

City of
Poquoson
Virginia



Adopted Annual Financial Plan
Fiscal Year July 1, 2012 – June 30, 2013



Photo Taken By City of Poquoson Resident Jake Allen

**CITY OF POQUOSON, VIRGINIA
ADOPTED ANNUAL FINANCIAL PLAN
FISCAL YEAR 2013**

TABLE OF CONTENTS

<u>Title</u>	<u>Pages</u>
GFOA DISTINGUISHED BUDGET PRESENTATION AWARD ORGANIZATIONAL CHARTS	
EXECUTIVE SUMMARY	i
GENERAL INFORMATION	
The Budget Process in Poquoson	xix
FY 2013 Budget Calendar	xxv
SUMMARIES	
Summary of Tax Rates and Fees	1
Personnel Positions	2
Summary of Revenues and Transfers In by Fund.....	4
Summary of Expenditures and Transfers Out by Fund	5
Summary of Revenues and Expenditures by Category	6
Summary of Fund Balance or Net Assets/Liability	8
GENERAL FUND	
Summary	9
General Fund Revenue Summary	12
General Fund Expenditure Summary	22
City Council	24
City Manager	26
Legal Services	28
Independent Auditor	30
Commissioner of the Revenue	32
Assessor/Equalization Board	34
Treasurer	36
Finance	38
Technology	40
Risk Management	42
Registrar/Electoral Board	44
Courts and Sheriff	46

TABLE OF CONTENTS (Continued)

<u>Title</u>	<u>Pages</u>
Police	48
Fire	50
Corrections & Detentions	52
Inspections	54
Animal Control	56
Engineering	58
Public Works	60
Street Lights	62
Facilities	64
Health Department	66
Mosquito Control	68
Mental Health	70
Welfare/Social Services	72
School Contribution	74
Parks and Recreation Programs.....	76
Parks and Recreation Pool.....	78
Parks and Recreation Special Events.....	80
Library	82
Planning	84
Planning/BZA/Wetlands/ARB	86
Economic Development	88
Community Development	90
Non-Departmental	92
Department of Motor Vehicles	94
Transfer to Other Funds	96

DEBT SERVICE FUND

Summary	99
Revenue	101
Expenditures	102
Long-Term Debt Obligations	105
Amortization of Long-Term Debt	108

CAPITAL PROJECTS FUND

Summary	111
Revenue	114
Expenditures	115
CIP Plan Summary.....	116

TABLE OF CONTENTS (Continued)

<u>Title</u>	<u>Pages</u>
SPECIAL REVENUE FUND	
Summary	119
Revenue	123
Expenditures	124
SOLID WASTE FUND	
Summary	127
Revenue	130
Expenditures – Garbage and Recycling	132
Expenditures – Bulky Item and Landscaping	134
UTILITIES FUND	
Summary	137
Revenue	140
Expenditures	142
CIP Plan Summary	144
FLEET MANAGEMENT FUND	
Summary	145
Revenue	148
Expenditures	149
APPENDIX	A1
GLOSSARY	G1
FREQUENTLY USED ACRONYMS & ABBREVIATIONS	G5

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, 2011. 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, 2011

