers debt service on various improvements and extension of the sewer system. \$550,656 is for maintenance and capital needs. Personnel services accounts for 18% of expenditures and includes salaries and benefits for 5 full time employees for FY 2018.

- ◆ **Sewer Fee \$62 Bi-monthly**
- ◆ **Availability Fee \$6,000 for new lots**
- ◆ **Commercial consumption fee \$1.75 hcf**

UTILITIES SOURCES OF REVENUE

| | |
|------------------------|------------------------|
| Sewer Service Fees | \$1,894,145 |
| Sewer Availability Fee | 120,000 |
| Other | <u>38,000</u> |
| Total | <u>\$2,052,145</u> |

UTILITIES EXPENDITURE USES

| | |
|--------------------------|------------------------|
| Personnel Services | \$ 364,425 |
| Operating Expenses | 276,996 |
| Debt Service | 770,068 |
| Capital Outlay | 550,656 |
| Transfer to General Fund | <u>150,000</u> |
| Total | <u>\$2,052,145</u> |

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 \$729,281 in FY 2018, a \$3,523 increase from the FY 2017 budget.

FLEET MANAGEMENT SOURCES OF REVENUE

| | |
|-------------------------------|------------------|
| Parts and Contracted Services | \$210,000 |
| Garage Labor and Overhead | 295,477 |
| Gas and Oil Revenues | <u>223,804</u> |
| Total | <u>\$729,281</u> |

FLEET MANAGEMENT EXPENSE USES

| | |
|-----------------------|------------------|
| Personnel Services | \$266,401 |
| Fuel and Lubricants | 223,804 |
| Parts and Contractors | 210,000 |
| Other | <u>29,076</u> |
| Total | <u>\$729,281</u> |

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.

Currently, the City has four grants outstanding. They include an Enhancement Grant and three Hazard Mitigation Grants. All four grants are federally funded with two of the Hazard Mitigation grants having a state and local component and one that is 100% federally funded. The Enhancement Grant is a pass-through from the Virginia Department of Transportation (VDOT). This grant was obtained to move and renovate the Tom Hunt Store to the Poquoson Museum property for public visitation. The Hazard Mitigation Grants are pass-through from the Virginia Department of Emergency Management (VDEM) for the elevation of 22 homes in the City.

SPECIAL REVENUE FUND/GRANTS SOURCES OF REVENUE

| | |
|-------------------|--------------------|
| Federal Grants | \$2,023,157 |
| State Grants | 427,391 |
| Grant Local Match | <u>106,847</u> |
| Total | <u>\$2,557,395</u> |

SPECIAL REVENUE FUND/GRANTS EXPENSE USES

| | |
|--------------|--------------------|
| HMGP #4042 | \$1,055,703 |
| HMGP #4072 | 1,081,248 |
| FMA 2014-001 | <u>420,444</u> |
| Total | <u>\$2,557,395</u> |

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. Retirees who meet required conditions are able to continue health insurance coverage in the City sponsored plan with the City subsidizing 50% of the cost of coverage until age 65.

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 | \$44,830 |
| Transfer from General Fund | <u>46,865</u> |
| Total | <u>\$91,695</u> |

SPECIAL REVENUE FUND/OPEB EXPENSE USES

| | |
|-----------------------|-----------------|
| Retiree Benefits | \$66,695 |
| Contribution to Trust | <u>25,000</u> |
| Total | <u>\$91,695</u> |

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 firefighter/paramedics. Although one additional has been adopted and is funded in anticipation of receiving a grant, the City is still well below National Fire Protection Association recommendations for staffing of firefighter/paramedics. There is also a need for a human resources manager to help address the complexity of regulations relating to labor relations. This position is not funded in the budget. Staffing may not be adequate in Public Works and Mosquito Control for drainage and street repair as well as Finance Department. There is additional funding for a 2% increase in employee salaries but it does not adequately address compensation. Lastly, should development activity increase in the future, the City will need to reassess its staffing to meet increased service requirements.

Unbudgeted Needs (continued)

Operating Costs: This budget limits the amount budgeted for maintaining existing infrastructure and equipment and also does not include any new services or programs. Existing services and programs are budgeted at adequate levels.

Capital: The majority of the capital outlay funds in this budget are for library books, AV materials and street materials, curb and gutter repair, and periodical subscriptions. While this budget has addressed some replacements of capital equipment, vehicles and small computer equipment it still does not fund these capital outlays to the extent needed by the departments. This budget does fund one police car, but in order to maintain an adequate, safe and dependable fleet of Police cars, a minimum of two police cars should be replaced each year. In addition, capital replacement or maintenance needs to be addressed concerning the City facilities. The Police station is more than 65 years old and the Municipal building is more than 40 years old. Additionally, the City's capital equipment replacements have not been addressed in this budget.

GFOA Distinguished Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA), a national organization, each year nationally recognizes budgets which meet certain rigorous standards. GFOA presented the City of Poquoson an Award for Distinguished Budget Presentation for the Fiscal Year Beginning July 1, 2016. In order to receive this award, a governmental unit must publish a document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications medium. This award is valid for a period of one year only. After receiving the award for twenty seventh consecutive years, we believe our current budget continues to conform to the program requirements. We have tried to incorporate comments for improvement in this document, and will submit this FY 2018 Annual Financial Plan to the GFOA to determine eligibility for another award.

THE BUDGET PROCESS IN POQUOSON

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 fairly 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 in mid-January. The Finance Department reviews the budget with the Departments. Every line item in a departmental budget must be fully justified.

The City Manager and Director of Finance meet 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.

It is hoped that this Budget document will assist you in better understanding the workings of Poquoson City Government. If your review of the budget raises any questions, please contact the City Manager's Office.

BUDGET POLICIES

The following brief summary of financial and budgetary principles and policies serve to guide the City in developing the Annual Financial Plan. 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 Capital Improvement Plan (CIP); 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

THE BUDGET PROCESS IN POQUOSON

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 and low tax rates.

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.

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 permit 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 incidental 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 provide 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 short-term borrow 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 BUDGET PROCESS IN POQUOSON

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 fiscal year-end, except appropriations in the Capital 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

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. The City will also begin to build a fiscal stability reserve of at least \$1 million. This unobligated portion of fund balance provides sufficient working capital for the City and serves as a "rainy day" fund for emergencies 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 FY 2010, 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 principle amount of the City's tax supported debt within 10 years. The City does not issue long-term debt to finance current operations.

A five-year Capital Improvements Program 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.

THE BUDGET PROCESS IN POQUOSON

Copies of the City's comprehensive investment policy, including the objectives, allowable investments, quality, maturity restrictions, prohibited securities, and additional requirements are available at the Treasurer's Office.

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.

ORGANIZATION OF BUDGET

The financial transactions of the City are recorded in individual funds. Each 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 Comprehensive Annual Financial Report. The City Budget includes all funds where financial transactions are recorded. The following fund types 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, for example, Police and Fire within the functional area of Public Safety. The Budget format presents expenditures by functional area and departments within a specific function.

Proprietary Funds

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 general public is completely or partially financed from user charges; or (b) where the

THE BUDGET PROCESS IN POQUOSON

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**

BUDGETARY BASIS

Budgets are prepared on the modified accrual basis of accounting for all funds. Encumbrance accounting, under which applicable appropriations are reserved for outstanding purchase orders, is employed as an extension of the formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as a Reservation of Fund Balance since they do not constitute expenditures or liabilities. Unexpended and unencumbered appropriations lapse at the end of the fiscal year. Program and project budgets are utilized in the Capital Projects Fund where appropriations remain open for three years.

Governmental Funds use the modified accrual basis for financial reporting purposes. Proprietary Funds are budgeted on the modified accrual basis but use full accrual basis for financial reporting purposes. For budget purposes, Proprietary Funds include capital expenditures that are paid for out of the funds, but capitalize these for financial reporting purposes. Large capital expenditures in the Utilities Fund that are paid for out of bond proceeds are not budgeted, rather capitalized when incurred.

In the Utilities Fund, payments received on Notes Receivable are considered revenue and payments made on debt principal are considered expenditures for budget purposes. For financial reporting purposes these items affect the balance sheet.

DIRECTIONS, PERFORMANCE, MEASUREMENT AND MONITORING

The City Manager imparts to the Departments at the beginning of the budget cycle the tone and the focus of the overall Budget. This information is based on revenue estimates and guidance from City Council on staffing changes, controlling costs, and tax rates.

During the fall of every year, each Department develops individually their overall goals and objectives to be attained during the coming year. The aforementioned provides the basic operating direction for each Department. This information is presented within each Department's budget.

The Budget document provides information regarding performance or the measurement of performance per Department. However, departmental objectives are usually monitored by the City Manager through frequent meetings with the Department Head. In addition, each Department establishes efficiency and effectiveness measures in regards to their operations.

THE BUDGET PROCESS IN POQUOSON

Budgetary control is maintained on a line-item basis. The Budget is monitored by the issuance of Monthly Management Reports. These reports indicate actual financial results compared to Budget and are reviewed thoroughly by the Finance Department. These reports are forwarded to City Departments, the City Manager and City Council.

Purchases of goods and services must be accomplished by the use of a formal purchase order. Funds are encumbered based on purchase orders to ensure that an over-spent condition does not exist per Budget line item.

CAPITAL IMPROVEMENTS PROGRAM

The CIP is a planning and budgeting tool that identifies the necessary capital projects for the City of Poquoson over a five-year period. The Plan is reviewed and updated annually. Early in the budget process, the Plan is reviewed by the Poquoson Planning Commission. Once the CIP is adopted by the Planning Commission, the document then goes to City Council for approval. Projects in the CIP are incorporated into the Annual Financial Plan to the extent funds are available.

The FY 2018 – Beyond FY 2022 CIP prepared by staff will be presented to the Poquoson Planning Commission in April 2017. After reviewing the Plan and holding a public hearing, the Commission recommends its adoption to City Council. City Council's scheduled adoption of the Plan is expected in May 2017 after a public hearing is held.

Generally, the basis for the CIP can be found in the Comprehensive Plan. The 2008 – 2028 Comprehensive Plan attempts to address how Poquoson will sustain itself at the beginning of the 21st Century. It provides strategies for preserving property rights and developing land use policies, providing governmental services and facilities, encouraging economic development, and meeting transportation needs of the City. The CIP in combination with the Comprehensive Plan should assist with determining and balancing long-term needs, setting priorities, and addressing capital problems before they become critical. The Comprehensive Plan was adopted by City Council on September 28, 2009 and staff is currently implementing the recommendations within the document as outlined in the work program.

OPERATIONS/ACCOUNTING STRUCTURE

| <u>Department</u> | <u>General Fund</u> | <u>Debt Fund</u> | <u>Capital Projects Fund</u> | <u>Utilities Fund</u> | <u>Solid Waste Fund</u> | <u>Special Revenue Funds</u> | <u>Fleet Fund</u> |
|---|-------------------------|----------------------|--------------------------------------|---------------------------|---------------------------------|--------------------------------------|-----------------------|
| General Govt Admin | | | X | | | | |
| City Council | X | | | | | | |
| City Manager | X | | | | | | |
| Legal Services | X | | | | | | |
| Independent Auditor | X | | | | | | |
| Commissioner of the Revenue | X | | | | | | |
| Assessor/Equalization Board | X | | | | | | |
| Treasurer | X | | | | | | |
| Finance | X | | | | | | |
| Technology | X | | | | | | |
| Risk Management | X | | | | | | |
| Electoral Board | X | | | | | | |
| Judicial | X | | X | | | | |
| Courts and Sheriff | X | | | | | | |
| Public Safety | | | X | | | | |
| Police Department | X | | | | | | |
| Fire Department | X | | | | | | |
| Corrections & Detention | X | | | | | | |
| Inspections | X | | | | | | |
| Animal Control | X | | | | | | |
| Public Works | | | X | | | | |
| General Engineering | X | | | | | | |
| Public Works | X | | | | | | |
| Street Lights | X | | | | | | |
| Facilities | X | | | | | | |
| Health & Welfare | | | X | | | | |
| Health Department | X | | | | | | |
| Mosquito Control | X | | | | | | |
| Mental Health | X | | | | | | |
| Welfare/Social Services | X | | | | | | |
| School Transfer | X | | | | | | |
| Parks, Recreation & Cultural | | | X | | | | |
| Parks & Recreation | X | | | | | | |
| Parks & Recreation-Pool | X | | | | | | |
| Parks & Recreation-Special Events | X | | | | | | |
| Library | X | | | | | | |
| Community Development | | | X | | | X | |
| Planning | X | | | | | | |
| Planning, Zoning, Wetland & ARB | X | | | | | | |
| Economic Development | X | | | | | | |
| Community Development | X | | | | | | |
| Non Departmental | X | | | | | X | |
| DMV Select | X | | | | | | |
| Debt Service | | X | | | | | |
| Utilities | | | | X | | | |
| Solid Waste-Garbage & Recycling | | | | | X | | |
| Solid Waste-Bulky Item & Landscaping | | | | | X | | |
| Internal Service/Fleet Fund | | | | | | | X |

FY 2018 BUDGET CALENDAR

NOVEMBER 2016

18 Friday Department Head Budget Retreat.

DECEMBER 2016

12 Monday Budget letter request mailed to Outside Agencies.

12 Monday Budget preparation instructions distributed to Department Heads
Including FY 2015 and FY 2016 Actual Expenses, FY 2016
Revised Budget and FY 2018 Request Departmental Budgets.

JANUARY 2017

11 Wednesday FY 2018 Departmental Expenditure Budget Requests due to Finance.

11 Wednesday FY 2018 Outside Agency budget requests due.

11 Wednesday Finance begins review of Departmental Budget Requests.

12 Thursday Advertise Pre-Budget Public Hearing on January 23, 2017.

23 Monday FY 2018 Pre-Budget Public Hearing and Work Session.

30 Monday Departmental Budget meetings with City Manager and Finance Director
begins.

FEBRUARY 2017

21 Tuesday School Board work session in which Superintendent's proposed budget is
presented depending on the General Assembly.

MARCH 2017

6 Monday Final adjustments by Finance Department and City Manager to FY 2018
Proposed Revenue and Expenditures.

21 Tuesday School Board work session in which Superintendent's proposed budget is
presented if not presented in February.

23 Thursday Publish notice of April 24, 2017 Public Hearing on tax rate and equalized tax rate (if
Required).

31 Friday School Board approved budget forwarded to City Council.

FY 2018 BUDGET CALENDAR

APRIL 2017

- | | | |
|----|----------|--|
| 6 | Thursday | Proposed Budget FY 2018 Budget distributed to City Council Members. |
| 10 | Monday | Presentation to City Council and public of proposed real estate and personal property tax rate and fees for FY 2018. |
| 13 | Thursday | Publish notice of April 24, 2017 Budget Public Hearing and proposed tax rates and fees. |
| 24 | Monday | Public Hearing on Budget at City Council Meeting. Budget Work Session prior to Council Meeting. Joint Work Session with Schools. |

MAY 2017

- | | | |
|---|--------|---|
| 8 | Monday | Adoption of FY 2018 Budget at City Council meeting. |
|---|--------|---|

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SUMMARY OF TAX RATES AND FEES

| | FY 2015 Approved | FY 2016 Approved | FY 2017 Approved | FY 2018 Approved |
|------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| General Fund Taxes and Fees | | | | |
| Real Estate Tax | \$1.07/\$100 AV | \$1.07/\$100 AV | \$1.07/\$100 AV | \$1.07/\$100 AV |
| Public Service Corporation | \$1.07/\$100 AV | \$1.07/\$100 AV | \$1.07/\$100 AV | \$1.07/\$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 | \$0.92/\$100 AV 1st Half | \$1.07/\$100 AV 1st Half | \$1.07/\$100 AV 1st Half | \$1.07/\$100 AV 1st Half |
| Mobile Home | \$1.07/\$100 AV 2nd Half | \$1.07/\$100 AV 2nd Half | \$1.07/\$100 AV 2nd Half | \$1.07/\$100 AV 2nd Half |
| Local Sales Tax | 6.0% | 6.0% | 6.0% | 6.0% |
| Meals Tax (food and beverage) | 6.0% | 6.0% | 6.0% | 6.0% |
| 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 |
| Recovery (EMS) Fees: | | | | |
| BLS | \$430 | \$430 | \$430 | \$450 |
| ALS | \$525 | \$525 | \$525 | \$550 |
| ALS-2 | \$750 | \$750 | \$750 | \$775 |
| Mileage | \$9.00 | \$9.00 | \$9.00 | \$12.00 |
| Parks & Recreation Fees:** | | | | |
| Youth Athletics | \$60 - \$65 | \$60 - \$65 | \$65 - \$70 | \$65 - \$70 |
| Adult Athletics | \$220 - \$600/team | \$220 - \$400/team | \$235 - \$400/team | \$235 - \$400/team |
| Camps | \$75 - \$120 | \$75 - \$120 | \$75 - \$225 | \$75 - \$225 |
| Exercise Classes | \$48 - \$65 | \$48 - \$65 | \$48 - \$65 | \$48 - \$65 |
| Pool Admission | \$1 - \$5 | \$1 - \$5 | \$3 - \$5 | \$3 - \$5 |
| Swimming Lessons | \$25 - \$55 | \$25 - \$55 | \$30 - \$60 | \$30 - \$60 |
| Swim Team - Summer | \$160 | \$160 | \$165 | \$165 |
| Swim Team - Winter | \$160 - \$390 | \$160 - \$390 | \$200 - \$400 | \$200 - \$400 |
| Pool Passes | \$30 - \$55 | \$30 - \$55 | \$35 - \$55 | \$35 - \$55 |

**Additional Non-Resident Fees Apply

SUMMARY OF TAX RATES AND FEES

| | FY 2015 Approved | FY 2016 Approved | FY 2017 Approved | FY 2018 Approved |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Facility Use Fees: | | | | |
| Community Designated | \$10 resident | \$10 resident | \$10 resident | \$10 resident |
| Groups per member | \$20 non-resident | \$20 non-resident | \$20 non-resident | \$20 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 | 4.5% | 4.5% | 4.5% | 4.5% |
| over \$500,000 of gross collection | 5.0% | 5.0% | 5.0% | 5.0% |
| <u>Solid Waste Fund Fees</u> | | | | |
| Bag Fees | \$1.75 per bag | \$1.75 per bag | \$1.75 per bag | \$1.75 per bag |
| Container/Cart--monthly fee | Fee based on Size | Fee based on Size | Fee based on Size | Fee based on Size |
| Landscaping Debris Charges | \$60 per pickup | **\$60 per pickup | **\$60 per pickup | **\$60 per pickup |
| Bulky Item Pickup | 1 free/yr; then \$63 ea | **\$63 per pickup | **\$63 per pickup | **\$63 per pickup |
| Drop-Off of Debris or Bulky | Free | Free | Free | Free |
| <u>Utilities Fund Fees</u> | | | | |
| Sewer Service Fees | | | | |
| Commercial | \$62 bi-monthly plus \$1.75/hcf | \$62 bi-monthly plus \$1.75/hcf | \$62 bi-monthly plus \$1.75/hcf | \$62 bi-monthly plus \$1.75/hcf |
| Residential | \$62 bi-monthly | \$62 bi-monthly | \$62 bi-monthly | \$62 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

PERSONNEL POSITIONS

| Departments and Funds | FY 2015 Authorized FTE | FY 2016 Authorized FTE | FY 2017 Authorized FTE | FY 2018 Dept Head Request FTE | FY 2018 City Council Authorized FTE |
|------------------------------------|------------------------------|------------------------------|------------------------------|--|--|
| City Council | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 |
| City Manager | 3.80 | 3.80 | 4.80 | 4.80 | 4.80 |
| 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 | 5.00 | 4.00 |
| Registrar | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 |
| Police -- Sworn Officers | 23.50 | 24.50 | 25.50 | 27.00 | 26.50 |
| Police -- Civilian | 1.00 | 1.50 | 1.50 | 2.00 | 1.50 |
| Fire | 30.00 | 31.00 | 33.00 | 33.00 | 33.00 |
| Inspections | 3.75 | 3.75 | 4.75 | 4.75 | 4.75 |
| Engineering | 1.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Public Works | 17.50 | 17.50 | 17.50 | 18.00 | 17.50 |
| Mosquito Control | 2.00 | 2.00 | 2.00 | 5.00 | 3.00 |
| Parks & Recreation Programs | 3.80 | 3.80 | 3.80 | 3.80 | 3.80 |
| Parks & Recreation Pool | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Parks & Recreation Special Events | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Library | 11.95 | 11.95 | 12.45 | 12.45 | 12.45 |
| 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 | 127.80 | 131.30 | 136.80 | 143.30 | 138.80 |
| Solid Waste | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Utilities | 4.00 | 4.00 | 4.00 | 6.00 | 5.00 |
| Fleet Management | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 |
| Total Departments and Funds | 136.30 | 139.80 | 145.30 | 153.80 | 148.30 |

SUMMARY OF REVENUES AND TRANSFERS IN BY FUND

| Fund | FY 2015 Actual | FY 2016 Actual | FY 2017 Adopted Budget | FY 2017 Revised Budget | FY 2018 Dept Head Requested Budget | FY 2018 City Council Adopted Budget |
|------------------------------------|----------------------|----------------------|------------------------------|------------------------------|---|--|
| General Fund | \$ 26,934,313 | \$ 27,042,201 | \$ 27,238,418 | \$ 27,701,725 | \$ 28,527,883 | \$ 27,667,244 |
| Debt Service | 2,800,575 | 20,196,140 | 2,989,491 | 2,989,491 | 2,935,671 | 2,935,671 |
| Capital Projects | 1,352,725 | 2,418,545 | 1,498,520 | 4,174,260 | 595,324 | 595,324 |
| Solid Waste Enterprise | 796,972 | 801,881 | 843,338 | 843,338 | 851,020 | 847,406 |
| Utilities Enterprise | 1,903,615 | 2,050,110 | 2,130,430 | 2,130,430 | 2,052,145 | 2,052,145 |
| Fleet Management Internal Service | 699,207 | 688,662 | 725,758 | 725,758 | 816,505 | 729,281 |
| Special Revenue/Grants | 10,743 | 100,637 | 2,541,960 | 3,736,119 | 2,557,395 | 2,557,395 |
| Special Revenue/OPEB | - | - | - | 56,740 | 98,695 | 91,695 |
| TOTAL REVENUE AND TRANSFERS | 34,498,150 | 53,298,176 | 37,967,915 | 42,357,861 | 38,434,638 | 37,476,161 |
| Less: Interfund Transfers | 3,795,075 | 3,988,485 | 3,261,155 | 3,317,895 | 3,274,000 | 3,237,536 |
| TOTAL REVENUE | \$ 30,703,075 | \$ 49,309,691 | \$ 34,706,760 | \$ 39,039,966 | \$ 35,160,638 | \$ 34,238,625 |

SUMMARY OF EXPENDITURES AND TRANSFERS OUT BY FUND

| Fund | FY 2015 Actual | FY 2016 Actual | FY 2017 Adopted Budget | FY 2017 Revised Budget | FY 2018 Dept Head Requested Budget | FY 2018 City Council Adopted Budget |
|---|----------------------|----------------------|------------------------------|------------------------------|---|--|
| General Fund | \$ 26,843,876 | \$ 27,503,335 | \$ 27,238,418 | \$ 27,701,725 | \$ 28,527,883 | \$ 27,667,244 |
| Debt Service | 2,627,062 | 20,302,190 | 2,989,491 | 2,989,491 | 2,935,671 | 2,935,671 |
| Capital Projects | 822,462 | 1,217,536 | 1,498,520 | 4,174,260 | 595,324 | 595,324 |
| Solid Waste Enterprise | 746,243 | 793,688 | 843,338 | 843,338 | 851,020 | 847,406 |
| Utilities Enterprise | 1,670,881 | 1,635,293 | 2,130,430 | 2,130,430 | 2,052,145 | 2,052,145 |
| Fleet Management Internal Service | 721,696 | 675,826 | 725,758 | 725,758 | 816,505 | 729,281 |
| Special Revenue/Grants | 13,677 | 101,106 | 2,541,960 | 3,736,119 | 2,557,395 | 2,557,395 |
| Special Revenue/OPEB | - | - | - | 56,740 | 98,695 | 91,695 |
| TOTAL EXPENDITURES AND TRANSFERS | 33,445,897 | 52,228,974 | 37,967,915 | 42,357,861 | 38,434,638 | 37,476,161 |
| Less: Interfund Transfers | 3,795,075 | 3,988,485 | 3,261,155 | 3,317,895 | 3,274,000 | 3,237,536 |
| TOTAL EXPENDITURES | \$ 29,650,822 | \$ 48,240,489 | \$ 34,706,760 | \$ 39,039,966 | \$ 35,160,638 | \$ 34,238,625 |

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY

| Revenues | | Expenditures | |
|---|---------------|------------------------------------|---------------|
| General Fund | | | |
| General Property Taxes | \$ 19,324,599 | Personnel Services | \$ 6,869,579 |
| Other Local Taxes | 2,961,616 | Employee Benefits | 2,713,899 |
| Permits Licenses & Fees | 197,600 | Purchased Services | 1,080,923 |
| Fines & Forfeitures | 42,000 | Internal Services | 434,242 |
| Use of Money & Property | 214,800 | Other Charges | 1,509,790 |
| Charges for Services | 708,680 | Contributions to Agencies | 151,320 |
| Miscellaneous Revenue | 6,000 | Materials & Supplies | 207,615 |
| State Non-Categorical Aid | 2,057,435 | Payment to Joint Operations | 1,347,730 |
| State Categorical Aid | 242,288 | Capital Outlay | 374,207 |
| State Other Categorical Aid | 1,528,696 | Transfer to Debt Service Fund | 2,902,671 |
| Federal Revenue | 56,300 | Transfer to Capital Projects Fund | 88,000 |
| Transfer from Sewer Fund | 150,000 | Transfer to Special Revenue - OPEB | 46,865 |
| Transfer from Solid Waste Fund | 50,000 | Transfer to EDA | 5,000 |
| Transfer from Fund Balance | 127,230 | School Contribution | 9,935,403 |
| Total | \$ 27,667,244 | Total | \$ 27,667,244 |
| Debt Service Fund | | | |
| Transfer from General Fund | \$ 2,902,671 | City Debt Service | \$ 673,904 |
| Use of Reserve | 33,000 | School Debt Service | 2,261,767 |
| Total | \$ 2,935,671 | Total | \$ 2,935,671 |
| Capital Projects Fund | | | |
| State Revenue | \$ 507,324 | City Capital Outlay | \$ 507,324 |
| Transfer from General Fund | 88,000 | School Projects | 88,000 |
| Total | \$ 595,324 | Total | \$ 595,324 |
| Solid Waste Fund | | | |
| Charges for Services - Solid Waste Fees | \$ 815,406 | Personnel Services | \$ 61,008 |
| Charges for Services - Other | 32,000 | Employee Benefits | 30,016 |
| | | Purchased Services | 473,679 |
| | | Internal Services | 52,746 |
| | | Other Charges | 13,453 |
| | | Materials & Supplies | 10,315 |
| | | Payment to Joint Operations | 156,189 |
| | | Transfer to General Fund | 50,000 |
| Total | \$ 847,406 | Total | \$ 847,406 |

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY

| Revenues | | Expenditures | |
|---|----------------------------|--------------------------|----------------------------|
| Utilities Fund | | | |
| Charges for Services - Sewer Service Fees | \$ 1,894,145 | Personnel Services | \$ 261,856 |
| Sewer Availability Fees | 120,000 | Employee Benefits | 102,569 |
| Late Payment Fees | <u>38,000</u> | Purchased Services | 115,000 |
| | | Internal Services | 32,999 |
| | | Other Charges | 118,597 |
| | | Materials & Supplies | 10,400 |
| | | Debt Service | 710,068 |
| | | Transfer to General Fund | 150,000 |
| | | Capital Outlay | <u>550,656</u> |
| Total | <u><u>\$ 2,052,145</u></u> | Total | <u><u>\$ 2,052,145</u></u> |
| Fleet Fund | | | |
| Internal Service Revenue - City | \$ 520,984 | Personnel Services | \$ 167,218 |
| Internal Service Revenue - Schools | <u>208,297</u> | Employee Benefits | 99,183 |
| | | Purchased Services | 54,804 |
| | | Other Charges | 12,722 |
| | | Materials & Supplies | 386,554 |
| | | Capital Outlay | <u>8,800</u> |
| Total | <u><u>\$ 729,281</u></u> | Total | <u><u>\$ 729,281</u></u> |
| Special Revenue Fund/Grants | | | |
| HMGP Federal Grants | \$ 2,023,157 | Purchased Services | <u>\$ 2,557,395</u> |
| HMGP State Grants | 427,391 | | |
| HMGP Grant Local Match | <u>106,847</u> | | |
| Total | <u><u>\$ 2,557,395</u></u> | Total | <u><u>\$ 2,557,395</u></u> |
| Special Revenue Fund/OPEB | | | |
| Retiree Contributions | \$ 44,830 | Retiree Benefits | \$ 66,695 |
| Transfer from General Fund | <u>46,865</u> | Contribution to Trust | <u>25,000</u> |
| Total | <u><u>\$ 91,695</u></u> | Total Total | <u><u>\$ 91,695</u></u> |

SUMMARY OF FUND BALANCE OR NET ASSETS BY FUND

| | General Fund | Debt Service | Capital Projects Fund | Solid Waste Fund | Utilities Fund | Fleet Management Fund | Special Revenue Fund/Grants | Special Revenue Fund/OPEB |
|---|---------------------|-------------------|-----------------------------|------------------------|---------------------|-----------------------------|-----------------------------------|---------------------------------|
| Beginning Fund Balance -7/1/2014 | \$ 7,601,771 | \$ 244,337 | \$ 817,145 | \$ 236,055 | \$ 5,681,024 | \$ (124,648) | \$ 94,074 | \$ - |
| Actual FY 2015 Revenues | 26,934,316 | 2,800,575 | 1,352,725 | 796,972 | 1,903,615 | 699,207 | 10,743 | - |
| Actual FY 2015 Expenditures | (26,843,876) | (2,627,062) | (822,462) | (746,243) | (1,670,881) | (721,696) | (13,677) | - |
| Ending Fund Balance - 6/30/2015 | \$ 7,692,211 | \$ 417,850 | \$ 1,347,408 | \$ 286,784 | \$ 5,913,758 | \$ (147,137) | \$ 91,140 | \$ - |
| Beginning Fund Balance - 7/1/2015 | 7,692,211 | 417,850 | 1,347,408 | 286,784 | 5,913,758 | (147,137) | 91,140 | - |
| Actual FY 2016 Revenues | 27,042,201 | 20,196,140 | 2,418,545 | 801,881 | 2,050,110 | 688,662 | 100,637 | - |
| Actual FY 2016 Expenditures | (27,503,335) | (20,302,190) | (1,217,536) | (793,688) | (1,635,293) | (675,626) | (101,106) | - |
| Ending Fund Balance - 6/30/2016 | \$ 7,231,077 | \$ 311,800 | \$ 2,548,417 | \$ 294,977 | \$ 6,328,575 | \$ (134,101) | \$ 90,671 | \$ - |
| Beginning Fund Balance - 7/1/2016 | 7,231,077 | 311,800 | 2,548,417 | 294,977 | 6,328,575 | (134,101) | 90,671 | - |
| Estimated FY 2017 Revenues | 27,597,470 | 2,888,105 | 873,072 | 843,338 | 2,130,430 | 725,758 | 1,191,929 | 56,740 |
| Estimated FY 2017 Expenditures | (27,663,047) | (2,777,872) | (2,804,732) | (843,338) | (2,130,430) | (725,758) | (1,191,929) | - |
| Projected Fund Balance - 6/30/2017 | \$ 7,165,500 | \$ 422,033 | \$ 616,757 | \$ 294,977 | \$ 6,328,575 | \$ (134,101) | \$ 90,671 | \$ 56,740 |
| Beginning Fund Balance - 7/1/2018 | 7,165,500 | 422,033 | 616,757 | 294,977 | 6,328,575 | (134,101) | 90,671 | 56,740 |
| Estimated FY 2018 Revenues | 27,540,014 | 2,902,671 | 595,324 | 847,406 | 2,052,145 | 729,281 | 2,557,395 | 91,695 |
| Estimated FY 2018 Expenditures | (27,667,244) | (2,935,671) | (1,194,853) | (847,406) | (2,052,145) | (729,281) | (2,557,395) | (91,695) |
| Projected Fund Balance - 6/30/2018 | \$ 7,038,270 | \$ 389,033 | \$ 17,228 | \$ 294,977 | \$ 6,328,575 | \$ (134,101) | \$ 90,671 | \$ 56,740 |

Note: Included in the General Fund projected fund balance is a note receivable from the Poquoson Economic Development Authority with a projected balance of \$1,684,587 at 6/30/18.

GENERAL FUND - SUMMARY

General Fund Description

The General Fund accounts for all revenues and expenditures applicable to the general operations of the City which are not accounted for in other funds. Principal sources of revenue are property taxes and other local taxes, licenses and permit fees, and intergovernmental revenues. A significant part of the General Fund's revenues is transferred to the Poquoson Public Schools (the component unit) to fund the operation of the City's school system. Primary expenditures are for public safety, public works, health and welfare, parks, recreation and cultural, and the general administration of the City.

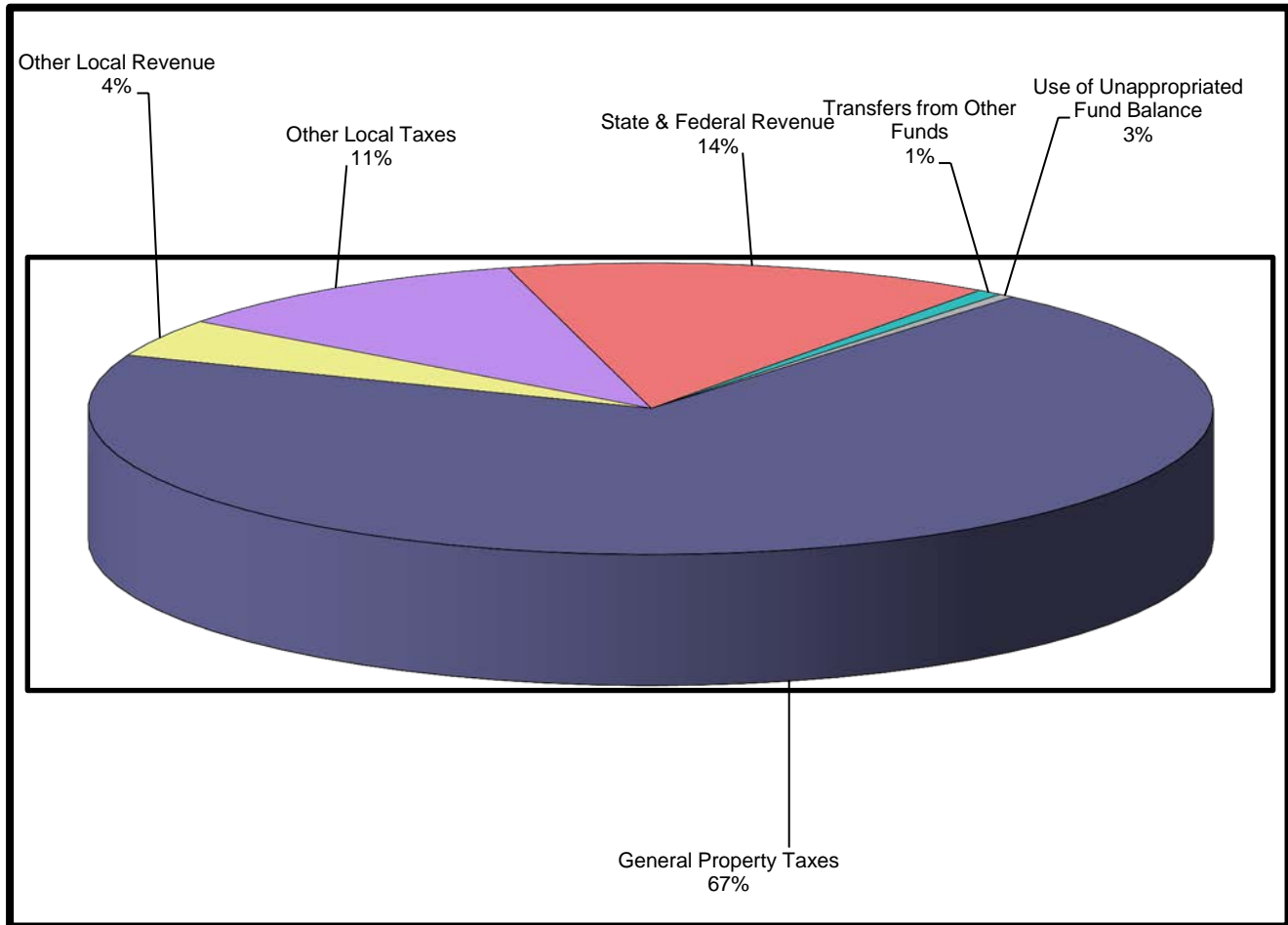
General Fund Projection of Fund Balance (Budgetary Basis)

| | | |
|---|---------------------|-----------------------------------|
| Beginning Fund Balance - 6/30/2014 | | \$ 7,601,771 |
| Actual FY 2015 Revenues | \$ 26,934,316 | |
| Actual FY 2015 Expenditures | <u>(26,843,876)</u> | <u>90,440</u> |
| Fund Balance - 6/30/2015 | | \$ 7,692,211 |
| Actual FY 2016 Revenues | \$ 27,042,201 | |
| Actual FY 2016 Expenditures | <u>(27,503,335)</u> | <u>(461,134)</u> |
| Fund Balance - 6/30/2016 | | \$ 7,231,077 |
| Estimated FY 2017 Revenues | \$ 27,597,470 | |
| Estimated FY 2017 Expenditures | <u>(27,663,047)</u> | <u>(65,577)</u> |
| Estimated Fund Balance - 6/30/2017 | | \$ 7,165,500 |
| Estimated FY 2018 Revenues | \$ 27,540,014 | |
| Estimated FY 2018 Expenditures | <u>(27,667,244)</u> | <u>(127,230)</u> |
| Projected Fund Balance - 6/30/2018 | | <u><u>\$ 7,038,270</u></u> |

Note: The estimated fund balance at 6/30/18 includes a note receivable estimated to be \$1,684,587 from the Poquoson Economic Development Authority.

