



CITY OF HOPEWELL

Hopewell, Virginia 23860

AGENDA

(804) 541-2408

www.hopewellva.gov

info@hopewellva.gov

cityclerk@hopewellva.gov

CITY COUNCIL

Patience A. Bennett, Mayor, Ward #7
John B. Partin, Jr., Vice Mayor, Ward #3
Deborah B. Randolph, Councilor, Ward #1
Arlene Holloway, Councilor, Ward #2
Jasmine E. Gore, Councilor, Ward #4
Janice B. Denton, Councilor, Ward #5
Brenda S. Pelham, Councilor, Ward #6

John M. Altman, Jr., City Manager
Sandra R. Robinson, City Attorney
Mollie P. Bess, Acting City Clerk

April 20, 2021

ELECTRONIC MEETING

Budget Work Session: 6:30 PM

VIRTUAL BUDGET WORK SESSION

6:30 p.m. Call to order, roll call, prayer, Pledge of Allegiance, and welcome to visitors

AGENDA

WS-1 City Manager's Proposed FY22 Budget

- Discussion with City Council

ADJOURNMENT

Proposed FY 22 Operating & Capital Budget



Expenditure & CIP Overview

**Hopewell, VA
City Council Meeting
April 20, 2021**

Proposed FY 22 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 FY22 Operating & Capital Budget

Proposed FY 22 Operating & Capital Budget



The framework of the proposed FY 22 Operating & Capital Budget is:

- Neither aggressive – Not tax rate increase driven
- Nor passive – saying yes to budgetary inclusion that exceeds FY 21 levels
- Fiscally responsible – providing adequate funding to render services to the citizens of Hopewell, VA

Proposed FY 22 Operating & Capital Budget



The development of the proposed FY 22 Operating & Capital Budget deployed the four (4) pillar approach:

1. Assessment – Are we budget sound?
2. Analysis – Reviewed prior budget practices & trends.
3. Preservation – Will proposed revenues meet costs?
4. Status – Are we able to handle matters that may arise during FY 22 that are not budgeted for?

Proposed FY 22 Operating & Capital Budget



The outcome of deploying this fiscal stewardship approach:

1. Proposed Operational & Capital Budget– \$180,848,289
 - Total of 31 funds required for operation of City services
 - An increase of \$8,821,095 or 5.13% over FY 21
2. Proposed General Operating Fund recommended funding – \$54,328,648
 - An increase of \$1,710,971 or 3.25% over FY 21
3. Remain within the baseline budget equal to the adopted FY21 budget
4. NO tax rate adjustments for FY22
5. NO draw from Unassigned Fund Balance to balance the budget.
 - Continuation of maintaining a structurally balanced budget

Proposed FY 22 Operating & Capital Budget



The framework of the proposed FY 22 Operating & Capital Budget is:

- Health Insurance Cost Increase Absorbed by the City
- No Tax Rate Increases
- No New Projects
- No New Debt
- No Use of Fund Balance
- School Funding consistent with FY 21 funding level

Proposed FY 22 Operating & Capital Budget



Proposed Tax Rates for the FY22 Budget/2021 Tax Year

Real Estate	\$1.13 per \$100 of Assessed Value
Personal Property	\$3.50 per \$100 of Assessed Value
Machinery & Tools	\$3.05 per \$100 of Assessed Value
Meals	6.0%

✦ **NOTE: American Rescue Plan Act does not allow reduction in tax rate**

Proposed FY 22 Operating & Capital Budget



City Manager's Revenue Committee

- City Manager
- Assistant City Manager
- Commissioner of Revenue
- Treasurer
- Real Estate Assessor
- Finance Director
- Budget Analyst

Proposed FY 22 Operating & Capital Budget



City of Hopewell, Virginia	
FY 22 Proposed Revenue Budget-All Funds	
General Fund	54,328,648
Social Services	6,374,402
CSA	3,359,460
Recreation	1,895,601
Marina	25,000
Anti-Litter	6,063
Economic Development	20,000
Self-Insurance	600,000
Cemetery	52,500
Healthy Families	329,777
School Operating	52,950,156
School Textbook	500,000
School Cafeteria	3,660,863
School Bldg/Bus Replacement	47,180
Solid Waste	2,480,191
Sewer System Operating	9,791,352
Sewer System Maintenance	8,429,981
Sewer System Bond	1,636,371
Storm Water 1	1,046,046
Storm Water 2	10,000
Water Renewal	26,592,487
Debt Service	5,158,271
Capital Projects	1,500,000
Total Revenue	180,848,289