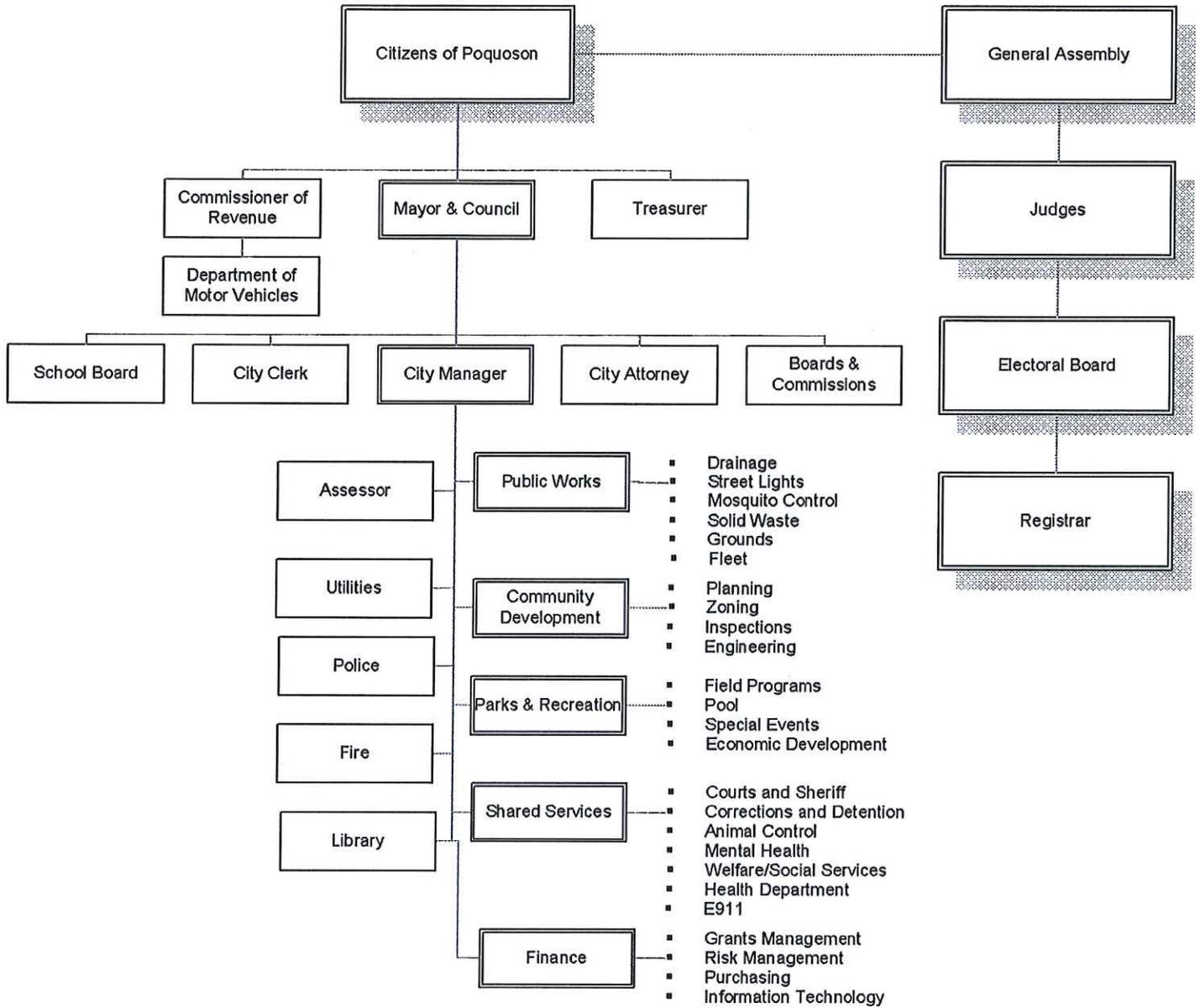
Linda C. Davidson Jeffrey R. Egan

President

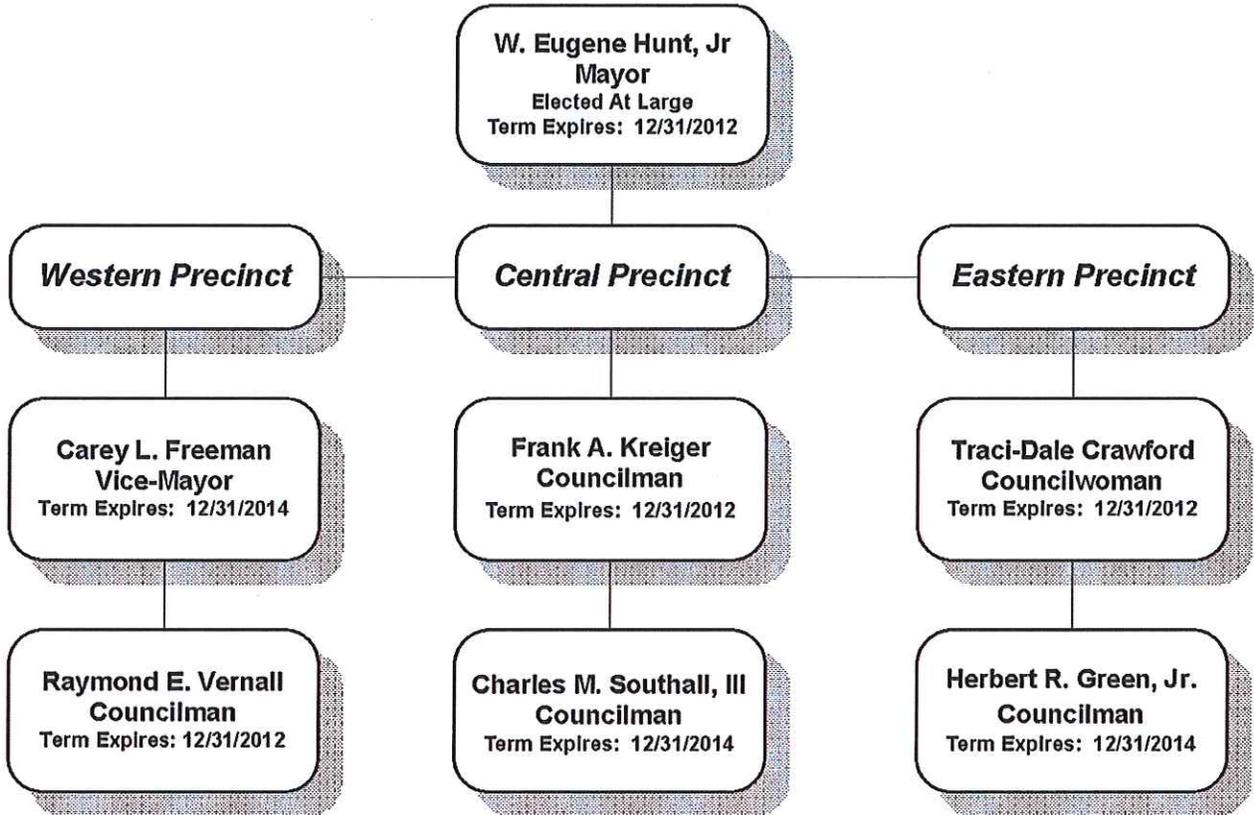
Executive Director

CITY OF POQUOSON, VIRGINIA

CITY GOVERNMENT ORGANIZATION CHART



POQUOSON CITY COUNCIL



THIS PAGE LEFT INTENTIONALLY BLANK

The Executive Summary includes the City Manager's budget message and a general overview of the Annual Financial Plan for Fiscal Year 2013 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 Special Revenue Fund, the Solid Waste Enterprise Fund, the Utilities Enterprise Fund, and the Fleet Management Internal Service 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 Budget in Brief**
 - **General Fund**
 - **Debt Service Fund**
 - **Capital Projects Fund**
 - **Special Revenue Fund**
 - **Solid Waste Fund**
 - **Utilities Fund**
 - **Fleet Management**
- **Unbudgeted Needs**
- **GFOA Distinguished Budget Award**
- ♦ **Summary**

Executive Summary

Fiscal Year July 1, 2012 to June 30, 2013

Introduction

May 14, 2012

Honorable Mayor and Members of City Council
Poquoson, Virginia:

Thank you for the opportunity to present the City of Poquoson's Adopted Budget for Fiscal Year FY 2013, in accordance with Article V of the Poquoson City Charter.

Introduction:

The FY 2013 budget year will be the fifth, but not likely to be the last, in a series of difficult budget years that began in the Fall of 2008. Poquoson, like most other localities in Virginia, continues to be significantly impacted by the continuing state and national recession. To deal with this significant challenge, the City of Poquoson has utilized many strategies including personnel reductions, operational budget cuts and short term strategies such as debt restructuring and use of fund balances to continue to support local government services and the schools. Despite the recessionary pressures Poquoson continues to enjoy one of Virginia's best school systems and a high quality, responsive local government both of which contributed to our community's being recognized as one of the nation's Top 5 Perfect Suburbs by CNBC.com this past year.

Introduction (Continued)

As we began preparation of the FY 2013 Budget, many of the same recessionary pressures were present once again such as limited local revenue growth, reductions in state support for education, increased operational costs and increasing debt service requirements. These factors alone made this year difficult. But there are two additional emerging issues that will place tremendous strain on our ability to continue to provide the level of outstanding local government services, including schools, that our citizens have traditionally enjoyed.