GENERAL FUND - SUMMARY

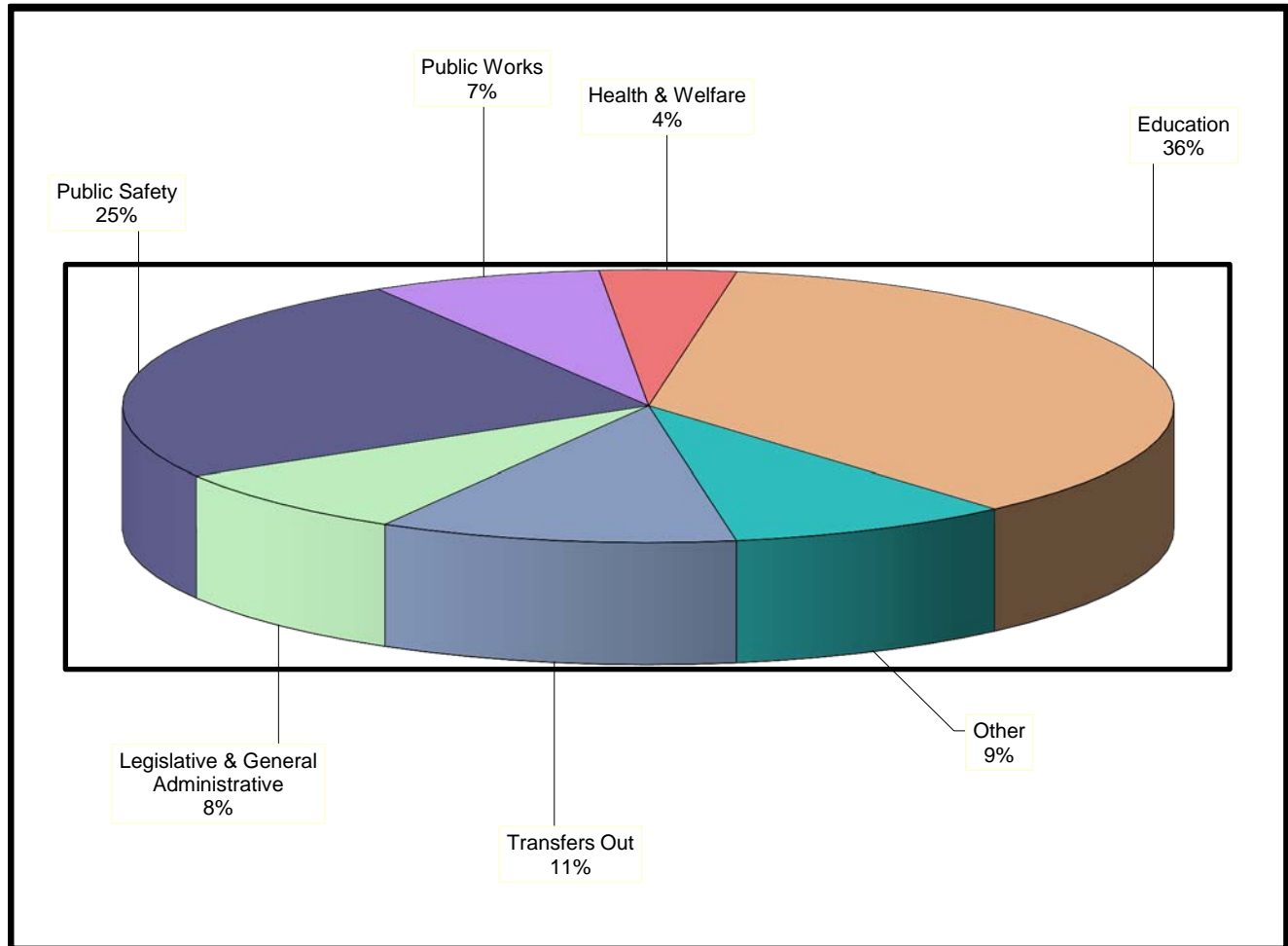
General Fund Revenue



| <u>General Fund Revenue</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|------------------------------------|------------------------------|-----------------------------|
| General Property Taxes | \$ 18,817,835 | \$ 19,324,599 |
| Other Local Revenue | 1,272,975 | 1,169,080 |
| Other Local Taxes | 2,952,750 | 2,961,616 |
| State & Federal Revenue | 3,831,681 | 3,884,719 |
| Transfers from Other Funds | 200,000 | 200,000 |
| Use of Unappropriated Fund Balance | 522,229 | 127,230 |
| TOTAL | <u>\$ 27,597,470</u> | <u>\$ 27,667,244</u> |

GENERAL FUND - SUMMARY

General Fund Expenditures



| <u>General Fund Expenditures</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|--------------------------------------|------------------------------|-----------------------------|
| Legislative & General Administrative | \$ 2,231,051 | \$ 2,237,281 |
| Public Safety | 7,065,149 | 6,906,280 |
| Public Works | 2,041,378 | 1,966,448 |
| Health & Welfare | 1,007,561 | 1,161,360 |
| Education | 9,767,527 | 9,935,403 |
| Other | 2,432,486 | 2,417,936 |
| Transfers Out | 3,117,895 | 3,042,536 |
| TOTAL | <u>\$ 27,663,047</u> | <u>\$ 27,667,244</u> |

GENERAL FUND REVENUE SUMMARY

| | | | | | | | | | % |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------|---------------|
| <u>General Fund Revenues Summary</u> | | | | | | | | | Change |
| | | | FY 2017 | | | FY 2018 | FY 2018 | \$ | From |
| | FY 2015 | FY 2016 | Original | FY 2017 | FY 2017 | Department | City Council | Change | 2017 |
| Account Title | Actual | Actual | Adopted | Revised | Estimated | Requested | Adopted | From 2017 | Revised |
| | | | Budget | Budget | Revenue | Budget | Budget | Revised | Budget |
| LOCAL REVENUE: | | | | | | | | | |
| <u>GENERAL PROPERTY TAXES</u> | | | | | | | | | |
| Real Estate-Current Tax | \$ 15,631,222 | \$ 15,668,784 | \$ 15,890,000 | \$ 15,890,000 | \$ 15,890,000 | \$ 17,038,487 | \$ 16,260,000 | \$ 370,000 | 2.3% |
| Delinquent Real Estate Taxes | 96,501 | 125,313 | 90,000 | 90,000 | 90,000 | 140,000 | 140,000 | 50,000 | 55.6% |
| Public Service Corp. | 199,633 | 214,643 | 216,140 | 216,140 | 216,140 | 226,000 | 226,000 | 9,860 | 4.6% |
| Personal Property-Current Tax | 2,324,790 | 2,431,149 | 2,397,525 | 2,397,525 | 2,397,525 | 2,539,584 | 2,478,599 | 81,074 | 3.4% |
| Delinquent Personal Property Taxes | 50,344 | 57,217 | 40,000 | 40,000 | 40,000 | 55,000 | 55,000 | 15,000 | 37.5% |
| Penalties and Interest | 123,100 | 108,857 | 184,170 | 184,170 | 184,170 | 165,000 | 165,000 | (19,170) | -10.4% |
| TOTAL GENERAL PROPERTY TAXES | 18,425,590 | 18,605,963 | 18,817,835 | 18,817,835 | 18,817,835 | 20,164,071 | 19,324,599 | 506,764 | 2.7% |
| <u>OTHER LOCAL TAXES</u> | | | | | | | | | |
| Local Sales Tax | 606,763 | 619,048 | 637,480 | 637,480 | 637,480 | 656,604 | 656,604 | 19,124 | 3.0% |
| Communications Sales & Use Tax | 413,456 | 399,648 | 415,000 | 415,000 | 415,000 | 400,000 | 400,000 | (15,000) | -3.6% |
| Meals Tax | 747,032 | 734,619 | 769,410 | 769,410 | 769,410 | 749,312 | 749,312 | (20,098) | -2.6% |
| Consumer Utility Tax | 293,721 | 279,272 | 299,600 | 299,600 | 299,600 | 305,000 | 305,000 | 5,400 | 1.8% |
| Consumption Tax | 43,028 | 38,524 | 44,440 | 44,440 | 44,440 | 45,000 | 45,000 | 560 | 1.3% |
| Business License Tax | 430,219 | 415,080 | 427,380 | 427,380 | 427,380 | 430,000 | 430,000 | 2,620 | 0.6% |
| Cigarette Tax | 100,873 | 100,179 | 95,000 | 95,000 | 95,000 | 130,000 | 100,000 | 5,000 | 5.3% |
| Other Local Taxes | 271,196 | 251,750 | 264,440 | 264,440 | 264,440 | 275,700 | 275,700 | 11,260 | 4.3% |
| TOTAL OTHER LOCAL TAXES | 2,906,288 | 2,838,120 | 2,952,750 | 2,952,750 | 2,952,750 | 2,991,616 | 2,961,616 | 8,866 | 0.3% |
| TOTAL PERMITS, LICENSES & FEES | 168,314 | 150,186 | 196,700 | 196,700 | 196,700 | 197,600 | 197,600 | 900 | 0.5% |
| TOTAL FINES & FORFEITURES | 44,899 | 41,742 | 57,500 | 57,500 | 57,500 | 42,000 | 42,000 | (15,500) | -27.0% |
| <u>USE OF MONEY & PROPERTY</u> | | | | | | | | | |
| Interest on Investments | 11,989 | 20,571 | 10,000 | 10,000 | 10,000 | 22,000 | 22,000 | 12,000 | 120.0% |
| Rental of Property | 188,762 | 201,114 | 176,800 | 176,800 | 176,800 | 192,800 | 192,800 | 16,000 | 9.0% |
| TOTAL USE OF MONEY & PROPERTY | 200,751 | 221,685 | 186,800 | 186,800 | 186,800 | 214,800 | 214,800 | 28,000 | 15.0% |
| <u>CHARGES FOR SERVICES</u> | | | | | | | | | |
| Other Charges for Services | 389,214 | 379,878 | 377,400 | 377,400 | 377,400 | 368,400 | 368,400 | (9,000) | -2.4% |
| Parks & Recreation Programs | 128,449 | 140,348 | 131,600 | 131,600 | 131,600 | 132,600 | 132,600 | 1,000 | 0.8% |
| Parks & Recreation Pool Programs | 73,230 | 63,044 | 71,250 | 71,250 | 71,250 | 71,250 | 71,250 | - | 0.0% |
| Parks & Recreation Special Events | 123,266 | 127,557 | 132,140 | 139,290 | 139,290 | 124,930 | 124,930 | (14,360) | -10.3% |
| Workboat Race | 16,115 | 8,800 | 10,800 | 16,550 | 16,550 | 11,500 | 11,500 | (5,050) | -30.5% |
| TOTAL CHARGES FOR SERVICES | 730,274 | 719,627 | 723,190 | 736,090 | 736,090 | 708,680 | 708,680 | (27,410) | -3.7% |
| TOTAL MISCELLANEOUS REVENUE | 187,212 | 360,776 | 61,000 | 95,885 | 95,885 | 6,000 | 6,000 | (89,885) | -93.7% |
| TOTAL LOCAL REVENUE | \$ 22,663,328 | \$ 22,938,099 | \$ 22,995,775 | \$ 23,043,560 | \$ 23,043,560 | \$ 24,324,767 | \$ 23,455,295 | \$ 411,735 | 1.8% |

GENERAL FUND REVENUE SUMMARY

| | | | | | | | | \$ | % |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-------------------------|--------------------|---------------|
| <u>General Fund Revenues Summary</u> | | | | | | | | Change | From |
| Account Title | FY 2015 Actual | FY 2016 Actual | FY 2017 Original | FY 2017 Revised | FY 2017 Estimated | FY 2018 Department | FY 2018 City Council | From 2017 | 2017 |
| | | | Adopted | Budget | Revenue | Requested | Adopted | Revised | Revised |
| | | | Budget | Budget | | Budget | Budget | Budget | Budget |
| STATE REVENUE: | | | | | | | | | |
| <u>NON-CATEGORICAL AID</u> | | | | | | | | | |
| PPTRA AID | \$ 1,923,431 | \$ 1,923,431 | \$ 1,923,435 | \$ 1,923,435 | \$ 1,923,435 | \$ 1,923,435 | \$ 1,923,435 | \$ - | 0.0% |
| DMV Commission | 111,635 | 127,018 | 121,000 | 121,000 | 121,000 | 122,000 | 122,000 | 1,000 | 0.8% |
| Reimbursement to Commonwealth | (18,828) | | - | - | - | - | - | - | n/a |
| Mobile Home Titling | 17,264 | 31,657 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | - | 0.0% |
| TOTAL NON-CATEGORICAL AID | 2,033,502 | 2,082,106 | 2,056,435 | 2,056,435 | 2,056,435 | 2,057,435 | 2,057,435 | 1,000 | 0.0% |
| <u>CATEGORICAL AID</u> | | | | | | | | | |
| TOTAL SHARED EXPENSES | 228,453 | 238,762 | 233,455 | 233,455 | 233,455 | 233,455 | 242,288 | 8,833 | 3.8% |
| <u>OTHER CATEGORICAL AID:</u> | | | | | | | | | |
| State 599 Funds (Police) | 233,204 | 233,204 | 240,710 | 240,710 | 240,710 | 240,710 | 240,710 | - | 0.0% |
| Street & Highway Maintenance | 880,000 | 880,000 | 880,000 | 880,000 | 880,000 | 880,000 | 880,000 | - | 0.0% |
| Library Aid | 142,089 | 140,899 | 144,998 | 144,998 | 144,998 | 144,129 | 144,129 | (869) | -0.6% |
| Children's Services Act | 222,957 | 218,649 | 172,500 | 172,500 | 172,500 | 216,000 | 216,000 | 43,500 | 25.2% |
| Police Grants | 3,645 | - | - | - | - | - | - | - | n/a |
| Fire and EMS Grants | 50,652 | 51,728 | 46,815 | 46,815 | 46,815 | 47,857 | 47,857 | 1,042 | 2.2% |
| Other State Revenue | 5,417 | 10,881 | - | 6,192 | 6,192 | - | - | (6,192) | -100.0% |
| TOTAL OTHER CATEGORICAL AID | 1,537,964 | 1,535,361 | 1,485,023 | 1,491,215 | 1,491,215 | 1,528,696 | 1,528,696 | 37,481 | 2.5% |
| TOTAL CATEGORICAL AID | 1,766,417 | 1,774,123 | 1,718,478 | 1,724,670 | 1,724,670 | 1,762,151 | 1,770,984 | 46,314 | 2.7% |
| TOTAL STATE REVENUE | 3,799,919 | 3,856,229 | 3,774,913 | 3,781,105 | 3,781,105 | 3,819,586 | 3,828,419 | 47,314 | 1.3% |
| FEDERAL REVENUE: | | | | | | | | | |
| Police Grants | 10,571 | 65,709 | - | 14,761 | 13,206 | - | - | (14,761) | -100.0% |
| Plum Tree Island Refuge | 2,592 | 2,725 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | - | 0.0% |
| Fire Grants | - | 7,500 | 102,700 | 110,200 | 7,500 | 53,000 | 53,000 | (57,200) | 100.0% |
| DHS and Citizen Corps Grants | 15,706 | 21,796 | - | 27,070 | 27,070 | - | - | (27,070) | -100.0% |
| Other Federal Revenue | 143 | 143 | 300 | 300 | 300 | 800 | 800 | 500 | 166.7% |
| TOTAL FEDERAL REVENUE | 29,012 | 97,873 | 105,500 | 154,831 | 50,576 | 56,300 | 56,300 | (98,531) | -63.6% |
| TOTAL GENERAL FUND REVENUE | 26,492,259 | 26,892,201 | 26,876,188 | 26,979,496 | 26,875,241 | 28,200,653 | 27,340,014 | 360,518 | 1.3% |
| TRANSFERS IN: | | | | | | | | | |
| Transfer from Sewer Fund | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | - | 0.0% |
| Transfer from Solid Waste | - | - | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | - | 0.0% |
| Sale of Bonds | 292,057 | - | - | - | - | - | - | - | n/a |
| Transfer from Revenue Stabilization | - | - | - | - | - | - | - | - | n/a |
| Transfer from Fund Balance | - | - | 162,230 | 522,229 | 522,229 | 127,230 | 127,230 | (394,999) | -75.6% |
| TOTAL TRANSFERS IN | 442,057 | 150,000 | 362,230 | 722,229 | 722,229 | 327,230 | 327,230 | (394,999) | -54.7% |
| TOTAL REVENUE & TRANSFERS IN | \$ 26,934,316 | \$ 27,042,201 | \$ 27,238,418 | \$ 27,701,725 | \$ 27,597,470 | \$ 28,527,883 | \$ 27,667,244 | \$ (34,481) | -0.1% |

REVENUE DETAIL

LOCAL REVENUE

General Property taxes account for 82% of locally generated revenues. Included in this category are levies made on real estate and personal property of City residents and businesses.

REAL ESTATE TAX:

The real estate property tax on residential, commercial land and buildings in the City is proposed at a rate of \$1.07 per \$100 of assessed value. Each cent of tax brings approximately \$155,000 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. FY 2018 is a reassessment year. Tax rate and value are effective July 1, 2017.

Residential growth projections in FY 2018 are based on new houses and other residential improvements and commercial improvements estimated in value at \$12,050,000, to be built throughout the year. This will bring approximately \$69,625 in additional tax revenue during FY 2018.

| | |
|--|----------------------------|
| FY 2018 Real Estate Revised Budget Estimate | \$16,510,375 |
| Tax Relief and Deferral | (320,000) |
| FY 2018 Residential growth on new assessments of new homes and other improvements | <u>69,625</u> |
| FY 2018 Real Estate Budget | <u>\$16,260,000</u> |

Real estate taxes are due on December 5th and June 5th. Past due balances paid by the end of the month the taxes 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 TAXES:

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 that assessments will be \$20,400,000 in FY 2018.

REVENUE DETAIL

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 NADA loan value to determine the assessment of automobiles and recreational vehicles. In the FY 2018 budget, the adopted 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 proposed real estate rate of \$1.07 per \$100 of assessed value. The low value in the ABOS book is used to determine the assessment for boats.

The FY 2018 personal property tax revenue is \$4,402,034 a \$81,074 increase over the FY 2017 estimated budget. 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 FY 2008. 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 55% for calendar year 2017.

Since not all personal property is affected by PPTRA, the City has estimated that citizens and businesses will pay 45% of personal property tax in FY 2018. The break out between local taxes and state aid is as follows for FY 2018 Personal Property tax revenue.

| <u>Local Taxes</u> | <u>State Aid</u> | <u>Total</u> |
|---------------------------|-------------------------|---------------------|
| \$ 2,478,599 | \$ 1,923,435 | \$ 4,402,034 |

REVENUE DETAIL

LOCAL SALES TAX:

The general Virginia State Sales Tax rate 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. In FY 2018, it is expected to be \$656,604 or an increase of \$19,124 from FY 2017. This projection is based on commercial retail sales in the City.

MEALS TAX:

The meals tax rate for FY 2018 is 6%. This tax has been imposed on all prepared food and beverages sold in the City since FY 2002. In FY 2018, revenue is expected to decrease from the FY 2017 budget by \$20,098 for a total of \$749,312.

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 the Internet (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 to the City. In FY 2018, it is expected to decrease by \$15,000 to \$400,000.

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 shall not exceed \$3 and \$10 respectively. It is estimated that the City will receive \$305,000 for FY 2018.

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 \$45,000 for FY 2018.

BUSINESS LICENSE TAX:

A tax based upon gross receipts is imposed on local businesses, trades, professions and occupations operating within the City. The rates vary depending upon the type of business or occupation. While there have been changes in local businesses, this tax varies for contractors building new homes and commercial establishments in Poquoson. The amount budgeted for FY 2018 is expected to increase by \$2,620, to \$430,000.

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 FY 2018 is expected to be \$100,000.

REVENUE DETAIL

OTHER LOCAL TAXES:

Included in this category are:

| | |
|--------------------|------------------|
| Bank Franchise Tax | \$ 38,000 |
| Recordation Tax | 197,700 |
| Deed of Conveyance | <u>40,000</u> |
| | <u>\$275,700</u> |

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

PERMITS, LICENSES, AND FEES:

Included in this category of revenue are:

| | |
|------------------------------|-------------------|
| Dog Licenses | \$ 5,600 |
| Subdivision Plan Review Fees | 15,000 |
| Zoning Advertising Fees | 2,000 |
| Building Permits | 45,000 |
| Electrical Permits | 15,000 |
| Plumbing Permits | 12,000 |
| Mechanical Permits | 16,000 |
| Erosion and Sediment Fees | 40,000 |
| Right-of-Way Permits | 4,000 |
| Drainage Pipe Permits | 1,000 |
| Site Plan Inspection Fees | 40,000 |
| Other Fees | <u>2,000</u> |
| | <u>\$ 197,600</u> |

In FY 2018, this represents an increase of \$900 from the FY 2017 budget.

FINES AND FORFEITURES:

This represents fines for violation of local ordinances upon conviction. The amount budgeted for FY 2018 is \$42,000.

INTEREST ON INVESTMENTS:

For FY 2018 revenue of \$22,000 is an increase from the FY 2017 budget.

REVENUE DETAIL

RENTAL OF PROPERTY:

The City rents property to the School Board for administrative office space in City Hall. In FY 2018, the amount will be \$26,300, which is the same since FY 2009. This rental fee is for the maintenance costs on the building space that the School Administration occupies. Also budgeted is \$160,000 for tower rental for communications companies to place their towers on City property. The rental of the Odd Road Community Center is expected to remain level at \$3,500. Messick Point pier rental is expected to be \$3,000 for FY 2018.

CHARGES FOR SERVICES:

Included in this category of revenue are:

| | |
|---------------------------|------------------|
| EMS Fees | \$292,000 |
| Library Fees/Test Proctor | 17,400 |
| Passport Processing | 50,000 |
| School Maintenance | 3,000 |
| Copying Charges | <u>6,000</u> |
| | <u>\$368,400</u> |

EMS fees are charges for ambulance services. The City began charging for ambulance services in October 2009. The proposed FY 2018 Budget, proposes an increase in the rates to better align with Medicare allowable charges and are similar to rates charged by some of the surrounding localities.

Library fees are book fines, etc. that are charged to patrons for returning items late and Test Proctor fees are to administer on-line tests to patrons. Locally, the Library issues Passports and the Passport Processing fees are expected to remain level in FY 2018 of \$50,000 for the service.

School Maintenance Fees represent the reimbursement from the Poquoson City Schools for the maintenance of their grounds at the schools.

CHARGES FOR SERVICES – PARKS AND RECREATION:

| | |
|-----------------------------|------------------|
| Parks & Recreation Programs | \$132,600 |
| Pool Programs | 71,250 |
| Special Events | 124,930 |
| Workboat Race | <u>11,500</u> |
| | <u>\$340,280</u> |

Parks and Recreation Programs represent fees charged for participating in various activities, such as athletics, arts and crafts, and instructional classes. Pool Programs are fees charged for all activities relating to the pool, including swim lessons, recreational swimming and swim team. Rates for these programs are set to attempt to cover the cost of running the programs.

Special Events are event fees that provide family oriented programs and festivals.

Workboat Race is for the sponsor fees paid for the workboat race as part of the annual Seafood Festival.

REVENUE DETAIL

MISCELLANEOUS REVENUE:

Miscellaneous Revenue for FY 2018 is expected to be \$6,000 which includes donations and insurance recoveries.

STATE REVENUE

NON-CATEGORICAL AID:

The City receives from the State revenues for the following categories:

| | |
|----------------------------------|--------------------|
| Personal Property Tax Relief Act | \$1,923,435 |
| Mobile Home Titling | 12,000 |
| DMV Reimbursement | <u>122,000</u> |
| | <u>\$2,057,435</u> |

Total personal property in FY 2018 is \$4,402,034. Of this amount, \$2,478,599 is recorded as general property taxes and \$1,923,435 is recorded as State Non-Categorical Aid. Personal Property is expected to increase by \$81,074; however, the revenue from the State will remain level.

The City opened a Department of Motor Vehicles – Select office (DMV) on January 2, 2002. As part of the City's agreement with DMV, the City receives a commission of 4.5% of the first \$500,000 of gross collections and 5% on gross collection over \$500,000. It is projected the City will receive \$122,000 for FY 2018. The office staff salaries and the majority of office expenses are paid by the City. The total DMV Select expenditure budget is \$111,621.

REVENUE DETAIL

CATEGORICAL AID - SHARED EXPENSES:

The State assists in funding the offices of the Commissioner of the Revenue, Treasurer and Registrar. For the two constitutional officers, the level of State funding is established by the State Compensation Board within certain parameters established by the General Assembly. A portion of the Registrar's salary is paid through the State Department of Elections with the other expenses of the office paid by the City.

The FY 2018 budget of \$242,288 is expected to increase by \$8,833 from FY 2017 budget based on estimated information received from the State Compensation Board.

The revenues are:

| | |
|-----------------------------|------------------|
| Commissioner of the Revenue | \$ 105,791 |
| Treasurer | 101,497 |
| Registrar | <u>35,000</u> |
| | <u>\$242,288</u> |

OTHER CATEGORICAL AID:

The City also receives funding from the State to be used for specific purposes. Included in this category is State 599 funding for the Police Department, Street and Highway Maintenance funds, Library Aid, and other certain grants. State 599 funding is intended for the operation of the City Police Department. The 599 funding for FY 2018 is anticipated to be \$240,710.

Street and Highway Maintenance aid is received for the upkeep of City roads and streets and is based upon the number of lane miles in the City system. Street and Highway Maintenance funds are also reflected in the Capital Projects Fund. The City estimates a total of \$1,387,324 in FY 2018 for Street and Highway Maintenance funding, which is approximately the same as FY 2017. In the General Fund, \$880,000 is budgeted for Public Works and Mosquito Control departments and \$507,324 is budgeted in the Capital Projects Fund to be used for paving and drainage projects.

Library Aid is provided on a per capita basis for the operation of the public library. State money must be expended either for book purchases or partial funding of Library professional employees' salaries. The amount the City estimates in FY 2018 is \$144,129.

Children's Services Act (CSA) funds are provided to partially fund mandated foster care and special education expenses. The State contribution is expected to be \$216,000 and a local cost of \$84,000 for a total of \$300,000 for CSA expenditures.

Various websites from State agencies and the Virginia Municipal League (VML) determined the FY 2017 estimates for State Categorical Aid. VML is an advocate for Virginia localities at the General Assembly.

REVENUE DETAIL

FEDERAL REVENUE

CATEGORICAL AID:

Plum Tree Island Refuge revenue represents payment in lieu of taxes for the Big Marsh area administered by the U.S. Department of Interior. The City applied for and is awaiting approval of a Fire grant. This represents the grant amount expected to fund one firefighter in the fire department.

TRANSFERS IN

The Utilities Fund reimburses the General Fund for expenses incurred in the overall administration of the sewer system. In FY 2018 \$150,000 will be transferred for this purpose. The Solid Waste Fund reimburses the General Fund for expenses incurred for administration of the City's solid waste programs in the amount of \$50,000.

A total use of Fund Balance in the amount of \$127,230 has been budgeted for \$88,000 of one time capital expenditures in the Capital Projects Fund. The use of the Non Spendable Fund Balance in the amount of \$19,230 is the sixth year of a 10 year forgiveness of the Poquoson Museum debt as well as \$20,000 decrease in a deed of trust note used to relocate a business to the City provided the business meets certain goals.

GENERAL FUND EXPENDITURES SUMMARY

General Fund Expenditures Summary

| Account Title | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| <u>LEGISLATIVE</u> | | | | | | | | |
| City Council | \$ 64,253 | \$ 70,325 | \$ 66,990 | \$ 66,990 | \$ 65,596 | \$ 65,396 | \$ (1,594) | -2.4% |
| <u>GENERAL ADMINISTRATION</u> | | | | | | | | |
| City Manager | 440,833 | 443,627 | 458,920 | 458,920 | 503,192 | 436,261 | (22,659) | -4.9% |
| Legal Services | 114,731 | 117,234 | 118,285 | 118,285 | 119,305 | 119,305 | 1,020 | 0.9% |
| Independent Auditor | 39,252 | 39,407 | 49,000 | 49,000 | 54,980 | 54,980 | 5,980 | 12.2% |
| Commissioner of the Revenue | 302,733 | 305,760 | 296,140 | 296,140 | 303,193 | 303,193 | 7,053 | 2.4% |
| Assessor/Equalization Board | 184,243 | 184,708 | 192,596 | 192,596 | 211,536 | 194,576 | 1,980 | 1.0% |
| Treasurer | 315,209 | 315,181 | 327,676 | 327,676 | 331,261 | 331,261 | 3,585 | 1.1% |
| Finance | 380,850 | 391,584 | 407,302 | 407,302 | 463,329 | 412,907 | 5,605 | 1.4% |
| Technology | 124,108 | 90,231 | 95,200 | 95,200 | 116,750 | 106,750 | 11,550 | 12.1% |
| Risk Management | 66,431 | 159,418 | 55,760 | 55,760 | 61,080 | 54,080 | (1,680) | -3.0% |
| TOTAL ADMINISTRATION | 1,968,390 | 2,047,150 | 2,000,879 | 2,000,879 | 2,164,626 | 2,013,313 | 12,434 | 0.6% |
| <u>ELECTIONS</u> | | | | | | | | |
| Registrar/Electoral Board | 150,641 | 164,626 | 163,182 | 163,182 | 159,122 | 158,572 | (4,610) | -2.8% |
| <u>PUBLIC SAFETY</u> | | | | | | | | |
| Courts and Sheriff | 442,334 | 474,200 | 464,652 | 464,652 | 429,172 | 429,172 | (35,480) | -7.6% |
| Police | 2,561,452 | 2,677,546 | 2,646,789 | 2,728,713 | 2,829,976 | 2,782,317 | 53,604 | 2.0% |
| Fire | 2,675,424 | 2,604,097 | 2,905,078 | 3,097,814 | 3,109,890 | 3,027,948 | (69,866) | -2.3% |
| Corrections & Detention | 373,297 | 382,728 | 372,662 | 372,662 | 328,975 | 325,905 | (46,757) | -12.5% |
| Inspections | 270,481 | 267,817 | 299,063 | 299,063 | 298,324 | 258,938 | (40,125) | -13.4% |
| Animal Control | 113,175 | 103,674 | 104,100 | 104,100 | 105,100 | 82,000 | (22,100) | -21.2% |
| TOTAL PUBLIC SAFETY | 6,436,163 | 6,510,062 | 6,792,344 | 7,067,004 | 7,101,437 | 6,906,280 | (160,724) | -2.3% |
| <u>PUBLIC WORKS</u> | | | | | | | | |
| Engineering | 115,284 | 175,549 | 196,940 | 196,940 | 200,821 | 196,727 | (213) | -0.1% |
| Public Works | 1,442,187 | 1,429,194 | 1,535,895 | 1,541,489 | 1,674,852 | 1,483,251 | (58,238) | -3.8% |
| Street Lights | 79,914 | 85,928 | 82,000 | 82,000 | 82,000 | 82,000 | 0 | 0.0% |
| Facilities | 193,015 | 173,000 | 190,519 | 220,949 | 209,470 | 204,470 | (16,479) | -7.5% |
| TOTAL PUBLIC WORKS | 1,830,400 | 1,863,671 | 2,005,354 | 2,041,378 | 2,167,143 | 1,966,448 | (74,930) | -3.7% |
| <u>HEALTH & WELFARE</u> | | | | | | | | |
| Health Department | 35,781 | 36,911 | 36,831 | 36,831 | 38,839 | 38,839 | 2,008 | 5.5% |
| Mosquito Control | 218,809 | 238,151 | 231,701 | 231,701 | 398,997 | 286,752 | 55,051 | 23.8% |
| Mental Health | 218,497 | 224,302 | 231,159 | 231,159 | 262,899 | 249,899 | 18,740 | 8.1% |
| Welfare/Social Services | 560,048 | 629,936 | 507,870 | 507,870 | 585,870 | 585,870 | 78,000 | 15.4% |
| TOTAL HEALTH & WELFARE | \$ 1,033,135 | \$ 1,129,300 | \$ 1,007,561 | \$ 1,007,561 | \$ 1,286,605 | \$ 1,161,360 | \$ 153,799 | 15.3% |

GENERAL FUND EXPENDITURES SUMMARY

General Fund Expenditures Summary

| Account Title | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--|----------------------|----------------------|--|------------------------------|--|--|--|---|
| <u>EDUCATION</u> | | | | | | | | |
| School Contribution | \$ 9,397,518 | \$ 9,538,282 | \$ 9,740,403 | \$ 9,740,403 | \$ 9,930,403 | \$ 9,935,403 | \$ 195,000 | 2.0% |
| Reappropriation | 25,245 | 27,886 | - | 27,124 | - | - | (27,124) | n/a |
| TOTAL EDUCATION | 9,422,763 | 9,566,168 | 9,740,403 | 9,767,527 | 9,930,403 | 9,935,403 | 167,876 | 1.7% |
| <u>PARKS, RECREATION & CULTURAL</u> | | | | | | | | |
| Parks & Recreation Programs | 406,536 | 430,680 | 447,270 | 447,270 | 472,268 | 447,961 | 691 | 0.2% |
| Parks & Recreation Pool | 123,072 | 118,402 | 126,800 | 126,800 | 140,046 | 138,546 | 11,746 | 9.3% |
| Parks & Recreation Special Events | 219,645 | 208,200 | 210,468 | 223,368 | 235,751 | 220,107 | (3,261) | -1.5% |
| Library | 855,887 | 842,375 | 855,198 | 876,042 | 885,030 | 869,030 | (7,012) | -0.8% |
| TOTAL PARKS, REC & CULTURAL | 1,605,140 | 1,599,657 | 1,639,736 | 1,673,480 | 1,733,095 | 1,675,644 | 2,164 | 0.1% |
| <u>COMMUNITY DEVELOPMENT</u> | | | | | | | | |
| Planning | 317,514 | 330,057 | 341,650 | 341,650 | 342,262 | 322,268 | (19,382) | -5.7% |
| Planning/BZA/Wetlands/ARB | 3,791 | 4,450 | 8,700 | 8,700 | 11,400 | 9,900 | 1,200 | 13.8% |
| Economic Development | 117,027 | 141,924 | 146,281 | 146,281 | 164,253 | 129,753 | (16,528) | -11.3% |
| Community Development | 128,391 | 132,080 | 136,923 | 146,638 | 161,320 | 151,320 | 4,682 | 3.2% |
| TOTAL COMMUNITY DEVELOPMENT | 566,723 | 608,511 | 633,554 | 643,269 | 679,235 | 613,241 | (30,028) | -4.7% |
| <u>NON-DEPARTMENTAL</u> | | | | | | | | |
| Non-Departmental | 15,232 | 596 | 22,590 | 37,890 | 50,000 | 17,430 | (20,460) | -54.0% |
| DMV Select | 105,961 | 104,784 | 104,670 | 104,670 | 111,621 | 111,621 | 6,951 | 6.6% |
| TOTAL NON-DEPARTMENTAL | 121,193 | 105,380 | 127,260 | 142,560 | 161,621 | 129,051 | (13,509) | -9.5% |
| <u>TRANSFERS OUT</u> | | | | | | | | |
| Debt Service Fund | 2,800,575 | 3,095,610 | 2,888,155 | 2,888,155 | 2,934,000 | 2,902,671 | 14,516 | 0.5% |
| Capital Projects Fund | 844,500 | 742,875 | 173,000 | 183,000 | 88,000 | 88,000 | (95,000) | -51.9% |
| Economic Development Authority | - | - | - | - | 5,000 | 5,000 | 5,000 | n/a |
| Special Revenue Fund OPEB | - | - | - | 56,740 | 52,000 | 46,865 | (9,875) | -17.4% |
| Utilities Fund | - | - | - | - | - | - | - | n/a |
| Fleet Fund | - | - | - | - | - | - | - | n/a |
| TOTAL TRANSFERS OUT | 3,645,075 | 3,838,485 | 3,061,155 | 3,127,895 | 3,079,000 | 3,042,536 | (85,359) | -2.7% |
| TOTAL GENERAL FUND | \$ 26,843,876 | \$ 27,503,335 | \$ 27,238,418 | \$ 27,701,725 | \$ 28,527,883 | \$ 27,667,244 | \$ (34,481) | -0.1% |

CITY COUNCIL

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|--------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 51,035 | \$ 51,309 | \$ 52,190 | \$ 52,190 | \$ 53,270 | \$ 53,270 | \$ 1,080 | 2.1% |
| Operating Expenses | 13,218 | 14,996 | 14,800 | 14,800 | 12,326 | 12,126 | (2,674) | -18.1% |
| Capital Outlay | - | 4,020 | - | - | - | - | n/a | n/a |
| Totals | \$ 64,253 | \$ 70,325 | \$ 66,990 | \$ 66,990 | \$ 65,596 | \$ 65,396 | \$ (1,594) | -2.4% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|---------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| City Clerk | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Totals | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |

* In Personnel Services, a minimal amount is budgeted as a stipend to the City Mayor and six City Council Members. All 7 members' stipends total \$8,700 a year.



Goals and Objectives

- * Promote economic development opportunities as a means of bringing balance to local revenue generation.
- * Provide outstanding leadership on behalf of the citizens.

CITY COUNCIL

Major Departmental Functions

- * 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 numbered years.
- * Council appoints the City Manager, City Clerk, City Attorney, and members to various Boards and Commissions.
- * Council adopts the City Budget and Capital Improvements Plan.
- * Council adopts ordinances and resolutions relating to municipal affairs and imposes fines and penalties for noncompliance.
- * 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.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|------------------|---------------------------|---------------------------|------------------------------|------------------------------|
| Regular Meetings | 18 | 19 | 18 | 19 |
| Work Sessions | 10 | 9 | 8 | 9 |
| Special Sessions | 2 | 1 | 2 | 2 |

Significant Budget Items

- * Slight decrease in operating expenses.

CITY MANAGER

Expenditures Summary

| | | | | | | | \$ | % |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | Budget | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 410,222 | \$ 420,417 | \$ 437,520 | \$ 437,520 | \$ 481,292 | \$ 414,361 | \$ (23,159) | -5.3% |
| Operating Expenses | 29,684 | 22,691 | 21,400 | 21,400 | 21,900 | 21,900 | 500 | 2.3% |
| Capital Outlay | 927 | 519 | - | - | - | - | - | n/a |
| Totals | \$ 440,833 | \$ 443,627 | \$ 458,920 | \$ 458,920 | \$ 503,192 | \$ 436,261 | \$ (22,659) | -4.9% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|-------------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| City Manager | 1 | 1 | 1 | 1 | 1 |
| Assistant City Manager | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| Assistant to the City Manager | 1 | 1 | 1 | 1 | 1 |
| Executive Assistant | 1 | 1 | 1 | 1 | 1 |
| Graduate Management Assistant | 0 | 0 | 1 | 1 | 1 |
| Part-time (FTE) | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Totals | 3.8 | 3.8 | 4.8 | 4.8 | 4.8 |



Goals and Objectives

- * Provide outstanding leadership to the City Government.
- * Increase economic growth in the City.
- * Effectively manage governmental services during the current fiscal challenges.
- * Maintain an excellent working partnership with the Superintendent and Poquoson City Schools.

CITY MANAGER

Major Departmental Functions

- * The City Manager is appointed by City Council to serve as Chief Administrative Officer of the City.
- * Execute and implement ordinances, resolutions and policies established by Council.
- * Oversee the daily administrative operations of the City. Recommend service and policy improvements.
- * Oversee the operations of all City departments, guide the performance of City staff, and encourage excellence in service through problem solving, integrity, responsiveness, innovation, and teamwork.
- * Provide ongoing community/employee relations program.
- * Keep internal and external customers advised of City related media events via public service announcements, press releases, public and employee newsletters, communications to Council members.
- * The City Manager serves as the Director of Emergency Services.
- * The City Manager serves as the Zoning Administrator.



Significant Budget Items

- * Decrease in budget due to employee retirement.
- * The Graduate Management Assistant program position remains authorized but not funded.

LEGAL SERVICES

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - | n/a |
| Operating Expenses | 112,197 | 115,438 | 116,085 | 116,085 | 117,105 | 117,105 | 1,020 | 0.9% |
| Capital Outlay | 2,534 | 1,796 | 2,200 | 2,200 | 2,200 | 2,200 | - | 0.0% |
| Totals | \$ 114,731 | \$ 117,234 | \$ 118,285 | \$ 118,285 | \$ 119,305 | \$ 119,305 | \$ 1,020 | 0.9% |

Personnel Summary

N/A



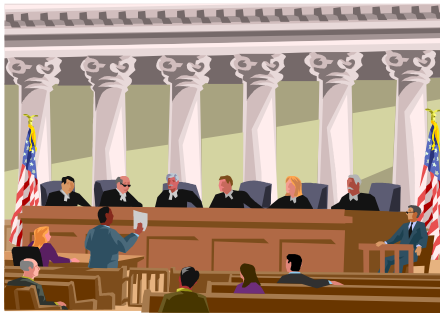
Goals and Objectives

- * Practice preventive law on behalf of the City of Poquoson by regular meetings with the City Manager and recommendations to improve the legal position of the City.
- * Handle legal matters concerning the City in accordance with law in a timely and efficient manner.

LEGAL SERVICES

Major Departmental Functions

- * The City Attorney is appointed by City Council to serve as legal advisor to the City Council, the City Manager, and all Departments and Boards and Commissions of the City.
- * Prepares and reviews ordinances for introduction to Council.
- * Drafts and reviews all contracts, licenses, permits, deeds, leases, and other legal documents to which the City is a party.
- * Represents the City in all legal proceedings and prosecutes violations of City ordinances.
- * This department also funds collection of delinquent real estate and personal property taxes.



Significant Budget Items

* N/A

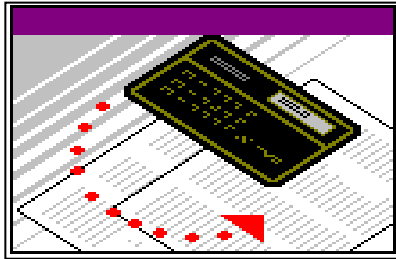
INDEPENDENT AUDITOR

Expenditures Summary

| | | | | | | | \$ | % |
|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|--------------|
| | | | FY 2017 | | FY 2018 | FY 2018 | Change | Change |
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | From 2017 | From 2017 |
| | Actual | Actual | Adopted | Revised | Request | Adopted | Revised | Revised |
| | | | Budget | Budget | Budget | Budget | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 39,252 | 39,407 | 49,000 | 49,000 | 54,980 | 54,980 | 5,980 | 12.2% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | <u>\$ 39,252</u> | <u>\$ 39,407</u> | <u>\$ 49,000</u> | <u>\$ 49,000</u> | <u>\$ 54,980</u> | <u>\$ 54,980</u> | <u>\$ 5,980</u> | <u>12.2%</u> |

Personnel Summary

N/A



Goals and Objectives

- * 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.
- * Perform FY 2017 audits of the City, School Board, School Activity Funds and Economic Development Authority (EDA) and draft the Comprehensive Annual Financial Report (CAFR) by November 30, 2017.
- * Prepare the Comparative Cost Report for the City.
- * Provide suggestions to strengthen internal accounting and administrative controls.

INDEPENDENT AUDITOR

Major Departmental Functions

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

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|----------------|-------------------|-------------------|----------------------|----------------------|
| Auditing Hours | 525 | 525 | 525 | 525 |

Significant Budget Items

* The increase in the budget is due to a planned increase in fees in accordance with the contract and the additional cost of the required bi-annual computation of the City's Other Post Employment Benefits.

Program Accomplishments

* Assisted in reviewing Government Finance Officers Association (GFOA) prior year comments and financial statement checklist in order to apply for the GFOA Award for Certification of Achievement for Excellence in Financial Reporting for FY 2017.

COMMISSIONER OF THE REVENUE

Expenditures Summary

| | | | FY 2017 | FY 2017 | FY 2018 | FY 2018 | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | FY 2015 | FY 2016 | Original | Revised | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Adopted | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 292,156 | \$ 280,000 | \$ 284,290 | \$ 284,290 | \$ 291,143 | \$ 291,143 | \$ 6,853 | 2.4% |
| Operating Expenses | 10,272 | 25,760 | 11,850 | 11,850 | 12,050 | 12,050 | 200 | 1.7% |
| Capital Outlay | 305 | - | - | - | - | - | - | n/a |
| Totals | \$ 302,733 | \$ 305,760 | \$ 296,140 | \$ 296,140 | \$ 303,193 | \$ 303,193 | \$ 7,053 | 2.4% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|---------------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| 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 Technician/DMV Clerk | 1 | 1 | 1 | 1 | 1 |
| Totals | 4 | 4 | 4 | 4 | 4 |

Goals and Objectives

- * Prepare the Real Estate Land Book and all necessary supplements. Execute deferral and exemption of real estate taxes for elderly and disabled persons who meet requirements.
- * Maintain, print and mail personal property forms. Have all personal property assessed and the assessment book printed by April 1st.
- * Process business licenses by March 1st of each year.
- * Enforce prepared food and beverage tax and cigarette taxation.
- * Continue to audit the Virginia Department of Taxation for proper remittance of Poquoson's sales tax.

COMMISSIONER OF THE REVENUE

Major Departmental Functions

- * 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 system with the Department of Taxation for processing refunds.
- * Administer tax exemption and deferral program for elderly and handicapped.
- * Issue business licenses to all businesses operating within the City and non-city 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.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|---------------------------------------|-------------------|-------------------|----------------------|----------------------|
| Business License | 824 | 830 | 825 | 825 |
| Meals Tax | 48 | 44 | 45 | 45 |
| Personal Property Abatements | 3,614 | 3419 | 3,500 | 3,500 |
| Personal Property Assessments | 21,413 | 21,405 | 21,500 | 21,500 |
| Property Transfers | 418 | 452 | 425 | 425 |
| Public Service Corporations | 11 | 10 | 10 | 10 |
| Real Estate Abatements | 33 | 51 | 40 | 40 |
| Real Estate Parcels | 5,291 | 5,291 | 5,350 | 5,350 |
| State Estimated Returns | 265 | 241 | 250 | 250 |
| State Tax Returns Audited | 1,111 | 1051 | 1,100 | 1,100 |
| State Tax Refunds Processed Online | 447 | 448 | 0* | 0* |
| Tax Exemption & Deferral Applications | 157 | 151 | 150 | 150 |

* No longer processing on line tax returns

Significant Budget Items

* In FY 2018, the City expects to receive \$105,791 in State Categorical Aid towards expenses of this office.