Proposed FY 22 Operating & Capital Budget



City of Hopewell, Virginia General Fund

	FY 22	FY 21		
	Proposed Budget	Adopted Budget	Dollar Change	% Change
REVENUES				
Real Estate	\$ 15,976,053	\$ 15,487,893	\$ 488,160	3.15%
Public Service Corp	\$ 4,201,137	\$ 4,313,205	\$ (112,068)	-2.60%
Personal Property	\$ 6,680,910	\$ 6,000,000	\$ 680,910	11.35%
Machine & Tool	\$ 8,184,807	\$ 7,912,000	\$ 272,807	3.45%
Interest & Penalty	\$ 620,000	\$ 618,500	\$ 1,500	0.24%
Other Taxes	\$ 6,080,000	\$ 6,078,000	\$ 2,000	0.03%
Permits & Fees	\$ 345,000	\$ 299,700	\$ 45,300	15.12%
Use of Money	\$ 65,000	\$ 62,500	\$ 2,500	4.00%
Charges for Services	\$ 576,100	\$ 562,600	\$ 13,500	2.40%
Fines/Forfeitures	\$ 893,500	\$ 901,827	\$ (8,327)	-0.92%
Miscellaneous	\$ 244,914	\$ 286,385	\$ (41,471)	-14.48%
Local	\$ 1,257,500	\$ 923,500	\$ 334,000	36.17%
State	\$ 7,655,727	\$ 7,518,567	\$ 137,160	1.82%
Federal	\$ 26,000	\$ 220,000	\$ (194,000)	-88.18%
Transfers	\$ 1,391,500	\$ 1,391,500	\$ -	0.00%
Other Revenues	\$ 130,500	\$ 41,500	\$ 89,000	214.46%
Total Revenues	\$ 54,328,648	\$ 52,617,877	\$ 1,710,971	3.25%

Proposed FY 22 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 22 Operating & Capital Budget



City of Hopewell, Virginia			
FY 22 Proposed Expenditure Budget-All Funds			
General Fund			54,328,648
Social Services			6,374,402
CSA			3,359,460
Recreation			1,895,601
Marina			25,000
Anti-Litter			6,063
Economic Development			20,000
Self-Insurance			600,000
Cemetery			52,500
Healthy Families			329,777
School Operating			52,950,156
School Textbook			500,000
School Cafeteria			3,660,863
School Bldg/Bus Replacement			47,180
Solid Waste			2,480,191
Sewer System Operating			9,791,352
Sewer System Maintenance			8,429,981
Sewer System Bond			1,636,371
Storm Water 1			1,046,046
Storm Water 2			10,000
Water Renewal			26,592,487
Debt Service			5,158,271
Grants			53,940
Capital Projects			1,500,000
Total Expenditures			180,848,289

Proposed FY 22 Operating & Capital Budget



City of Hopewell, Virginia				
General Fund				
	FY 22	FY 21		
	Proposed	Adopted	Dollar	Percent
EXPENDITURES	Budget	Budget	Change	Change
City Council	\$ 151,225	\$ 151,233	\$ (8)	-0.01%
City Clerk	\$ 203,553	\$ 157,230	\$ 46,323	29.46%
City Attorney	\$ 427,132	\$ 410,588	\$ 16,544	4.03%
City Manager	\$ 1,167,595	\$ 1,159,827	\$ 7,769	0.67%
Human Resources	\$ 479,678	\$ 450,456	\$ 29,222	6.49%
Finance	\$ 1,878,490	\$ 1,568,888	\$ 309,601	19.73%
Voter Registration	\$ 264,517	\$ 236,781	\$ 27,736	11.71%
Comm of Revenue	\$ 551,867	\$ 542,181	\$ 9,686	1.79%
Treasurer	\$ 569,984	\$ 528,430	\$ 41,553	7.86%
Information Tech	\$ 1,417,950	\$ 1,350,467	\$ 67,483	5.00%
Circuit Ct-Clerk	\$ 498,321	\$ 479,310	\$ 19,011	3.97%
Commonwealth Atty	\$ 788,741	\$ 742,524	\$ 46,217	6.22%
Victim Witness	\$ 177,481	\$ 177,481	\$ -	0.00%
Sheriff	\$ 1,666,118	\$ 1,593,361	\$ 72,757	4.57%
Circuit Ct-Law Intern	\$ 111,684	\$ 111,596	\$ 88	0.08%
General District Ct	\$ 145,511	\$ 149,781	\$ (4,270)	-2.85%
Police	\$ 8,266,474	\$ 7,957,428	\$ 309,046	3.88%
Fire	\$ 5,193,547	\$ 5,104,683	\$ 88,863	1.74%
Crater Detention	\$ 332,921	\$ 306,207	\$ 26,714	8.72%
Riverside Jail	\$ 2,441,220	\$ 2,441,220	\$ -	0.00%
Court Services	\$ 7,000	\$ 7,000	\$ -	0.00%
VJCCCA	\$ 160,673	\$ 158,971	\$ 1,702	1.07%
Public Works	\$ 5,270,638	\$ 5,190,173	\$ 80,465	1.55%
Development	\$ 1,127,451	\$ 1,073,254	\$ 54,197	5.05%
Non-Departmental	\$ 963,500	\$ 1,078,588	\$ (115,088)	-10.67%
Outside Agencies	\$ 1,845,241	\$ 1,802,289	\$ 42,952	2.38%
Transfers	\$ 18,220,135	\$ 17,687,727	\$ 532,408	3.01%
Total Expenditures	\$ 54,328,648	\$ 52,617,677	\$ 1,710,971	3.25%