The first emerging issue was a series of unfunded state and federal mandates. In FY 2013, both our local government and schools are required to pay significantly more to participate in the Virginia Retirement System (VRS) program. When the impacts of this unfunded mandate are combined with increases in the VRS group life insurance premiums and a transfer of the costs associated with the State Line of Duty Benefit Program for public safety personnel, the amount of unfunded state mandates alone approached \$1,000,000 for FY 2013. To put that in perspective, this amount is approximately 7 times the natural revenue growth forecast for the General Fund. On top of the state unfunded mandates the federal government's new Total Maximum Daily Load (TMDL) mandate related to the Chesapeake Bay Act will place tens of millions of dollars of additional unfunded mandates on localities.

The second emerging issue relates to the fiscal imbalance that existed in each of the City's self supporting funds. Wherein the operating expenses exceed on-going revenue and any fund-specific fund balances to the point that initial projections forecast that every self-supporting fund would require a transfer from the General Fund. As the Council is aware this level of General Fund support is not sustainable beyond FY 2012.

When taken together, the impacts of the base budget changes, emerging issues and the negative impacts of the State budget on the City, including the Schools, created an initial challenge of more than \$3,000,000. In preparing this budget request, my staff and I established five guiding principles. These include:

- Prepare a budget without an increase in general property tax rates
- Increase on-going local funding support to the School Division
- Continue to provide high quality local government services to our citizens
- Address structural imbalances in the self-supporting funds and the General Fund
- Begin to address known FY 2014 and FY 2015 budget issues in FY 2013

Guiding Principle One: Prepare a budget without a general property tax increase.

For FY 2013, both the real estate tax rate and the personal property tax rates are unchanged. This was achieved through additional budget reductions within the City government, debt restructuring, the use of a portion of the General Fund balance that is in excess of the City's adopted fund balance policy guidelines and a series of strategies to eliminate the need for General Fund transfers to support the City's self-supporting funds. Also, there are no significant new initiatives in the budget or new pay increases beyond that associated with Senate Bill 497 which mandates that employees begin paying 5% of their salary into VRS while at the same time mandating that employers provide a 5% pay increase to their employees.

Note: The budget also contains a decrease to the tax rate for boats by 50% (75 cents).

Introduction (Continued)

Guiding Principle Two: Increase on-going local funding support to the School Division.

The budget increases on-going local support for the School Division by \$202,050 over the FY 2012 adopted level. This funding level makes permanent and adds to the \$146,000 in additional support that was granted by the Council early in FY 2012. This action will reduce the imbalance in the General Fund in FY 2013 and future years and is recommended to be funded in part by a ½ percent increase in the meals tax and a 10 cent increase in the Cigarette tax.

Guiding Principle Three: Continue to provide high quality local government services to our citizens.

The FY 2013 Budget contains no significant reductions in local government services although cuts in several areas were required to balance the budget. New initiatives were limited to the conversion of one part-time police officer position to full-time to support our work with the regional drug task force and an increase in funding to support the City's Work Boat Race and Fishing Tournament associated with the Poquoson Seafood Festival. There is also modest funding to begin to address the new Federal TMDL mandate. The later item is the only locally funded item in the FY 2013 Capital Projects Fund.

Guiding Principle Four: Address structural imbalances in the self-supporting funds and General Fund.

The most significant structural imbalances faced by the City were in the Solid Waste and Utilities funds. In past fiscal years, the City delayed increases in the fee structure for several years through the use of the respective fund balances and through General Fund support. These strategies are both unsustainable in FY 2013 and future years without either significant reductions in the General Fund or tax increases. As these funds were designed to be self-supporting through a revenue sufficient fee structure, this budget contains the necessary fee increases so that each of these funds will return to financial self-sufficiency.

For the Utilities Fund, the fee increase is \$6 per month. This, when combined with the planned debt restructuring, will balance the fund and allow for preventive maintenance, capital replacement and provide funds to comply with the Federal Consent Order.