Program Accomplishments

- * Received approval for 447 State Income Tax Refunds online with the Department of Taxation, resulting in citizens receiving \$153,000 of refunds within 3-5 days.
- * Continue providing efficiency and stability to the DMV Select office by cross training employees in the Commissioner's office.

ASSESSOR / EQUALIZATION BOARD

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 175,511 | \$ 176,265 | \$ 181,370 | \$ 181,370 | \$ 186,610 | \$ 183,650 | \$ 2,280 | 1.3% |
| Operating Expenses | 8,356 | 6,108 | 10,526 | 10,526 | 23,226 | 10,726 | 200 | 1.9% |
| Capital Outlay | 376 | 2,335 | 700 | 700 | 1,700 | 200 | (500) | -71.4% |
| Totals | \$ 184,243 | \$ 184,708 | \$ 192,596 | \$ 192,596 | \$ 211,536 | \$ 194,576 | \$ 1,980 | 1.0% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|---------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| City Real Estate Assessor | 1 | 1 | 1 | 1 | 1 |
| Assessor Technician | 1 | 1 | 1 | 1 | 1 |
| Totals | 2 | 2 | 2 | 2 | 2 |

Ratio of property sales during time period

| | 6/14-12/14 | 6/15-12/15 | 6/16-12/16 |
|--|------------|------------|------------|
| Sold 41% or more over Assessed Value | 2 | 0 | 1 |
| Sold 31% -- 40% over Assessed Value | 0 | 0 | 1 |
| Sold 11% -- 30% over Assessed Value | 12 | 14 | 21 |
| Sold 1% -- 10% over Assessed Value | 30 | 22 | 31 |
| Sold at Assessed Value | 3 | 4 | 2 |
| Sold 1% -- 10% under Assessed Value | 22 | 19 | 18 |
| Sold 11% -- 30% under Assessed Value | 14 | 17 | 11 |
| Sold 31% -- 40% under Assessed Value | 3 | 2 | 0 |
| Sold 41% or more under Assessed Value | 2 | 1 | 0 |

The above shows the shift in properties selling at or over assessed value.

Goals and Objectives

- * Continue to refine program for Computer Assisted Mass Appraisal (CAMA) database.
- * Continue to utilize property surveys and aerial photographs to improve the accuracy of property identification maps.
- * Continue to work with the contractor to maintain property tax maps and the Geographic Information System (GIS).
- * Continue to maintain and provide real estate sales information for the City web site.
- * Continue to modernize the office and the services that are provided to the public.
- * Continue to maintain one of the highest Assessment Ratios among all of the localities in the State of Virginia.
- * Implement the NEW Vision Assessment Software Package.
- * Begin FY 2020 reassessment cycle.
- * Balance database with the Commissioner of the Revenue and print the land book in accordance with State Code.

ASSESSOR / EQUALIZATION BOARD

Major Departmental Functions

- * Maintain owners of record with descriptive information of each real estate parcel within the City.
- * Analyze sales information and monitor new construction costs in order to keep abreast of local property value trends.
- * Inspect and visit properties that transfer. Post to ratio map and perform periodic ratio studies.
- * Inspect and value all new construction. Make scaled drawing and photograph each main improvement.
- * Assist GIS vendor with maintenance of City property tax maps and property information website.
- * Liaison between city departments, various groups with GIS needs and GIS vendor.
- * Conduct the biennial reassessment of real estate within the City.
- * Assist in organizing the Board of Equalization Hearings.

Performance Measures

| | **FY 2015 Actual | FY 2016 Actual | **FY 2017 Estimated | FY 2018 Estimated |
|------------------------------|-----------------------------|---------------------------|--------------------------------|------------------------------|
| Assessor | | | | |
| Real Estate Parcels | 5,330 | 5337 | 5,405 | 5450 |
| Total Assessed Value | \$1,500,055,080 | \$1,504,974,300 | \$1,520,227,500 | \$1,550,632,050 |
| Property Transfers | 400 | 449 | 395 | 396 |
| Abatement & Supplements | 125 | 70 | 127 | 135 |
| Assessed Value - Abate./Sup. | \$4,944,900 | \$4,190,700 | \$9,356,600 | \$12,000,000 |

**reassessment year

*estimated

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Estimate |
|--------------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|
| Equalization Board | | | | |
| # of Property Owners Appealing | n/a | 3 | 0 | 4 |
| # of Parcels Reviewed | n/a | 10 | 0 | 4 |
| # of Parcels Increased | n/a | 0 | 0 | 0 |
| Value of Increases | n/a | \$0 | 0 | 0 |
| # of Assessments Decreased | n/a | 10 | 0 | 2 |
| Value of Decreases | n/a | \$278,500 | 0 | \$300,000 |

Significant Budget Items

- * Minimal increase in personnel services for FY 2018 for pay increases.

Program Accomplishments

- * Balanced Assessor's database with Commissioner of the Revenue's database for printing of FY 2017 land book.
- * Assessed value of new construction at percentage complete as of July 2016 and August 2016.
- * Continued to maintain one of the best assessment ratios in the State, per the Virginia Department of Taxation.

TREASURER

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ 283,115 | \$ 287,011 | \$ 294,540 | \$ 294,540 | \$ 298,670 | \$ 298,670 | \$ 4,130 | 1.4% |
| Operating Expenses | 32,094 | 28,170 | 33,136 | 33,136 | 32,591 | 32,591 | (545) | -1.6% |
| Capital Outlay | - | - | - | - | - | - | - | n/a |
| Totals | \$ 315,209 | \$ 315,181 | \$ 327,676 | \$ 327,676 | \$ 331,261 | \$ 331,261 | \$ 3,585 | 1.1% |

Personnel Summary

| | FY 2015 Authorized | FY 2016 Authorized | FY 2017 Authorized | FY 2018 Department Request Positions | FY 2018 City Council Authorized Positions |
|-----------------------|-----------------------|-----------------------|-----------------------|---|--|
| Treasurer | 1 | 1 | 1 | 1 | 1 |
| Deputy Treasurer | 1 | 1 | 1 | 1 | 1 |
| Accounting Technician | 1 | 1 | 1 | 1 | 1 |
| Account Clerk | 1 | 1 | 1 | 1 | 1 |
| Totals | 4 | 4 | 4 | 4 | 4 |



Goals and Objectives

- * Maintain high collection rates and customer service.
- * Continue training/certification program for Treasurer and deputies. The Treasurer and two deputies will maintain their certifications as Master Governmental Treasurer.
- * Pursue collections of delinquent accounts through use of DMV stops, debt setoff programs, liens and warrants.
- * Maintain State office accreditation which was received in 2014.

TREASURER

Major Departmental Functions

- * Collect all revenues due to the City and School Division including real estate and personal property taxes, service fees, prepared meals taxes, license fees, and utility fees.
- * Administer online-payment website, direct-debit program and credit cards.
- * Pursue delinquent taxes and fees through warrants, DMV stops, wage liens, and debt setoff.
- * Maintain proper accounting of all cash receipts.
- * Invest idle cash and assist in debt service management.
- * Maintain and reconcile bank accounts used by the City and School Division.
- * Collect and deposit State income taxes and State estimated taxes.
- * Process and mail all original and delinquent personal property and real estate tax bills.
- * Maintain mortgage files so real estate taxes can be conveyed against escrowed funds for taxpayers.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| First Year Personal Property Collection Rate | 91.61% | 92.06% | 91.75% | 91.75% |
| First Year Real Estate Collection Rate | 98.40% | 98.81% | 98.25% | 98.25% |
| Business Licenses Processed | 872 | 876 | 880 | 880 |
| Dog Tags Processed | 1,562 | 1,480 | 1,570 | 1,570 |
| Estimated Tax Payments | 750 | 712 | 755 | 755 |
| Meals Tax Payments Processed | 365 | 340 | 360 | 360 |
| Personal Property Tax Tickets Processed | 39,693 | 39,326 | 39,300 | 39,350 |
| Real Estate Tax Tickets Processed | 11,555 | 11,729 | 11,700 | 11,720 |
| Utility Account Payments Processed | 26,572 | 26,304 | 26,600 | 26,650 |

Significant Budget Items

- * In FY 2018, the City expects to receive \$101,497 in State Categorical Aid towards expenses of this office.

Program Accomplishments

- * Treasurer's Office collected taxes on a timely basis. As of December 31, 2016, the collection rate for 2016 personal property was 90.88%. The collection rate for the 2016 first half of real estate was 97.97%.
- * Three employees are certified with the Treasurers Association of Virginia (TAV).
- * There are currently 359 participants in utility the automatic debit program which is an increase of 17 from the prior year.
- * Continued to grow a monthly auto debit program for the pre-payment of taxes. There are currently 69 participants accounting for approximately \$17,850 per month.
- * Filed 38 liens in calendar year 2016 for the benefit of collecting \$19,496 in delinquent taxes, fees and library fines.
- * Office maintained State Accreditation from the Treasurer's Association of Virginia.
- * Office became an authorized license vendor for the Virginia Marine Resource Commission in November 2015.

FINANCE

Expenditures Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | Actual | Actual | Original | Revised | Department | City Council | Change | Change |
| | | | Adopted | Budget | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 327,213 | \$ 334,980 | \$ 343,800 | \$ 343,800 | \$ 398,079 | \$ 347,657 | \$ 3,857 | 1.1% |
| Operating Expenses | 53,637 | 56,604 | 63,502 | 63,502 | 65,250 | 65,250 | 1,748 | 2.8% |
| Capital Outlay | - | - | - | - | - | - | - | n/a |
| Totals | \$ 380,850 | \$ 391,584 | \$ 407,302 | \$ 407,302 | \$ 463,329 | \$ 412,907 | \$ 5,605 | 1.4% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|----------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Director of Finance | 1 | 1 | 1 | 1 | 1 |
| Assistant Finance Director | 1 | 1 | 1 | 1 | 1 |
| Account Analyst | 1 | 1 | 1 | 1 | 1 |
| Finance Specialist | 1 | 1 | 1 | 2 | 1 |
| Totals | 4 | 4 | 4 | 5 | 4 |



Goals and Objectives

- * Oversee annual audit, risk management activities, and employee benefits; maintain and monitor all financial records and prepare annual financial plan.
- * Continue to identify areas for cost savings on a City-wide basis.
- * Identify areas where City financial policies should be developed such as cash management, fund balance requirements and equipment replacement.
- * Prepare a budget that meets or exceeds the requirements of the GFOA Distinguished Budget Award.
- * Prepare the annual CAFR that meets or exceeds the requirements of the GFOA Award in Financial Reporting.

FINANCE

Major Departmental Functions

- * Oversee revenues and expenditures of the City.
- * Maintain the City's financial records.
- * Prepare, at the direction of the City Manager, the City's annual operating budget.
- * Prepare the City's bi-weekly payroll and accounts payable.
- * Administer the City's utility and solid waste billing system.
- * Manage the City's Risk Management Program.
- * Administer employee benefits such as health insurance, retirement, life insurance and optional life insurance, flexible spending program, other optional benefits, and workers' compensation.
- * Provide assistance to independent auditors during the annual audit of City financial records.
- * Administer and maintain data processing functions.
- * Manage the City's Purchasing policies.
- * Manage internal controls of the City.
- * Maintain the City's Webpage.

Performance Measures

| | FY 2015 Actual | FY2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|--|---------------------------|--------------------------|------------------------------|------------------------------|
| Accounts Payable Checks Issued | 3,507 | 3,730 | 3,764 | 3,800 |
| Payment Vouchers | 4,500 | 4,937 | 4,954 | 4,975 |
| Invoices Paid | 7,591 | 7,973 | 8,269 | 8,314 |
| Payroll Checks Issued | 676 | 711 | 700 | 725 |
| Payroll Direct Deposits | 3,297 | 3,265 | 3,300 | 3,350 |
| Deposits to Different Financial Institutions | 24 | 24 | 24 | 24 |
| Utility Bills Printed | 26,440 | 29,160 | 29,670 | 30,000 |
| Utility Customers | 4,872 | 4,932 | 5,004 | 5,059 |
| Utility Customers with Special Rates | 131 | 144 | 129 | 129 |

Significant Budget Items

- * Minimal increase in personnel services and operating expenses.

Program Accomplishments

- * Received the Government Finance Officers Award, Certificate of Achievement of Excellence in Financial Reporting, and Distinguished Budget Presentation Award.

TECHNOLOGY

Expenditures Summary

| | | | | | | | | \$ | % |
|--------------------|-------------------|------------------|------------------|------------------|-------------------|-------------------|-----------|---------------|--------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | | Revised | Revised |
| | | | Budget | | Budget | Budget | | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | n/a | n/a |
| Operating Expenses | 77,653 | 66,981 | 55,200 | 55,200 | 56,750 | 56,750 | | 1,550 | 2.8% |
| Capital Outlay | 46,455 | 23,250 | 40,000 | 40,000 | 60,000 | 50,000 | | 10,000 | 25.0% |
| Totals | \$ 124,108 | \$ 90,231 | \$ 95,200 | \$ 95,200 | \$ 116,750 | \$ 106,750 | \$ | 11,550 | 12.1% |

Personnel Summary

N/A

Goals and Objectives

- * Maintenance and technical support for the City's GIS database, computer systems and purchase of technology equipment.
- * Continue City-wide replacement plan for technology equipment.

TECHNOLOGY

Major Departmental Functions

- * 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 Public School Division.
- * Purchases technology equipment for the City.

Significant Budget Items

- * Includes the City's contract for GIS maintenance and technical support with contractor.
- * Includes support provided by the School Division's Information Technology Department.

Program Accomplishments

- * Increased server redundancy to prevent downtime in case of a failure.
- * Continued to centralize technology purchasing, therefore reducing costs.
- * Instituted City-wide replacement plan of technology equipment.

RISK MANAGEMENT

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ 33,522 | \$ 121,471 | \$ 13,210 | \$ 13,210 | \$ 14,288 | \$ 12,288 | \$ (922) | -7.0% |
| Operating Expenses | 32,909 | 37,947 | 42,550 | 42,550 | 46,792 | 41,792 | (758) | -1.8% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 66,431 | \$ 159,418 | \$ 55,760 | \$ 55,760 | \$ 61,080 | \$ 54,080 | \$ (1,680) | -3.0% |

Personnel Summary

N/A



Goals and Objectives

- * Work to minimize liability exposure and to seek coverage wherever exposure exists. Continue to stress the importance of safety programs and other preventive measures for reducing loss.
- * Work with departments on safety, conduct inspections and various types of safety training.

RISK MANAGEMENT

Major Departmental Functions

- * Contain expenses relating to the City's property, liability, and automobile insurance coverage for general administration departments.
- * Fund other fringe benefits that cannot be allocated to a particular department.
- * Fund Risk Management Consultant.

Performance Measures

| | Year 2015 Actual | Year 2016 Actual | Year 2017 Estimated | Year 2018 Estimated |
|------------------------------|---------------------|---------------------|------------------------|------------------------|
| <u>Worker's Compensation</u> | | | | |
| Claims Filed | 21 | 11 | 8 | 8 |
| Loss Ratio | 18.0% | 5.6% | 5.0% | 5.0% |
| <u>Line of Duty</u> | | | | |
| Claims Filed | 0 | 1 | 0 | 0 |
| Loss Ratio | 0.0% | 0.0% | 0.0% | 0.0% |
| <u>General Liability</u> | | | | |
| Claims Filed | 5 | 1 | 0 | 0 |
| Loss Ratio | 3.5% | 0.0% | 0.0% | 0.0% |
| <u>Auto Liability</u> | | | | |
| Claims Filed | 7 | 3 | 0 | 0 |
| Loss Ratio | 8.9% | 15.0% | 0.0% | 0.0% |
| <u>Property</u> | | | | |
| Claims Filed | 3 | 1 | 1 | 1 |
| Loss Ratio | 9.0% | 31.0% | 0.0% | 0.0% |
| <u>Inland Marine</u> | | | | |
| Claims Filed | 0 | 0 | 0 | 0 |
| Loss Ratio | 0.0% | 0.0% | 0.0% | 0.0% |

Significant Budget Items

- * Cost of premiums for property and automobile insurance coverage is allocated to the respective City departments.

Program Accomplishments

- * Continual protection of the City's assets through emphasis on safety, proper insurance coverage, and other preventive measures to minimize the adverse effects of accidental losses.
- * Safety Committee reviews accidents to limit exposure of claims, reviews potential liability areas throughout City buildings and grounds.
- * Conduct driver license check to ensure employees are eligible to drive City vehicles.

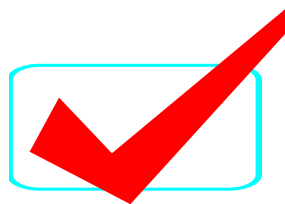
REGISTRAR / ELECTORAL BOARD

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ 134,334 | \$ 132,602 | \$ 137,930 | \$ 137,930 | \$ 137,070 | \$ 137,070 | \$ (860) | -0.6% |
| Operating Expenses | 16,307 | 32,024 | 25,252 | 25,252 | 21,202 | 21,202 | (4,050) | -16.0% |
| Capital Outlay | - | - | - | - | 850 | 300 | 300 | n/a |
| Totals | \$ 150,641 | \$ 164,626 | \$ 163,182 | \$ 163,182 | \$ 159,122 | \$ 158,572 | \$ (4,610) | -2.8% |

Personnel Summary

| | FY 2015 Authorized | FY 2016 Authorized | FY 2017 Authorized | FY 2018 Department Request Positions | FY 2018 City Council Authorized Positions |
|---------------------|-----------------------|-----------------------|-----------------------|---|--|
| Registrar | 1 | 1 | 1 | 1 | 1 |
| Assistant Registrar | 1 | 1 | 1 | 1 | 1 |
| Part Time (FTE) | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Totals | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 |



Goals and Objectives

- * Assist citizens in understanding requirements for voter registration, provide citizens with information and referral for services and inform citizens about absentee voting and photo identification requirements.
- * Protect the integrity of the electoral process and efficiently conduct the elections in FY 2018 within the provisions of the Code of Virginia.
- * Assure that registration opportunities will be equally available to all Poquoson citizens and throughout the United States.
- * Maintain accurate and up-to-date voter records.
- * Increase voter registrations through use of National Voter Registration Act (NVRA).
- * Train Officers of Election so they will be informed of duties on election day.
- * Assist candidates with filing requirements and verify Certificates of Candidate Qualifications, Declarations of Candidacy and all petitions filed by candidates or groups seeking a referendum.

REGISTRAR / ELECTORAL BOARD

Major Departmental Functions

- * Process registrations of residents not only in Poquoson but throughout Virginia and 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, and name and address changes into the Voter Registration System.
- * 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 results of each election and certify to State Board of Elections.
- * Recruit and train Officers of Election and schedule officers to work at each polling place.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|--------------------|-------------------|-------------------|----------------------|----------------------|
| Changes in Address | 175 | 252 | 475 | 260 |
| Deletions | 609 | 513 | 507 | 520 |
| New Registrants | 206 | 423 | 600 | 340 |
| Other Changes | 124 | 276 | 1,080 | 400 |
| Registered Voters | 8,554 | 8,729 | 9,128 | 8,900 |
| Transferred In | 199 | 644 | 381 | 200 |

Significant Budget Items

- * Decrease in operating expenses due to completion of the Presidential election in November 2016.

Program Accomplishments

- * Successfully conducted the March 2016 Presidential Primary.
- * Successfully conducted the June 2016 Primary.
- * Successfully conducted the November 2016 Presidential Election with 84.9% voter turnout. The 2nd largest voter turnout in Virginia.
- * Trained election officials on the touch screen and optical scan voting machines and electronic poll books.
- * Worked with the State Board of Elections to verify voters received credit for voting in elections.
- * Researched and confirmed the National Change of Address list provided by the State Board of Elections.
- * Processed approximately 400 address confirmations and other discrepancies as a result of the April 2016 redistricting.
- * Successfully maintained Voter Photo ID processing photo ID's for Poquoson and other localities.

COURTS AND SHERIFF

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 442,334 | 474,200 | 464,652 | 464,652 | 429,172 | 429,172 | (35,480) | -7.6% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 442,334 | \$ 474,200 | \$ 464,652 | \$ 464,652 | \$ 429,172 | \$ 429,172 | \$ (35,480) | -7.6% |

Personnel Summary

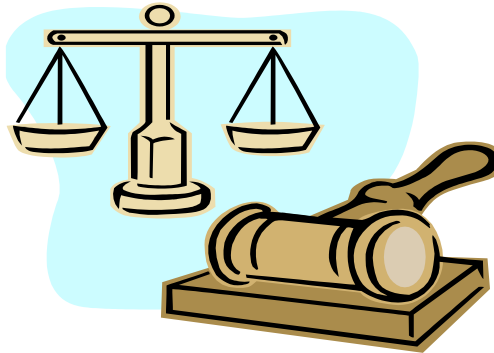
N/A



COURTS AND SHERIFF

Major Departmental Functions

- * 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 the 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.



Significant Budget Items

- * York County sets the Poquoson Courts and Sheriff budgets, and by legislation Poquoson pays 19.9% of the total budget of \$2,144,351. \$412,725 net of agreed credit, is Poquoson's FY 2018 share, a decrease of \$35,480.

Budget Detail

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 City Council Adopted Budget |
|--------------------------------|---------------------------|---------------------------|--|---------------------------------------|--|
| York/Poquoson Courthouse | \$ 233,031 | \$ 251,707 | \$ 232,514 | \$ 232,514 | \$ 198,123 |
| Sheriff | 192,430 | 206,340 | 217,031 | 217,031 | 214,602 |
| 9th District Court | 9,127 | 5,904 | 6,225 | 6,225 | 6,360 |
| Colonial Community Corrections | 7,746 | 10,249 | 8,882 | 8,882 | 10,087 |
| Totals | \$ 442,334 | \$ 474,200 | \$ 464,652 | \$ 464,652 | \$ 429,172 |

POLICE

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|---------------------------|---------------------|---------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ 1,915,230 | \$ 1,985,191 | \$ 2,035,120 | \$ 2,046,576 | \$ 2,157,071 | \$ 2,109,412 | \$ 62,836 | 3.1% |
| Operating Expenses | 592,176 | 608,476 | 610,169 | 679,887 | 630,405 | 630,405 | (49,482) | -7.3% |
| Capital Outlay | 54,046 | 83,877 | 1,500 | 2,250 | 42,500 | 42,500 | 40,250 | 1788.9% |
| Totals | <u>\$ 2,561,452</u> | <u>\$ 2,677,544</u> | <u>\$ 2,646,789</u> | <u>\$ 2,728,713</u> | <u>\$ 2,829,976</u> | <u>\$ 2,782,317</u> | <u>\$ 53,604</u> | <u>2.0%</u> |

Personnel Summary

| | FY 2015 Authorized | FY 2016 Authorized | FY 2017 Authorized | FY 2018 Department Request Positions | FY 2018 City Council Authorized Positions |
|--------------------------------------|-----------------------|-----------------------|-----------------------|---|--|
| Police Chief | 1 | 1 | 1 | 1 | 1 |
| Captain/Assistant Police Chief | 1 | 1 | 1 | 1 | 1 |
| Lieutenant | 1 | 1 | 2 | 2 | 2 |
| Planning and Administration Sergeant | 1 | 1 | 0 | 0 | 0 |
| Investigations Sergeant | 1 | 2 | 2 | 2 | 2 |
| Patrol Sergeant | 4 | 4 | 4 | 4 | 4 |
| Detective | 2 | 3 | 2 | 2 | 2 |
| Corporal | 4 | 4 | 4 | 4 | 4 |
| Patrolman | 7 | 6 | 8 | 9 | 9 |
| Records Administrator | 1 | 1 | 1 | 1 | 1 |
| Administrative Secretary | 0 | 0 | 0 | 1 | 0 |
| Part Time Clerical (FTE) | 0 | 0.5 | 0.5 | 0 | 0.5 |
| Part Time Police (FTE) | 1.5 | 1.5 | 1.5 | 2 | 1.5 |
| Totals | <u>24.5</u> | <u>26</u> | <u>27</u> | <u>29</u> | <u>28</u> |

Goals and Objectives

- * Continue to expand training opportunities for all department personnel, including personal safety and conducting complex criminal investigations.
- * Continue to provide opportunities for leadership development.
- * Continue the replacement program for aging body armor and personal protective equipment for all sworn members.
- * Make improvements and upgrades to the software and hardware systems that support the in-car cameras and incident based reporting system.
- * Continue to expand the "Holiday Patrol Program".
- * Continue to make crime prevention a priority while focusing on alcohol and drug violations, larceny, and vandalism.
- * Expand crime prevention programs and opportunities for community outreach through participation in community events, information sharing and involvement in Hampton Roads Crime Line.

POLICE

Major Departmental Functions

- * Enforce the laws of the Commonwealth of Virginia and the ordinances of the City of Poquoson.
- * Prevent and deter crime so as 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 persons within the City.
- * Assist in providing on-scene emergency medical assistance to persons in need.
- * Provide quality investigative services to the community and pursue those who violate the law or threaten the safety of our community.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|-------------------------------|-------------------|-------------------|----------------------|----------------------|
| Accidents | 132 | 141 | 157 | 160 |
| Arrests/Charges/Apprehensions | 350 | 259 | 270 | 300 |
| Calls for Service | 15,537 | 15,600 | 16,787 | 17,000 |
| First Responder Calls | 352 | 399 | 325 | 400 |
| Traffic Tickets | 749 | 714 | 824 | 800 |
| Training Man-hours | 2,569 | 2,485 | 2,267 | 2,500 |

Significant Budget Items

- * Increase in personnel services for the addition of one patrolman.
- * Increase in capital outlay for the purchase of one patrol vehicle.

Program Accomplishments

- * Assisted the Poquoson Public schools in improving its emergency communications and upgrading the radio communications systems at 4 schools. Continued focus on communication and interaction between school staff, students, and police officers.
- * Enhanced the quality and frequency of departmental personnel training, including but not limited to Active Shooters, Critical Incident Management, Advanced Supervision and Management, Defensive Tactics, Basic Crash Investigations, death Investigations, Cultural Diversity, Blood Borne Pathogens, Crisis Intervention Team, Firearms Training, Media Relations, Driving Under the Influence of Alcohol, First Responder Training and legal updates.
- * Received Grant from Virginia DMV for DUI checkpoints and annual DUI Conference.
- * Continued preparing and developing employees for promotion.
- * Partnered with Poquoson Public Schools to assist in updating the Crisis Management Plans and Emergency Response Policies.
- * Partnered with the DEA and Poquoson Pharmacy for the National Drug Take Back events and collected over 500 pounds of discarded prescription drugs.
- * Continued the Holiday Patrol program in November and December.
- * Police Chief is a member of the Board of Directors for the Hampton Roads Criminal Justice Training Academy (HRCJTA) which provides oversight of the daily operations of the Academy and its success.
- * Continue to focus on dangerous drugs and narcotics violations through membership of Tri-Rivers Drug Task Force.
- * With a focus on community and crime prevention programs members of the Police department spoke at various civic and church meetings on a number of topics such as crime trends, identity theft, the Code Red Emergency Weather Alert program, and Police enforcement operations.

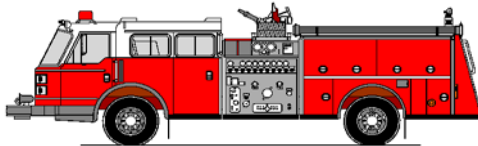
FIRE

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 2,227,932 | \$ 2,209,855 | \$ 2,476,274 | \$ 2,476,274 | \$ 2,663,151 | \$ 2,583,335 | \$ 107,061 | 4.3% |
| Operating Expenses | 378,471 | 392,852 | 420,726 | 613,462 | 438,661 | 436,535 | (176,927) | -28.8% |
| Capital Outlay | 69,021 | 1,390 | 8,078 | 8,078 | 8,078 | 8,078 | - | 0.0% |
| Totals | \$ 2,675,424 | \$ 2,604,097 | \$ 2,905,078 | \$ 3,097,814 | \$ 3,109,890 | \$ 3,027,948 | \$ (69,866) | -2.3% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|---|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Fire Chief/Fire Official | 1 | 1 | 1 | 1 | 1 |
| Deputy Fire Chief/Emergency Mgt Coordinator | 1 | 1 | 1 | 1 | 1 |
| Battalion Chief | 3 | 3 | 3 | 3 | 3 |
| Fire Lieutenant | 3 | 3 | 3 | 3 | 3 |
| Firefighter: Paramedic, Enhanced or EMT | 21 | 22 | 24 | 24 | 24 |
| Office Manager | 1 | 1 | 1 | 1 | 1 |
| Totals | 30 | 31 | 33 | 33 | 33 |



Goals and Objectives

- * Continue to improve training program through increased teaching aids and equipment and class offerings.
- * Implement a basic community education program.
- * Continue to refine and improve our fire prevention program.
- * Cooperative effort between the Tidewater Regional Fire Academy and the City of Poquoson to conduct a Firefighter I and II class/EMT Intermediate.
- * To further develop our Marine Program.
- * Seek out and apply for various grants to assist with training, equipment or programs enhancing the department.
- * Work with Virginia Department of Fire Programs and other agencies to develop a Drone Program.

FIRE

Major Departmental Functions

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

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|----------------------------------|-------------------|-------------------|----------------------|----------------------|
| Average Fire/EMT calls per month | 174 | 166 | 175 | 183 |
| Training hours | 7,466 | 7,500 | 7,560 | 7,600 |
| Fire Calls: | | | | |
| Structure Fire | 24 | 21 | 22 | 23 |
| Brush Fire | 33 | 32 | 34 | 35 |
| Miscellaneous Fire | 805 | 715 | 751 | 789 |
| Ambulance Calls: | | | | |
| Advanced Life Support | 599 | 539 | 566 | 594 |
| Basic Life Support | 275 | 263 | 277 | 290 |
| Miscellaneous | 354 | 425 | 446 | 468 |

Significant Budget Items

- * Increase in personnel services due to addition of one full time Firefighter/Paramedic.
- * Decrease in operating expenses due to a reduction of carryover Fire Grant Funding in FY 2017.



Program Accomplishments

- * Continued to develop the marine program by purchasing an air boat.
- * Purchased 2 lifepack 15 units giving staff manning fire engines the ability to perform advance cardiac monitoring.
- * Continue to enhance the program of installing computers in all responding units tied to dispatch/CAD system. This program provides real time information concerning the call.
- * Completed Automatic Mutual Aid with York County and City of Hampton.
- * Secured the Burn Trailer from the Virginia Department of Fire Programs for annual training with career staff and and volunteer staff.

CORRECTIONS AND DETENTIONS

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|------------|------------|------------|------------|------------|--------------|-------------|-----------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 373,297 | 382,728 | 372,662 | 372,662 | 328,975 | 325,905 | (46,757) | -12.5% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 373,297 | \$ 382,728 | \$ 372,662 | \$ 372,662 | \$ 328,975 | \$ 325,905 | \$ (46,757) | -12.5% |

Personnel Summary

N/A

| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 |
|--------------------|------------|------------|------------|------------|------------|--------------|
| | Actual | Actual | Original | Revised | Department | City Council |
| | | | Adopted | Budget | Request | Adopted |
| | | | Budget | | Budget | Budget |
| Adult Detention | \$ 301,407 | 317156 | \$ 296,199 | \$ 296,199 | \$ 273,150 | \$ 270,080 |
| Juvenile Services | | | | | | |
| Juvenile Detention | 66,402 | 58,904 | 69,650 | 69,650 | 35,925 | 35,925 |
| Project Insight | 5,488 | 6,668 | 6,813 | 6,813 | 19,900 | 19,900 |
| Totals | \$ 373,297 | \$ 382,728 | \$ 372,662 | \$ 372,662 | \$ 328,975 | \$ 325,905 |

CORRECTIONS AND DETENTIONS

Major Departmental Functions

- * The City of Poquoson shares the Virginia Peninsula Regional Jail Authority 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 Middle Peninsula Juvenile Detention Center with 18 other localities.
- * Prior to FY 2018, Poquoson's financial share was based on a per diem rate for each day a juvenile offender from Poquoson was incarcerated. Beginning in FY 2018, Poquoson's financial share will be 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 include Family Group Homes, Project Insight and other services.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 To Date | FY 2018 Estimated |
|---------------------------|-------------------|-------------------|----------------------|----------------------|
| Adult Detention: | | | | |
| Average Daily Population | 14.0 | 14.4 | 22.9 | N/A |
| Percentage of Use | 3.4% | 3.3% | 4.7% | N/A |
| Jail Days | N/A | 5,280 | 4,927 | N/A |
| | | | | |
| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
| Juvenile Services: | | | | |
| Juvenile Detention (Days) | 357 | 296 | 200 | N/A |
| Per Diem Rate | \$186.00 | \$199.00 | \$192.00 | N/A |
| Average 5 year usage days | N/A | N/A | N/A | 349 |
| Member usage percentage | N/A | N/A | N/A | 3.13% |

Significant Budget Items

- * Decrease in adult detention due to an expected decrease of percentage use by the City.
- * Juvenile Detention: Beginning with the budget for FY 2018 and each year thereafter, the Juvenile Detention Center Commission shall establish each Member Jurisdiction's annual charge "Member Usage Fee" for the fiscal year based on the ratio of such Member Jurisdiction's usage of space in the Detention Center during the preceding five fiscal years to the aggregate usage of space by all Member Jurisdictions during the same five fiscal years. This resulted in a decrease in required funding.

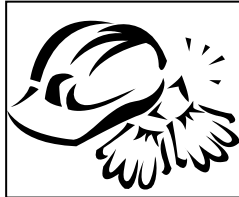
INSPECTIONS

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|---------------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 259,150 | \$ 258,541 | \$ 282,820 | \$ 282,820 | \$ 279,900 | \$ 241,414 | \$ (41,406) | -14.6% |
| Operating Expenses | 11,331 | 9,276 | 16,243 | 16,243 | 18,424 | 17,524 | 1,281 | 7.9% |
| Capital Outlay | - | - | - | - | - | - | - | n/a |
| Totals | \$ 270,481 | \$ 267,817 | \$ 299,063 | \$ 299,063 | \$ 298,324 | \$ 258,938 | \$ (40,125) | -13.4% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|---------------------------|-------------|-------------|-------------|-------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Building Official | 1 | 1 | 1 | 1 | 1 |
| Senior Building Inspector | 1 | 1 | 1 | 1 | 1 |
| Inspector | 0 | 0 | 1 | 1 | 1 |
| Administrative Assistant | 1 | 1 | 1 | 1 | 1 |
| Part Time (FTE) | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| Totals | 3.75 | 3.75 | 4.75 | 4.75 | 4.75 |



Goals and Objectives

- * Continue staff education in various building related trades.
- * Provide the citizens and contractors 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 toward Class 7 Community Rating Service rate to increase percentage of discounts on flood insurance rates.
- * Continue to develop and implement an improve an electronic method of field inspections.
- * Continue to build an electronic database of permit information.
- * Facilitate an update of the GIS to include flood zone information and elevation certificates.
- * Initiate discussions with City leaders on establishing a rental inspection program.
- * Create an additional building inspector's position to perform city-wide building maintenance functions and assist with inspections.

INSPECTIONS

Major Departmental Functions

- * Ensure through 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.
- * Provide information to contractors, the public and any interested parties as requested.
- * Issue building, electrical, plumbing, mechanical, sign, driveway, land disturbance and demolition permits.
- * Verify that contractors are licensed with the City and through the Commonwealth of Virginia.
- * Enforce zoning, building, and property maintenance requirements as specified by City ordinance and State law.
- * Ensure, through the permitting process, that requirements for new and existing structures are in compliance with Federal Emergency Management Agency (FEMA) regulations.
- * Assign addresses to new structures located on existing and newly created lots.
- * Review all building plans.
- * Manage CRS program.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Building Permits Issued | 100 | 125 | 150 | 200 |
| Certificate of Occupancies Issued | 35 | 45 | 55 | 75 |
| Code Violations Cited & Enforced | 450 | 450 | 450 | 450 |
| Inspections Performed | 1,339 | 1,604 | 2,142 | 2,700 |
| Meetings | 350 | 350 | 350 | 350 |
| Plans Reviewed | 125 | 200 | 250 | 275 |
| Other Permits (Elect, Plumbing, Mech, etc.) | 450 | 575 | 590 | 600 |

Significant Budget Items

- * Decrease in personnel services due to retirement of Senior Building Inspector.

Program Accomplishments

- * Continued the development of efficient methods of notifying violators the City Code 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.
- * Maintained CRS Class 8 Program rating.
- * Continued education of staff in related building trades.
- * Completed adoption of the FEMA/NFIP revised flood maps.
- * Communicated with the community and contractors on the most updated information in regard to codes and ordinances.
- * Hosted Regional VAZO and CRS meetings.
- * Expanded the usage of the Civicgov permit program.

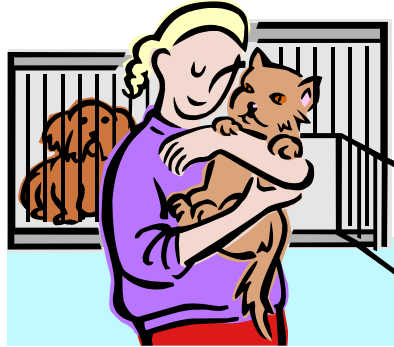
ANIMAL CONTROL

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 113,175 | 103,674 | 104,100 | 104,100 | 105,100 | 82,000 | (22,100) | -21.2% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 113,175 | \$ 103,674 | \$ 104,100 | \$ 104,100 | \$ 105,100 | \$ 82,000 | \$ (22,100) | -21.2% |

Personnel Summary

N/A



Goals and Objectives

- * Continue to provide education and intervention when needed to prevent animal suffering and facilitate compatibility between our citizens and the animals in our community.
- * Train humane officers in mandated animal control training school.
- * Answer citizen complaints involving wild as well as domestic animals.
- * Enforce animal control and cruelty laws and ordinances of the City of Poquoson, issuing summonses for violations of any applicable ordinances.
- * Pick up dogs running loose, feral cats, and dead animals on public roadways and dispose of animals.
- * Continue to enforce dog licensing law which requires proof of rabies, one of the most effective means of limiting the number of rabies cases.

ANIMAL CONTROL

Major Departmental Functions

* Animal Control is handled by 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 and Hampton and York County. Poquoson's financial share of the operating costs is determined by a cost formula based on overall percentage. Debt service share is based on total population at the time of debt issuance.

Budget Detail

| | FY 2015 | FY 2016 | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget |
|-----------------------------|------------|------------|--|------------------------------|--|--|
| | Actual | Actual | Budget | Budget | Budget | Budget |
| SPCA | \$ 21,230 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Newport News Animal Control | 41,448 | 42,043 | 43,000 | 43,000 | 44,000 | 44,000 |
| Regional Animal Shelter | 50,497 | 61,631 | 61,100 | 61,100 | 61,100 | 38,000 |
| Totals | \$ 113,175 | \$ 103,674 | \$ 104,100 | \$ 104,100 | \$ 105,100 | \$ 82,000 |

Significant Budget Items

* Decrease in expenses due to decrease in percentage of use of the Regional Animal Shelter.

| | Year 2015 Actual | Year 2016 Actual | Year 2017 Estimated | Year 2018 Estimated |
|-------------------------------|---------------------|---------------------|------------------------|------------------------|
| Calls for Service | 194 | 127 | 160 | 159 |
| Written Warnings | 33 | 17 | 27 | 23 |
| Summons Issued | 9 | 12 | 10 | 9 |
| Calls for Stray Animals | 79 | 38 | 69 | 38 |
| Calls for Animal Bites | 22 | 12 | 17 | 12 |
| Calls for Sick/Injured Animal | 14 | 7 | 26 | 7 |
| Calls for Nuisance Wildlife | 58 | 37 | 32 | 37 |
| Other Calls | 20 | 19 | 13 | 19 |
| Dogs Impounded | 41 | 23 | 33 | 33 |
| Cats Impounded | 10 | 4 | 9 | 5 |
| Wildlife Impounded | 27 | 11 | 18 | 27 |
| Cruelty | 20 | 14 | 23 | 14 |

ENGINEERING

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|--------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Budget | Budget | Request | Adopted | Revised | Revised |
| | | | | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 109,894 | \$ 137,883 | \$ 174,990 | \$ 174,990 | \$ 174,638 | \$ 173,544 | \$ (1,446) | -0.8% |
| Operating Expenses | 5,390 | 8,552 | 21,950 | 21,950 | 26,183 | 23,183 | 1,233 | 5.6% |
| Capital Outlay | - | 29,114 | - | - | - | - | - | n/a |
| Totals | \$ 115,284 | \$ 175,549 | \$ 196,940 | \$ 196,940 | \$ 200,821 | \$ 196,727 | \$ (213) | -0.1% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|---------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| City Engineer | 1 | 1 | 1 | 1 | 1 |
| Engineer I | 0 | 1 | 1 | 1 | 1 |
| Totals | 1 | 2 | 2 | 2 | 2 |

Goals and Objectives

- * Provide sound engineering solutions to technical problems. Respond to citizen, City Council and City staff concerns and requests for information.
- * Continue to develop Chesapeake Bay TMDL first phase action plan in accordance with State permit requirements.
- * Provide close oversight of consultant work needed to supplement engineering staff in order to ensure use of funds and final products are the most cost effective.
- * Provide professional engineering oversight of City's road system, in accordance with VDOT requirements; coordinate technical issues on Wythe Creek Road design.
- * Provide engineering/technical information required for Comprehensive Plan, Multi-Hazard Mitigation Plan updates, and the Emergency Operations Center.
- * Represent the City on regional environmental, utility and other technical panels. Continue to advocate for sound technical guidelines that will not adversely impact Poquoson and its citizens.
- * Develop grant-eligible projects to improve City infrastructure.
- * Review development submittals.

