

Proposed FY 21 Budget



Revenue & Expenditure Review

**Hopewell, VA
City Council Meeting
May 5, 2020**

Proposed FY 21 Operating & Capital Budget



The purpose of today's City Manager's presentation is to:

- Provide City Council with an overview and highlights of the proposed FY21 Operating Budget and Revenues

Proposed FY 21 Operating & Capital Budget



The outcome of deploying this fiscal stewardship approach :

1. Proposed Operational & Capital Budget– \$174,040,349
 - Total of 31 funds required for operation of City services
 - An increase of \$2,659,927 or 1.5% over FY 20
2. Proposed General Operating Fund recommended funding – \$52,619,876
 - A increase of \$316,847 or 0.61% over FY 20
3. Remain within the baseline budget equal to the adopted FY20 budget
4. NO tax rate adjustments for FY21
5. NO draw from Unassigned Fund Balance to balance the budget.
 - Continuation of maintaining a structurally balanced budget

Proposed FY 21 Operating & Capital Budget



City of Hopewell, Virginia					
General Fund					
	FY 21	FY 20			
	Proposed	Adopted	Dollar		Percent
REVENUES	Budget	Budget	Change		Change
Real Estate	\$ 15,487,893	\$ 15,238,989	\$ 248,904		1.63%
Public Service Corp	\$ 4,313,205	\$ 4,300,000	\$ 13,205		0.31%
Personal Property	\$ 6,000,000	\$ 5,700,000	\$ 300,000		5.26%
Machine & Tool	\$ 7,912,000	\$ 8,000,000	\$ (88,000)		-1.10%
Interest & Penalty	\$ 618,500	\$ 450,000	\$ 168,500		37.44%
Other Taxes	\$ 6,078,000	\$ 6,100,000	\$ (22,000)		-0.36%
Permits & Fees	\$ 299,700	\$ 251,000	\$ 48,700		19.40%
Use of Money	\$ 62,500	\$ 55,000	\$ 7,500		13.64%
Charges for Services	\$ 562,600	\$ 630,000	\$ (67,400)		-10.70%
Fines/Forfeitures	\$ 901,827	\$ 1,630,000	\$ (728,173)		-44.67%
Miscellaneous	\$ 330,085	\$ 330,500	\$ (415)		-0.13%
Local	\$ 923,500	\$ 930,000	\$ (6,500)		-0.70%
State	\$ 7,518,567	\$ 7,000,000	\$ 518,567		7.41%
Federal	\$ 220,000	\$ 200,000	\$ 20,000		10.00%
Transfers	\$ 1,391,500	\$ 1,487,540	\$ (96,040)		-6.46%
Total Revenues	\$ 52,619,877	\$ 52,303,029	\$ 316,848		0.61%

Proposed FY 21 Operating & Capital Budget



City of Hopewell, Virginia	
FY 21 Proposed Revenue Budget-All Funds	
General Fund	52,619,877
Social Services	6,233,910
CSA	3,109,140
Recreation	1,888,610
Marina	25,000
Anti-Litter	6,063
Economic Development	38,440
Self-Insurance	500,000
Cemetery	52,500
Healthy Families	295,225
School Operating	53,827,402
School Textbook	500,000
School Cafeteria	3,660,863
School Bldg/Bus Replacement	47,180
Solid Waste	2,465,233
Sewer System Operating	9,791,352
Sewer System Maintenance	8,434,981
Sewer System Bond	1,636,371
Storm Water 1	1,820,964
Storm Water 2	10,000
Water Renewal	20,710,116
Debt Service	5,167,125
Capital Projects	1,200,000
Total Revenue	174,040,349

Proposed FY 21 Operating & Capital Budget



City of Hopewell, Virginia General Fund

	FY 21 Proposed Budget	FY 20 Adopted Budget	Dollar Change	Percent Change
EXPENDITURES				
City Council	\$ 283,683	\$ 282,689	\$ 994	0.35%
City Clerk	\$ 160,730	\$ 165,947	\$ (5,217)	-3.14%
City Attorney	\$ 413,538	\$ 352,287	\$ 61,251	17.39%
City Manager	\$ 1,297,700	\$ 1,087,760	\$ 209,939	19.30%
Human Resources	\$ 452,656	\$ 428,109	\$ 24,547	5.73%
Finance	\$ 1,568,888	\$ 1,548,991	\$ 19,897	1.28%
Voter Registration	\$ 236,781	\$ 230,269	\$ 6,513	2.83%
Comm of Revenue	\$ 542,181	\$ 483,618	\$ 58,563	12.11%
Treasurer	\$ 535,809	\$ 549,344	\$ (13,535)	-2.46%
Information Tech	\$ 1,359,967	\$ 1,218,513	\$ 141,454	11.61%
Circuit Ct-Clerk	\$ 479,310	\$ 461,150	\$ 18,160	3.94%
Commonwealth Atty	\$ 661,817	\$ 630,745	\$ 31,072	4.93%
Victim Witness	\$ 188,508	\$ 181,492	\$ 7,016	3.87%
Sheriff	\$ 1,593,361	\$ 1,569,410	\$ 23,951	1.53%
Circuit Ct-Law Intern	\$ 111,596	\$ 111,116	\$ 480	0.43%
General District Ct	\$ 149,781	\$ 138,666	\$ 11,115	8.02%
Police	\$ 7,957,928	\$ 7,768,260	\$ 189,668	2.44%
Fire	\$ 5,104,683	\$ 4,973,939	\$ 130,744	2.63%
Crater Detention	\$ 306,207	\$ 363,000	\$ (56,793)	-15.65%
Riverside Jail	\$ 2,441,220	\$ 2,278,840	\$ 162,380	7.13%
Court Services	\$ 7,000	\$ 7,000	\$ -	0.00%
VJCCA	\$ 158,971	\$ 157,515	\$ 1,456	0.92%
Public Works	\$ 5,190,173	\$ 5,160,034	\$ 30,140	0.58%
Development	\$ 1,043,894	\$ 1,021,392	\$ 22,502	2.20%
Non-Departmental	\$ 932,500	\$ 952,394	\$ (19,894)	-2.09%
Outside Agencies	\$ 1,907,557	\$ 1,941,558	\$ (34,001)	-1.75%
Transfers	\$ 17,533,436	\$ 18,238,991	\$ (705,555)	-3.87%
Total Expenditures	\$ 52,619,877	\$ 52,303,029	\$ 316,847	0.61%