For the Solid Waste Fund an increase of 15% to the residential container rate has been approved to balance the fund along with an increase for bulky waste and landscaping pick-ups such that the homeowners will pay 1/3 of the average cost of the respective collections. Residents will still have the options to bring bulky waste and landscaping materials to the twice monthly collections site and to participate in the curbside leaf collection program at no cost.

For the Economic Development Authority, this budget discontinues general revenue support. In future years, the fund will need to rely on a combination of its fund balance and proceeds from the sale or lease of property to meet its expenses.

The last self-supporting fund, the Parks and Recreation Fund, is the most difficult to address as the fee structure associated with parks and recreation programs and the municipal pool are the most price sensitive.

Introduction (Continued)

Neither programming nor the pool completely pay for themselves and have not since the fund's creation as a self-supporting entity. This budget proposes to bring this program area back into the General Fund. This budget also implements non-resident participation fee for all programs of \$10 to help meet programming costs.

These actions when taken together will bring all remaining self-supporting funds into balance and reduce the amount of General Fund support required by over \$445,000 each year. As the Council is aware the General Fund no longer has the ability to provide financial support to these funds.

Guiding Principle Five: Begin to address known FY 2014 and FY 2015 budget issues in FY 2013.

As we move into the fifth consecutive recessionary year, it is more important than ever that we take a multi-year approach to budget preparation. Many of the actions above result in lowering the amount of General Fund balance required to support both the FY 2013 and FY 2014 budgets. With this budget all the self-supporting funds have been brought into balance without the need for a general property tax increase, while at the same time maintaining prudent financial reserves.

That being said our School system, despite a \$202,050 increase in on-going local support, faces many difficult decisions to deal with the significant impacts stemming from the state budget. Regrettably, as a local government we do not have the ability to completely mitigate the significant and continuing cuts to public education, the magnitude of which greatly exceeds all local revenue growth.

Looking Ahead:

As the City looks forward to the next few fiscal years we have significant challenges ahead of us, some of which take the form of unanswered questions. These include the unknown impact of the FY 2014 real property reassessment, future General Assembly actions, federal budget reductions the national and regional economy and the Federally mandated TMDL requirements. Some known impacts include significant debt services increases beginning in FY 2015 and the continuing, though significantly reduced, structural imbalance in the General Fund. With regard to debt service this budget includes a dedication of the General Fund decrease in debt service over the next two fiscal years to establish a reserve to begin to address the significant increases we expect in debt service beginning in FY 2015.

Conclusion:

I would like to take a moment to express my appreciation to the City Council, my staff, the Superintendent of Schools, and the School Board for their hard work in crafting the fiscal plans for the coming year. I would like to also thank the men and women who comprise our City workforce and School Division who are continually asked to do more with less and for the great job they perform.

Respectfully,



James R. Wheeler
City Manager

The Budget in Brief

The total revenue budgeted for FY 2013 by fund is as follows:

General Operating Fund	\$23,640,287
Use of Fund Balance	<u>616,643</u>
General Operating Fund	\$ 24,256,930
Debt Service Fund	2,052,250
Capital Projects Fund	441,225
Use of Fund Balance	<u>592,692</u>
Capital Projects Fund	1,033,917
Solid Waste Fund	864,450
Utilities Fund	1,859,080
Fleet Fund	668,030
Revenues & Transfers In	30,734,657
Less Interfund Transfers:	
Utilities Fund	(130,000)
Debt Service Fund	(2,052,250)
Capital Projects Fund	<u>(90,000)</u>
 Total Revenues	 <u>\$28,462,407</u>

The total expenditures budgeted for FY 2013 by fund is as follows:

General Operating Fund	\$24,256,930
Less Interfund transfers:	
Debt Service	(2,052,250)
Capital Projects	<u>(90,000)</u>
	(2,142,250)
Debt Service Fund	2,052,250
Capital Projects	1,033,917
Solid Waste Fund	864,450
Utilities Fund	1,859,080
Less Interfund transfers:	
General Fund	(130,000)
Fleet Management Fund	<u>668,030</u>
 Total Expenditures	 <u>\$28,462,407</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 \$13,402,000 in real estate tax revenue in FY 2013. Real estate taxes are projected to increase \$54,000 or .4%. The following factors make up the change in real estate:

- Growth projections for FY 2013 are based on new homes and other improvements to be built throughout the year, or \$7,000,000 in new assessments. Growth will bring approximately \$18,700 of additional tax revenue during FY 2013.
- The real estate tax rate is \$0.92 per \$100 of assessed value. Fiscal year 2013 is not a reassessment year. The real property tax rate remains the same.