ENGINEERING

Major Departmental Functions

- * Provide or oversee all engineering services required by the City of Poquoson.
- * Direct City's storm water permit; lead development of new environmental programs; provide engineering and technical services required for new permits.
- * Develop, lead design and construction of infrastructure projects, with an emphasis on storm water, public right-of-way, and flood control projects.
- * Manage special projects, studies and analyses related to the City's infrastructure.
- * Lead development and implementation of the Chesapeake Bay TMDL program.
- * Provide technical reviews/guidance on Consent Order work.
- * Provide solutions for drainage, transportation, environmental and other civil engineering issues.
- * Represent the City in negotiations and meetings with various Federal and State agencies on technical issues.
- * Provide technical input to DEQ during its development of a Bacterial TMDL implantation plan.
- * Handle all storm water issues within the City. This includes response to citizen concerns, flood mitigation, water quality issues, and water-related environmental programs.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|--------------------------------------|-------------------|-------------------|----------------------|----------------------|
| Right of Way Permits Issued | 41 | 81 | 85 | 75 |
| Major Capital Projects | 1 | 2 | 4 | 5 |
| Citywide Permits Reissued/Maintained | 2 | 2 | 2 | 2 |
| Request for Engineering Information | 300 | 300 | 250 | 300 |

Significant Budget Items

- * Minimal overall decrease in department budget.

Program Accomplishments

- * Completed state grant program project. Grant from state exceeded \$125,000.
- * Performed 138 inspections of development sites for stormwater, erosion and sediment control compliance.
- * Completed extensive VDOT Smart Scale project application for widening Victory Blvd. Worked with VDOT to obtain realistic State estimate of project and to improve project's standing in State ranking process.
- * Worked with the City of Hampton, VDOT and other partners to keep Wythe Creek Road on track for construction, focusing on utility relocation and geotechnical work.
- * Wrote and submitted annual report for MS4 permit.
- * Completed Messick Point Breakwater project.
- * Completed Little Florida Road ditch piping.
- * Continued to respond to citizen complaints; staff and City Council technical inquiries.
- * Assisted with house elevation projects.
- * Reviewed subdivision plans; construction cost estimates.

PUBLIC WORKS

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-----------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 988,345 | \$ 958,700 | \$ 1,043,720 | \$ 1,043,720 | \$ 1,125,454 | \$ 1,035,023 | \$ (8,697) | -0.8% |
| Operating Expenses | 356,001 | 392,312 | 380,175 | 385,769 | 412,898 | \$ 360,728 | (25,041) | -6.5% |
| Capital Outlay | 97,841 | 78,182 | 112,000 | 112,000 | 136,500 | 87,500 | (24,500) | -21.9% |
| Totals | \$ 1,442,187 | \$ 1,429,194 | \$ 1,535,895 | \$ 1,541,489 | \$ 1,674,852 | \$ 1,483,251 | \$ (58,238) | -3.8% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|-------------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Director of Public Works | 1 | 1 | 1 | 1 | 1 |
| Construction Inspector | 1 | 1 | 1 | 1 | 1 |
| Street Maintenance Supervisor | 1 | 1 | 1 | 1 | 1 |
| Crewleader | 2 | 2 | 2 | 2 | 2 |
| 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 | 2 | 2 | 2 |
| Maintenance Worker II | 1 | 1 | 1 | 1 | 1 |
| Maintenance Worker I | 2 | 2 | 2 | 2 | 2 |
| Parks Maintenance Supervisor | 1 | 1 | 1 | 1 | 1 |
| Parks Maintenance Worker | 2 | 2 | 2 | 2 | 2 |
| Part Time (FTE) | 0 | 0 | 0 | 0.5 | 0 |
| Office Manager | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Totals | 17.5 | 17.5 | 17.5 | 18 | 17.5 |

Goals and Objectives

- * Oversee construction and maintenance of all City streets in accordance with Virginia Department of Transportation standards to ensure safe vehicle operation for all motorists.
- * 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 streets twice a year, mowing grass and medians during normal growing season, beautification and maintenance of landscaped areas.
- * Schedule at least one in-house training session per month to train employees for more versatility in infrastructure maintenance; "on and off the job" safety issues, and teach correct procedures for performance of specific tasks.
- * Continue to complete 100% of all work orders within the same week of receipt of request.
- * Complete second half of mulch at Kids Island.
- * Replace sections of concrete containment system for stone, select fill etc. in the Compound.

PUBLIC WORKS

Major Departmental Functions

- * Construct and maintain all City streets to Virginia Department of Transportation standards.
- * Keep roadside drainage ditches clean to eliminate standing water breeding mosquitoes and to reduce pavement failure.
- * Maintain road shoulders by placing stone along edge of pavement, mowing grass and policing litter.
- * Maintain traffic control devices, traffic lines, traffic lights, and traffic signs.
- * Provide safe travel for the public on City right-of-ways.
- * Oversee the maintenance of parks and athletic fields.
- * Continue to upgrade roadside and outfall drainage systems throughout the City in accordance with the City's drainage study.
- * Review new construction plans and perform inspections of all new infrastructure work.
- * Maintain 39 acres of recreation, park, and municipal property, including 7 baseball/softball fields, 7 soccer fields, 3 tennis courts, 2 playgrounds, 4 picnic areas, Oxford Run Trail, and the City's public boat launching facilities.
- * Assist with sewer repairs and installations.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Street Maintenance: | | | | |
| Asphalt Material Used for Patching (tons) | 66 | 51 | 48 | 46 |
| Asphalt Paving Material Applied (tons) | 1,939 | 3,318 | 5,000 | 4,800 |
| Delivery of cases of Green Bags | 71 | 86 | 80 | 85 |
| Installation of New Drainage Pipe (feet) | 196 | 48 | 100 | 50 |
| Regrading of Roadside Ditches (feet) | 10,508 | 12,358 | 7,000 | 6,000 |
| Stone Used for Street Maintenance (tons) | 102 | 145 | 200 | 350 |
| Work Orders Completed | 40 | 43 | 50 | 50 |
| Construction Inspections Performed: | | | | |
| Driveways | 27 | 64 | 40 | 55 |
| Erosion & Sediment Control | 54 | 59 | 50 | 25 |
| Sewer | 2 | 8 | 2 | 5 |
| Curb & Gutter (feet) | 3,725 | 3,722 | 6,000 | 4,000 |
| Sanitary Sewer Pipeline (feet) | 425 | 2,351 | 500 | 1,500 |
| Storm Pipe & Drainage Ditches (feet) | 6,359 | 2,831 | 6,500 | 2,500 |
| New Street Construction (feet) | 3,035 | 5,005 | 5,000 | 5,000 |

Significant Budget Items

- * Decrease in capital outlay is due to replacement of a departmental vehicle in FY 2017.
- * Decrease in personnel services is due to employees changing health insurance coverage.
- * Decrease in operating expenses is due to a change in the Poquoson Public Schools' ground maintenance contract management.

Program Accomplishments

- * Upgraded ramp at the end of Cedar Road.
- * Assisted Solid Waste Department for the convenience site drop-off program for citizens.
- * Installed 14 "No Wake" signs throughout the City in tidal areas to control damage to homes.
- * Painted road lines on Bunting Lane for safety issues.
- * Widened the turnaround at end of Bay Street for safety.
- * Paved Park Street parking lot.
- * Installed new traffic signage and lines on Terrace Drive and South Terrace Drive.
- * Oversaw the tree trimming located in the Rights-of-way throughout the City.

STREET LIGHTS

Expenditures Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | \$ | % |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------|-------------|
| | Actual | Actual | Original | Revised | Department | City Council | Change | Change |
| | | | Adopted | Budget | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - | n/a |
| Operating Expenses | 79,914 | 78,712 | 82,000 | 81,000 | 81,000 | 81,000 | (1,000) | -1.2% |
| Capital Outlay | - | 7,216 | - | 1,000 | 1,000 | 1,000 | 1,000 | n/a |
| Totals | \$ 79,914 | \$ 85,928 | \$ 82,000 | \$ 82,000 | \$ 82,000 | \$ 82,000 | \$ - | 0.0% |

Personnel Summary

N/A

Goals and Objectives

* Provide electricity for the City streetlights in order to maintain a safe community.

STREET LIGHTS

Major Departmental Functions

* 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.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|-------------------------|-------------------|-------------------|----------------------|----------------------|
| Number of Street Lights | 586 | 586 | 586 | 595 |
| New Lights Installed: | | | | |
| City Installed | 0 | 0 | 0 | 0 |
| Developer Installed | 6 | 0 | 0 | 9 |

Program Accomplishments

- * Provided the necessary electrical services essential for public safety.
- * Arranged for Dominion Virginia Power to replace burnt out light bulbs in the City.

FACILITIES

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a |
| Operating Expenses | 177,263 | 156,357 | 172,519 | 172,519 | 191,470 | 186,470 | 13,951 | 8.1% |
| Capital Outlay | 15,752 | 16,643 | 18,000 | 48,430 | 18,000 | 18,000 | (30,430) | -62.8% |
| Totals | \$ 193,015 | \$ 173,000 | \$ 190,519 | \$ 220,949 | \$ 209,470 | \$ 204,470 | \$ (16,479) | -7.5% |

Personnel Summary

n/a

Goals and Objectives

- * Maintenance of all facilities used by the staff and citizens of the City of Poquoson.
- * Update and improve facilities as approved or requested by City Manager and City Council.
- * Control and improve costs of building operations.
- * Update lighting for buildings as well as streets with more eco friendly and cost effective LED lighting.
- * Complete regular maintenance of Fire Station doors.
- * Install donated industrial washing machine at Fire Station #1.
- * Restripe parking spaces at Police and Fire Stations.

FACILITIES

Major Departmental Functions

- * A portion of this department's cost is supported by the Poquoson School 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.
- * To maintain the appearance of all City properties and to address every day maintenance needs as they become apparent.
- * Maintain and repair facilities.
- * On call 24/7 for emergency operations.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|-----------------------|-------------------|-------------------|----------------------|----------------------|
| Facilities Maintained | 7 | 7 | 7 | 7 |

Significant Budget Items

- * Decrease in capital outlay due to the installation of storm protection on City Hall, Fire Department and Police Department building windows in FY 2017. In addition, in FY 2017 the City purchased a replacement vehicle.

HEALTH DEPARTMENT

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|-------------------|-------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 35,781 | 36,911 | 36,831 | 36,831 | 38,839 | 38,839 | 2,008 | 5.5% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 35,781 | \$ 36,911 | \$ 36,831 | \$ 36,831 | \$ 38,839 | \$ 38,839 | \$ 2,008 | 5.5% |

Personnel Summary

N/A

Goals and Objectives

* Continue to provide funding for the regional Public Health Department's services.



HEALTH DEPARTMENT

Major Departmental Functions

- * Provide for 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 City's minimum "match" requirement is 32.545% of the City's portion of the total Peninsula Health District budget. The total Health Department budget for Poquoson is \$119,338 net of estimated revenues. The total Health District's budget for FY 2018 is \$7,774,282 net of estimated revenues.
- * 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 citizen 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.

Significant Budget Items

- * Health Department contribution is calculated based on population data from the Weldon Cooper Center for Public Service.

MOSQUITO AND DRAINAGE

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Received Budget |
|---------------------------|-------------------|-------------------|--|------------------------------|--|--|--|--|
| Personnel Services | \$ 154,255 | \$ 142,969 | \$ 149,630 | \$ 149,630 | \$ 288,076 | \$ 193,806 | \$ 44,176 | 29.5% |
| Operating Expenses | 63,559 | 93,918 | 80,271 | 80,271 | 109,121 | 91,146 | 10,875 | 13.5% |
| Capital Outlay | 995 | 1,264 | 1,800 | 1,800 | 1,800 | 1,800 | - | 0.0% |
| Totals | \$ 218,809 | \$ 238,151 | \$ 231,701 | \$ 231,701 | \$ 398,997 | \$ 286,752 | \$ 55,051 | 23.8% |

Personnel Summary

| | FY 2015 Authorized | FY 2016 Authorized | FY 2017 Authorized | FY 2018 Department Request Positions | FY 2018 City Council Authorized Positions |
|--|-----------------------|-----------------------|-----------------------|---|--|
| PW Manager/Mosq & Drainage Coordinator | 1 | 1 | 1 | 1 | 1 |
| Crew leader | 1 | 1 | 1 | 2 | 1 |
| M&D Technician II | 0 | 0 | 0 | 1 | 0 |
| M&D Technician I | 0 | 0 | 0 | 1 | 1 |
| Totals | 2.0 | 2.0 | 2.0 | 5.0 | 3.0 |

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 on and off the job safety 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.
- * Larvicide and treat all drop inlets, catch basins in the City for mosquito control.
- * Pipe in outfall ditches necessary to improve drainage maintenance.



MOSQUITO AND DRAINAGE

Major Departmental Functions

- * 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.
- * Spray mosquito adulticide and larvicide to reduce chance of infectious diseases carried by mosquitoes.
- * Educate employees through in-house training.
- * Maintain 26.22 miles of outfall ditches and cement swales as part of regular maintenance of storm system.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|--|-------------------|-------------------|----------------------|----------------------|
| Cleaning Outfall Ditches by Hand (Feet) | 99,480 | 105,295 | 113,000 | 100,000 |
| Cleaning Outfall Ditches with Equip (Feet) | 0 | 0 | 1,300 | 1,300 |
| Drainage Pipe Installed (Feet) | 196 | 92 | 250 | 250 |
| Drainage Structures Maintained | 825 | 825 | 835 | 845 |
| Larvicide for Mosquito Control (Pounds) | 20 | 30 | 50 | 50 |
| Mosquito Spray Applied (Gallons) | 30 | 30 | 80 | 70 |
| Weed Killer Applied (Gallons) | 35 | 25 | 65 | 50 |

Significant Budget Items

- * Increase in personnel services due to additional employee.
- * Increase in operating expenses due to an increase in chemical costs.

Program Accomplishments

- * Outfall drainage ditches cleaned by using contracted labor in conjunction with staff.
- * Provided education programs at the Public Library on mosquito awareness and prevention.
- * Attended recertification courses to keep Pesticide Users' Certificates up-to-date.
- * Hand dug outfall ditches that equipment could not reach to help eliminate standing water and improve drainage.
- * Received fewer complaints from residents.
- * Completed and submitted our application to the Pentagon for continued aerial spraying in our jurisdiction.
- * Delivered educational materials to all homes within the City on mosquito control.
- * Re-instated the City's blanket permit from the Army Corps of Engineers so the cleaning of the outfall in tidal areas can be accomplished.
- * Moved forward with drainage projects per Engineers' plan.



MENTAL HEALTH

Expenditures Summary

| | | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------|---------------|-------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | | Revised | Revised |
| | | | Budget | | Budget | Budget | | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | n/a | n/a |
| Operating Expenses | 218,497 | 224,302 | 231,159 | 231,159 | 262,899 | 249,899 | | 18,740 | 8.1% |
| Capital Outlay | - | - | - | - | - | - | | n/a | n/a |
| Totals | \$ 218,497 | \$ 224,302 | \$ 231,159 | \$ 231,159 | \$ 262,899 | \$ 249,899 | \$ | 18,740 | 8.1% |

Personnel Summary

N/A

Goals and Objectives

* Provide 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 \$18,070,336 with the local share of \$2,672,400. Poquoson's share is 7% or \$190,000; James City County's share is 52% or \$1,392,400; York County's share is 31% or \$825,000 and Williamsburg's share is 10% or \$265,000.

* Provide services for outreach detention, community supervision and Crossroads Teen House.

MENTAL HEALTH

Major Departmental Functions

- * Provide 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. Services include psychiatric evaluation and treatment, individual and group counseling, drug and alcohol 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.
- * Provide for City contribution to the Crossroads Teen House, located in Williamsburg, which serves youth who are removed from a home setting but for whom traditional institutional care would not be appropriate.

Budget Detail

| | | | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 City Council Adopted Budget |
|----------------------------|-------------------|-------------------|--|------------------------------|--|
| | FY 2015 Actual | FY 2016 Actual | | | |
| Colonial Behavioral Health | \$170,000 | \$180,000 | \$190,000 | \$190,000 | \$190,000 |
| Crossroads Programs | 48,497 | 44,302 | 41,159 | 59,899 | 59,899 |
| Totals | <u>\$218,497</u> | <u>\$224,302</u> | <u>\$231,159</u> | <u>\$249,899</u> | <u>\$249,899</u> |

Significant Budget Items

- * Crossroads programs funding formula changes effective FY 2018 resulting in an increased funding share for the City of Poquoson.

WELFARE / SOCIAL SERVICES

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 560,048 | 629,936 | 507,870 | 507,870 | 585,870 | 585,870 | 78,000 | 15.4% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 560,048 | \$ 629,936 | \$ 507,870 | \$ 507,870 | \$ 585,870 | \$ 585,870 | \$ 78,000 | 15.4% |

Personnel Summary

N/A

Goals and Objectives

* Maintain the current level of services to our citizens.

WELFARE / SOCIAL SERVICES

Major Departmental Functions

* This department funds the Peninsula Agency on Aging, York / Poquoson Social Services, Department of Medical Assistance Service, and Children's Services Act (CSA).

| <u>Budget Detail</u> | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 |
|---------------------------------|------------|------------|--------------------|-------------------|-----------------------------------|
| | Actual | Actual | Original Budget | Revised Budget | City Council Adopted Budget |
| Children's Services Act | \$ 317,618 | \$ 354,408 | \$ 230,000 | \$ 230,000 | \$ 300,000 |
| Peninsula Agency on Aging | 11,696 | 2,822 | 2,870 | 2,870 | 2,870 |
| York / Poquoson Social Services | 230,734 | 272,706 | 275,000 | 275,000 | 283,000 |
| Totals | \$ 560,048 | \$ 629,936 | \$ 507,870 | \$ 507,870 | \$ 585,870 |

Significant Budget Items

* Cost of York / Poquoson Social Services is for actual services utilized by the citizens of Poquoson.
* Children's Services costs can fluctuate depending on the number of cases and type of treatment. Projections indicate that this will be \$300,000 in FY 2018.

SCHOOL CONTRIBUTION

Expenditures Summary

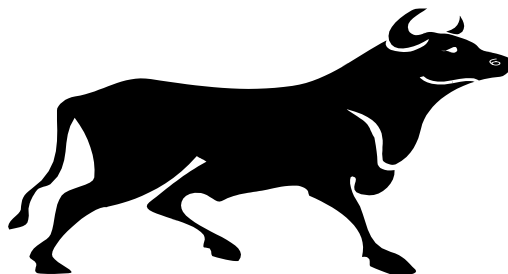
| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 School Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|---------------------|---------------------|--|------------------------------|--|--|--|---|
| Operation Transfer | \$ 9,397,518 | \$ 9,538,282 | \$ 9,740,403 | \$ 9,740,403 | \$ 9,935,403 | \$ 9,935,403 | \$ 195,000 | 2.0% |
| Reappropriation | 25,245 | 27,886 | - | 27,124 | - | - | (27,124) | n/a |
| Totals | \$ 9,422,763 | \$ 9,566,168 | \$ 9,740,403 | \$ 9,767,527 | \$ 9,935,403 | \$ 9,935,403 | \$ 167,876 | 1.7% |

Personnel Summary

N/A

Goals and Objectives

- * Provide a respectful, safe, caring environment for students to master content as well as to learn and use skills of critical thinking, collaboration and communication.
- * Exceed student achievement requirements through quality instruction that promotes student engagement and reflects teaching innovations, research-based instruction, effective teaching strategies, and highly qualified educators.
- * Provide professional development to maintain highly qualified educators.
- * Continuous student improvement through the implementation of quality programs that meet the needs of all students.



Poquoson High School Mascot

SCHOOL CONTRIBUTION

Major Departmental Functions

* City Council appoints a seven member School Board to administer the Poquoson City 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.

Performance Measures

* Poquoson students continue to perform well on tests that measure content mastery and the schools are fully accredited according to the standards set by the Virginia Board of Education.

Significant Budget Items

- * The FY 2018 operation funding for the Poquoson City School system is \$9,935,403 which is an increase of \$167,876 net of reappropriated 2016 unexpended transfers.
- * Unexpended transfers from one fiscal year may be reappropriated to the current fiscal year.
- * The School's budget is based on an average daily membership of 2,031 for the FY 2017-2018 school year.
- * The School's total budget of \$22,290,527 is an increase of 2.83% from FY 2017. This budget is a reflection of the increased cost of operations, and increased health and VRS rates.
- * The School's budget includes a 2% pay increase for non-teaching positions and continues transition to the second year of the step pay plan for teachers.

Program Accomplishments

- * Poquoson City School Division is a fully accredited school division.
- * SAT scores continue to be above State and National average.
- * On-time graduation rate is 92.4%.
- * Poquoson City Schools received 350 Career and Technical Education credentials (industry certifications, state licenses, etc.).
- * Poquoson High School had 86% of the students score three or above on Advanced Placement Tests, resulting in these students earning college credit.
- * Poquoson City Schools continued implementation of unique programs such as the international partnership and a partnership with ECPI College of Technology.
- * Poquoson City Schools continued to provide programs that prepare students for careers and college coursework in the area of STEM (Science, Technology, Engineering, and Mathematics) and PBL (Project Based Learning), having received two separate five year competitive grants for the Department of Defense Education Activity Competitive Grant Program.
- * Poquoson City Schools continues to enhance its instructional technology program.

PARKS & RECREATION PROGRAMS

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|---------------------------|------------|------------|------------|------------|------------|--------------|------------|-----------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 256,056 | \$ 268,055 | \$ 278,220 | \$ 278,220 | \$ 285,114 | \$ 275,487 | \$ (2,733) | -1.0% |
| Operating Expenses | 148,435 | 159,772 | 167,850 | 167,850 | 184,954 | 170,274 | 2,424 | 1.4% |
| Capital Outlay | 2,045 | 2,853 | 1,200 | 1,200 | 2,200 | 2,200 | 1,000 | 83.3% |
| Totals | \$ 406,536 | \$ 430,680 | \$ 447,270 | \$ 447,270 | \$ 472,268 | \$ 447,961 | \$ 691 | 0.2% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|--|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Director of Economic Dev/Community Rec | 1 | 1 | 1 | 1 | 1 |
| Assistant Director of Community Rec | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Program Support Technician | 1 | 1 | 1 | 1 | 1 |
| Administrative Support Technician | 1 | 1 | 1 | 1 | 1 |
| Part-time (FTE) | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Totals | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 |

Goals and Objectives

- * Provide the City of Poquoson a comprehensive 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.
- * Follow and use the Parks and Recreation Master Plan and City's Comprehensive Plan to reflect current changes and citizen needs.
- * Continue to plan for needed recreational facilities in the Capital Improvements Plan.
- * Engage Poquoson Civic Groups in a mutual support agreement whereby both the PPR Department and Poquoson Civic Groups share resources and defray costs for their respective projects.
- * Provide a wide range of recreational opportunities, events, tours, environmental and athletic activities for the community.
- * Maintain a safe and comfortable atmosphere for weekly luncheons for the Peninsula Agency on Aging. Expand program offerings for all ages and interests.
- * Continue to generate program-supporting revenue through user fees.

PARKS & RECREATION PROGRAMS

Major Departmental Functions

- * Plan, coordinate, organize and administer a variety of programs, activities and special functions to meet the needs of Poquoson citizens.
- * Coordinate departmental/school/independent league/community group activities at park/recreational/school facilities.
- * Provide support to the Peninsula Agency on Aging's programs, and support civic initiatives and activities.
- * Serve as the production house for the Island Tide, a three times a year publication to communicate with citizens City information and events.
- * Coordinate leisure and athletic programs.
- * Provide interconnectivity between civic groups, churches, and community groups for use of City facilities.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|-------------------------------|---------------------------|---------------------------|------------------------------|------------------------------|
| Participants in: | | | | |
| Adult Athletic Leagues | 550 | 510 | 550 | 500 |
| Adult Instructional Classes | 140 | 165 | 140 | 140 |
| Senior Center (Mature Adults) | 725 | 687 | 750 | 650 |
| Trips -- Youth/Adult | 190 | 258 | 190 | 225 |
| Youth Athletic Leagues | 1,571 | 2,039 | 1,500 | 1,900 |
| Youth Instructional Classes | 425 | 438 | 425 | 425 |

Significant Budget Items

- * Increase in operating expenses is due to increased printing and mailing fees.

Program Accomplishments

- * Continued to work with Public Works, community civic groups and citizen volunteers for park refurbishments and improvements.
- * Published program booklet 3 times per year to City residents highlighting events and recreation for community participants.
- * Developed a sailing camp program that served 55 youth and partnered equipment rental with the Poquoson Sailing Foundation.
- * Developed and introduced new instructional and athletic programs throughout the year.
- * Coordinated a multi-group work effort which included Poquoson Lions Club and Public Works on the installation of new park amenities at South Lawson Park.

PARKS & RECREATION POOL

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 77,646 | \$ 75,802 | \$ 79,650 | \$ 79,650 | \$ 80,896 | \$ 80,896 | \$ 1,246 | 1.6% |
| Operating Expenses | 43,011 | 40,319 | 45,150 | 45,150 | 54,150 | 52,650 | 7,500 | 16.6% |
| Capital Outlay | 2,415 | 2,281 | 2,000 | 2,000 | 5,000 | 5,000 | 3,000 | 150.0% |
| Totals | \$ 123,072 | \$ 118,402 | \$ 126,800 | \$ 126,800 | \$ 140,046 | \$ 138,546 | \$ 11,746 | 9.3% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|--|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Assistant Director of Community Recreation | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Part Time (FTE) | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 |
| Totals | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |



Goals and Objectives

- * Provide a comprehensive seasonal aquatics program for citizens.
- * Continue to provide swimming lessons and aquatic safety classes for all citizens.
- * Continue to provide an opportunity for youth to participate in a competitive swim program.
- * Review Pool Operations Procedures Manual to ensure all safety and operations standards are current with accepted industry practices.
- * Represent the City at a regional recreation level in the area of swimming.

PARKS & RECREATION POOL

Major Departmental Functions

- * Provide nationally accredited swimming instruction for youth and adults.
- * Refine and develop the swimming ability of City youth by providing competitive swimming opportunities through the Department's Barracuda Swim Team and Rip Tide Swim Team.
- * Educate children and adults regarding safety around pools and other bodies of water.
- * Provide seasonal recreational swimming opportunities for Poquoson families.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|-------------------------|---------------------------|---------------------------|------------------------------|------------------------------|
| Daily Gate Admissions | 3,850 | 3,850 | 3,750 | 3,750 |
| *Season Pass Admissions | 213 | 225 | 225 | 225 |
| Swimming Lessons | 298 | 300 | 300 | 300 |
| Swim Teams-- combined | 140 | 125 | 130 | 130 |

- * one pass for each swim team participant

Significant Budget Items

- * Increase in operating expenses due to maintenance needed on the pool.
- * Increase in capital outlay due to needed replacement of equipment.

Program Accomplishments

- * Completed another season with no serious injuries or drowning incident.
- * Provided lifeguarding and Water Safety Instructor Course enabling young people the opportunity to obtain employment at aquatic facilities.
- * Provided American Red Cross swimming lessons to community youth.
- * Provided winter swim team opportunities through partnership with Joint Base Langley-Eustis Recreation Sports Division for the Poquoson Riptide Swim team.
- * Supported swimming opportunities for community youth programs with local day camps.
- * Continued to encourage young swimmers through the Strive for 25 program.

PARKS & RECREATION SPECIAL EVENTS

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | From 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 82,884 | \$ 88,666 | \$ 94,470 | \$ 94,470 | \$ 95,646 | \$ 93,027 | \$ (1,443) | -1.5% |
| Operating Expenses | 136,761 | 119,534 | 128,898 | 115,998 | 140,105 | 127,080 | 11,082 | 9.6% |
| Capital Outlay | - | - | - | - | - | - | - | n/a |
| Totals | \$ 219,645 | \$ 208,200 | \$ 223,368 | \$ 210,468 | \$ 235,751 | \$ 220,107 | \$ 9,639 | 4.3% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|------------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Community Events Coordinator | 1 | 1 | 1 | 1 | 1 |
| Totals | 1 | 1 | 1 | 1 | 1 |

Existing part-time staff work at various special events as needed.

Goals and Objectives

- * Continue to generate revenues through fees and sponsorships to support the Seafood Festival and other special events.
- * Provide safe family oriented events for the citizens of Poquoson including the Poquoson Seafood Festival, Holiday Parade and other seasonal celebrations.
- * Co-sponsor and/or assist with local businesses and civic group events.

PARKS & RECREATION SPECIAL EVENTS

Major Departmental Functions

- * Plan, organize and produce special events throughout the year, the largest being the Seafood Festival.
- * Maintain calendar of special events through the City with points of contact for each.
- * Provide leadership and direction to the Poquoson Seafood Festival Committee and the various activities and events included in the Seafood Festival.
- * Prepare and administer proposals for service needed for special events.
- * Provide communication between government and residents by maintaining the community cable channel, sign board and public service announcements in local news print.

Performance Measures

| | <u>FY 2015</u> | <u>FY 2016</u> | <u>FY 2017</u> | <u>FY 2018</u> |
|----------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | <u>Actual</u> | <u>Actual</u> | <u>Estimated</u> | <u>Estimated</u> |
| Poquoson Seafood Festival: | | | | |
| Arts & Crafts Vendors | 167 | 165 | 165 | 166 |
| Exhibitors | 40 | 40 | 40 | 40 |
| Food Vendors | 22 | 22 | 23 | 23 |
| Attendance | 45,000 | 45,000 | 45,000 | 45,000 |
| Fishing Tournament | 32 | 0 | 0 | 0 |
| Workboat Race Entries | 60 | 60 | 60 | 60 |

Significant Budget Items

- * In FY 2018, the planned festivals include the 37th Anniversary Poquoson Seafood Festival Weekend on October 20-22, 2017 and the Poquoson Holiday Parade on December 1, 2017.
- * Operating expenses include \$5,000 in prize money for a total of \$16,500 to support the annual workboat race.

Program Accomplishments

- * Maintained the quality of existing events such as the Poquoson Seafood Festival and Poquoson Holiday Parade while introducing new activities to each event.
- * Continued to enhance and foster the Poquoson Seafood Festival and Holiday Parade.
- * Assisted Pomoco Nissan of Hampton, host of the workboat race.
- * Assisted City civic groups with events such as the Poquoson Athletic Association mile run/walk, Heartchase Poquoson, Kiwanis bulk BBQ sale and the Tabernacle Church block party.

LIBRARY

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | | | FY 2017 | | FY 2018 | FY 2018 | Change | Change |
| | | | Original | FY 2017 | Department | City Council | From 2017 | From 2017 |
| | FY 2015 | FY 2016 | Adopted | Revised | Request | Adopted | Revised | Revised |
| | Actual | Actual | Budget | Budget | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 571,731 | \$ 558,480 | \$ 577,000 | \$ 577,000 | \$ 587,443 | \$ 587,443 | \$ 10,443 | 1.8% |
| Operating Expenses | 111,118 | 110,074 | 124,700 | 124,700 | 127,158 | 126,158 | 1,458 | 1.2% |
| Capital Outlay | 173,038 | 173,821 | 153,498 | 163,942 | 170,429 | 155,429 | (8,513) | -5.2% |
| Totals | \$ 855,887 | \$ 842,375 | \$ 855,198 | \$ 865,642 | \$ 885,030 | \$ 869,030 | \$ 3,388 | 0.4% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|---------------------------------------|--------------|--------------|--------------|------------------------------|-----------------------------------|
| | Authorized | Authorized | Authorized | Department Request Positions | City Council Authorized Positions |
| Library Director | 1 | 1 | 1 | 1 | 1 |
| Adult Services Librarian | 0 | 1 | 1 | 1 | 1 |
| Reference Librarian | 1 | 0 | 0 | 0 | 0 |
| Senior Library Associate/System Admin | 1 | 0 | 0 | 0 | 0 |
| Youth Services Librarian | 0 | 0 | 0 | 1 | 1 |
| Technical Services Librarian | 0 | 1 | 1 | 1 | 1 |
| Library Associate | 1 | 1 | 1 | 0 | 0 |
| Administrative Services Coordinator | 1 | 1 | 1 | 1 | 1 |
| Library Associate (FTE) | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Senior Library Associate (FTE) | 1.40 | 1.40 | 1.40 | 1.40 | 1.40 |
| Library Assistant (FTE) | 3.80 | 3.80 | 4.30 | 4.30 | 4.30 |
| Library Page (FTE) | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Totals | 11.95 | 11.95 | 12.45 | 12.45 | 12.45 |



Goals and Objectives

- * Continue to develop the Library's resources and services on a wide variety of formats to meet the educational, informational, and leisure needs of the community.
- * Provide informational, recreational and cultural programs and activities to enrich the community.
- * Provide up-to-date and high quality technology resources and services to make the library a one stop source for information and learning, by offering classes and help with computer basics, social media tips and job writing skills.
- * Continue to work with the Library Advisory Board, the Friends of the Public Library and service groups to enhance library systems.
- * Complete a new 5 year strategic plan, to include community input and consideration for long term goals.
- * Explore grant opportunities and community partner collaborations to enhance library services.
- * Expand and enhance STEM initiatives for youth, generating an atmosphere where they are free to learn, create, experiment & invent through a variety of library provided tools and resources.
- * Research self-checkout options to determine validity and feasibility for library operations.
- * Continue to enhance the library website and maintain an active presence on social media to connect with patrons and promote services and resources.

LIBRARY

Major Departmental Functions

- * Operate as a free public lending facility with reading materials for all ages, in all media.
- * 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.
- * Provide community with meeting and gathering space to facilitate sharing of ideas.
- * Work 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.
- * Encourage pre-schoolers to develop an interest in reading and learning through services for children and for parents and children together.
- * Support students in their educational needs with the various public library/school cooperative programs.
- * Provide the public with free notary public service and serve as a passport acceptance agency for the U.S. State Department.
- * Promote lifelong learning through classes, seminars and hands on workshops.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|---------------------------------|---------------------------|---------------------------|------------------------------|------------------------------|
| Active Library Members | 12,726 | 13,377 | 13,400 | 13,400 |
| Attendance at Library Programs | 10,778 | 11,002 | 11,000 | 11,000 |
| Circulation | 199,695 | 185,361 | 185,500 | 185,500 |
| Documents Notarized | 924 | 898 | 900 | 900 |
| Interlibrary Loans | 81 | 56 | 60 | 60 |
| Internet, MS Office, etc. usage | 12,570 | 13,350 | 13,500 | 13,500 |
| Items Purged | 6,189 | 5,725 | 6,000 | 6,000 |
| Library Visits | 115,999 | 111,672 | 112,000 | 112,000 |
| Meeting Room Usage | 1,676 | 1,705 | 1,700 | 1,700 |
| New Items added to Collection | 8,255 | 8,533 | 8,500 | 8,500 |
| Overdue Items Retrieved | 922 | 916 | 900 | 900 |
| Passport Applications Processed | 2,071 | 2,408 | 2,000 | 2,000 |
| Reading Material Reserves | 12,885 | 11,356 | 12,000 | 12,000 |
| Web Page Hits | 54,695 | 74,860 | 75,000 | 75,000 |

Significant Budget Items

- * Minimal increase in operating expenses.

Program Accomplishments

- * Offered 376 educational and cultural programs attended by 11,002 people.
- * Offered training on basic computer skills which included Word, Excel, E-Mail, iPad, Internet, and Digital Books.
- * Hosted 1,705 meetings for 66 civic organizations and library programs in the meeting rooms.
- * Welcomed 111,672 visitors who checked out 185,361 items. The Library rated first in visits and circulation per capita among 15 public libraries in the Tidwater area.
- * Received the 2016 Outstanding Program for Adults Award from the Virginia Public Library Directors' Association.
- * Awarded a grant from the Virginia Foundation for the Humanities and hosted a series of book discussions for veterans and their families.
- * Registered 1,489 new readers, bringing active cardholders to 13,377.
- * Increased digital collection to more than 86,000 items.

PLANNING

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 300,240 | \$ 301,098 | \$ 311,520 | \$ 311,520 | \$ 306,282 | \$ 292,988 | \$ (18,532) | -5.9% |
| Operating Expenses | 17,223 | 28,959 | 30,130 | 30,130 | 35,980 | 29,280 | (850) | -2.8% |
| Capital Outlay | 51 | - | - | - | - | - | - | n/a |
| Totals | \$ 317,514 | \$ 330,057 | \$ 341,650 | \$ 341,650 | \$ 342,262 | \$ 322,268 | \$ (19,382) | -5.7% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|-----------------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Director of Community Development | 1 | 1 | 1 | 1 | 1 |
| Planner | 1 | 1 | 1 | 1 | 1 |
| Environmental Compliance Officer | 1 | 1 | 1 | 1 | 1 |
| Administrative Assistant | 1 | 1 | 1 | 1 | 1 |
| Totals | 4 | 4 | 4 | 4 | 4 |

Goals and Objectives

- * Assist the EDA, City Manager and City Council in promoting economic growth.
- * Continue to lead the Development Plan Review Committee in processing development plans for adherence of regulations.
- * Continue development of the GIS program for the City.
- * Continue to seek grants in conjunction with implementation of land use applications.
- * Work with the Virginia Department of Transportation in planning for City roadway improvements.
- * Continue to work with Hampton Roads Planning District Commission in monitoring development of regional planning practices and issues.
- * Continue to update City land use ordinances to reflect the City's economic development needs and trends.
- * Assist in the implementation of the updated Comprehensive Plan.
- * Maintain and update the Comprehensive Plan to encourage and recognize it's goals and objectives.
- * Strive to provide professional, expeditious, thorough, accurate and courteous service to the public on local, State and Federal land use regulations.
- * Continue to provide adequate staff support to the Architectural Review Board, Board of Zoning Appeals, Wetlands Board, Planning Commission, and the City Council.
- * Continue to process a variety of land use applications.
- * Seek to achieve certifications that will allow staff to further their professional development and remain in compliance with State regulations.

PLANNING

Major Departmental Functions

- * Update and administer City land use ordinances including Zoning Ordinance, Subdivision Ordinance, Erosion & Sediment Control Ordinance, Site Plan Ordinance, Wetlands Ordinance and Sign Ordinance.
- * Monitor compliance of issued use permits and zoning violations.
- * In coordination with Inspections Department administer the City's Federal Flood Insurance rating program and the Community Rating System.
- * Provide technical assistance to other departments, real estate agents, developers, contractors, and citizens.
- * Provide 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 process.
- * Serve as participating department for the Hazard Mitigation Planning Committee.
- * Serve as lead department for the Environmental Development Plan Review Committee.
- * Coordinate and monitor ongoing residential and commercial site development.
- * Develop and maintain community access cable TV channel.
- * Department staff serve as liaison to multiple State and regional agencies and committees.
- * Prepare special project studies as assigned by the City Manager.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Citizen requests for information | 1,600 | 1,600 | 1,600 | 2,000 |
| City Council/Board/Comm Agenda Items | 15 | 15 | 15 | 15 |
| Erosion and Sediment Applications Processed | 27 | 21 | 42 | 48 |
| Erosion and Sediment Inspections | N/A | 966 | 1,000 | 1,000 |
| Farm Animal Permits Processed | 39 | 48 | 48 | 50 |
| Major subdivision plans reviewed | 2 | 2 | 2 | 2 |
| Minor subdivision plans reviewed | 4 | 4 | 4 | 4 |
| Sign Permit Applications | 20 | 22 | 15 | 15 |
| Site Plans reviewed | 25 | 25 | 25 | 25 |
| Special Projects (non Planning) | 15 | 15 | 17 | 20 |
| Zoning Ordinance/City Code Amendments | 12 | 12 | 12 | 12 |

Significant Budget Items

- * Decrease in personnel services due to employee change and reduction in health insurance subscription level.

Program Accomplishments

- * Continued the process of updating the City's Comprehensive Plan.
- * Continued the process of updating the City's Land Use Ordinances and City Code provisions.
- * Processed 74 land use applications.
- * 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 City Council.
- * Facilitated the compliance of outstanding non-conforming uses.
- * Transitioned the function of performing all erosion and sediment control permit inspections.
- * Accurately processed a variety of land use applications to include the Legacy of Poquoson mixed-use development.
- * Accurately processed 9 residential developments; 2 commercial site improvements plans.

PLANNING / BZA / WETLANDS / ARB

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|--------------------|----------|----------|----------|----------|------------|--------------|-----------|-----------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 3,791 | 4,450 | 8,700 | 8,700 | 11,400 | 9,900 | 1,200 | 13.8% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 3,791 | \$ 4,450 | \$ 8,700 | \$ 8,700 | \$ 11,400 | \$ 9,900 | \$ 1,200 | 13.8% |

Personnel Summary

N/A

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.

Planning Commission

- * 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 development of a 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 to wetlands per State guidance and regulations.
- * Monitor progress of permitted projects.

Environmental Development Plan Review Committee

- * 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.

PLANNING / BZA / WETLANDS / ARB

Major Departmental Functions

- * Process a variety of land use applications.
- * Assist public in City land use policies and standards.
- * Prepare and modify the City's Comprehensive Plan.
- * Prepare applications for public hearings, inspecting sites, monitoring construction, assisting public in preparation and delivery of formal applications.
- * Presentations to City Council/Boards/Commissions.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|---|-------------------|-------------------|----------------------|----------------------|
| Architectural Review Applications | 1 | 7 | 7 | 7 |
| Board of Zoning Appeals - Ches Bay Exceptions | 1 | 5 | 1 | 2 |
| Board of Zoning Applications | 8 | 6 | 1 | 8 |
| *EDPRC Chesapeake Bay Waivers | 9 | 12 | 10 | 8 |
| Ordinance Amendments | 12 | 12 | 12 | 12 |
| Wetland Board Applications | 4 | 4 | 0 | 2 |

*EDPRC is Environmental Development Plan Review Committee that is made up of staff members

Significant Budget Items

- * Increased operating expense for training of BZA Board members and other Commission members.

Program Accomplishments

- * Continued to advance education opportunities and obtain certifications.
- * BZA approved one Chesapeake Bay exception and one Zoning variance.
- * ARB approved two applications.
- * The EDPRC considered twelve waiver requests.
- * The Wetlands Board approved one final and two permit extensions.