Proposed FY 21 Operating & Capital Budget



City of Hopewell, Virginia

FY 21 Proposed Expenditure Budget-All Funds

General Fund	52,619,877
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City Council's Requests/Questions

- ✓ *Definition of Revenue Terms*
- ✓ *Hopewell Water Renewal – Outside Revenue*
- ✓ *Joint Worksession with School Board – May 14, 2020*
- ✓ *Outside Agency Letters*
- ✓ *Expenditures to Date*
- ✓ *Hopewell Water Renewal – Burrowing prior to grant award*
- ✓ *EMS Cost Recovery*
- ✓ *Revenue/Expenditure Reductions = \$500,000*
- *Departmental Justifications – Pending*

Proposed FY 21 Operating & Capital Budget



Definition of Revenue Terms:

- **Use of Money** – Interest Income and Rent of Property (ARLS)
- **Charges of Services** – Circuit Court Clerk Fees, Sheriff Fees, Law Library Fees, Courthouse Maintenance Fees, Jail Admission Fees, Police Record Checks, EMS Billing, and E-Summons Fees
- **Miscellaneous** – Donation/Private Grants, Sale of Real Estate Data, Tax Exemption Program Fees, Insurance/FEMA Refunds, Keep Hopewell Beautiful, FOIA Fees, Toter Replacement Fees, Employee Misc. Reimbursement, Vendor Misc. Reimbursement
- **Local** – Payment in Lieu of Taxes, Commonwealth's Attorney Drug & Seizure; Police Drug & Seizure, and Sheriff Drug & Seizure
- **Transfers** – (Cost Recovery) Sewer Service Fund, Solid Waste Fund, and Dept. of Social Services

Proposed FY 21 Operating & Capital Budget



Hopewell Water Renewal – Outside Revenue:

Fiscal Year	Outside Treatment Revenue
FY16	\$2,074,198
FY17	\$2,364,653
FY18	\$1,200,933
FY19	\$7,868,753
FY20	\$5,042,717 (as of April 28, 2020)

Proposed FY 21 Operating & Capital Budget



EMS Cost Recovery

FIRE & RESCUE REVENUE RECOVERY TRANSACTION 3 YEAR RECORD					
DATE	FORWARD A/R	CHARGES	TRANSX POSTED	ENDING A/R	PAYMENTS RECEIVED
1/1/2017 - 12/31/2017	2,398.42	923,220.00	458,899.28	475,442.14	272,533.45
1/1/2018 - 12/31/2018	475,442.14	1,788,331.00	1,917,318.79	349,269.97	702,617.66
1/1/2019 - 12/31/2019	349,639.22	1,475,817.00	1,653,401.16	172,840.06	681,114.60

FIRE & RESCUE REVENUE RECOVERY TRANSACTION 3 YEAR RECORD BY FISCAL YEAR					
DATE	FORWARD A/R	CHARGES	TRANSX POSTED	ENDING A/R	PAYMENTS RECEIVED
7/1/2017 - 6/30/2018	173,613.41	1,649,157.00	1,199,382.60	640,682.03	571,573.58
7/1/2018 - 6/30/2019	640,682.03	1,467,004.00	2,003,917.95	183,240.80	656,237.05
7/1/2019 - 5/4/2020*	183,240.80	1,150,850.00	1,107,936.05	236,867.68	505,970.72

*Please note the final year is incomplete and will be expected to increase over the next 2 months.

- Salary - \$38,000

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COVID-19 Expenses

COVID-19 Overall Expense	Cost
PPE/Cleaning Supplies	\$48,548
Cleaning Services	\$1,165
EOC/IT Costs	\$29,058
Time Off for COVID-19	\$6,046
Total Cost	\$84,816

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Revenue & Expenditure Reduction

- Reduce/Eliminate Travel – \$328,334
 - All Mileage, Travel, Lodging, Conventions & Conferences and Meals
- Reduce Office Supplies – \$206,010
- Reduce Other Supplies – \$409,591
 - Fire, Police, Public Works, and Sheriff
- Reduce Furniture/Fixtures/Machinery/Equipment – \$183,587
 - \$125,000 IT Computer Refresh Program, VOIP Phones
- Outside Agencies

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Next Steps:

- Future Worksessions –
 - May 5, 2020 – Revenue & Expenditures
 - May 7, 2020 – City Council Discussion of Budget
 - May 14, 2020 – Joint Worksession with HPS
 - May 19, 2020 – City Council Discussion of Outstanding Budget Issues
 - May 21, 2020 – City Council Discussion of Outstanding Budget Issues

- FY21 Budget Books are in City Council's mailboxes.

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Closing Comments