General Fund (Continued)

Revenues by Category: (Continued)

Public services corporation taxes is expected to be \$150,000 an increase of \$12,000.

Personal property taxes and the State Personal Property Tax Relief Act (PPTRA) are projected to be \$4,243,060, a \$29,625 or .1% increase from the FY 2012 estimate. PPTRA established a state-wide 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 state-wide 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 2012.

Since not all personal property is affected by PPTRA, the City has estimated that citizens and businesses will pay 54% of personal property tax in FY 2013. FY 2013 budget for local tax is \$2,289,625 and State non-categorical aid remains level at \$1,923,435.

The personal property tax rate is \$4.15 per \$100 of assessed value, which is the same rate since FY 2008. The boat tax rate is .75, a decrease of .75 from the previous year. The 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 \$2,698,000 other local taxes accounts for 11% of total General Fund revenues and is expected to increase by \$220,000 or 8.9% from the FY 2012 budget. The meals tax rate increased by .5% from 5.5% to 6%. The Cigarette tax rate will also increase from 10 cents to 20 cents, generating \$76,500, in additional revenue.

Other local revenue totals \$395,900 and includes permits; licenses and fees; fines and forfeitures; interest on investments; rental of property; charges for services; and miscellaneous revenue.

Charges for Services

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

General Fund (Continued)

A rate increase in EMS fees is included in the FY 2013 budget. This change is at a level charged by some of the surrounding localities. The projected revenue for EMS fees is expected to be \$263,500, a \$63,500 increase.

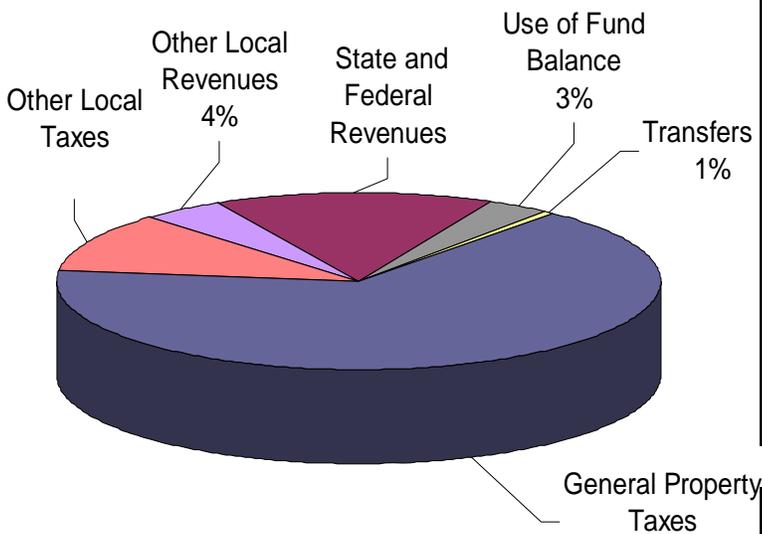
In FY 2013, revenue from parks and recreation programs is projected to be \$125,630. The pool revenue is expected to be \$81,250 and the special events revenue is expected to be \$119,761.

The total of all local revenue of taxes, licenses and fees is \$19,875,666.

State and Federal revenue is expected to be \$3,634,621 in FY 2013, a \$193,556 or 5.1% decrease from the FY 2012 budget. The decrease in state and Federal revenue is mostly due to Grants and Public Assistance funds received in FY 2012 and not budgeted in FY 2013.

Transfers include \$130,000 from the Utilities Fund. The Utilities Fund reimburses the General Fund for services that are provided by the staff of the Engineering, Public Works, and Finance Departments.

The FY 2013 budget uses \$616,643 from the General Fund Unappropriated Fund Balance. This includes \$39,227 from Nonspendable Fund Balance and \$577,416 from Unassigned Fund Balance.