ECONOMIC DEVELOPMENT

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % | |
|--------------------|------------|------------|------------|------------|------------|--------------|-------------|-----------|--|
| | | | Original | FY 2017 | Department | City Council | Change | Change | |
| | FY 2015 | FY 2016 | Adopted | Revised | Request | Adopted | From 2017 | From 2017 | |
| | Actual | Actual | Budget | Budget | Budget | Budget | Revised | Revised | |
| | | | | | | | Budget | Budget | |
| Personnel Services | \$ 67,767 | \$ 69,962 | \$ 70,770 | \$ 70,770 | \$ 71,383 | \$ 71,383 | \$ 613 | 0.9% | |
| Operating Expenses | 49,260 | 46,962 | 75,511 | 75,511 | 92,870 | 58,370 | (17,141) | -22.7% | |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a | |
| Totals | \$ 117,027 | \$ 116,924 | \$ 146,281 | \$ 146,281 | \$ 164,253 | \$ 129,753 | \$ (16,528) | -11.3% | |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|----------------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Economic Development Coordinator | 1 | 1 | 1 | 1 | 1 |
| Totals | 1 | 1 | 1 | 1 | 1 |

Goals and Objectives

- * Continue to assist in the marketing of the Big Woods, Messick Point and other Poquoson properties with potential for commercial development.
- * Utilize START, a Peninsula annual entrepreneurial competition, and other sources to seek new business potential for startups and entrepreneurial opportunities.
- * Coordinate efforts to seek grant support and jointly market marine and waterbased businesses for tourism and patronage opportunities.
- * Digital Media focus on high impact, low cost sources to increase awareness and utilization of existing digital sites.
- * Work with multiple developers on the Big Woods project to facilitate, plan and achieve a ground breaking event.

ECONOMIC DEVELOPMENT

Major Departmental Functions

- * Serve as staff liaison for the Economic Development Authority.
- * Retain and expand existing businesses and recruit new prospects. Promote quality, safe and environmentally friendly growth in the City.
- * Implement the City's Economic Development Strategic Plan.
- * Work with City businesses and organizations to support a productive growth atmosphere for existing and future businesses.
- * Serve as City representative to Hampton Roads Economic Development Alliance, Poquoson Business Alliance, Virginia Peninsula Chamber of Commerce, RAISE Airport Commission, Virginia Economic Development Partnership, and the International Economic Development Council.
- * Develop and implement marketing initiatives to publicize the Poquoson Business Community.
- * Update, revise and distribute the Poquoson Business Resource Guide.
- * Schedule and coordinate business appreciation and business development events.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|-------------------------------------|-------------------|-------------------|----------------------|----------------------|
| Ribbon cutting ceremony | 13 | 7 | 7 | 7 |
| Sponsor Economic Development Events | 10 | 6 | 12 | 10 |

Significant Budget Items

- * In FY 2017, the regional economic development funding was allocated to the Department. This funding has been allocated to Community Development for its original purpose.

Program Accomplishments

- * Planned activities targeting potential companies and economic development presentations to City Council and outside organizations.
- * Secured a Virginia Port Authority Aid to Ports Grant to install water and electricity service at Messick Point docking/pier facility. The \$51,000 grant requires a 25% match. The project is anticipated for Spring of 2017.
- * Continued marketing and public relations campaign "Poquoson is the Place" with a focus on tourism.
- * Continued coordinating events including Developer Event, Residential Real Estate event, Business Appreciation evening, Mayor's Breakfasts, Big Woods landowner meetings, and participated in and supported Poquoson Business Alliance events including Community Day, Restaurant Week and others.

COMMUNITY DEVELOPMENT

Expenditures Summary

| | | | Original | | FY 2018 | FY 2018 | \$ | % |
|--------------------|------------|------------|------------|------------|------------|--------------|-----------|-----------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ - | - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 128,391 | \$ 132,080 | 136,923 | 146,638 | 161,320 | 151,320 | 4,682 | 3.2% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 128,391 | \$ 132,080 | \$ 136,923 | \$ 146,638 | \$ 161,320 | \$ 151,320 | \$ 4,682 | 3.2% |

Personnel Summary

N/A

Goals and Objectives

- * Continue to contribute to a number of agencies which provide services to disadvantaged, elderly, and youth.
- * Continue to contribute to agencies which provide services which benefit Poquoson's economy, including those which attract new businesses to the area and increase local tourism.

COMMUNITY DEVELOPMENT

Major Departmental Functions

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

| <u>Budget Detail</u> | FY 2015 Actual | FY 2016 Actual | FY 2017 Revised Budget | FY 2018 Requested Budget | FY 2018 Adopted Budget |
|---|---------------------------|---------------------------|---------------------------------------|---|---------------------------------------|
| Litter Control Grant | \$ 6,067 | \$ 6,427 | \$ 6,192 | \$ - | \$ - |
| Contributions to Agencies: | | | | | |
| CASA | 500 | 500 | 500 | 750 | 750 |
| Children's Hospital of the King's Daughters | - | - | - | 10,000 | - |
| Commission on Homelessness | 2,781 | 2,781 | 2,781 | 2,781 | 2,781 |
| Disabilities Transportation | 3,800 | 3,800 | 3,800 | 3,800 | 3,800 |
| Green Jobs Alliance | 1,229 | - | - | - | - |
| Hampton Roads Economic Development | 11,492 | 11,499 | - | 11,456 | 11,456 |
| Hampton Roads Planning District Comm (HRPDC) | 9,833 | 9,661 | 9,770 | 9,887 | 9,887 |
| HRPDC Municipal Construction Standards | 675 | 479 | 479 | 479 | 479 |
| HRPDC Other Projects | 3,343 | 3,408 | 5,154 | 7,512 | 7,512 |
| HRPDC Regional Groundwater Mitigation | 4,127 | 3,791 | 2,350 | 2,412 | 2,412 |
| HRPDC Stormwater Management Program | 6,577 | 2,785 | 5,120 | 4,170 | 4,170 |
| HR Military/Federal Facilities Alliance | 6,145 | 6,038 | 6,106 | 6,180 | 6,180 |
| NASA Aeronautics Support Team (NAST) | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Poquoson Animal Welfare Sanctuary (PAWS) | - | 2,500 | 5,000 | 5,000 | 5,000 |
| Peninsula Chamber of Commerce | 1,750 | 1,750 | 1,750 | 1,750 | 1,750 |
| Peninsula Council for Workforce Development | 5,847 | 5,847 | 5,847 | 5,847 | 5,847 |
| Peninsula Emergency Medical Services | 1,229 | 1,229 | 1,259 | 1,606 | 1,606 |
| Poquoson Historical Commission | 500 | 500 | 500 | 500 | 500 |
| Poquoson Museum Foundation | 26,779 | 25,385 | 38,443 | 32,597 | 32,597 |
| Regional Air Service Enhancement Fund (RAISE) | 4,860 | 4,860 | 4,860 | 4,860 | 4,860 |
| Small Business Development Center | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| The Healing Place | - | 7,407 | - | - | - |
| Thomas Nelson Community College | 13,100 | 13,134 | 27,727 | 29,433 | 29,433 |
| Transitions Family Violence Services | 1,745 | 1,745 | 2,000 | 2,500 | 2,500 |
| York/Poquoson Extension Service | 7,012 | 7,554 | 8,000 | 8,000 | 8,000 |
| Totals | \$ 128,391 | \$ 132,080 | \$ 146,638 | \$ 160,520 | \$ 150,520 |

Significant Budget Items

* Hampton Roads Planning District Commission provides oversight for various projects. Total requested funding for HRPDC is \$24,460 for FY 2018.

* Poquoson Museum Foundation requested funding in the amount of \$22,597 for FY 2018 which is a forgiveness of 1/10th of the Deed of Trust Note with the City as well as the interest relating to that note. This is for year number 6 of 10. An additional \$10,000, will be used to help operate and maintain the Museum.

* Thomas Nelson Community College requested \$29,433 for lease payments and capital improvements.

Expenditures Summary

Personnel Summary

Goals and Objectives

- 92

NON-DEPARTMENTAL

Major Departmental Functions

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

Budget Detail

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget |
|-----------------------------------|-------------------|-------------------|------------------------------|--|--|
| Personnel Services | \$ - | | \$ - | \$ - | \$ - |
| Refunds | (50) | - | 15,300 | - | - |
| Treasurer Cash Overages/Shortages | 19 | (72) | - | - | - |
| Contingencies | 15,263 | 668 | 22,590 | 50,000 | 17,430 |
| Totals | \$ 15,232 | \$ 596 | \$ 37,890 | \$ 50,000 | \$ 17,430 |

Significant Budget Items

- * Minimal funding for contingencies to pay for any unforeseen expenses throughout the City.

DMV SELECT

Expenditures Summary

| | | | | | | | \$ | % |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Original | Revised | Department | City Council | FY 2017 | From 2017 |
| | | | Adopted | Budget | Request | Adopted | Revised | Revised |
| | | | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 102,829 | \$ 98,332 | \$ 100,820 | \$ 100,820 | \$ 107,611 | \$ 107,611 | \$ 6,791 | 6.7% |
| Operating Expenses | 2,942 | 3,482 | 3,850 | 3,850 | 4,010 | 4,010 | 160 | 4.2% |
| Capital Outlay | 190 | 2,970 | - | - | - | - | - | n/a |
| Totals | \$ 105,961 | \$ 104,784 | \$ 104,670 | \$ 104,670 | \$ 111,621 | \$ 111,621 | \$ 6,951 | 6.6% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|--------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Senior DMV Service Clerk | 1 | 1 | 1 | 1 | 1 |
| DMV Service Clerk | 1 | 1 | 1 | 1 | 1 |
| Totals | 2 | 2 | 2 | 2 | 2 |

Goals and Objectives

- * Continue to provide excellent customer service to all DMV customers.
- * Advertise and promote new services offered (boat registrations, hunting and fishing licenses) as a result of the new relationship established with the Department of Game and Inland Fisheries (DGIF).

DMV SELECT

Major Departmental Functions

- * Process applications for titling and registration of motor vehicles.
- * Issue motor vehicle license plates and/or decals.
- * Issue handicap placards.
- * Issue driver transcripts.
- * Collect fees, taxes, penalties and other monies in connection with above transactions.
- * Issue boat registrations, hunting and fishing licenses for the Department of Game and Inland Fisheries.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|------------------------|-------------------|-------------------|----------------------|----------------------|
| Total DMV Transactions | 39,481 | 40,287 | 40,000 | 40,000 |
| Car Dealers Served | 20 | 17 | 15 | 15 |

Significant Budget Items

- * In FY 2018, it is estimated that the DMV operations will generate \$122,000 in commission to the City.
- * Rate of compensation for DMV services is 4.5% of the first \$500,000 of gross collections and 5% of gross collections over \$500,000.
- * Increase in personnel due to change in insurance coverage.

Program Accomplishments

- * Cross-trained with the Commissioner of the Revenue employees.
- * Continued relationship with DMV by securing monthly City Hall visits of DMV2GO Mobile Unit that issues drivers licenses and identification cards.
- * Established a partnership with the Department of Game and Inland Fisheries (DGIF) to register boats and issue hunting and fishing licenses.
- * Implemented a new credit card processing system with PIN pads to accept debit transactions.

TRANSFER TO OTHER FUNDS

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Revised Budget | % Change From 2017 Revised Budget |
|--------------------|---------------------|---------------------|--|------------------------------|--|--|--|---|
| Personnel Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | n/a | n/a |
| Operating Expenses | 3,645,075 | 3,863,485 | 3,061,155 | 3,127,895 | 3,079,000 | 3,042,536 | (85,359) | -2.7% |
| Capital Outlay | - | - | - | - | - | - | n/a | n/a |
| Totals | \$ 3,645,075 | \$ 3,863,485 | \$ 3,061,155 | \$ 3,127,895 | \$ 3,079,000 | \$ 3,042,536 | \$ (85,359) | -2.7% |

Personnel Summary

N/A

TRANSFERS

Goals and Objectives

* Transfer to Debt Service Fund to cover payment of all general governmental debt service for the City and Schools.

TRANSFER TO OTHER FUNDS

Major Departmental Functions

* Account for all transfers from the General Fund to other funds of the City.

Budget Detail

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Original Adopted Budget | FY 2017 Revised Budget | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget |
|--|-------------------|-------------------|--|------------------------------|--|--|
| Transfer to Debt Service | \$ 2,800,575 | \$ 3,095,610 | \$ 2,888,155 | \$2,888,155 | \$ 2,934,000 | \$ 2,902,671 |
| Transfer to Capital Projects | 844,500 | \$ 742,875 | 173,000 | 183,000 | 88,000 | 88,000 |
| Transfer to Special Revenue/OPEB | - | | - | 56,740 | 52,000 | 46,865 |
| Transfer to Utilities | - | | - | - | - | - |
| Transfer to Fleet | - | | - | - | - | - |
| Transfer to Economic Development Authority | - | \$ 25,000 | - | - | 5,000 | 5,000 |
| Totals | \$ 3,645,075 | \$ 3,863,485 | \$ 3,061,155 | \$3,127,895 | \$ 3,079,000 | \$ 3,042,536 |

Significant Budget Items

- * The transfer to Debt Service of \$2,902,671 for City and School debt.
- * Transfer of \$88,000 to the Capital Projects fund for a school bus.
- * Transfer of \$46,865 to the Special Revenue Fund/OPEB (Other Post Employment Benefits) for benefits offered to retired employees.
- * Transfer to the Economic Development Authority for safety landscaping for the Best Management Practice pond.

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DEBT SERVICE FUND - SUMMARY

Debt Service Fund Description

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.

The rating agencies of Standard & Poor and Moody's gave the City an initial standalone rating of AA+ and Aa3 respectively. On May 19, 2014 Standard & Poor raised the long-term rating for the City to AAA and in June 2016 Standard & Poor reaffirmed the AAA rating and Moody's upgraded the City's long-term rating to Aa2.

The City's most significant debt is in School bonds and literary loans. Other significant debt service items relate to City bonds and notes. All the debt service presented in the budget is based on legally binding agreements, unless it is labeled estimate.

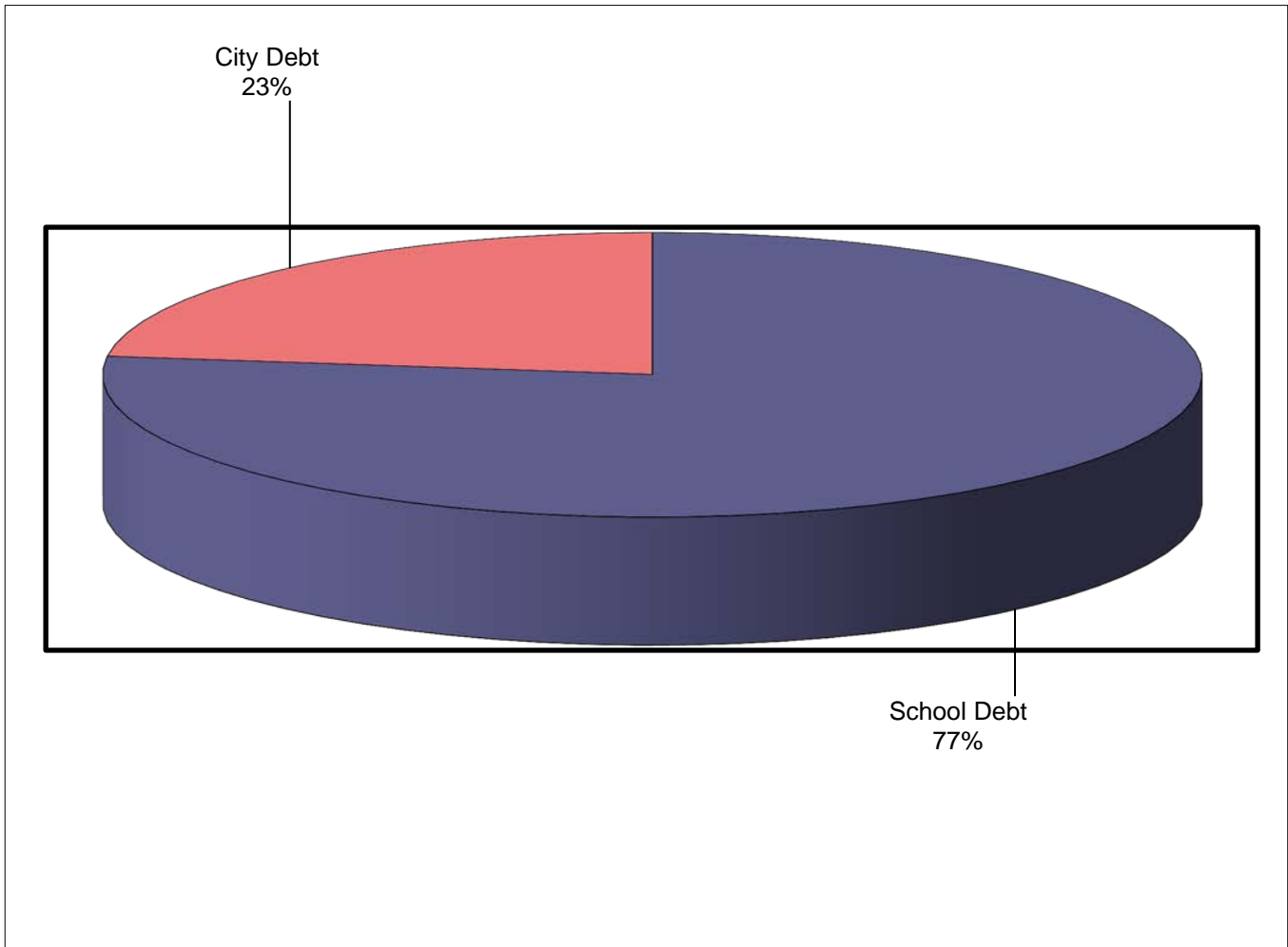
Projected fund balance is to be used to offset debt service costs in future years.

Debt Service Projection of Fund Balance

| | | |
|---|---------------------|---------------------------------|
| Beginning Fund Balance - 6/30/2014 | | \$ 244,337 |
| Actual FY 2015 Revenues | \$ 2,800,575 | |
| Actual FY 2015 Expenditures | <u>(2,627,062)</u> | 173,513 |
| Fund Balance - 6/30/2015 | | <u>\$ 417,850</u> |
| Actual FY 2016 Revenues | \$ 20,196,140 | |
| Actual FY 2016 Expenditures | <u>(20,302,190)</u> | (106,050) |
| Fund Balance - 6/30/2016 | | <u>\$ 311,800</u> |
| Estimated FY 2017 Revenues | \$ 2,888,155 | |
| Estimated FY 2017 Expenditures | <u>(2,777,872)</u> | 110,283 |
| Projected Fund Balance - 6/30/2017 | | <u>\$ 422,083</u> |
| Estimated FY 2018 Revenues | \$ 2,902,671 | |
| Estimated FY 2018 Expenditures | <u>(2,935,671)</u> | (33,000) |
| Projected Fund Balance - 6/30/2018 | | <u><u>\$ 389,083</u></u> |

DEBT SERVICE FUND - SUMMARY

Debt Service Expenditures



| <u>Debt Service Expenditures</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|----------------------------------|------------------------------|----------------------------|
| School Debt | \$ 2,095,825 | \$ 2,261,767 |
| City Debt | <u>682,047</u> | <u>673,904</u> |
| TOTAL | <u>\$ 2,777,872</u> | <u>\$ 2,935,671</u> |

DEBT SERVICE FUND - REVENUE

Debt Service Revenue

| Account Title | FY 2015 Actual | FY 2016 Actual | FY 2017 Revised Budget | FY 2017 Estimated Revenue | FY 2018 City Council Adopted Revenue | \$ Change From 2017 Budget | % Change From 2017 Budget |
|----------------------------|---------------------------|---------------------------|---------------------------------------|--|---|---|--|
| Transfer from General Fund | \$ 2,800,575 | \$ 3,095,610 | \$ 2,888,155 | \$ 2,888,155 | \$ 2,902,671 | \$ 14,516 | 0.5% |
| Issuance of Debt | - | 17,100,530 | - | - | - | - | -100.0% |
| Use of Reserve | - | - | 101,336 | - | 33,000 | (68,336) | -67.4% |
| TOTAL TRANSFERS IN | \$ 2,800,575 | \$ 20,196,140 | \$ 2,989,491 | \$ 2,888,155 | \$ 2,935,671 | \$ (53,820) | -1.8% |

Revenue Explanations

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 FY 2013, the City established a debt reserve to set aside funds for future debt service. The estimated balance of the reserve at 6/30/17 is \$422,083.

Computation of Estimated Legal Debt Margins for FY 2018

There is a legal limit for cities in Virginia whereby the amount of bonded long-term debt cannot exceed 10% of the City's total assessed value of real estate. The computation of the margin for additional borrowing, based on estimated assessed values as of 7/1/2017, is shown below. A further discussion of the City's debt service can be found in the Appendix section of this document.

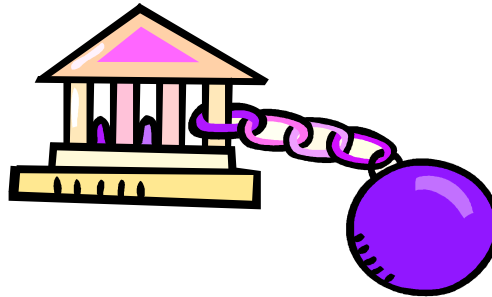
Estimated Assessed Value of Real Estate as of 7/1/2017

| | |
|--|------------------------|
| General | \$1,520,227,500 |
| Public Service Corporation | 20,400,000 |
| Total | <u>\$1,540,627,500</u> |
| Total Bonding Limit (10% of total assessed value) | \$154,062,750 |
| General Obligation Bonds, other than those authorized for a specific revenue producing project | \$21,734,999 |
| State Literary Fund Loans | 500,000 |
| Sewer Bonds | <u>6,410,000</u> |
| Net Bonded indebtedness subject to limit | \$28,644,999 |
| Bonded indebtedness as percent of assessed value of real estate | <u>1.86%</u> |
| Margin for Additional Borrowing | <u>\$125,417,751</u> |

DEBT SERVICE FUND - EXPENDITURES

Debt Service Expenditures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Revised Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Budget | % Change From 2017 Budget |
|---------------------|---------------------|----------------------|------------------------------|--|-------------------------------------|------------------------------------|
| School Principal | \$ 1,031,367 | \$ 1,132,449 | \$ 1,405,216 | \$ 1,464,548 | \$ 59,332 | 4.2% |
| School Interest | 904,389 | 878,414 | 856,505 | 797,219 | (59,286) | -6.9% |
| City Principal | 432,633 | 945,609 | 503,385 | 470,452 | (32,933) | -6.5% |
| City Interest | 256,523 | 246,670 | 221,985 | 201,052 | (20,933) | -9.4% |
| Bond Issuance Costs | - | 284,041 | - | - | - | n/a |
| Trustee Fees | 2,150 | 3,150 | 2,400 | 2,400 | - | 0.0% |
| Advance Refunding | - | 16,811,858 | - | - | - | n/a |
| Totals | \$ 2,627,062 | \$ 20,302,191 | \$ 2,989,491 | \$ 2,935,671 | \$ (53,820) | -1.8% |



Significant Budget Items

* In FY 2013, the City began funding a debt reserve to use for future debt service. Subsequent to the FY 2017 budget adoption, the City refunded a portion of the outstanding debt, reducing the FY 2017 debt service to \$2,777,872, therefore increasing the debt reserve in FY 2017. \$33,000 of the reserve is being used to fund a portion of the increase in debt service for FY 2018.

DEBT SERVICE FUND - EXPENDITURES

Expenditures Summary

| DEBT INSTRUMENT | FY 2018 Principal | FY 2018 Interest | FY 2018 Other Fees | FY 2018 Adopted Budget |
|--|----------------------|---------------------|--------------------------|------------------------------|
| Schools | | | | |
| <u>Bonds:</u> | | | | |
| 1998A VPSA PHS Addition/Renovations | \$ 30,000 | \$ 2,295 | \$ - | \$ 32,295 |
| 2010 Refunded 2005 PES | 147,000 | 25,326 | - | 172,326 |
| 2010 Refunded 2006B PES | 230,000 | 27,329 | - | 257,329 |
| 2010 Refunded 2007 PES | 40,500 | 5,157 | - | 45,657 |
| 2012 Refunded 2002 Refunded 1994A (Cafeteria) | 19,388 | 4,031 | - | 23,419 |
| 2012 Refunded 2009C Refunded 2001 School's VRS | 55,000 | 11,250 | - | 66,250 |
| 2012 Refunded 2011 Refunded 2008 PMS Stadium | 177,130 | 48,683 | - | 225,813 |
| 2012 Refunded 2011 Refunded 2007 Unrefunded PES | 339,283 | 93,250 | - | 432,533 |
| 2016 Refunded 2010 Refunded 2005 PES | - | 96,980 | - | 96,980 |
| 2016 Refunded 2010 Refunded 2007 | - | 126,625 | - | 126,625 |
| 2016 Refunded 2010 Refunded 2006B-PES | - | 224,830 | - | 224,830 |
| 2016 Refunded 2011B Refunded 2009A Refunded 2006A PES | 141,247 | 95,063 | - | 236,310 |
| 2016 Primary School HVAC | 15,000 | 8,100 | - | 23,100 |
| 2016 High School HVAC | 5,000 | 3,050 | - | 8,050 |
| 2016 High School Track | 15,000 | 10,250 | - | 25,250 |
| <u>Literary Loans:</u> | | | | |
| 1998 PHS Addition/Renovations | 250,000 | 15,000 | - | 265,000 |
| Total Schools | \$1,464,548 | \$797,219 | \$ - | \$2,261,767 |
| City | | | | |
| <u>Bonds:</u> | | | | |
| 2010 Refunded 2005 Fire Station #1 | 63,000 | 10,854 | - | 73,854 |
| 2010 Refunded 2007 Fire Station #1 | 9,500 | 1,210 | - | 10,710 |
| 2012 Refunded 2002 Refunded 1994 A (City Hall) | 75,612 | 15,719 | - | 91,331 |
| 2012 Refunded 2011 Refunded 2007 Unrefunded Fire Station #1 | 79,585 | 21,874 | - | 101,459 |
| 2012 Refunded 2011 Refunded 2009B & 1998A Refunded Court House | 53,873 | 30,874 | - | 84,747 |
| 2012 Refunded 2011 Refunded 2009B & 2001 Fire Station #2 | 55,000 | 21,563 | - | 76,563 |
| 2012 Refunded 2011 Refunded 2009B & 2008 Motorola Radios | 100,129 | 5,006 | - | 105,135 |
| 2016 Refunded 2010 Refunded 2005 Fire Station #1 | - | 41,563 | - | 41,563 |
| 2016 Refunded 2010 Refunded 2007 Fire Station #1 | - | 29,702 | - | 29,702 |
| 2016 Refunded 2011B Public Works | 23,753 | 15,987 | - | 39,740 |
| 2016 Messick Point Beach | 5,000 | 4,250 | - | 9,250 |
| 2016 Other undesignated projects | 5,000 | 2,450 | - | 7,450 |
| <u>Trustee Fees:</u> | | | | |
| US Bank | - | - | 2,400 | 2,400 |
| Total City | \$470,452 | \$201,052 | \$2,400 | \$673,904 |
| TOTAL DEBT SERVICE FY 2018 | \$1,935,000 | \$998,271 | \$2,400 | \$2,935,671 |

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DEBT SERVICE FUND - LONG TERM DEBT OBLIGATIONS

Summary of Long Term Debt Obligations

General Long Term Obligations

School Bonds:

| | Projected Balance 6/30/2017 | Additions | Retirement | Projected Balance 6/30/2018 |
|---|-----------------------------------|-----------|------------|-----------------------------------|
| 1998A VPSA PHS Addition/Renovations | \$ 60,000 | \$ - | \$ 30,000 | \$ 30,000 |
| 2010 Refunded 2005 PES | 682,500 | - | 147,000 | 535,500 |
| 2010 Refunded 2006B PES | 670,000 | - | 230,000 | 440,000 |
| 2010 Refunded 2007 PES | 125,550 | - | 40,500 | 85,050 |
| 2012 Refunded 2002 Refunded 1994A (Cafeteria) | 80,613 | - | 19,388 | 61,225 |
| 2012 Refunded 2009C Refunded 2001 School's VRS | 225,000 | - | 55,000 | 170,000 |
| 2012 Refunded 2011 Refunded 2008 PMS Stadium | 1,022,071 | - | 177,130 | 844,941 |
| 2012 Refunded 2011 Refunded 2007 Unrefunded PES | 1,957,729 | - | 339,283 | 1,618,446 |
| 2016 Refunded 2010 Refunded 2005 PES | 2,080,673 | - | - | 2,080,673 |
| 2016 Refunded 2010 Refunded 2007 | 2,716,700 | - | - | 2,716,700 |
| 2016 Refunded 2010 Refunded 2006B-PES | 4,823,659 | - | - | 4,823,659 |
| 2016 Refunded 2011B Refunded 2009A Refunded 2006A PES | 2,371,229 | - | 141,247 | 2,229,982 |
| 2016 Primary School HVAC | 175,000 | - | 15,000 | 160,000 |
| 2016 High School HVAC | 65,000 | - | 5,000 | 60,000 |
| 2016 High School Track | 275,000 | - | 15,000 | 260,000 |

| | | | |
|---------------|------|--------------|---------------|
| \$ 17,330,724 | \$ - | \$ 1,214,548 | \$ 16,116,176 |
|---------------|------|--------------|---------------|

School Literary Loans:

| | | | | |
|-------------------------------|------------|------|------------|------------|
| 1998 PHS Addition/Renovations | 500,000 | - | 250,000 | 250,000 |
| | \$ 500,000 | \$ - | \$ 250,000 | \$ 250,000 |

City Bonds:

| | | | | |
|--|---------|---|---------|---------|
| 2010 Refunded 2005 Fire Station #1 | 292,500 | - | 63,000 | 229,500 |
| 2010 Refunded 2007 Fire Station #1 | 29,450 | - | 9,500 | 19,950 |
| 2012 Refunded 2002 Refunded 1994 A (City Hall) | 314,387 | - | 75,612 | 238,775 |
| 2012 Refunded 2011 Refunded 2009B & 1998A Refunded Court House | 459,219 | - | 79,585 | 379,634 |
| 2012 Refunded 2011 Refunded 2007 Unrefunded Fire Station | 674,599 | - | 53,873 | 620,726 |
| 2012 Refunded 2011 Refunded 2009B & 2001 Fire Station #2 | 431,252 | - | 55,000 | 376,252 |
| 2012 Refunded 2011 Refunded 2009B & 2008 Motorola Radios | 100,129 | - | 100,129 | - |
| 2016 Refunded 2010 Refunded 2005 Fire Station #1 | 891,717 | - | - | 891,717 |
| 2016 Refunded 2010 Refunded 2007 Fire Station #1 | 637,251 | - | - | 637,251 |
| 2016 Refunded 2011B Public Works | 398,771 | - | 23,753 | 375,018 |
| 2016 Messick Point Beach | 110,000 | - | 5,000 | 105,000 |
| 2016 Other undesignated projects | 65,000 | - | 5,000 | 60,000 |

| | | | |
|--------------|------|------------|--------------|
| \$ 4,404,275 | \$ - | \$ 470,452 | \$ 3,933,823 |
|--------------|------|------------|--------------|

| | | | | |
|--|----------------------|-------------|---------------------|----------------------|
| Total General Long Term Obligations | \$ 22,234,999 | \$ - | \$ 1,935,000 | \$ 20,299,999 |
|--|----------------------|-------------|---------------------|----------------------|

Sewer Fund Obligations

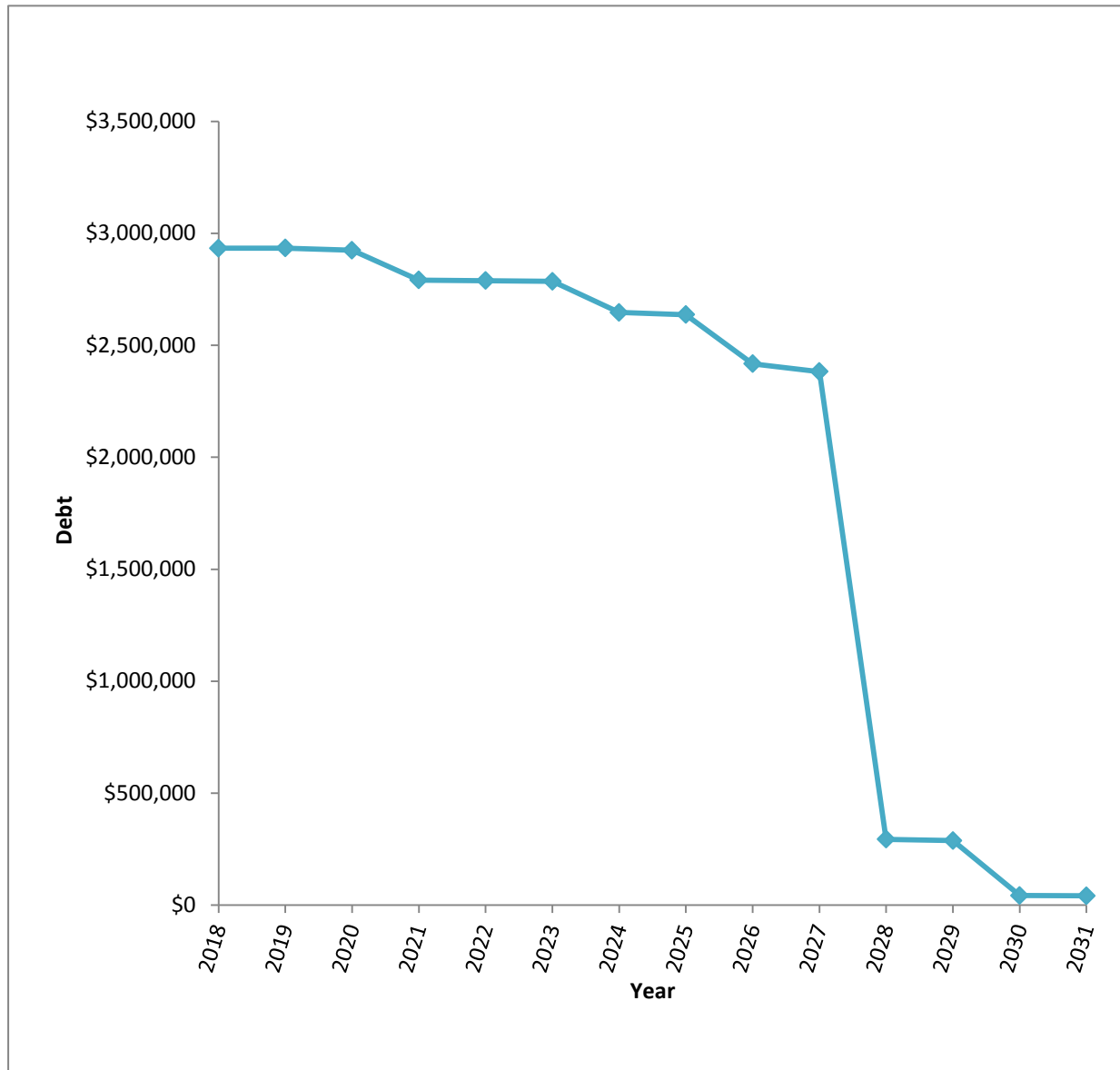
Sewer Bonds:

| | | | | |
|--|-----------|---|---------|-----------|
| 2010 VRA Refunded 2002 Bond | 375,000 | - | 70,000 | 305,000 |
| 2012 Refunded 2011 Refunded 2009B & 1998B Bond | 1,754,280 | - | 28,691 | 1,725,589 |
| 2012 Refunded 2011 Refunded 2009B & 2003B Bond | 385,720 | - | 6,309 | 379,411 |
| 2012 Refunded 2000 DEQ Loan | 1,210,000 | - | 120,000 | 1,090,000 |
| 2012 Refunded 2000 DEQ Loan | 2,685,000 | - | 245,000 | 2,440,000 |

| | | | | |
|--------------------------------|---------------------|-------------|-------------------|---------------------|
| Total Sewer Obligations | \$ 6,410,000 | \$ - | \$ 470,000 | \$ 5,940,000 |
|--------------------------------|---------------------|-------------|-------------------|---------------------|

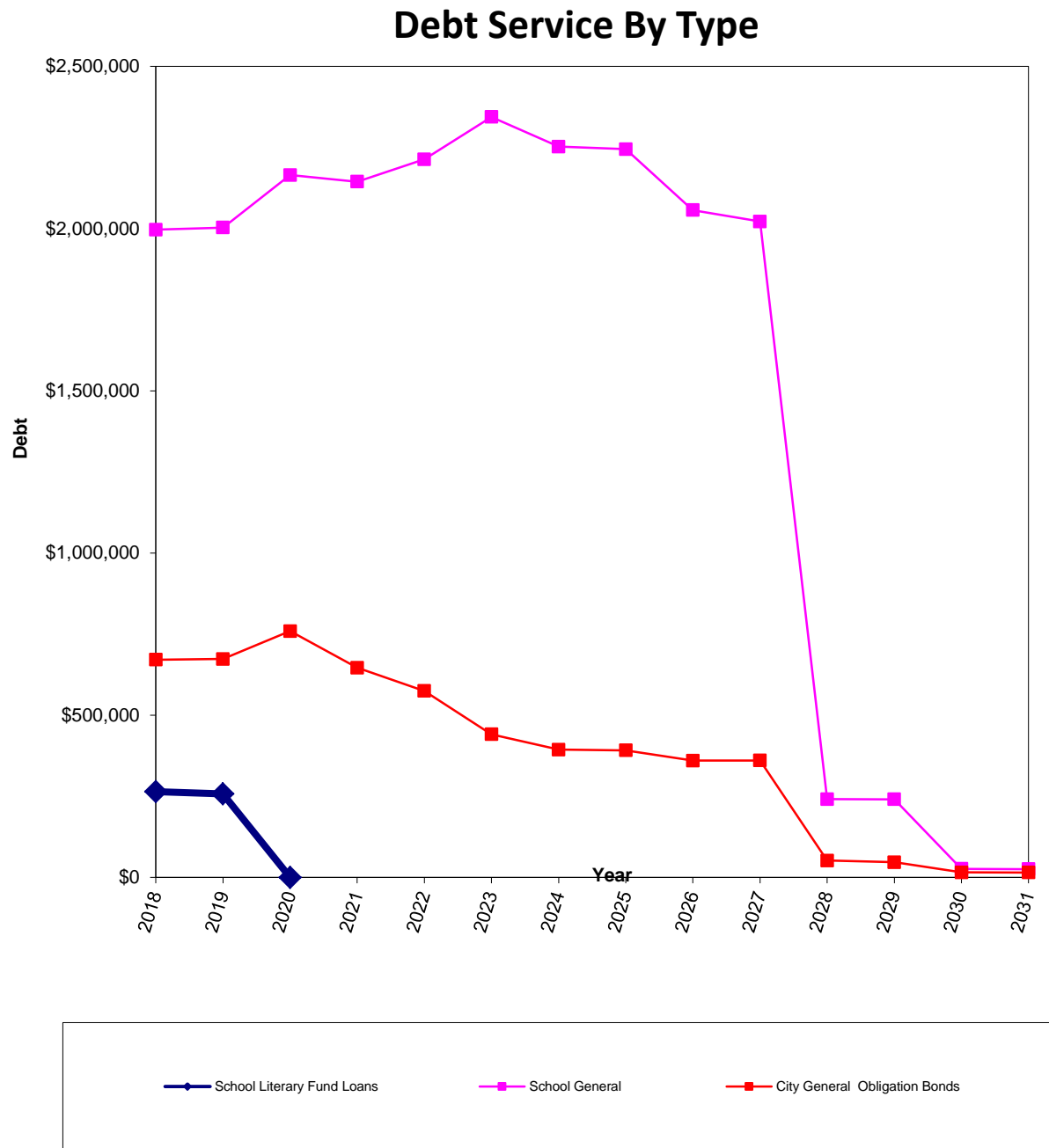
DEBT SERVICE FUND

Total Debt Service Fund



The above graph depicts the City's debt service until the debt is paid.

DEBT SERVICE FUND



The City has various debt instruments which have been used to pay for various School and City projects.