Proposed FY 22 Operating & Capital Budget



Highlights of the Proposed FY 22 Budget:

- Health care cost increase absorbed by City – NO increase to Employees
 - City Council approved changes to the City Health Insurance Plans
 - Increased City's Premium Cost by \$53,334
- Mandated Services Funding (Social Services, CSA, etc.)
- 5% COLA for Comp Board positions – Constitutional Offices & DSS
- Class & Comp Study

Proposed FY 22 Operating & Capital Budget



Highlights of the Proposed FY 22 Budget:

- 6 new positions – 33 requested, totaling \$2 million in Total Cost

<u>Department</u>	<u>Position</u>	<u>Total Cost</u>
Police Department	Communications (2)	\$121,915
	Animal Shelter Custodian – Convert 2 PT positions into 1 FTE	\$19,416
Development	Rental Inspector	\$56,700
Information Technology	MUNIS Administrator	\$87,750
	Total GF Impact	\$266,365
Water Renewal	Laboratory Technician IV	\$68,492

Proposed FY 22 Operating & Capital Budget



Notable Changes:

City Clerk	\$46,323	PT Position Currently Assigned To Department Ability to Hire Clerk & Asst Clerk up to \$110k
City Attorney	\$16,544	Service Contracts
City Manager	\$7,769	Economic Development Increase (Incentive Payment) Offset By Office on Youth Removal
Human Resources	\$29,222	Salary & Benefit Changes Caused by Change in Staff

Proposed FY 22 Operating & Capital Budget



Notable Changes:

Finance

\$309,601 Cost of 2 Audits & CAFR Support
PT Real Estate Position Created During Current FY
Temp Help

Voter Registrar

\$27,736 Rental Costs for New Location
Travel Needed for Training

Information Technology

\$63,150 Increase in Service Contracts

Development

\$54,197 Increase in Consulting Costs
Increase in Service Contracts

Proposed FY 22 Operating & Capital Budget



Notable Changes:

Police

\$309,046 Increase in Service Contracts
Increase in Overtime
Need for 2nd PT Property/Evidence Specialist

Fire

\$88,863 Increase in Overtime
Increase in Training Costs
Increase in Supply & Maintenance Costs
Increase in Service Contracts

Public Works

\$80,465 Salary & Benefit Changes Caused by Change in Staff
Increase in On Call Pay
Increase in Service Contracts

Proposed FY 22 Operating & Capital Budget



Notable Changes:

Commissioner of Revenue	\$9,686	Salary & Benefit Changes for Comp Board Positions
Treasurer	\$41,553	Salary & Benefit Changes for Comp Board Positions CAFR Support
Circuit Court Clerk	\$19,011	Salary & Benefit Changes for Comp Board Positions
Commonwealth Attorney	\$46,217	Salary & Benefit Changes for Comp Board Positions Increases Due to Add'l Attorney Position
Sheriff	\$72,757	Salary & Benefit Changes for Comp Board Positions Increase in Overtime

Proposed FY 22 Operating & Capital Budget



Notable Changes:

General District Court

\$(4,270) Salary & Benefit Changes Caused by Change in Staff

Proposed FY 22 Operating & Capital Budget



Capital Improvement Program (CIP):

- Total 5-Year CIP Requests - \$32,000,000
- FY 2022 CIP Requests – \$18,043,263
- FY 2022 CIP Funding – \$1,200,000

Proposed FY 22 Operating & Capital Budget



Recommended FY 2022 CIP Projects:

- Development - Plotter/Scanner – \$25,000
- Fire Dept. Radio & Hose Expense – \$12,500
- Fire Truck Lease Payment – \$162,414
- VDOT Project Match – \$1,000,000

Proposed FY 22 Operating & Capital Budget



Next Steps:

April 14, 2021	Joint City Council/School Board Budget Worksession
April 20, 2021	Budget Worksession - Expenditures
April 27, 2021	Capital Improvement Program Worksession
May 11, 2021	Adoption of the Tax Rates Resolution HPS Budget – Public Hearing & Approval on 1 st Reading City Budget – Public Hearing & Approval on 1 st Reading
May 18, 2021	Budget & CIP Worksession (if needed)
May 25, 2021	Adoption of HPS FY22 Budget on 2 nd Reading Adoption of City FY22 Budget on 2 nd Reading

Proposed FY 22 Operating & Capital Budget



Closing Comments