DEBT SERVICE FUND--AMORTIZATION OF LONG TERM DEBT

Amortization of Long Term Debt

| Year Ending June 30 | School Literary Fund Loans | | School General Obligation Bonds | | City General Obligation Bonds | |
|---------------------------|-------------------------------|------------------|------------------------------------|---------------------|----------------------------------|---------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2018 | 250,000 | 15,000 | 1,214,548 | 782,219 | 470,452 | 201,052 |
| 2019 | 250,000 | 7,500 | 1,270,744 | 732,350 | 494,256 | 179,415 |
| 2020 | | | 1,486,850 | 677,915 | 603,151 | 156,135 |
| 2021 | | | 1,536,429 | 608,022 | 518,571 | 128,129 |
| 2022 | | | 1,682,145 | 531,200 | 472,855 | 102,201 |
| 2023 | | | 1,897,020 | 447,093 | 362,981 | 78,557 |
| 2024 | | | 1,897,630 | 354,871 | 332,370 | 61,879 |
| 2025 | | | 1,983,813 | 261,081 | 346,186 | 45,869 |
| 2026 | | | 1,893,830 | 162,980 | 331,170 | 29,169 |
| 2027 | | | 1,952,536 | 69,380 | 347,462 | 13,221 |
| 2028 | | | 230,449 | 10,804 | 49,551 | 2,796 |
| 2029 | | | 234,730 | 6,195 | 45,270 | 1,805 |
| 2030 | | | 25,000 | 1,500 | 15,000 | 900 |
| 2031 | | | 25,000 | 750 | 15,000 | 450 |
| TOTAL | \$ 500,000 | \$ 22,500 | \$ 17,330,724 | \$ 4,646,360 | \$ 4,404,275 | \$ 1,001,578 |

DEBT SERVICE FUND--AMORTIZATION OF LONG TERM DEBT

Amortization of Long Term Debt

| Year Ending June 30 | Total Debt | | Total | | | Total Sewer |
|---------------------------|----------------------|---------------------|------------------------------|------------------------|---------------------|-------------------------|
| | Service Fund | | Debt Service | Sewer Fund Bonds/Notes | | Fund |
| | Principal | Interest | Fund Principal & Interest | Principal | Interest | Principal & Interest |
| 2018 | 1,935,000 | 998,271 | 2,933,271 | 470,000 | 240,068 | 710,068 |
| 2019 | 2,015,000 | 919,265 | 2,934,265 | 490,000 | 216,628 | 706,628 |
| 2020 | 2,090,001 | 834,050 | 2,924,051 | 515,000 | 192,183 | 707,183 |
| 2021 | 2,055,000 | 736,151 | 2,791,151 | 540,000 | 166,878 | 706,878 |
| 2022 | 2,155,000 | 633,401 | 2,788,401 | 565,000 | 140,774 | 705,774 |
| 2023 | 2,260,001 | 525,650 | 2,785,651 | 590,000 | 114,900 | 704,900 |
| 2024 | 2,230,000 | 416,750 | 2,646,750 | 610,000 | 97,200 | 707,200 |
| 2025 | 2,329,999 | 306,950 | 2,636,949 | 630,000 | 78,900 | 708,900 |
| 2026 | 2,225,000 | 192,149 | 2,417,149 | 650,000 | 60,000 | 710,000 |
| 2027 | 2,299,998 | 82,601 | 2,382,599 | 665,000 | 40,500 | 705,500 |
| 2028 | 280,000 | 13,600 | 293,600 | 685,000 | 20,550 | 705,550 |
| 2029 | 280,000 | 8,000 | 288,000 | - | - | - |
| 2030 | 40,000 | 2,400 | 42,400 | - | - | - |
| 2031 | 40,000 | 1,200 | 41,200 | - | - | - |
| TOTAL | \$ 22,234,999 | \$ 5,670,438 | \$ 27,905,437 | \$ 6,410,000 | \$ 1,368,581 | \$ 7,778,581 |

Note:

All sewer debt service is accounted for in the Utilities Fund in accordance with Governmental Accounting practice. This schedule is shown so that the reader will have a comprehensive listing of all future City and School debt payments.

Not included in the totals is \$1,684,587 in general obligation bonds issued by the City for the Poquoson Economic Development Authority (EDA). The EDA intends to pay this debt with proceeds from the sale of EDA owned property.

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CAPITAL PROJECTS FUND - SUMMARY

Capital Projects Fund Description

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.

For presentation purposes, the FY 2018 through FY 2022 CIP's General Fund Projects are shown in detail found on page 117.

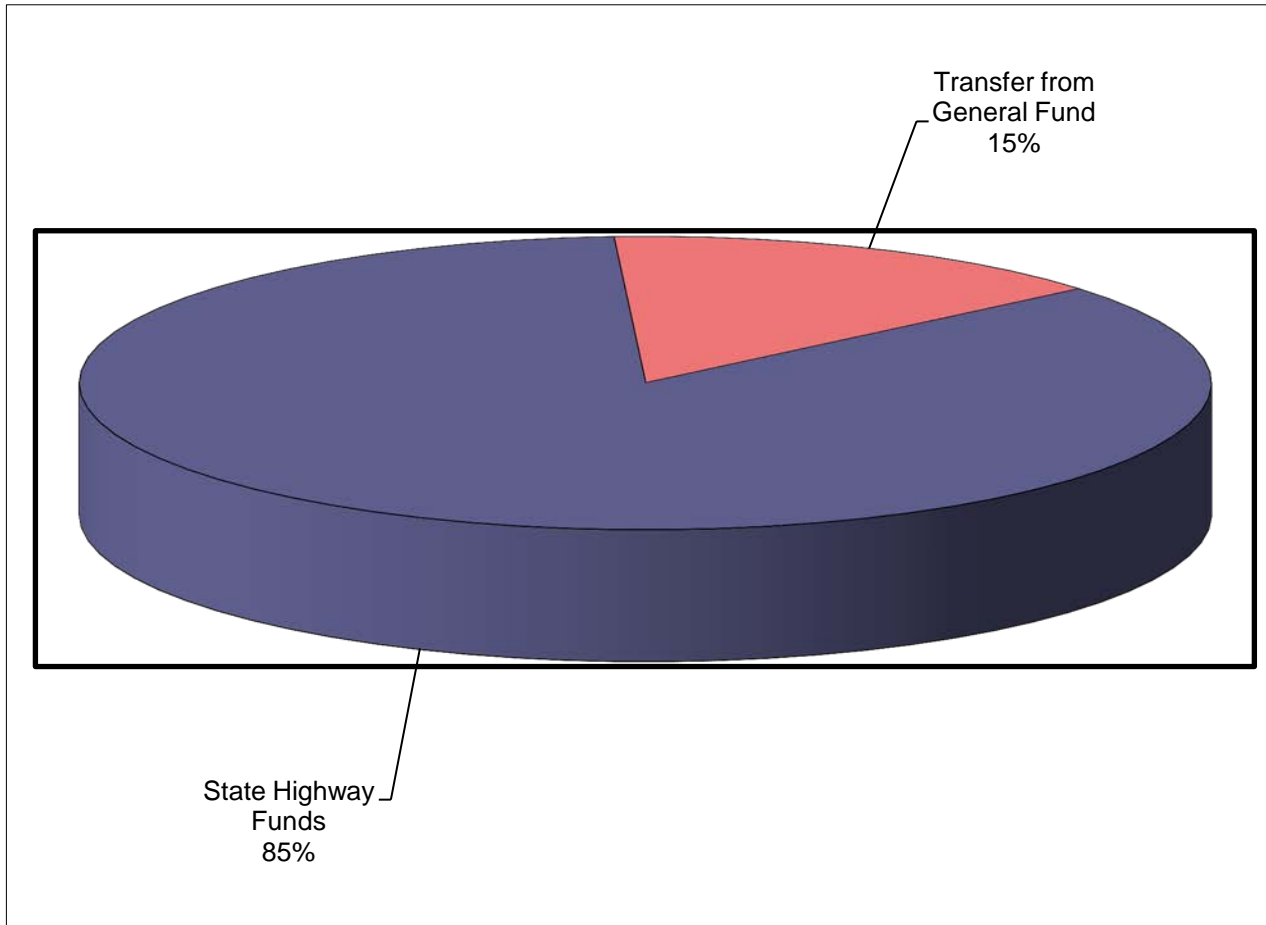
Unlike the City's General Fund in which any unexpended funds lapse at the end of the fiscal year, the monies appropriated in the Capital Fund lapse into the fund balance for future expenditures. Those unspent funds are then reappropriated to the next fiscal year provided the project is not completed. Completed projects with leftover funds may be transferred to the General Fund.

Capital Projects Projection of Fund Balance

| | | |
|---|--------------------|--------------------------------|
| Fund Balance - 6/30/2014 | | \$ 817,145 |
| Actual FY 2015 Revenues | \$ 1,352,725 | |
| Actual FY 2015 Expenditures | <u>(822,462)</u> | <u>530,263</u> |
| Fund Balance - 6/30/2015 | | \$ 1,347,408 |
| Actual FY 2016 Revenues | \$ 2,418,545 | |
| Actual FY 2016 Expenditures | <u>(1,217,536)</u> | <u>1,201,009</u> |
| Fund Balance - 6/30/2016 | | \$ 2,548,417 |
| Estimated FY 2017 Revenues | \$ 873,072 | |
| Estimated FY 2017 Expenditures | <u>(2,804,732)</u> | <u>(1,931,660)</u> |
| Projected Fund Balance - 6/30/2017 | | \$ 616,757 |
| Estimated FY 2018 Revenues | \$ 595,324 | |
| Estimated FY 2018 Expenditures | <u>(1,194,853)</u> | <u>(599,529)</u> |
| Projected Fund Balance - 6/30/2018 | | <u><u>\$ 17,228</u></u> |

CAPITAL PROJECTS FUND - SUMMARY

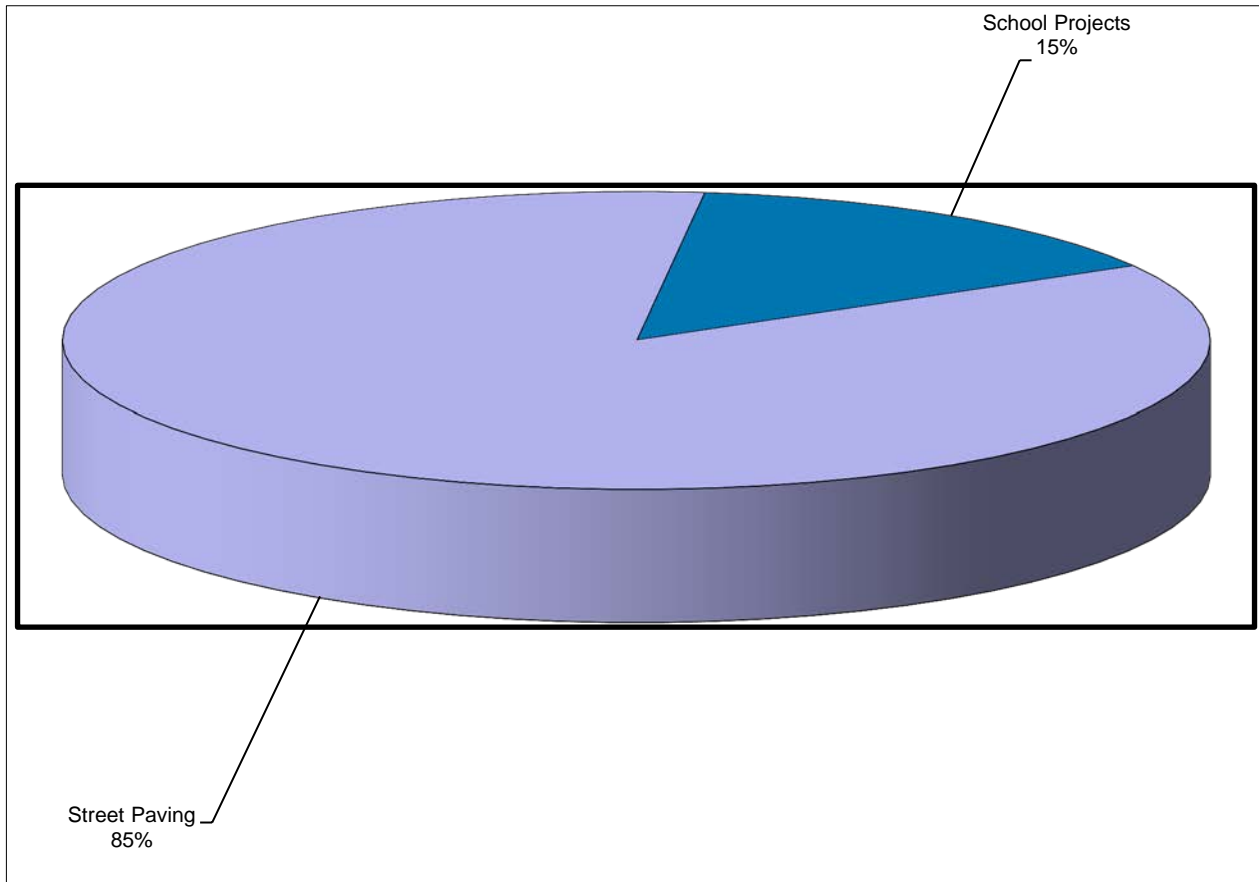
Capital Projects Revenue



| <u>Capital Projects Revenue</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|---------------------------------|------------------------------|----------------------------|
| State Highway Funds | \$ 565,520 | \$ 507,324 |
| Transfer from General Fund | 183,000 | 88,000 |
| Grant Funds | 134,552 | - |
| Use of Fund Balance | 2,531,188 | - |
| TOTAL | <u>\$ 3,414,260</u> | <u>\$ 595,324</u> |

CAPITAL PROJECTS FUND - SUMMARY

Capital Projects Expenditures



| <u>Capital Projects Expenditures</u> | <u>Estimated FY 2016</u> | <u>Adopted FY 2018</u> |
|--------------------------------------|------------------------------|----------------------------|
| Street Paving | \$ 721,125 | \$ 507,324 |
| Drainage Projects | 599,368 | - |
| TMDL/Stormwater | 177,769 | - |
| Ditch Piping | 416,920 | - |
| School Projects | 671,465 | 88,000 |
| Police Vehicles | 38,000 | - |
| Beta Street Improvements | 41,240 | - |
| Lifepack Equipment | 65,714 | - |
| Playground | 636 | - |
| Buildings and Facilities | 4,495 | - |
| Messick Point Pier Improvements | 78,000 | - |
| TOTAL | \$ 2,814,732 | \$ 595,324 |

CAPITAL PROJECTS FUND - REVENUE

Revenue Summary

| Account Title | FY 2015 Actual | FY 2016 Actual | FY 2017 Adopted Budget | FY 2017 Revised Budget | FY 2017 Estimated Revenue | FY 2018 Department Estimated Budget | FY 2018 City Council Adopted Budget | % Change From 2017 Revised Budget | |
|-----------------------------|---------------------|---------------------|------------------------------|------------------------------|---------------------------------|--|--|--|---------------|
| | | | | | | | | \$ Change From 2017 Revised Budget | |
| State Highway Funds | \$ 507,190 | \$ 565,520 | \$ 565,520 | \$ 565,520 | \$ 565,520 | \$ 507,324 | \$ 507,324 | \$ (58,196) | -10.3% |
| Note or Bond Proceeds | - | 690,000 | 760,000 | 760,000 | - | - | - | (760,000) | 100.0% |
| Bond Premium | - | 106,771 | - | - | - | - | - | - | n/a |
| Interest -- Bond Proceeds | - | 133 | - | - | - | - | - | - | n/a |
| State Grants | - | 206,945 | - | 134,552 | 134,552 | - | - | (134,552) | -100.0% |
| Miscellaneous Revenue | - | 41,320 | - | - | - | - | - | - | n/a |
| Air Boat | - | 64,981 | - | - | - | - | - | - | n/a |
| Donations | 1,035 | - | - | - | - | - | - | - | n/a |
| Reappropriation of Fund Bal | - | - | - | 2,531,188 | 2,531,188 | - | - | (2,531,188) | -100.0% |
| Transfer from General Fund | 844,500 | 742,875 | 173,000 | 183,000 | 183,000 | 88,000 | 88,000 | (95,000) | -51.9% |
| TOTAL REVENUE | \$ 1,352,725 | \$ 2,418,545 | \$ 1,498,520 | \$ 4,174,260 | \$ 3,414,260 | \$ 595,324 | \$ 595,324 | \$ (3,578,936) | -85.7% |

Revenue Explanations

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 ("Street Paving and Drainage" projects). The City is projected to receive a total of \$1,387,324 from the State Highway Maintenance Fund, \$507,324 is recorded in the Capital Projects Fund, and the remaining \$880,000 is recorded in the General Fund. The exact amount of revenue for FY 2018 will not be known until August 2017.

Transfer from General Fund: Local funding provided for Capital Projects.

Bond Proceeds: The City issued debt in FY 2016 for a High School Track project, School HVAC systems project and the Messick Point beach. The total amount of the borrowing, including the bond premium was \$796,771.

State Grants: The City was awarded two grants in FY 2016 for the construction of a breakwater at Messick Point and a Stormwater Local Assistance Fund grant to construct a wet pond and wetlands for compliance with TMDL mandates.

Federal Grants: The City was awarded a federal grant in FY 2016 for the purchase of an airboat for the Fire Department.

CAPITAL PROJECTS FUND - EXPENDITURES

Expenditures Summary

| Project | Estimated FY 2017 Expended Projects | Estimated Prior Fiscal Year's Unexpended | FY 2018 New Projects Adopted Budget | Total FY 2018 Projects |
|---|--|---|--|------------------------------|
| | | Prior Year | Year 1 | |
| School Projects | | | | |
| School Bus | \$ 87,465 | \$ 3,544 | \$ 88,000 | \$ 91,544 |
| High School Track | 302,000 | - | - | - |
| School HVAC Projects | 282,000 | - | - | - |
| Public Works, Transportation & Drainage Projects | | | | |
| Street Paving | 721,125 | - | 507,324 | 507,324 |
| Drainage Projects | 599,368 | - | - | - |
| Ditch Piping | 416,920 | - | - | - |
| Beta Street Improvements | 41,240 | - | - | - |
| TMDL/Stormwater | 177,769 | 75,000 | - | 75,000 |
| Parks & Recreation Projects | | | | |
| Messick Point Beach | - | 125,000 | - | 125,000 |
| Playground Equipment | 636 | - | - | - |
| Messick Point Breakwater | - | 65,412 | - | 65,412 |
| Floating Dock | - | 50,000 | - | 50,000 |
| Miscellaneous Projects | | | | |
| Lifepack Equipment | 65,714 | 2,537 | - | 2,537 |
| Engineering Services | - | 70,000 | - | 70,000 |
| Reassessment Software | - | 135,000 | - | 135,000 |
| Police Vehicles | 38,000 | - | - | - |
| Unassigned Capital Projects | - | 73,036 | - | 73,036 |
| Buildings and Facilities | 4,495 | - | - | - |
| Messick Point Improvements | 78,000 | - | - | - |
| Totals | \$ 2,814,732 | \$ 599,529 | \$ 595,324 | \$ 1,194,853 |

Expenditures Explanations

Funds are appropriated in the Capital Projects Fund as Year 1 projects usually with a Transfer from the General Fund. 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 shown above as "Prior Fiscal Year" provided the project is not completed. Completed projects with leftover funds may be transferred to the General Fund Unassigned Fund Balance.

Major Fund Functions

- * 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 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.

CAPITAL PROJECTS FUND - EXPENDITURES

FY 2018 New Projects

Street Paving: Projects are funded through VDOT State Highway Funds for maintenance, resurfacing and improvements. Projects are at the City's discretion based on needs. The City allocated \$507,324 towards paving for FY 2017.

School Bus: This project is for the replacement of one school bus. Replacing buses regularly should help reduce the operating repair cost and improve safety for the students.

CAPITAL PROJECTS FUND - CIP PLAN SUMMARY

FY 2018 Proposed Capital Projects Fund

Proposed CIP Summary FY 2018 - Beyond FY 2022

| Project | FY 2018 Adopted Budget | FY 2018 Proposed Project | FY 2019 Proposed Project | FY 2020 Proposed Project | FY 2021 Proposed Project | FY 2022 Proposed Project | Beyond FY22 Proposed Project | Total Cost |
|--|------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------------|----------------------|
| School Projects | | | | | | | | |
| High School Forum Renovation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 2,537,500 | \$ 2,537,500 |
| High School Locker Room Renovation | - | - | - | - | - | - | 96,000 | 96,000 |
| High School Gym HVAC | - | - | - | - | 180,000 | - | - | 180,000 |
| High School Roof Replacement | - | - | - | 1,327,000 | 31,500 | - | - | 1,358,500 |
| High School Chiller/Water Tower | - | - | - | - | - | - | 300,000 | 300,000 |
| Primary School Roof Replacement | - | - | - | 843,500 | - | 206,000 | - | 1,049,500 |
| Middle School Renovation | - | - | - | to be determined | - | - | - | - |
| Middle School Roof Replacement | - | - | 347,000 | - | - | 612,000 | - | 959,000 |
| Asphalt Repairs | - | - | - | - | - | - | 149,200 | 149,200 |
| Bus Replacement | 88,000 | 88,000 | 176,000 | 176,000 | 88,000 | 88,000 | 88,000 | 704,000 |
| Total School Projects | \$ 88,000 | \$ 88,000 | \$ 523,000 | \$ 2,346,500 | \$ 299,500 | \$ 906,000 | \$ 3,170,700 | \$ 7,333,700 |
| Transportation and Drainage Projects | | | | | | | | |
| Street Paving | \$ 507,324 | \$ 507,324 | \$ 374,700 | \$ 394,300 | \$ 403,700 | \$ 350,175 | \$ - | \$ 2,030,199 |
| Drainage Projects-Poquoson Shores Tidal Flooding | - | - | 80,000 | - | - | - | - | 80,000 |
| City Ditch Safety & Erosion Improvements | - | - | 215,000 | 100,000 | 50,000 | 80,000 | - | 445,000 |
| TMDL/Stormwater -- Chesapeake Bay | - | - | 100,000 | 150,000 | 500,000 | 1,000,000 | 16,700,000 | 18,450,000 |
| Piping Upgrade--Poquoson Avenue | - | - | - | - | - | - | 145,000 | 145,000 |
| Oxford Mews | - | - | - | - | - | - | 130,000 | 130,000 |
| ROW Acquisition, Bike Paths & Sidewalks | - | - | 50,000 | 50,000 | 50,000 | 50,000 | 300,000 | 500,000 |
| Total Transportation and Drainage Projects | \$ 507,324 | \$ 507,324 | \$ 819,700 | \$ 694,300 | \$ 1,003,700 | \$ 1,480,175 | \$ 17,275,000 | \$ 21,780,199 |
| Public Safety: Fire and Police Projects | | | | | | | | |
| Replacement of Engine 102 | \$ - | \$ - | 280,000 | - | - | - | - | 280,000 |
| Replacement of Medic 4 | - | - | 210,000 | - | - | - | - | 210,000 |
| Public Safety Building | - | - | 50,000 | 4,450,000 | - | - | - | 4,500,000 |
| Total Public Safety: Fire and Police Projects | \$ - | \$ - | \$ 540,000 | \$ 4,450,000 | \$ - | \$ - | \$ - | \$ 4,990,000 |
| Public Works Projects | | | | | | | | |
| Equipment Replacement | \$ - | \$ - | 1,219,000 | 505,000 | 150,000 | 165,000 | 130,000 | 2,169,000 |
| Public Works Compound | - | - | - | - | - | - | 875,200 | 875,200 |
| Total Public Works Projects | \$ - | \$ - | \$ 1,219,000 | \$ 505,000 | \$ 150,000 | \$ 165,000 | \$ 1,005,200 | \$ 3,044,200 |

CAPITAL PROJECTS FUND - CIP PLAN SUMMARY

FY 2018 Proposed Capital Projects Fund

Proposed CIP Summary FY 2018 - Beyond FY 2022

| Project | FY 2018 Adopted Budget | FY 2018 Proposed Project | FY 2019 Proposed Project | FY 2020 Proposed Project | FY 2021 Proposed Project | FY 2022 Proposed Project | Beyond FY22 Proposed Project | Total Cost |
|---|------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------------|----------------------|
| Parks & Recreation Projects | | | | | | | | |
| Municipal Ballfield Lighting Upgrade | \$ - | \$ - | \$ 245,000 | \$ - | \$ - | \$ - | \$ - | \$ 245,000 |
| Firth Field Light Replacement | - | - | - | 310,000 | - | - | - | 310,000 |
| Western Precinct Park | - | - | - | - | - | - | 1,000,000 | 1,000,000 |
| Blue Way System | - | - | - | - | - | 70,500 | - | 70,500 |
| Messick Point Breakwater | - | 269,500 | - | - | - | - | - | 269,500 |
| Messick Point Pier & Beach | - | - | - | - | - | - | 600,000 | 600,000 |
| Pool Reconstruction | - | - | - | - | - | - | 3,000,000 | 3,000,000 |
| Recreation Center | - | - | - | - | - | - | 15,500,000 | 15,500,000 |
| South Lawson Park Bike Path | - | - | - | - | - | - | 195,000 | 195,000 |
| South Lawson Park Upgrades | - | 5,000 | 25,000 | - | - | - | 220,000 | 250,000 |
| Total Parks & Recreation Projects | \$ - | \$ 274,500 | \$ 270,000 | \$ 310,000 | \$ - | \$ 70,500 | \$ 20,515,000 | \$ 21,440,000 |
| Facilities & Miscellaneous City Projects | | | | | | | | |
| Financial System Upgrade | - | - | - | - | - | 300,000 | - | 300,000 |
| HVAC -- City Hall | - | - | 350,000 | - | - | - | - | 350,000 |
| HVAC -- Police Department | - | - | 73,000 | - | - | - | - | 73,000 |
| Total Facilities & Miscellaneous City Projects | \$ - | \$ - | \$ 423,000 | \$ - | \$ - | \$ 300,000 | \$ - | \$ 723,000 |
| Total | \$ 595,324 | \$ 869,824 | \$ 3,794,700 | \$ 8,305,800 | \$ 1,453,200 | \$ 2,921,675 | \$ 41,965,900 | \$ 59,311,099 |
| Projects Managed and Funded by State or Federal Agencies | | | | | | | | |
| Wythe Creek Road South | - | - | - | 19,800,000 | - | - | - | 19,800,000 |
| Victory Boulevard | - | - | - | - | - | - | 24,900,000 | 24,900,000 |
| Total Projects Managed and Funded by State or Federal Agencies | \$ - | \$ - | \$ - | \$ 19,800,000 | \$ - | \$ - | \$ 24,900,000 | \$ 44,700,000 |

Expenditures Explanations

The FY 2018 - Beyond FY 2022 CIP prepared by staff will be presented to the Poquoson Planning Commission at a later date. Subsequent to the Planning Commission's recommendation, City Council will hold a public hearing. Adoption of the CIP will occur after the public hearing and discussions.

Operational Impact

The operational impact for the next five years is limited to transfers from the General Fund to finance the projects as well as debt service ranging from \$38,200 to \$562,280 per year. The projects for the next five years require no new personnel or increased fixed costs.

SOLID WASTE FUND - SUMMARY

Solid Waste Fund Description

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.

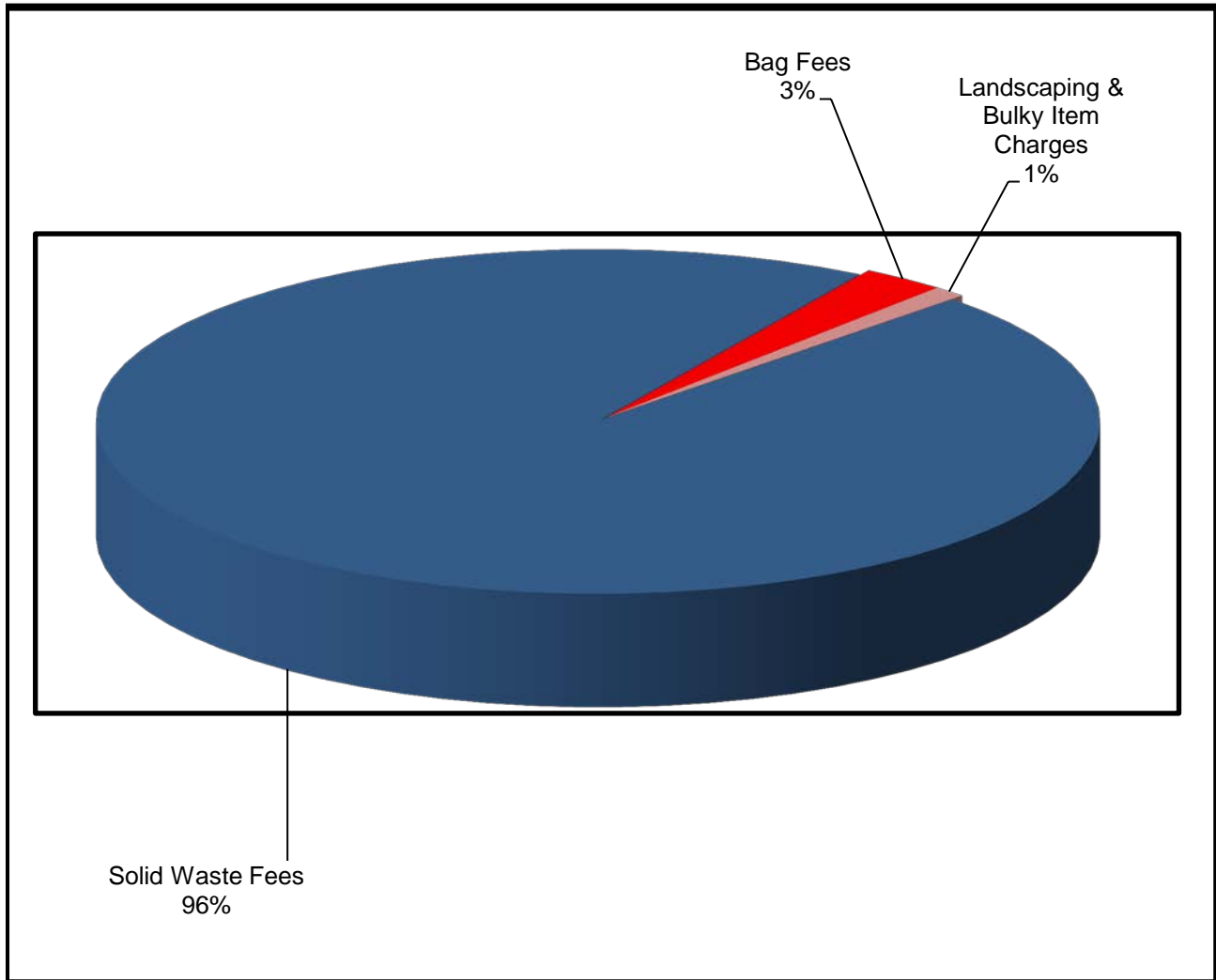
In January 2007, City Council adopted a Committee's recommendation and City staff implemented the container/cart program on October 1, 2007. This program utilizes contracted disposal of all household solid waste.

Solid Waste Projection of Net Assets

| | | |
|---|------------|-----------------------------------|
| Beginning Net Assets - 6/30/2014 | | \$ 236,055 |
| Actual FY 2015 Revenues | \$ 796,972 | |
| Actual FY 2015 Expenses | (746,243) | 50,729 |
| Net Assets - 6/30/2015 | | \$ 286,784 |
| Actual FY 2016 Revenues | \$ 801,881 | |
| Actual FY 2016 Expenses | (793,688) | 8,193 |
| Net Assets - 6/30/2016 | | \$ 294,977 |
| Estimated FY 2017 Revenues | \$ 843,338 | |
| Estimated FY 2017 Expenses | (843,338) | - |
| Projected Net Assets - 6/30/2017 | | \$ 294,977 |
| Estimated FY 2018 Revenues | \$ 847,406 | |
| Estimated FY 2018 Expenses | (847,406) | - |
| Projected Net Assets - 6/30/2018 | | <u><u>\$ 294,977</u></u> * |

*Includes undepreciated fixed assets and unrestricted net assets.

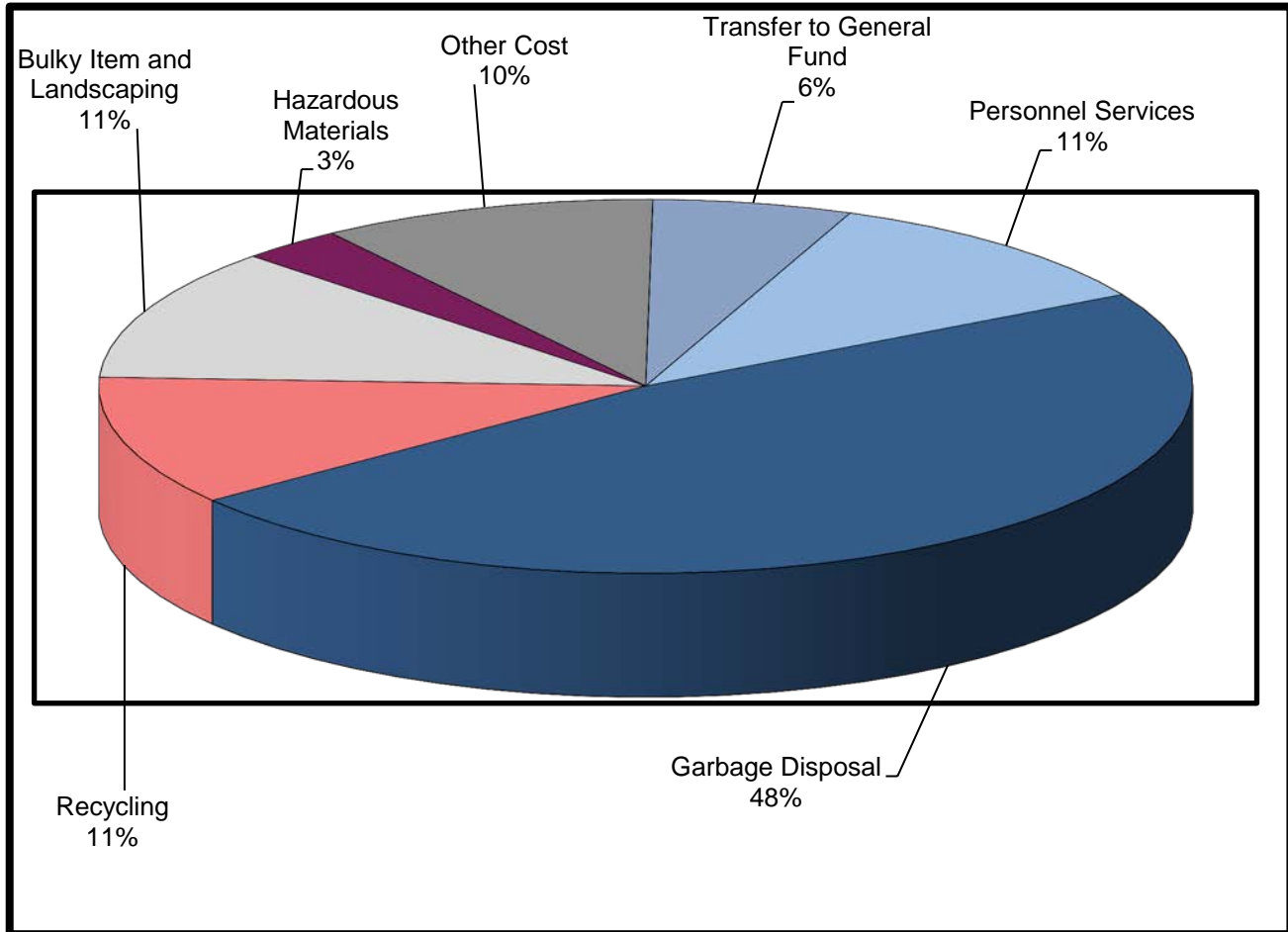
SOLID WASTE FUND - SUMMARY



| <u>Solid Waste Revenue</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|-----------------------------------|-------------------------------------|-----------------------------------|
| Solid Waste Fees | \$ 811,338 | \$ 815,406 |
| Bag Fees | 23,000 | 23,000 |
| Landscaping & Bulky Item Charges | 9,000 | 9,000 |
| TOTAL | <u>\$ 843,338</u> | <u>\$ 847,406</u> |

SOLID WASTE FUND - SUMMARY

Solid Waste Expenses



| <u>Solid Waste Expenses</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|-----------------------------|------------------------------|----------------------------|
| Personnel Services | \$ 93,775 | \$ 91,024 |
| Garbage Disposal | 394,000 | 404,006 |
| Recycling | 93,172 | 95,055 |
| Bulky Item and Landscaping | 104,700 | 97,290 |
| Hazardous Materials | 23,000 | 25,637 |
| Other Cost | 84,691 | 84,394 |
| Transfer to General Fund | 50,000 | 50,000 |
| TOTAL | \$ 843,338 | \$ 847,406 |

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SOLID WASTE FUND - REVENUE

Solid Waste Revenue

| Account Title | | | FY 2017 | | | FY 2018 | | \$ | % |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------|
| | | | Original | FY 2017 | FY 2017 | Department | FY 2018 | Change | Change |
| | | | Adopted | Revised | Estimated | Estimated | City Council | From 2017 | From 2017 |
| | FY 2015 | FY 2016 | Budget | Budget | Revenue | Budget | Adopted | Revised | Revised |
| | Actual | Actual | | | | | Budget | Budget | Budget |
| Solid Waste Fees | \$ 767,518 | \$ 777,896 | \$ 811,338 | \$ 811,338 | \$ 811,338 | \$ 819,020 | \$ 815,406 | 4,068 | 0.5% |
| Bag Fees | 21,263 | 17,325 | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 | - | 0.0% |
| Disposal Fees | 284 | 345 | - | - | - | - | - | - | n/a |
| Landscaping Debris Charge | 5,040 | 1,598 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | - | 0.0% |
| Bulky Item Charge | 2,325 | 3,645 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | - | 0.0% |
| Miscellaneous | 542 | 1,072 | - | - | - | - | - | - | n/a |
| TOTAL REVENUE & TRANSFERS | \$ 796,972 | \$ 801,881 | \$ 843,338 | \$ 843,338 | \$ 843,338 | \$ 851,020 | \$ 847,406 | \$ 4,068 | 0.5% |

Revenue Explanations

Solid Waste Fees: In FY 2018, 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 \$16,529 of Solid Waste fees will be waived due to the scale.

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 a 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 bimonthly 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.

It is estimated that 48 new units will be added in FY 2018 bringing \$5,049 in revenue.

| | Number of Units | FY 2017 Adopted Bi-Monthly Fees | FY 2018 Proposed Bi-Monthly Fees | FY 2018 Estimated Revenue | FY 2018 Authorized Fees Waived | FY 2017 Total Revenue |
|---|-----------------|---------------------------------|----------------------------------|---------------------------|--------------------------------|-----------------------|
| Plans: | | | | | | |
| Plan A = 35 gallon container/cart | 1,832 | \$24.75 | \$24.75 | \$ 273,861 | \$ (8,315) | \$ 265,546 |
| Plan B = 65 gallon container/cart | 1,974 | 41.00 | 41.00 | \$ 488,846 | (2,706) | 486,140 |
| Plan C = (2) 65 gallon container/carts | 74 | 75.00 | 75.00 | \$ 33,300 | (902) | 32,398 |
| Plan D = 35 gallon container/cart (bi-weekly pickup) | 353 | 15.00 | 15.00 | \$ 31,770 | (4,455) | 27,315 |
| Plan E = no container/cart (private lanes, townhomes) | 84 | 8.25 | 8.25 | \$ 4,158 | (151) | 4,007 |
| | 4,317 | | | \$ 831,935 | \$ (16,529) | \$ 815,406 |

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 12 fiscal years.

Landscaping Debris Charges: The City provides curbside pickup service for woody waste. The fee for this service is \$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 \$34,797 to operate the composting/disposal facility in FY 2018. 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 FY 2018 the fee is at \$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.

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

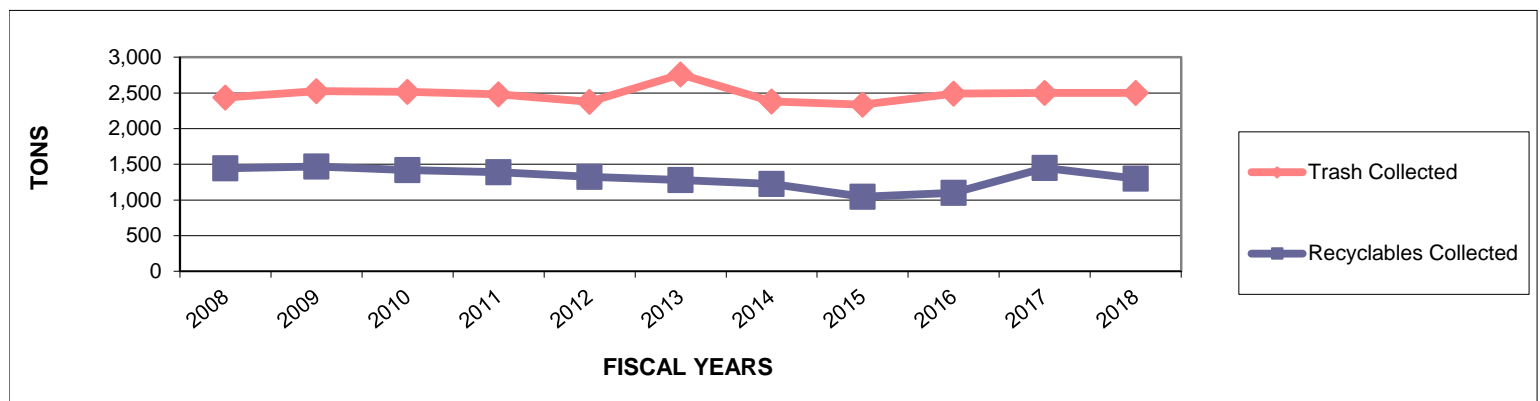
SOLID WASTE FUND - GARBAGE AND RECYCLING

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Adopted Budget | FY 2017 Revised Budget | FY 2017 Estimated Expenses | FY 2018 Department Request Budget | FY 2018 City Council Adopted Budget | \$ Change From 2017 Budget | % Change From 2017 Budget |
|--------------------|-------------------|-------------------|------------------------------|------------------------------|----------------------------------|--|--|-------------------------------------|------------------------------------|
| Personnel Services | \$ - | \$ 495 | \$ - | \$ - | | \$ - | \$ - | \$ - | n/a |
| Operating Expenses | 469,111 | 516,337 | 513,522 | 513,522 | 513,522 | 540,938 | 537,324 | 23,802 | -5.4% |
| Capital Outlay | - | 15,520 | - | - | - | - | - | - | n/a |
| Totals | \$ 469,111 | \$ 532,352 | \$ 513,522 | \$ 513,522 | \$ 513,522 | \$ 540,938 | \$ 537,324 | \$ 23,802 | -5.4% |

Personnel Summary

N/A



Goals and Objectives

- * Oversee the trash collection program that began on October 1, 2007.
- * Continue collecting all City trash routes within three days using a contractor.
- * Oversee curbside recycling to insure a quality service for the citizens of Poquoson.
- * Collect waste oil, tires, and batteries for recycling,
- * Prepare bid for trash collection contract.

SOLID WASTE FUND - GARBAGE AND RECYCLING

Major Departmental Functions

- * Oversee the contracted solid waste disposal service to the citizens of Poquoson.
- * Collect and dispose of non-recyclable waste.
- * Oversee the curbside recycling program which is administered by VPPSA.
- * Provide quality service to the citizens of Poquoson.

Performance Measures

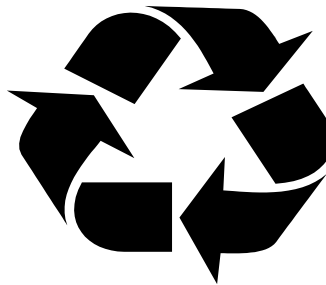
| | Actual FY 2015 | Actual FY 2016 | Estimated FY 2017 | Estimated FY 2018 |
|--|-------------------|-------------------|----------------------|----------------------|
| Trash Collected (Tons) | 2,338 | 2,491 | 2,500 | 2,500 |
| Recyclables Collected by Contractor (Tons) | 1,045 | 1,102 | 1,450 | 1,300 |

Significant Budget Items

- * Transfer of \$50,000 to the General Fund to help pay for administrative costs of the solid waste program being performed by existing staff in General Fund.

Program Accomplishments

- * Created and mailed a Solid Waste Calendar to all residents who have solid waste service within the City.
- * Continued to oversee the outsourcing of the trash collection service to Bay Disposal.
- * Worked with VPPSA, County Waste and the residents to make the recycling program change as smooth as possible.



SOLID WASTE FUND - BULKY ITEM AND LANDSCAPING

Expenditures Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | \$ | % |
|---------------------------------|------------|------------|------------|------------|------------|------------|--------------|-------------|-----------|
| | Actual | Actual | Adopted | Revised | Estimated | Department | City Council | Change | Change |
| | | | Budget | Budget | Expenses | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | | Budget | Budget | Budget | Budget |
| Personnel Services | \$ 83,795 | \$ 82,891 | \$ 93,775 | \$ 93,775 | \$ 93,775 | \$ 91,024 | \$ 91,024 | \$ (2,751) | -2.9% |
| Operating Expenses | 167,444 | 178,248 | 186,041 | 186,041 | 186,041 | 169,058 | 169,058 | (16,983) | -9.1% |
| Capital Outlay | 25,893 | 197 | | - | - | - | - | - | n/a |
| Transfer to General Fund | - | - | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | - | 0.0% |
| Totals | \$ 277,132 | \$ 261,336 | \$ 329,816 | \$ 329,816 | \$ 329,816 | \$ 310,082 | \$ 310,082 | \$ (19,734) | -6.0% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|-----------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Equipment Operator II | 1 | 1 | 1 | 1 | 1 |
| Totals | 1 | 1 | 1 | 1 | 1 |

Goals and Objectives

- * Furnish bulky item and landscaping debris pickup for the citizens of Poquoson.
- * Collect waste oil and batteries for recycling.
- * Collect metal items for recycling to help reduce disposal costs.
- * Continue to pick up bulk items and landscaping debris within seven days from when it is placed in the City's right-of-way and /or when a request from the property owner has been received.
- * Continue to operate Convenience Site drop off for citizens.
- * Furnish manpower and trucks for leaf pickup program, every other week from November through February.
- * Assist in the recycling of landscaping debris to produce mulch and compost throughout the year, including seasonal Christmas trees collected and delivered to VPPSA Compost Facility.

SOLID WASTE FUND - BULKY ITEM AND LANDSCAPING

Major Departmental Functions

- * Furnish quality service to the citizens of Poquoson.
- * Complete all bulky item and landscaping debris pickup within one week.
- * Educate citizens about the availability and use of the regional composting facility in York County.
- * Educate citizens about the need to call in for debris pickups.

Performance Measures

| | Actual FY 2015 | Actual FY 2016 | Estimated FY 2017 | Estimated FY 2018 |
|---|---------------------------|---------------------------|------------------------------|------------------------------|
| Waste Oil Collected for Recycling (gallons) | 2,080 | 3,095 | 2,300 | 2,300 |
| Bulky Item Debris Collected for Disposal* | 1,041 | 2,212 | 1,400 | 2,300 |
| Landscape Debris Collected for Recycling* | 1,136 | 1,116 | 1,200 | 1,200 |
| Convenience site visitors | 6,137 | 7,349 | 6,500 | 7,500 |
| Used Tires Collected for Recycling | 294 | 474 | 400 | 400 |

* Amounts given in tons

Significant Budget Items

- * Decrease in budget due to a reduction in contracted labor.

Program Accomplishments

- * Provided good and dependable bulky item and landscaping debris pickup service. Received compliments on how clean the City employees leave the bulky item area after pickup.
- * Picked up storm debris using only City workforce.
- * Continued to provide the convenience site.
- * Continued to pick up leaves bi-weekly (seasonally).
- * Provided chemical drop off for residents.

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UTILITIES FUND - SUMMARY

Utilities Fund Description

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.

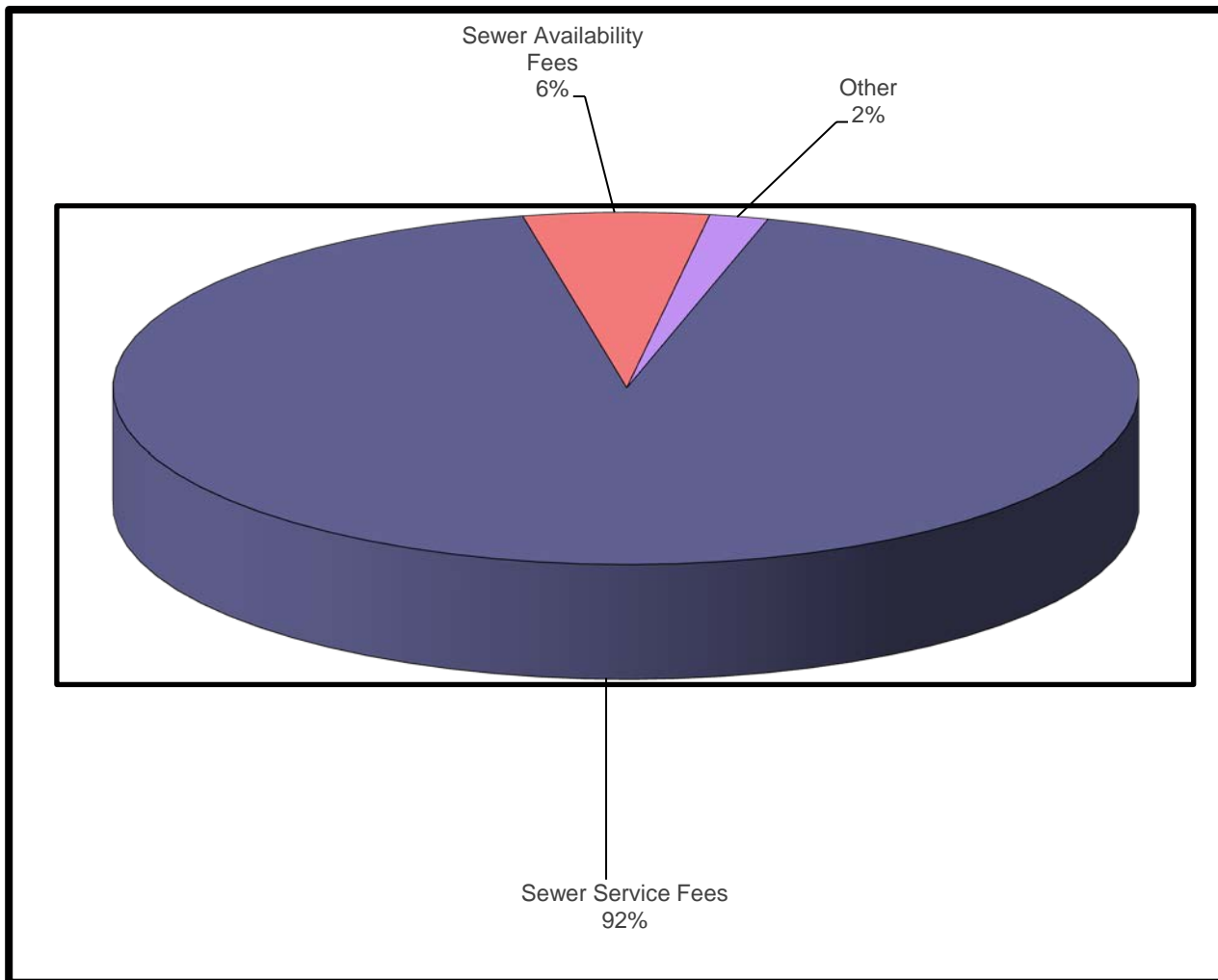
Utilities Fund Projection of Net Assets

| | | |
|---|--------------|-------------------------------------|
| Beginning Net Assets - 7/1/2014 | | \$ 5,681,024 |
| Actual FY 2015 Revenues | \$ 1,903,615 | |
| Actual FY 2015 Expenses | (1,670,881) | 232,734 |
| Net Assets - 6/30/2015 | | <u>\$ 5,913,758</u> |
| Actual FY 2016 Revenues | \$ 2,050,110 | |
| Actual FY 2016 Expenses | (1,635,293) | 414,817 |
| Net Assets - 6/30/2016 | | <u>\$ 6,328,575</u> |
| Estimated FY 2017 Revenues | \$ 2,130,430 | |
| Estimated FY 2017 Expenses | (2,130,430) | - |
| Projected Net Assets - 6/30/2017 | | <u>\$ 6,328,575</u> |
| Estimated FY 2018 Revenues | \$ 2,052,145 | |
| Estimated FY 2018 Expenses | (2,052,145) | - |
| Projected Net Assets - 6/30/2018 | | <u><u>\$ 6,328,575</u></u> * |

*Includes undepreciated fixed assets and unrestricted net assets.

UTILITIES FUND - SUMMARY

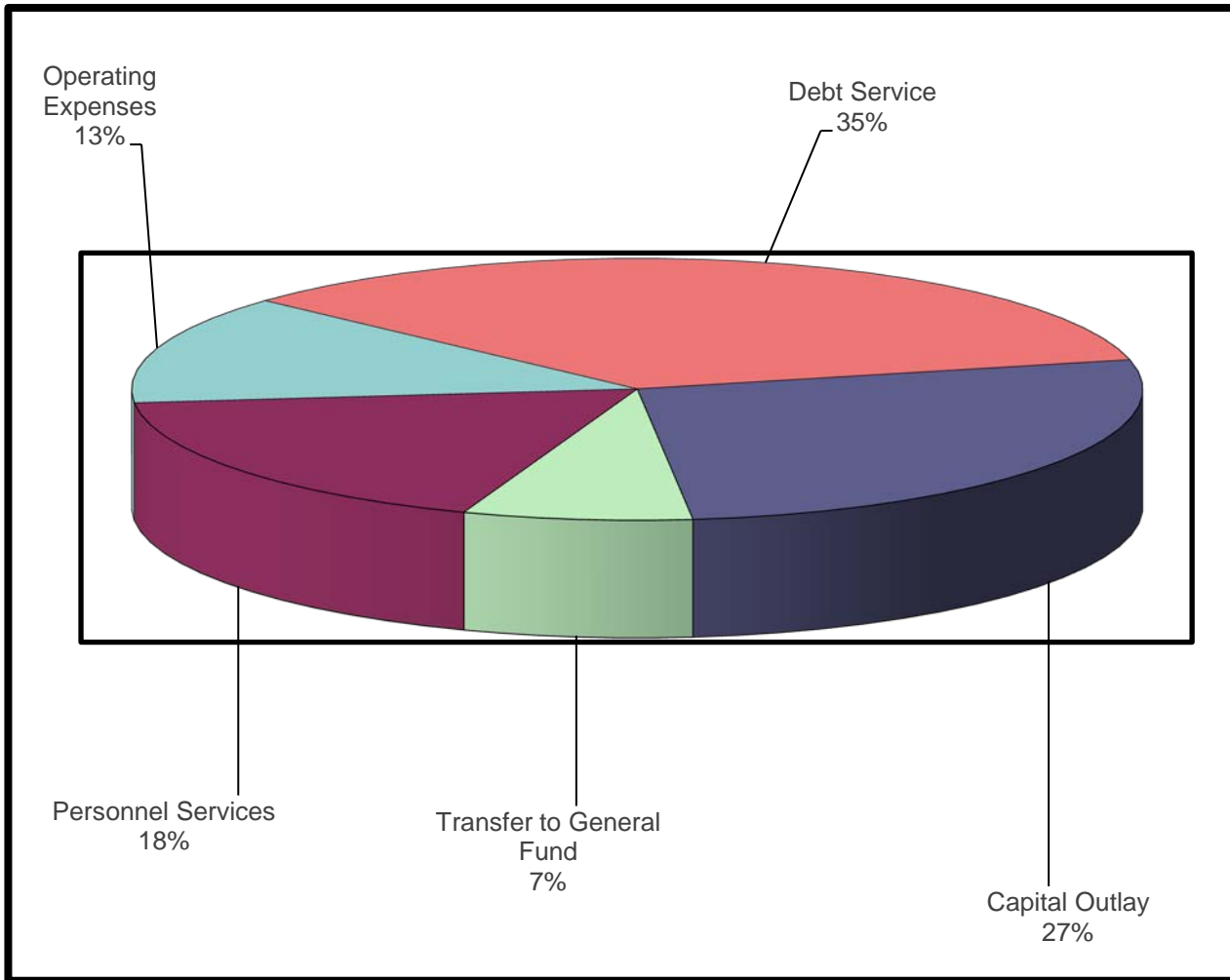
Utilities Fund Revenue



| <u>Utilities Fund Revenue</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|-------------------------------|------------------------------|----------------------------|
| Sewer Service Fees | \$1,860,430 | \$1,894,145 |
| Sewer Availability Fees | 240,000 | 120,000 |
| Other | 30,000 | 38,000 |
| TOTAL | <u>\$2,130,430</u> | <u>\$2,052,145</u> |

UTILITIES FUND - SUMMARY

Utilities Fund Expenditures



| <u>Utilities Fund Expenditures</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|------------------------------------|------------------------------|----------------------------|
| Personnel Services | \$314,047 | \$364,425 |
| Operating Expenses | 267,872 | 276,996 |
| Debt Service | 707,071 | 710,068 |
| Capital Outlay | 691,440 | 550,656 |
| Transfer to General Fund | 150,000 | 150,000 |
| TOTAL | <u>\$2,130,430</u> | <u>\$2,052,145</u> |

UTILITIES FUND - REVENUE

Utilities Revenue

| Account Title | FY 2015 Actual | FY 2016 Actual | FY 2017 Revised Budget | FY 2017 Estimated Revenue | FY 2018 Department Request Revenue | FY 2018 City Council Adopted Revenue | \$ Change From 2017 Budget | % Change From 2017 Budget |
|---|---------------------|---------------------|------------------------------|---------------------------------|---|---|-------------------------------------|------------------------------------|
| Sewer Service Fees | \$ 1,815,011 | \$ 1,841,626 | \$ 1,860,430 | \$ 1,860,430 | \$ 1,894,145 | \$ 1,894,145 | \$ 33,715 | 1.8% |
| Sewer Availability Fees | 51,000 | 173,400 | 240,000 | 240,000 | 120,000 | 120,000 | (120,000) | -50.0% |
| Notes Receivable - Interest | 272 | 167 | - | - | - | - | - | 0.0% |
| Miscellaneous Revenue | 4,247 | 120 | - | - | - | - | - | 0.0% |
| Late Payment Fees | 33,006 | 34,903 | 30,000 | 30,000 | 38,000 | 38,000 | 8,000 | 26.7% |
| Interest Income | 79 | (106) | - | - | - | - | - | 0.0% |
| TOTAL REVENUE & TRANSFERS IN | \$ 1,903,615 | \$ 2,050,110 | \$ 2,130,430 | \$ 2,130,430 | \$ 2,052,145 | \$ 2,052,145 | (78,285) | -3.7% |

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 FY 2018, the Sewer Service fee is proposed at \$62 bi-monthly.

The Sewer Ordinance has a sliding scale that is offered to households that meet certain income requirements. It is estimated that \$36,363 of sewer fees is waived due to the scale. Revenues from reduced fee accounts are estimated to be \$11,625.

Sliding Scale Sewer Service Fees:

| Combined Income | FY 2017 Adopted Bi-Monthly Fees | FY 2018 Bi-Monthly Proposed Fees | Projected Number of Accounts | FY 2018 Revenue | FY 2018 Estimated Loss Revenue |
|-------------------------------|--|---|------------------------------------|---------------------|---|
| \$25,000 or less | \$0 | \$0 | 59 | \$ - | \$ 21,948 |
| 25,001 - 33,000 | 15.50 | 15.50 | 31 | 2,883 | 8,649 |
| 33,001 - 40,000 | 31.00 | 31.00 | 23 | 4,278 | 4,278 |
| 40,001 - 47,000 | 46.50 | 46.50 | 16 | 4,464 | 1,488 |
| over 47,001 | 62.00 | 62.00 | 4,875 | 1,813,500 | - |
| FY 2018 new sewer connections | | | 65 | 12,834 | - |
| | | | 5,069 | \$ 1,837,959 | \$ 36,363 |

In FY 2018, there are an estimated 5,069 users of sewer for total revenues of \$1,837,959, including an estimated 65 new homes that will connect to sewer and pay bi-monthly fees totaling \$12,834.

Commercial users are charged the flat sewer service fee plus a fee based on water consumption. In FY 2018, the commercial fee is proposed at \$1.75 for every 100 cubic feet of water consumed. In FY 2018, it is estimated that \$56,186 in commercial water consumption fees will be collected.

UTILITIES FUND - REVENUE

Sewer Availability Fees: The sewer availability fee for a vacant lot is \$6,000. For FY 2018, it is estimated that new properties will generate \$120,000 in revenue.

The Sewer Availability Fee is as follows:

| Water Meter Size (inches) | <u>Availability Fee</u> |
|---------------------------|-------------------------|
| 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.

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

UTILITIES FUND - EXPENDITURES

Expenditures Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|--------------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 300,699 | \$ 267,532 | \$ 314,047 | \$ 314,047 | \$ 414,847 | \$ 364,425 | \$ 50,378 | 16.0% |
| Operating Expenses | 222,884 | 276,719 | 267,871 | 267,871 | 276,996 | 276,996 | 9,125 | 3.4% |
| Depreciation & Amortization | 628,175 | 631,275 | - | - | - | - | - | n/a |
| Debt Service | 278,343 | 260,348 | 707,071 | 707,071 | 710,068 | 710,068 | 2,997 | 0.4% |
| Transfer to General Fund | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | - | 0.0% |
| Capital Outlay* | 90,780 | 49,423 | 691,441 | 691,441 | 500,234 | 550,656 | (140,785) | -20.4% |
| Totals | \$ 1,670,881 | \$ 1,635,297 | \$ 2,130,430 | \$ 2,130,430 | \$ 2,052,145 | \$ 2,052,145 | \$ (78,285) | -3.7% |

*Capital Outlay does not include larger capital expenditures paid for with bond issuances.

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|-----------------------------|------------|------------|------------|------------------------------|-----------------------------------|
| | Authorized | Authorized | Authorized | Department Request Positions | City Council Authorized Positions |
| Superintendent of Utilities | 1 | 1 | 1 | 1 | 1 |
| Utilities Foreman | 1 | 1 | 1 | 1 | 1 |
| Technical Assistant | 0 | 0 | 0 | 1 | 1 |
| Utilities Technician | 1 | 1 | 1 | 1 | 1 |
| Utilities Worker | 1 | 1 | 1 | 1 | 1 |
| Administrative / Finance | 0 | 0 | 0 | 1 | 0 |
| Totals | 4 | 4 | 4 | 6 | 5 |

Goals and Objectives

- * Maintain current level of system reliability and provide 24 hour emergency service.
- * Continue to operate the sewer system in a safe and cost effective manner.
- * Develop a FOG (Fat, Oil, Grease) elimination program.
- * Replace pumps in stations with upgrade.

UTILITIES FUND - EXPENDITURES

Major Departmental Functions

- * Operate and maintain the City's sanitary sewer system.
- * Train employees in the areas of system operation and safety.
- * Document and explain departmental programs and expenditures.
- * Assist in planning and inspections of proposed development and building projects within the City.
- * Coordinate with engineering on sewer extension, rehabilitation and other infrastructure projects.
- * Assist other departments with services and special projects.
- * Continue to meet the requirements for complying with the DEQ and EPA Consent Order and other mandated programs.

Performance Measures

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Estimated | FY 2018 Estimated |
|-------------------------------------|-------------------|-------------------|----------------------|----------------------|
| Force Main Miles | 12.1 | 12.4 | 12.4 | 12.4 |
| Grinder Pump Stations | 19 | 19 | 19 | 19 |
| Laterals Cleaned bi-monthly | 11 | 14 | 14 | 14 |
| Laterals Cleaned bi-yearly | 16 | 16 | 16 | 16 |
| Laterals Installed | 0 | 4 | 4 | 4 |
| Laterals Repaired | 12 | 15 | 15 | 15 |
| Back-up Calls | 0 | 90 | 70 | 80 |
| Locations Marked for Miss Utilities | 1,826 | 2,244 | 2,200 | 2,300 |
| Pump Stations | 29 | 29 | 29 | 29 |
| Pumps Repaired | 18 | 8 | 10 | 10 |
| Sewer Connections | 4,910 | 4,932 | 5,004 | 5,059 |
| Sewer Gravity Miles | 51.3 | 51.3 | 51.7 | 51.7 |
| Pumps Replaced | 5 | 1 | 4 | 3 |
| Grinder Pumps Replaced | 13 | 1 | 4 | 2 |

Significant Budget Items

- * Increase in personnel services for a technical assistant.

Program Accomplishments

- * Continued to maintain a high level of system reliability and service.
- * Expanded opportunity for employee training.
- * Met the requirements of the "Miss Utilities" system.
- * Worked with local jurisdictions to have the State Water Control Board Consent Order modified and approved.
- * The collection system for Station #14 (Robert's Landing) was sealed from infiltration with cured in place pipe.
- * The new standby generator at station #2 was successfully installed, tested and certified.
- * Upgraded control panel at pump stations #11 and #17.
- * Installed security/alarm system at Public Works Administration office.

UTILITIES FUND CAPITAL PROJECTS - CIP PLAN SUMMARY

FY 2018 Utilities Fund Capital Projects

Proposed CIP Summary FY 2018 -- Beyond FY 2022

| Project | FY 2018 Adopted Budget | FY 2018 Proposed Project | FY 2019 Proposed Project | FY 2020 Proposed Project | FY 2021 Proposed Project | FY 2022 Proposed Project | Beyond FY 2022 Proposed Project | Total Cost |
|---|------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--|--------------------|
| Facility Projects | | | | | | | | |
| Pump Station Generators | \$ 158,000 | \$158,000 | \$ 158,000 | \$ - | \$ - | \$ - | \$ - | \$ 316,000 |
| Sewer Cleaning Truck | 130,000 | 130,000 | - | - | - | - | - | 130,000 |
| PS 10 Replacement Pumps | - | - | 65,000 | - | - | - | - | 65,000 |
| Pump Station Equipment Upgrades | 90,000 | 90,000 | 90,000 | 90,000 | | | | |
| Replacement of Power Supplies | - | - | 42,000 | 42,000 | 42,000 | 42,000 | 42,000 | 210,000 |
| Total Facility Projects | \$ 378,000 | \$378,000 | \$ 355,000 | \$132,000 | \$ 42,000 | \$ 42,000 | \$ 42,000 | 991,000 |
| Sanitary Sewer Evaluation Study (SSES) | | | | | | | | |
| Sanitary Sewer Consent Repairs | 280,000 | 280,000 | 350,000 | 350,000 | 350,000 | 350,000 | 350,000 | 2,030,000 |
| Street and Drainage: Projects are funded through | | | | | | | | |
| Total Utilities Projects | \$ 658,000 | \$658,000 | \$ 705,000 | \$482,000 | \$392,000 | \$392,000 | \$ 392,000 | \$3,021,000 |

Expenditure Explanations

The FY 2018 - Beyond FY 2022 CIP prepared by staff will be presented to the Poquoson Planning Commission at a later date. After reviewing the Plan and holding a public hearing, the Commission recommends its adoption to City Council. Subsequent to the Planning Commission's recommendation, City Council will hold a public hearing. Adoption of the CIP will occur after the public hearing and discussions.

FLEET MANAGEMENT FUND - SUMMARY

Fleet Management Fund Description

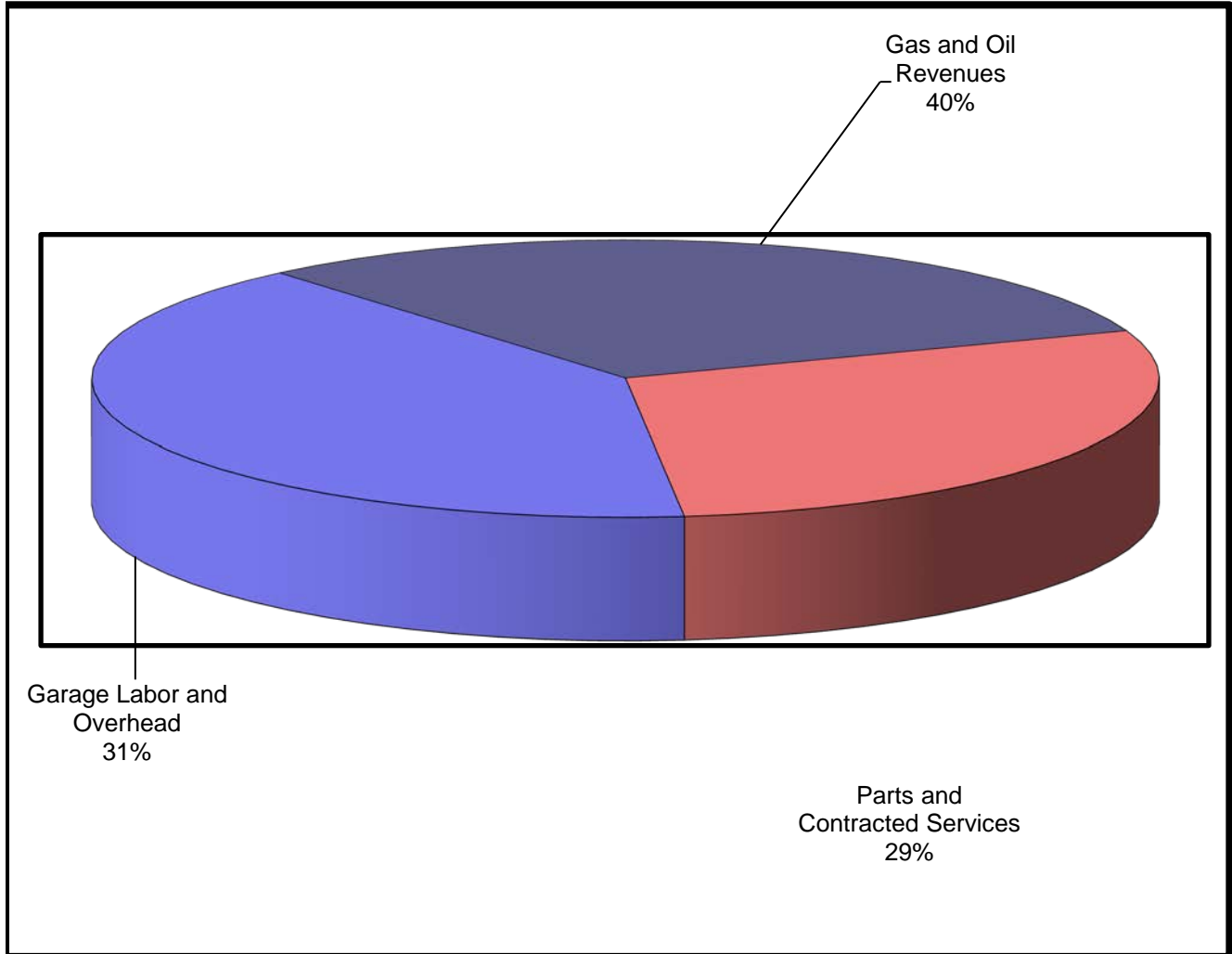
The Fleet Management Fund is operated as an Internal Service Fund. An Internal Service Fund is used to account for the financing of costs of services provided by one department to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis. Internal 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.

Fleet Management Projection of Net Assets

| | | |
|---|------------------|-----------------------------------|
| Beginning Net Assets - 6/30/2014 | | \$ (124,648) |
| Actual FY 2015 Revenues | \$ 699,207 | |
| Actual FY 2015 Expenses | <u>(721,696)</u> | <u>(22,489)</u> |
| Net Assets - 6/30/2015 | | \$ (147,137) |
| Actual FY 2016 Revenues | \$ 688,662 | |
| Actual FY 2016 Expenses | <u>(675,626)</u> | <u>13,036</u> |
| Net Assets - 6/30/2016 | | \$ (134,101) |
| Estimated FY 2017 Revenues | \$ 725,758 | |
| Estimated FY 2017 Expenses | <u>(725,758)</u> | <u>-</u> |
| Projected Net Assets - 6/30/2017 | | \$ (134,101) |
| Estimated FY 2018 Revenues | \$ 729,281 | |
| Estimated FY 2018 Expenses | <u>(729,281)</u> | <u>-</u> |
| Projected Net Assets - 6/30/2018 | | <u><u>\$ (134,101)</u></u> |

FLEET MANAGEMENT FUND - SUMMARY

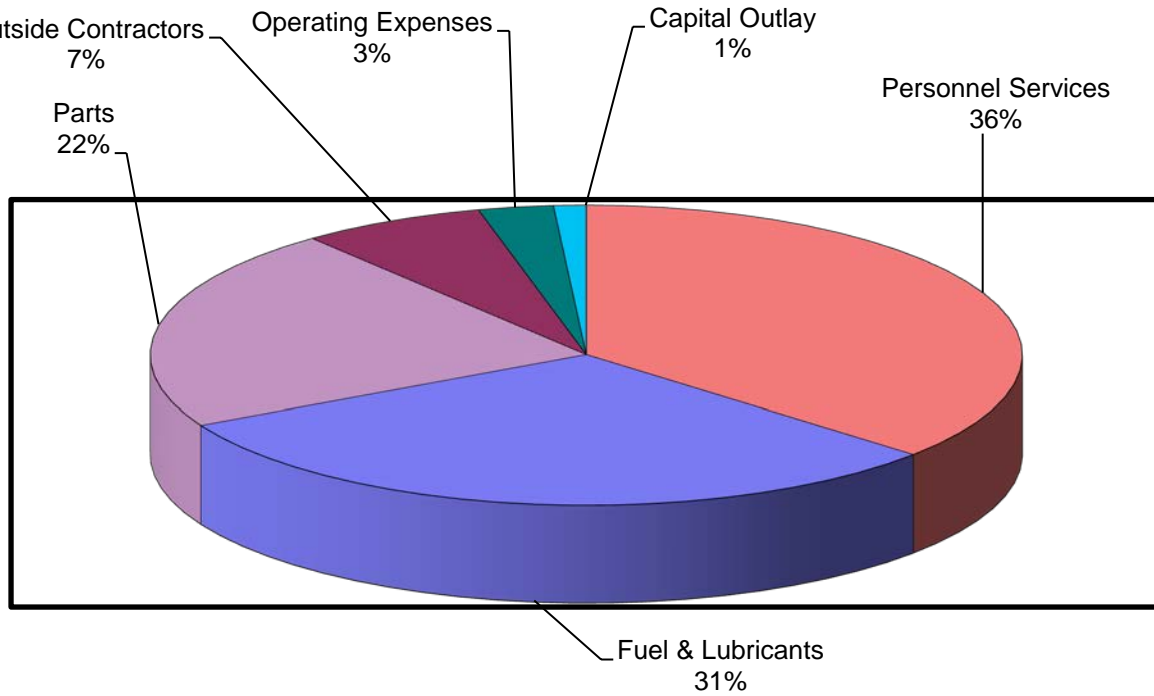
Fleet Management Revenue



| <u>Fleet Management Revenue</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|---------------------------------|------------------------------|----------------------------|
| Parts and Contracted Services | \$ 210,510 | \$ 210,000 |
| Garage Labor and Overhead | 227,497 | 295,477 |
| Gas and Oil Revenues | <u>287,751</u> | <u>223,804</u> |
| TOTAL | <u>\$ 725,758</u> | <u>\$ 729,281</u> |

FLEET MANAGEMENT FUND - SUMMARY

Fleet Management Expenses



| <u>Fleet Management Expenses</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|----------------------------------|------------------------------|----------------------------|
| Personnel Services | \$ 262,069 | \$ 266,401 |
| Fuel & Lubricants | 227,497 | 223,804 |
| Parts | 162,510 | 160,000 |
| Outside Contractors | 48,000 | 50,000 |
| Operating Expenses | 20,182 | 20,276 |
| Capital Outlay | 5,500 | 8,800 |
| TOTAL | <u>\$ 725,758</u> | <u>\$ 729,281</u> |

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FLEET MANAGEMENT FUND - REVENUE

Fleet Management Revenue

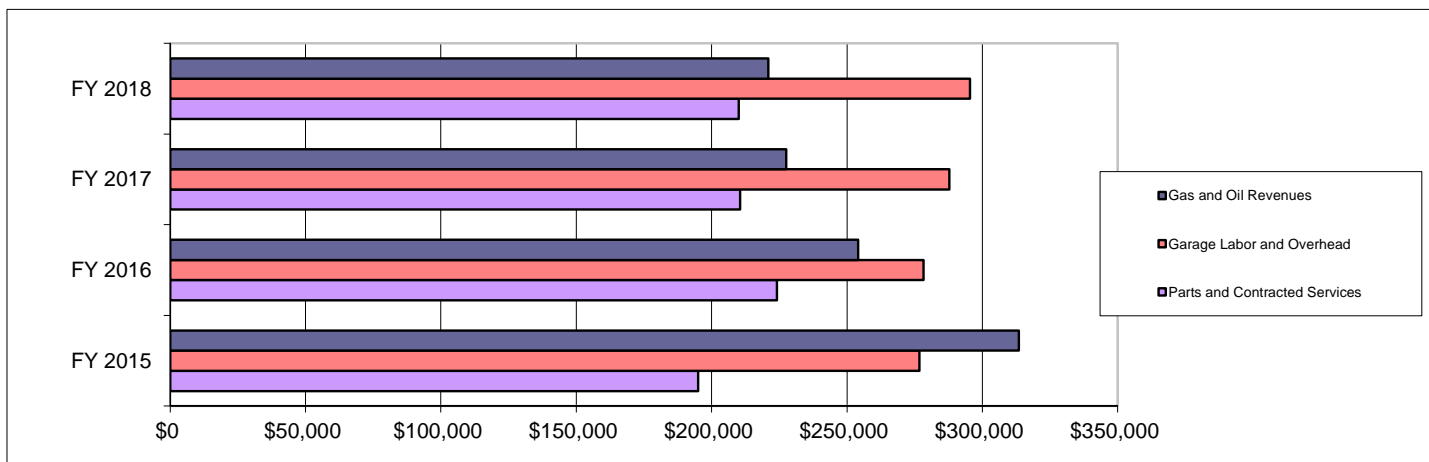
| Account Title | FY 2015 Actual | FY 2016 Actual | FY 2017 | | | FY 2018 City Council Adopted Revenue | \$ | | % | |
|-------------------------------|-------------------|-------------------|--------------------|------------------------------|---------------------------------|---|--|--|--|--|
| | | | Original Budget | FY 2017 Revised Budget | FY 2017 Estimated Revenue | | Change From 2017 Revised Budget | | Change From 2017 Revised Budget | |
| Parts and Contracted Services | \$ 209,457 | \$ 260,479 | \$ 210,510 | \$ 210,510 | \$ 210,510 | \$ 210,000 | \$ (510) | | -0.2% | |
| Garage Labor and Overhead | 276,804 | 278,324 | 287,751 | 287,751 | 287,751 | 295,477 | 7,726 | | 2.7% | |
| Gas and Oil Revenues | 212,946 | 149,859 | 227,497 | 227,497 | 227,497 | 223,804 | (3,693) | | -1.6% | |
| Transfer from General Fund | - | - | - | - | - | - | - | | - | |
| TOTAL REVENUE | \$ 699,207 | \$ 688,662 | \$ 725,758 | \$ 725,758 | \$ 725,758 | \$ 729,281 | \$ 3,523 | | 0.5% | |

Revenue Explanations

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 2018 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 FY 2018. Departments' labor line item is charged based on 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 \$2.50 per gallon of fuel. Usage is an estimated 47,900 gallons of diesel fuel and 38,000 gallons of gasoline. Anticipated oil usage is 2,049 gallons at a cost of \$2.50 per gallon.



FLEET MANAGEMENT FUND - EXPENSES

Expense Summary

| | | | FY 2017 | | FY 2018 | FY 2018 | \$ | % |
|--------------------|------------|------------|------------|------------|------------|--------------|-----------|-----------|
| | FY 2015 | FY 2016 | Original | FY 2017 | Department | City Council | Change | Change |
| | Actual | Actual | Adopted | Revised | Request | Adopted | From 2017 | From 2017 |
| | | | Budget | Budget | Budget | Budget | Revised | Revised |
| | | | | | | | Budget | Budget |
| Personnel Services | \$ 242,961 | \$ 233,033 | \$ 262,069 | \$ 262,069 | \$ 268,366 | \$ 266,401 | \$ 4,332 | 1.7% |
| Operating Expenses | 465,634 | 434,692 | 458,189 | 458,189 | 528,213 | 454,080 | (4,109) | -0.9% |
| Capital Outlay | 13,101 | 7,901 | 5,500 | 5,500 | 17,101 | 8,800 | 3,300 | 60.0% |
| Totals | \$ 721,696 | \$ 675,626 | \$ 725,758 | \$ 725,758 | \$ 813,680 | \$ 729,281 | \$ 3,523 | 0.5% |

Personnel Summary

| | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2018 |
|------------------------------|------------|------------|------------|------------|--------------|
| | Authorized | Authorized | Authorized | Department | City Council |
| | | | | Request | Authorized |
| | | | | Positions | Positions |
| Fleet Maintenance Supervisor | 1 | 1 | 1 | 1 | 1 |
| Chief Mechanic | 1 | 1 | 1 | 1 | 1 |
| Mechanic | 1 | 1 | 1 | 1 | 1 |
| Office Manager (FTE) | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Totals | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 |

Goals and Objectives

- * Maintain a safe, serviceable fleet of approximately 324 vehicles and equipment at the lowest possible costs to the individual departments. At the same time we must be cognizant of the demand and need of the equipment to the user. Every repair is balanced between need and costs, while never overlooking safety.
- * Provide vehicle users with safe and dependable vehicles.
- * Purchase vehicle and equipment parts and components from the most cost effective supplier.
- * Perform as many repairs in-house as economically and practically possible.
- * Ensure that all Vehicle Maintenance personnel are kept abreast of the many changes that occur in the various vehicles and equipment.
- * Assist departments in replacement of vehicles and equipment that are no longer economical to maintain through or monitoring of repair frequency, cost and vehicle downtime.
- * Provide a safe working environment through safety programs that identify potential hazards and train employees to identify and correct these discrepancies.
- * De-brief vehicle operators whenever possible to ensure all discrepancies are identified and corrected.
- * Coordinate repair costs with Department managers when extensive repairs are needed on their vehicles.
- * Maintain a labor rate of at least 85% of available man hours.
- * Maintain effective communication between Vehicle Maintenance and other City Departments.

FLEET MANAGEMENT FUND - EXPENSES

Major Departmental Functions

- * Perform necessary repairs to City and School vehicles and equipment.
- * Perform State and locally established safety and preventive maintenance inspections and services.
- * Ensure a qualified mechanic is available to respond to emergencies after normal working hours.
- * Provide training and/or education to staff regarding changes in vehicle/equipment repair and maintenance.
- * Maintain complete service records, including costs and downtime, for all vehicles and equipment.
- * Provide technical assistance to Department Heads concerning vehicle and equipment replacement.
- * Develop vehicle and equipment repair estimates for budgeting purposes.
- * Assist in safety, disaster preparedness, and other programs involving the operation of motor vehicles.

Performance Measures

| | Actual FY 2015 | Actual FY 2016 | Estimated FY 2017 | Estimated FY 2018 |
|---|---------------------------|---------------------------|------------------------------|------------------------------|
| Number of Vehicles & Equipment | 308 | 324 | 300 | 320 |
| % of Maintenance Performed In-House | 98% | 98% | 98% | 98% |
| Scheduled Maintenance Work Orders | 477 | 503 | 500 | 510 |
| Scheduled Work % | 35% | 35% | 35% | 35% |
| Unscheduled Maintenance Work Orders | 1,281 | 1,286 | 900 | 1,000 |
| Unscheduled Work % | 65% | 65% | 65% | 65% |
| Direct Labor Hours | 5,144 | 5,360 | 5,200 | 5,400 |
| % Direct Labor Hours of Available Hours | 89% | 89% | 85% | 85% |
| Sublet Work Orders (Outside Repairs) | 52 | 124 | 75 | 120 |
| Service Calls for Repairs Out of Shop | 69 | 82 | 70 | 80 |
| Quality Control Inspections % | 4% | 4% | 4% | 5% |
| Parts Transactions | 2,809 | 4,000 | 4,000 | 3,500 |

Significant Budget Items

- * Increase in capital outlay due to anticipated purchase of some small equipment and tools.

Program Accomplishments

- * Maintained 90% or higher on in-house repairs.
- * All over visual inspections during preventative maintenance work and addressing issues seen during inspections has cut back overall parts transactions and cost.

FLEET MANAGEMENT FUND - EXPENSES

FY 2018 costs charged to City Departments and Schools

| | Actual FY 2015 Parts | Actual FY 2016 Parts | Budget FY 2017 Parts | Adopted Budget FY 2018 Parts | Actual FY 2015 Gas & Oil | Actual FY 2016 Gas & Oil | Budget FY 2017 Gas & Oil | Adopted Budget FY 2018 Gas & Oil | Actual FY 2015 Overhead | Actual FY 2016 Overhead | Budget FY 2017 Overhead | Adopted Budget FY 2018 Overhead |
|-------------------------|----------------------------|----------------------------|----------------------------|---------------------------------------|--------------------------------|--------------------------------|--------------------------------|---|-------------------------------|-------------------------------|-------------------------------|--|
| Police | \$27,111 | \$31,507 | \$28,400 | \$22,763 | \$52,488 | \$37,082 | \$54,425 | \$59,031 | \$45,672 | \$53,436 | \$53,244 | \$53,184 |
| Fire | 31,657 | 28,108 | 31,110 | 41,086 | 17,007 | 14,400 | 18,073 | 21,373 | 42,900 | 27,828 | 35,676 | 36,960 |
| Inspections | - | - | 1,500 | 940 | 1,170 | 1,425 | 1,133 | 960 | 828 | 1,104 | 1,440 | 1,476 |
| Engineering | - | - | - | - | - | - | - | 988 | - | - | - | - |
| Public Works | 55,789 | 37,871 | 35,250 | 44,886 | 27,868 | 18,888 | 28,745 | 28,760 | 48,444 | 54,576 | 73,680 | 61,764 |
| General Properties | 1,360 | 1,949 | 950 | 1,080 | 1,352 | 1,260 | 610 | 1,481 | 2,772 | 2,508 | 3,159 | 2,952 |
| Mosquito | 15,087 | 34,758 | 17,400 | 16,270 | 11,414 | 8,344 | 11,015 | 14,495 | 18,000 | 18,648 | 20,136 | 20,388 |
| Parks | 490 | 153 | 600 | 1,555 | 329 | 850 | 850 | 850 | 1,380 | 840 | - | - |
| Events | - | - | - | - | 1,713 | 1,045 | 1,580 | 1,000 | - | - | - | - |
| Utilities | 8,462 | 35,453 | 14,300 | 12,225 | 10,433 | 7,974 | 12,203 | 11,030 | 11,076 | 15,312 | 10,068 | 9,744 |
| Solid Waste | 11,215 | 21,964 | 20,000 | 19,360 | 10,612 | 9,107 | 13,598 | 15,662 | 12,732 | 12,804 | 12,948 | 17,724 |
| Fleet | 604 | 98 | 450 | 450 | 506 | 275 | 547 | 547 | - | - | - | - |
| Total City Depts | \$151,775 | \$191,861 | \$149,960 | \$160,615 | \$134,892 | \$100,650 | \$142,779 | \$156,177 | \$183,804 | \$187,056 | \$210,351 | \$204,192 |
| Schools | 60,924 | 68,737 | 53,550 | 49,385 | 75,769 | 48,161 | 84,771 | 67,627 | 93,000 | 91,267 | 77,347 | 91,285 |
| Total Fleet | \$212,699 | \$260,598 | \$203,510 | \$210,000 | \$210,661 | \$148,811 | \$227,550 | \$223,804 | \$276,804 | \$278,323 | \$287,698 | \$295,477 |

SPECIAL REVENUE FUND/GRANTS - SUMMARY

Special Revenue Fund Description

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

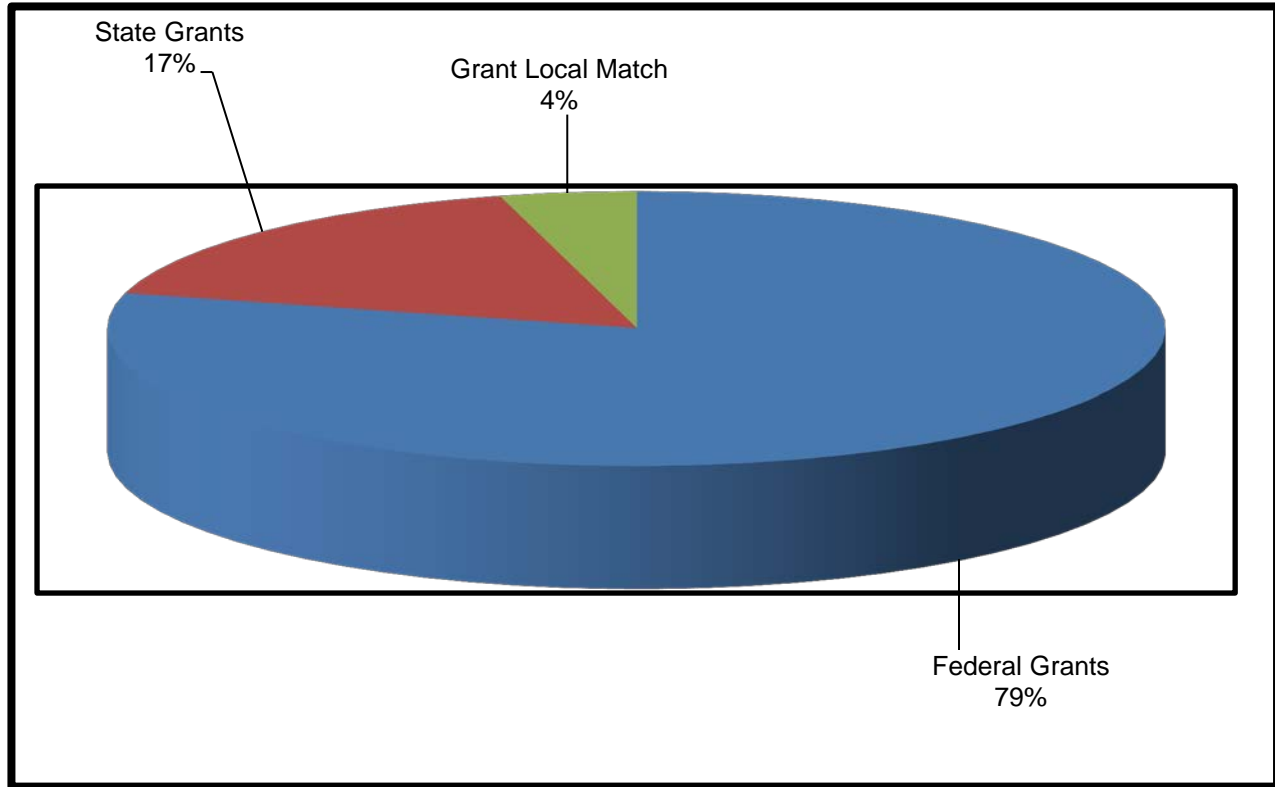
Currently, the City has four grants outstanding. They include an Enhancement Grant and three Hazard Mitigation Grants from the Federal Emergency Management Agency. All four grants are federally funded with the Hazard Mitigation grant having a State and local component. The Enhancement Grant is a pass-through from the Virginia Department of Transportation (VDOT). This grant was obtained to move and renovate the Tom Hunt Store to the Poquoson Museum property for public visitation. The Hazard Mitigation Grants are pass-through from the Virginia Department of Emergency Management for the elevation of 22 homes in the City.

Special Revenue Projection of Fund Balance

| | | |
|---|--------------------|-------------------------|
| Fund Balance - 6/30/2014 | | \$ 94,074 |
| Actual FY 2015 Revenues | \$ 10,743 | |
| Actual FY 2015 Expenditures | <u>(13,677)</u> | <u>(2,934)</u> |
| Fund Balance - 6/30/2015 | | \$ 91,140 |
| Actual FY 2016 Revenues | \$ 100,637 | |
| Actual FY 2016 Expenditures | <u>(101,106)</u> | <u>(469)</u> |
| Fund Balance - 6/30/2016 | | \$ 90,671 |
| Estimated FY 2017 Revenues | \$ 1,191,929 | |
| Estimated FY 2017 Expenditures | <u>(1,191,929)</u> | <u>-</u> |
| Projected Fund Balance 6/30/2017 | | \$ 90,671 |
| Estimated FY 2018 Revenues | \$ 2,557,395 | |
| Estimated FY 2018 Expenditures | <u>(2,557,395)</u> | <u>-</u> |
| Projected Fund Balance 6/30/2018 | | <u>\$ 90,671</u> |

SPECIAL REVENUE FUND/GRANTS - SUMMARY

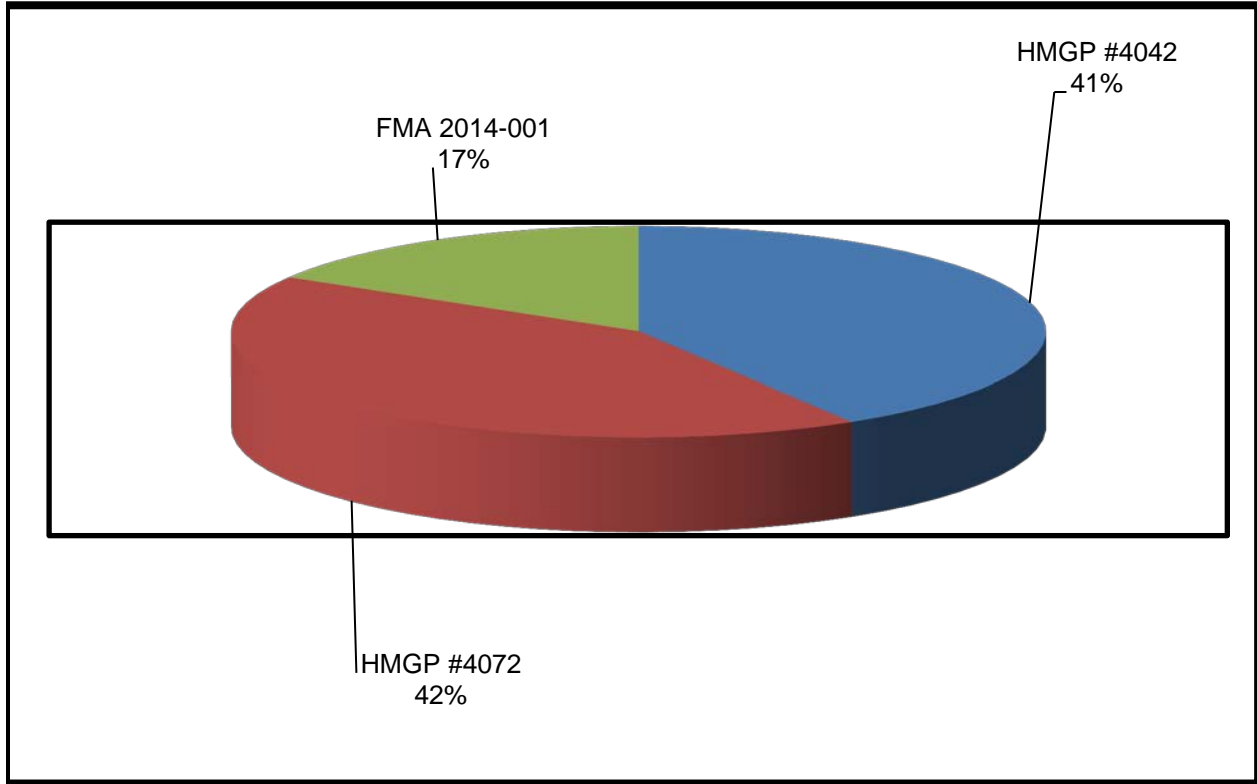
Special Revenue Fund Revenue



| <u>Special Revenue Fund Revenue</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|-------------------------------------|------------------------------|----------------------------|
| Federal Grants | \$ 899,659 | \$ 2,023,157 |
| State Grants | 233,816 | 427,391 |
| Grant Local Match | 58,454 | 106,847 |
| TOTAL | <u>\$ 1,191,929</u> | <u>\$ 2,557,395</u> |

SPECIAL REVENUE FUND/GRANTS - SUMMARY

Special Revenue Fund Expenditures



| <u>Special Revenue Fund Expenditures</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|--|------------------------------|----------------------------|
| HMGP #4042 | \$ 90,000 | \$ 1,055,703 |
| HMGP #4072 | 1,079,079 | 1,081,248 |
| FMA 2014-001 | 22,850 | 420,444 |
| TOTAL | <u>\$ 1,191,929</u> | <u>\$ 2,557,395</u> |

SPECIAL REVENUE/GRANTS FUND-REVENUE

Special Revenue Fund Revenue

| Account Title | Grant Award | FY 2015 Actual | FY 2016 Actual | FY 2017 Revised Budget | FY 2017 Estimated Revenue | FY 2018 Department | FY 2018 City Council | \$ Change From 2017 | % Change From 2017 |
|----------------------------|---------------------|------------------|-------------------|------------------------|---------------------------|---------------------|----------------------|-----------------------|--------------------|
| | | | | | | Estimated Revenue | Adopted Revenue | Revised Budget | Revised Budget |
| HMGP #4042 Local Match | \$ 58,233 | \$ 127 | \$ 821 | \$ 56,912 | \$ 4,500 | \$ 52,785 | \$ 52,785 | \$ (4,127) | -7.3% |
| HMGP #4042 State 20% | 232,933 | 510 | 3,282 | 227,648 | 18,000 | 211,141 | 211,141 | (16,507) | -7.3% |
| HMGP #4042 Federal 75% | 873,497 | 1,912 | 12,308 | 853,680 | 67,500 | 791,777 | 791,777 | (61,903) | -7.3% |
| HMGP #4042 Total | 1,164,663 | \$ 2,549 | \$ 16,411 | \$ 1,138,240 | \$ 90,000 | \$ 1,055,703 | \$ 1,055,703 | \$ (82,537) | -7.3% |
| | | | | | | | | | |
| HMGP #4072 Local Match | 111,896 | 409 | 3,471 | 107,980 | 53,954 | 54,062 | 54,062 | (53,918) | -49.9% |
| HMGP #4072 State 20% | 447,587 | 1,637 | 13,884 | 431,920 | 215,816 | 216,250 | 216,250 | (215,670) | -49.9% |
| HMGP #4072 Federal 75% | 1,678,452 | 6,140 | 52,066 | 1,619,700 | 809,309 | 810,936 | 810,936 | (808,764) | -49.9% |
| HMGP #4072 Total | 2,237,935 | 8,186 | 69,421 | 2,159,600 | 1,079,079 | 1,081,248 | 1,081,248 | (1,078,352) | -49.9% |
| | | | | | | | | | |
| FMA 2014 Federal 100% | 459,519 | - | 16,225 | 443,294 | 22,850 | 420,444 | 420,444 | (22,850) | -5.2% |
| | | | | | | | | | |
| VDOT Grant Local Match | n/a | - | | - | - | - | - | - | n/a |
| Museum VDOT Grant | n/a | - | | - | - | - | - | - | n/a |
| Interest Income | n/a | 8 | 5 | - | - | - | - | - | n/a |
| Transfer from General Fund | n/a | - | | - | - | - | - | - | n/a |
| | | | | | | | | | |
| TOTAL REVENUE | \$ 3,862,117 | \$ 10,743 | \$ 102,062 | \$ 3,741,134 | \$ 1,191,929 | \$ 2,557,395 | \$ 2,557,395 | \$ (1,183,739) | -31.6% |

Revenue Explanations

HMGP:

In FY 2015, the City was awarded two Hazard Mitigation Grants for the elevation of 19 homes to above flood level.

Grant #4042 is for \$1,164,662.50 which includes a 75% Federal share, 20% State share and a 5% local share paid by the property owner.

Grant #4072 is for \$2,237,934.80 which includes a 75% Federal share, 20% State share and a 5% local share paid by the property owner.

FMA:

Late in FY 2015, the City was awarded a Flood Mitigation Assistance Grant (FMA), in the amount of \$459,519 for the elevation of three homes as they were identified as severe repetitive loss (SRL) properties. FEMA provides 100% of the funds for the project.

Museum VDOT Grant:

Enhancement grant through the Virginia Department of Transportation for the purpose of moving and renovating the Tom Hunt Store to the Poquoson Museum property for public visitation.

SPECIAL REVENUE/GRANTS FUND - EXPENDITURES

Expenditures Summary of all Grants

| | | | | | | FY 2018 | FY 2018 | \$ | % |
|-------------------|---------------------|------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| | Grant | FY 2015 | FY 2016 | FY 2017 | FY 2017 | Department | City Council | Change | Change |
| | Award | Actual | Actual | Revised | Estimated | Request | Adopted | From 2017 | From 2017 |
| | | | | Budget | Expenditure | Budget | Budget | Budget | Revised |
| | | | | | | | | | Budget |
| HMGP #4042 | \$ 1,164,663 | \$ 2,549 | \$ 16,411 | \$ 1,138,240 | \$ 90,000 | \$ 1,055,703 | \$ 1,055,703 | \$ 965,703 | 1073.0% |
| HMGP #4072 | 2,237,935 | 8,186 | 69,421 | 2,159,600 | 1,079,079 | 1,081,248 | 1,081,248 | 2,169 | 0.2% |
| FMA 2014-001 | 459,519 | - | 16,225 | 443,294 | 22,850 | 420,444 | 420,444 | 397,594 | 1740.0% |
| CDBG Grant | - | - | - | - | - | - | - | - | n/a |
| Museum VDOT Grant | - | 8 | - | - | - | - | - | - | n/a |
| Totals | \$ 3,862,117 | \$ 10,743 | \$ 102,057 | \$ 3,741,134 | \$ 1,191,929 | \$ 2,557,395 | \$ 2,557,395 | \$ 1,365,466 | 114.6% |

Goals and Objectives

* Assure the grants obtained by the City of Poquoson are administered according to grant guidelines.

Major Fund Functions

* Administer Federal and State grants for the citizens of the City.

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SPECIAL REVENUE FUND/OPEB - SUMMARY

Special Revenue Fund Description

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 in 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 benefit, 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.

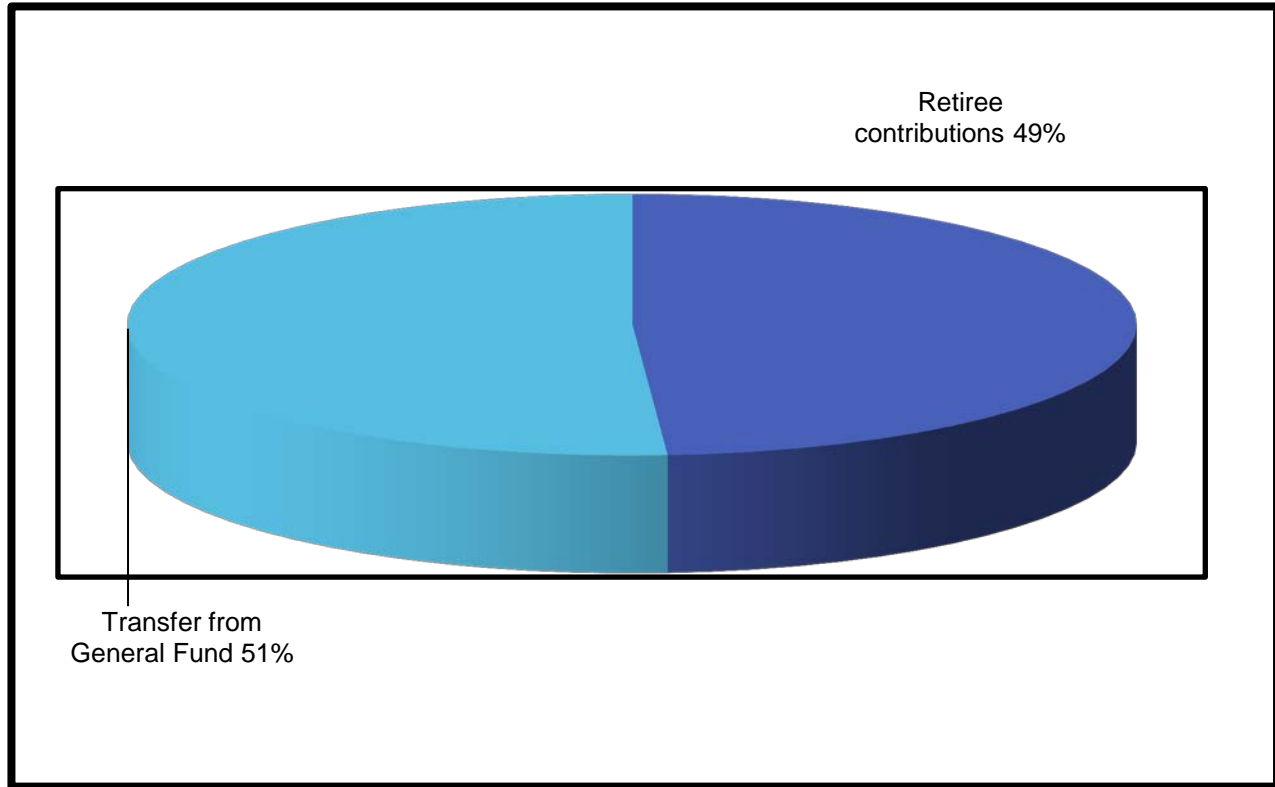
As part of a long-term funding plan for the benefit, the City joined the Virginia Pooled OPEB Trust Fund with other Virginia localities to begin funding and investing a portion of the projected liability.

Special Revenue Projection of Fund Balance

| | | |
|---|-----------------|--------------------------------|
| Fund Balance - 6/30/2016 | | \$ - |
| Estimated FY 2017 Revenues | \$ 56,740 | |
| Estimated FY 2017 Expenditures | <u>-</u> | <u>56,740</u> |
| Projected Fund Balance 6/30/2017 | | \$ 56,740 |
| Estimated FY 2018 Revenues | \$ 91,695 | |
| Estimated FY 2018 Expenditures | <u>(91,695)</u> | <u>-</u> |
| Projected Fund Balance 6/30/2018 | | <u><u>\$ 56,740</u></u> |

SPECIAL REVENUE FUND/OPEB - SUMMARY

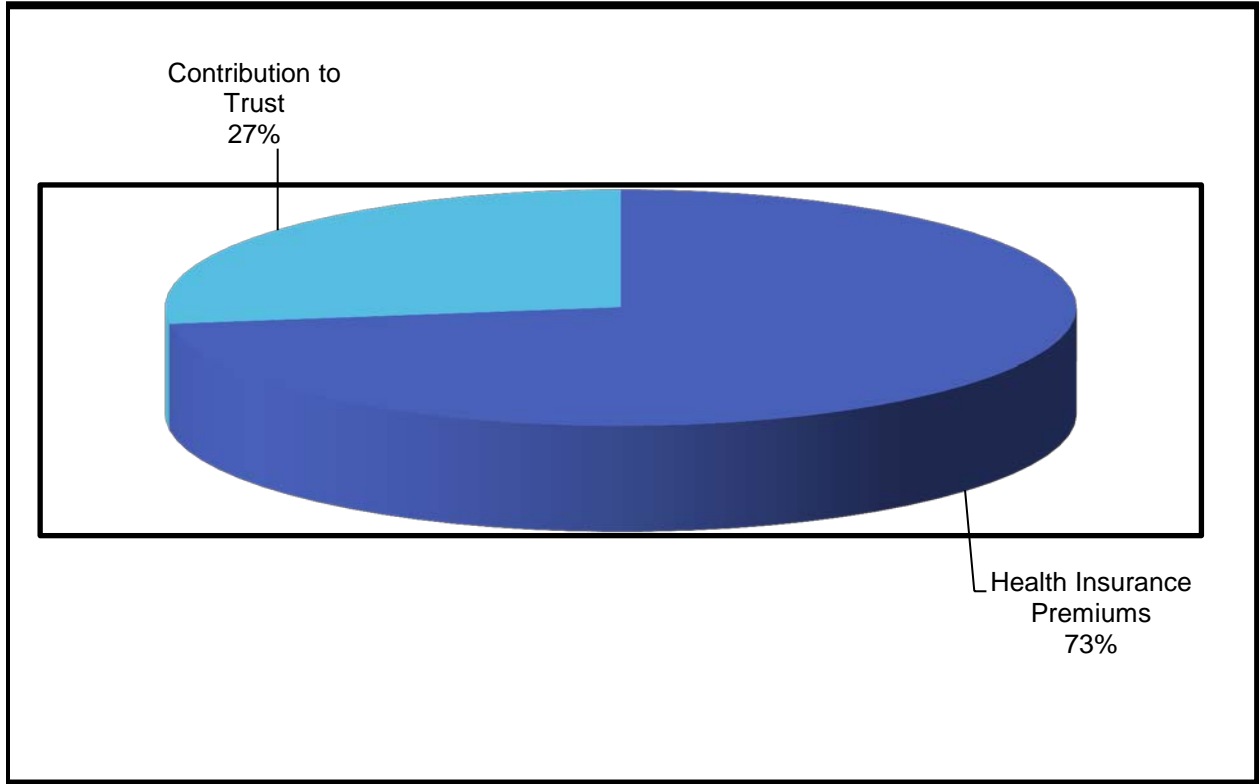
Special Revenue Fund Revenue



| <u>Special Revenue Fund Revenue</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|-------------------------------------|------------------------------|----------------------------|
| Retiree contributions | \$ - | \$ 44,830 |
| Transfer from General Fund | 56,740 | 46,865 |
| TOTAL | \$ 56,740 | \$ 91,695 |

SPECIAL REVENUE FUND/OPEB - SUMMARY

Special Revenue Fund Expenditures



| <u>Special Revenue Fund Expenditures</u> | <u>Estimated FY 2017</u> | <u>Adopted FY 2018</u> |
|--|------------------------------|----------------------------|
| Health Insurance Premiums | \$ - | \$ 66,695 |
| Contribution to Trust | - | 25,000 |
| TOTAL | <u><u>\$ -</u></u> | <u><u>\$ 91,695</u></u> |

SPECIAL REVENUE FUND/OPEB-REVENUE

Special Revenue Fund/OPEB Revenue

| Account Title | | | | | | | | | \$ | % |
|----------------------------|-------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------|
| | FY 2015 | FY 2016 | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2018 | FY 2018 | Change | Change |
| | Actual | Actual | Revised | Estimated | Department | City Manager | City Manager | City Manager | From 2017 | From 2017 |
| | | | Budget | Revenue | Estimated | Proposed | Proposed | Proposed | Revised | Revised |
| | | | | | Revenue | Revenue | Revenue | Revenue | Budget | Budget |
| Retiree Contributions | \$ - | \$ - | \$ - | \$ - | \$ 44,830 | \$ 44,830 | \$ 44,830 | \$ 44,830 | \$ 44,830 | 100.0% |
| Transfer from General Fund | - | - | 56,740 | 56,740 | 53,865 | 53,865 | 53,865 | (2,875) | (2,875) | -5.1% |
| TOTAL REVENUE | \$ - | \$ - | \$ 56,740 | \$ 56,740 | \$ 98,695 | \$ 98,695 | \$ 98,695 | \$ 98,695 | \$ 41,955 | 73.9% |

Revenue Explanations

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.

Transfer from the General Fund: Transfer to cover the City's portion of the retirement cost and to fund the contributions to the Trust.

SPECIAL REVENUE FUND/OPEB - EXPENDITURES

Expenditures Summary

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Revised Budget | FY 2017 Estimated Expenditure | FY 2018 Department Request Budget | FY 2018 City Manager Proposed Budget | \$ Change From 2017 Budget | % Change From 2017 Revised Budget |
|---------------------------|-------------------|-------------------|------------------------------|-------------------------------------|--|---|-------------------------------------|---|
| Health Insurance Premiums | \$ - | \$ - | \$ 56,740 | \$ - | \$ 66,695 | \$ 66,695 | \$ 9,955 | 17.5% |
| Contribution to Trust | - | - | - | - | 32,000 | 32,000 | \$ 32,000 | 100.0% |
| Totals | \$ - | \$ - | \$ 56,740 | \$ - | \$ 98,695 | \$ 98,695 | \$ 41,955 | 73.9% |

Goals and Objectives

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

Major Fund Functions

* Administer retiree other post employment benefits.

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APPENDIX

A Short History of Poquoson:

“Poquoson” is an Indian word for low, flat land. The City is believed to be one of the older English-speaking American settlements that still bears its original name.

Settlement of the Poquoson area was opened in 1628 by order of the Council of State at Jamestown. Many of the early settlers were plantation owners who, with their tenants and apprentices, originally lived south of the Back River. The Great Marsh and Messick Point were important shipping points as early as 1635 for tobacco and other products from the plantations.

After the Revolutionary War, the larger colonial plantations were divided and sold as smaller farms because they were no longer able to survive financially. Many of the people buying the farms were Methodists from Baltimore and the Eastern Shore area. Methodism is a prevailing denomination in the City today.

Poquoson remained a “backwater” farming and fishing community. While there was extensive civil war action on the Peninsula, there was no known war activity in Poquoson. However, many citizens fought for the confederacy.

Poquoson’s rural lifestyle started to change during World War I with the construction of Langley Field. Rapid changes and population growth occurred in the years following World War II. Farming and fishing quickly gave way to suburbanization.

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. Certain municipal offices and functions continue to be shared with York County.

Form of Government:

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 terms. The City is divided into three precincts. Each precinct is entitled to two representatives. One representative is elected at large and is the City Mayor. 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 various local boards, commissions and committees. The City Manager acts as Chief Executive and Administrative Officer of the City. The manager serves at the pleasure of Council, carries out its policies, directs business procedures and has the power of appointment and removal of the heads of all departments (except Constitutional Officers) as well as all other employees of the City.

Fiscal Year:

Begins July 1 and ends the following June 30.

APPENDIX

Assessments:

Real estate is assessed biennially at "fair market value" by the City Assessor. This value is currently estimated to be approximately 100% of actual value.

Taxes Due:

Real estate taxes are assessed as of the first day of July. Real estate and personal property taxes are payable in two installments each year on June 5 and December 5. Past due balances paid by the end of the month the taxes are due are assessed a 2% penalty. A penalty of \$10.00 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.

Overlapping Debt:

The City of Poquoson is autonomous and entirely independent of any other political subdivision of the State, being a separate and distinct political unit. It has no overlapping debt with other political units.

Land Area:

| | <u>Acres</u> | <u>Square Miles</u> |
|--------------|--------------|---------------------|
| Non-Wetlands | 4,997 | 7.8 |
| Wetlands | <u>4,398</u> | <u>6.9</u> |
| Total | <u>9,395</u> | <u>14.7</u> |

Miles of Roadway:

| | <u>Miles</u> |
|-----------|--------------|
| Primary | 4.44 |
| Secondary | <u>50.83</u> |
| Total | <u>55.27</u> |

Population:

| | |
|------------------------|--------|
| 1960 U.S. Census Count | 4,278 |
| 1970 U.S. Census Count | 5,441 |
| 1980 U.S. Census Count | 8,726 |
| 1990 U.S. Census Count | 11,005 |
| 2000 U.S. Census Count | 11,566 |
| 2010 U.S. Census Count | 12,150 |

Education:

| | <u>Number of Schools</u> | <u>Actual 2016 - 2017 Enrollment</u> |
|------------------|------------------------------|--|
| Primary (PK-2) | 1 | 384 |
| Elementary (3-5) | 1 | 472 |
| Middle (6-8) | 1 | 514 |
| High (9-12) | 1 | <u>693</u> |
| Total | | <u>2,063</u> |

GLOSSARY

ACCRUAL BASIS – A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

APPROPRIATION - An authorization made by the legislative body of a government, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

ASSESSED VALUATION - A valuation set upon real estate or other property by the City Assessor as a basis for levying property taxes.

BOND - A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date(s)) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

BUDGET – A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

CAPITAL IMPROVEMENTS PLAN (CIP) – A planning tool that identifies necessary capital projects for the City of Poquoson over a five-year period.

CAPITAL OUTLAY – Outlays resulting in the acquisition of, or addition to, fixed assets. Exceptions to this are major capital facilities which are constructed or acquired – such as, land and buildings. These are funded in the Capital Improvement Budget.

CHARGES FOR SERVICES – Fees the City charges users of government services, such as recreation fees, court costs, library fines, etc.

CONTINGENCY ACCOUNT - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

DEBT SERVICE – The annual principal and interest payments for the debt incurred by the City in the process of acquiring capital outlay or constructing capital facilities.

DEPARTMENT – A major administrative division of the City that has overall management responsibility for an operation or a group of related operations within a functional area.

DEPRECIATION - (1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence; (2) that portion of the cost of a capital asset which is charged as an expense during a particular period.

ECONOMIC DEVELOPMENT AUTHORITY (EDA) – A political subdivision of the Commonwealth of Virginia with such public and corporate powers as set forth in the Industrial Development & Revenue Act.

ENCUMBRANCES – The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for future expenditures.

ENTERPRISE FUND – Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

GLOSSARY

EQUALIZED TAX RATE – The tax rate which would levy the same amount of real estate tax revenue as the previous fiscal year when multiplied by the new total assessed value of real estate.

ESTIMATED REVENUES – Budgetary accounts which reflect the amount of revenue estimated to be accrued during the fiscal year.

EXPENDITURES - An outflow of resources that results in a decrease in the fund's net assets. Expenditures, used with governmental-type funds, are categorized as current expenditures, debt service, capital outlays, and other financing uses. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and on special assessment indebtedness secured by interest-bearing special assessment levies, which should be recognized when due.

EXPENSES - Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest, and other charges.

EXECUTIVE SUMMARY - A general discussion of the proposed budget presented in writing as a part of the budget document. The executive summary explains principal budget issues against the background financial experience in recent years and presents recommendations made by the City Manager.

FEDERAL GOVERNMENT – Revenue provided from the Funds provided by the Federal government to compensate the locality for Federal program impact, for programs jointly funded by the locality and the Federal government and outright grants.

FINES AND FORFEITURES – A broad range of fines and forfeitures for violations of local government ordinances.

FIXED ASSETS – Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FISCAL YEAR - A twelve-month period to which the annual budget applies and at the end of which a governmental unit determines its financial position and results of operation. The City of Poquoson uses July 1st to June 30th as its fiscal year.

FUND - An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

FUND BALANCE - The excess of a fund's assets over its liabilities. A negative fund balance is sometimes called a deficit.

GENERAL OBLIGATION BONDS - When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is also used to refer to bonds which are to be repaid from taxes and other general revenues.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) – This refers to a set of standard rules and procedures used to account for the receipt and expenditure of funds.

GLOSSARY

GENERAL PROPERTY TAXES – Taxes on real and personal property, both tangible and intangible, such as vehicles, real estate and business equipment. Interest and penalties on delinquent taxes are also included in the category.

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) – An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of generally accepted accounting principles for State and local government since its inception.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB) – The ultimate authoritative accounting and financial reporting standard-setting body for State and local governments. The GASB was established in June 1984 to replace the National Council on Governmental Accounting (NCGA).

GOVERNMENTAL FUNDS – Funds generally used to account for tax-supported activities. The City has four governmental funds: The general fund, debt service fund, capital projects fund and special revenue grant fund.

GRANT - A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grants are usually made for specified purposes.

INTERNAL SERVICE FUND – Proprietary fund type that is used to report an activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units on a cost-reimbursement basis.

LINE OF CREDIT (LOC) – Short-term interest bearing note issued by the government.

MODIFIED ACCRUAL ACCOUNTING - All governmental funds and expendable trust funds use the modified accrual basis of accounting. The private sector's accrual basis of accounting is "modified" for governmental units, so that revenue is recognized in the accounting period when it becomes measurable and available. Expenditures are recorded when the liability is incurred or in the absence of a liability, when the cash disbursement is made.

NET ASSETS, or EQUITY – The residual interest in the assets of an entity that remains after deducting its liabilities; sometimes referred to as equity.

OPERATING BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for the fiscal year and the proposed means of financing them (revenue estimates).

PERMITS, PRIVILEGES FEES, AND REGULATORY LICENSES – The class of permits, fees, and licenses which includes such levies as user permits to cover costs of processing requests for changes in zoning, building permits, electrical permits, plumbing permits, to license animals, etc.

GLOSSARY

PERSONAL PROPERTY TAX RELIEF ACT OF 1998 (PPTRA) – A State legislative action to decrease the amount of personal property tax that citizens pay on qualified vehicles. The State pays the locality the amount of the relief, so that the locality is not out any money, even though the citizen is given relief. Vehicles must be used for personal use and not a business to qualify for relief. Large trucks, commercial vehicles, RV's, boats, and utility trailers continue to pay full personal property taxes. For qualified vehicles valued at \$1,000 or less, the taxpayer pays nothing and the State reimburses the locality for the entire amount. Qualified vehicles are given 55% relief on the tax for vehicles assessed between \$1,000 and \$20,000. The tax on any assessments over \$20,000 is not given any relief.

RETAINED EARNINGS – An equity account reflecting the accumulated earnings of any enterprise or internal service fund.

REVENUE - The term designates an increase to a fund's assets which does not increase a liability (e.g., proceeds from a loan), does not represent a repayment of an expenditure already made, does not represent a cancellation of certain liabilities, and does not represent an increase in contributed capital.

REVENUE ESTIMATE - A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

REVENUE AND EXPENDITURE DETAIL - Represents the smallest level or breakdown in budgeting for revenue and expenditures.

TAX RATE - The amount of tax levied for each \$100 of assessed value.

TRANSFERS FROM OTHER FUNDS - Budget line item used to reflect transfers of financial resources into one fund from another fund.

TRANSFERS TO OTHER FUNDS - Budget line item used to reflect transfers of financial resources out of one fund to another fund.

UNAPPROPRIATED FUND BALANCE - The excess of a fund's assets and estimated revenue for a period over its liabilities, reserves, and available appropriations for the period.

UNRESTRICTED NET ASSETS – That portion of net assets that is neither restricted nor invested in capital assets (net of related debt).

VIRGINIA RETIREMENT SYSTEM (VRS) – An agent multiple-employer public retirement system that acts as a common investment and administrative agent for the political subdivisions in the Commonwealth of Virginia.

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

| | | |
|-------|---|--|
| ABC | - | Alcoholic Beverage Control |
| ABOS | - | Anderson-Bugg Outboard Services |
| ACOE | - | Army Corps of Engineers |
| ADM | - | Average daily membership |
| ALS | - | Advance life support |
| ARB | - | Architectural Review Board |
| ASFPM | - | Association of State Flood Plain Managers |
| AV | - | Assessed Valuation |
| AYP | - | Adequate Yearly Progress |
| BLS | - | Basic Life Support |
| BMP | - | Best Management Practice |
| BZA | - | Board of Zoning Appeals |
| CAD | - | Computer Aided Dispatch |
| CAFR | - | Comprehensive Annual Financial Report |
| CAMA | - | Computer Assisted Mass Appraisal |
| CASA | - | Court Appointed Special Advocates |
| CBLAD | - | Chesapeake Bay Local Assistance Department |
| CBRN | - | Chemical, Biological, Radiological, Nuclear |
| CDBG | - | Community Development Block Grant |
| CCTV | - | Closed Circuit Television |
| CIP | - | Capital Improvement Plan |
| CPR | - | Cardiopulmonary Resuscitation |
| CRS | - | Community Rating System |
| CSA | - | Children's Services Act |
| DCR | - | Department of Conservation and Recreation |
| DEA | - | Drug Enforcement Administration |
| DEQ | - | Department of Environmental Quality |
| DGIF | - | Department of Game & Island Fisheries |
| DHS | - | Department of Homeland Security |
| DMV | - | Department of Motor Vehicles |
| DPOR | - | Department of Professional Occupation Regulation |
| DUI | - | Driving Under the Influence |
| E & S | - | Erosion & Sediment |
| E-911 | - | Emergency 911 |
| EDA | - | Economic Development Authority |
| EDPRC | - | Environmental Development Plan Review Committee |
| EMS | - | Emergency Medical Service |
| EMT | - | Emergency Medical Technician |
| EPA | - | Environmental Protection Agency |
| FEMA | - | Federal Emergency Management Agency |
| FMA | - | Flood Mitigation Assistance |
| FOG | - | Fats, Oils and Grease |
| FTE | - | Full Time Equivalent |
| FY | - | Fiscal Year |
| GAAP | - | Generally Accepted Accounting Principles |
| GASB | - | Governmental Accounting Standards Board |

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

| | | |
|--------|---|--|
| GFOA | - | Government Finance Officers Association |
| GIS | - | Geographic Information System |
| GO | - | General Obligation |
| HAVA | - | Help America Vote Act |
| hcf | - | 100 cubic feet |
| HMGP | - | Hazard Mitigation Grant Program |
| HRCJTA | - | Hampton Roads Criminal Justice Training Academy |
| HRPDC | - | Hampton Roads Planning District Commission |
| HRSD | - | Hampton Roads Sanitation District |
| HVAC | - | Heating, Ventilation, and Air Conditioning |
| I & I | - | Inflow and Infiltration (I/I) |
| ICC | - | International Code Council |
| LCI | - | Local Composite Index |
| LINX | - | Law Enforcement Information Exchange |
| LOC | - | Line of Credit |
| MPO | - | Metropolitan Planning Organization |
| MS4 | - | Municipal Separate Storm Sewer System |
| NADA | - | National Automobile Dealer's Association |
| NASA | - | National Aeronautics and Space Administration |
| NAST | - | NASA Aeronautics Support Team |
| NFIP | - | National Flood Insurance Program |
| NFPA | - | National Fire Protection Association |
| NPDES | - | National Pollutant Discharge Elimination System |
| NVRA | - | National Voter Registration Act |
| OPEB | - | Other Post Employment Benefits |
| PAWS | - | Poquoson Animal Welfare Sanctuary |
| PBL | - | Project Based Learning |
| PES | - | Poquoson Elementary School |
| PHS | - | Poquoson High School |
| PMS | - | Poquoson Middle School |
| PPE | - | Personal Protective Equipment |
| PPR | - | Poquoson Parks & Recreation |
| PPS | - | Poquoson Primary School |
| PPTRA | - | Personal Property Tax Relief Act |
| RAISE | - | Regional Air Service Enhancement Fund |
| RE | - | Real Estate |
| RFP | - | Request for Proposal |
| ROW | - | Right Of Way |
| RPA | - | Resource Protection Area |
| RV | - | Recreational Vehicle |
| SC | - | Service Charge |
| SCADA | - | System & Control and Data Acquisition |
| SOL | - | Standards of Learning |
| SPCA | - | Society for the Prevention of Cruelty to Animals |
| SRL | - | Severe Repetitive Loss |

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

| | | |
|-------------|---|---|
| SSES | - | Sanitary Sewer Evacuation System |
| SSO or SSOS | - | Sanitary Sewer Overflows |
| State 599 | - | State 599 (Police) Funds |
| STEM | - | Science, Technology, Engineering, and Mathematics |
| TAV | - | Treasurers Association of Virginia |
| TMDL | - | Total Maximum Daily Load |
| TNCC | - | Thomas Nelson Community College |
| VAZO | - | Virginia Association of Zoning Officials |
| VDEM | - | Virginia Department of Emergency Management |
| VDOT | - | Virginia Department of Transportation |
| VML | - | Virginia Municipal League |
| VMRC | - | Virginia Marine Resources Commission |
| VPA | - | Virginia Port Authority |
| VPDES- | | Virginia Pollutant Discharge Elimination System |
| VPPSA | - | Virginia Peninsulas Public Service Authority |
| VPSA | - | Virginia Public Schools Authority |
| VRA | - | Virginia Resources Authority |
| VRS | - | Virginia Retirement System |