GENERAL FUND SOURCES OF REVENUE	
General Property Taxes	\$16,091,625
Other Local Taxes	2,698,000
Other Local Revenues	1,086,041
State and Federal Revenues	3,634,621
Use of Unappropriated Fund Bal	616,643
Transfers In	<u>130,000</u>
Total Revenues	<u>\$24,256,930</u>

- Real Estate Rate \$0.92 per \$100 Assessed Value
- Personal Property Tax Rate \$4.15 per \$100 Assessed Value

General Fund (Continued)

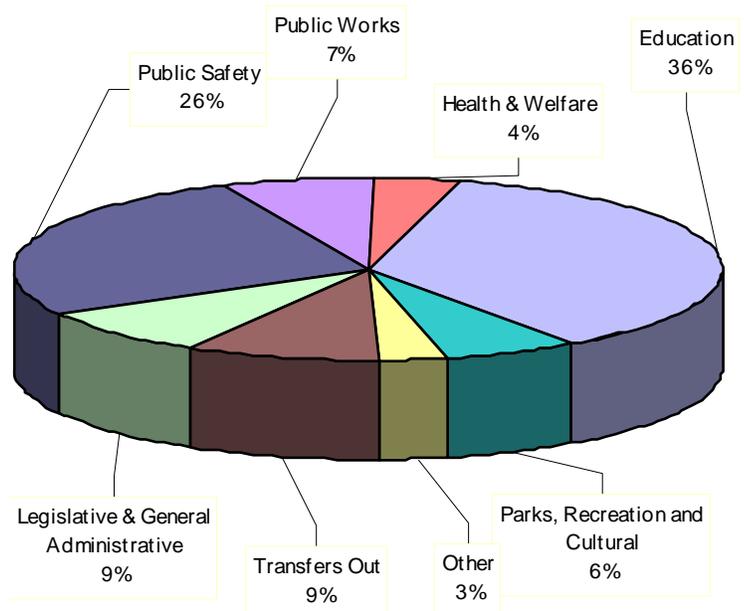
Expenditures By Category:

School Expenditures: The contribution to Schools accounts for 36.5% of the total General Fund budget. The FY 2013 budget includes an increase of \$202,050 to Schools, which slightly exceeds the Superintendent’s FY 2013 request from the City. The School’s budget is based on an average daily membership of 2,128 students for the FY 2013 school year.

In the past the School Division has had unspent money at the end of the year which is returned to the City. At the end of FY 2011, there was \$27,022 in unspent funds. These unspent funds were reappropriated to the School Division in FY 2012. If there are unspent funds at the end of FY 2012, they may be reappropriated in FY 2013.

City Personal Services: Employee salaries and overtime account for personal services. City personal services are \$8,759,099 in FY 2013, a \$296,154 or 3.5% increase. Employee benefits account for 29.8% of personal services. Salaries in all departments were budgeted to include a one time salary adjustment of \$1,000 per full time employee and \$500 per permanent part time employee, that Council approved in August 2011. The General Assembly amended the retirement plan for local government employees. It requires local governments who participate in the Virginia Retirement System to increase employees salaries by 5% and require the employees to pay the employee required 5% contribution which had previously been paid for by the City. To offset any additional cost of this change to the employee, the City increased pay per full time employee by an additional .7%. This change resulted in an additional increase in expenditures of approximately \$42,050. Health insurance premiums increased 3.8% with 20% of the increase being paid by the employee.

GENERAL FUND EXPENDITURE USES	
Legislative & Administrative	\$2,085,976
Public Safety	6,335,616
Public Works	1,702,020
Education	8,855,403
Other	3,135,665
Transfers Out	<u>2,142,250</u>
Total Expenditures	<u>\$24,256,930</u>



General Fund Expenditure Uses

Uses	FY 2012	FY 2013	\$ Inc/(Dec)	% Inc/(Dec)
School	\$ 8,826,375	\$ 8,855,403	\$ 29,028	.33%
City	15,530,314	15,401,527	(128,787)	(.83%)
Total	\$ 24,356,689	\$ 24,256,930	\$ (99,759)	(.40%)

General Fund Contribution to Schools

Category	FY 2012	FY 2013	\$ Inc/(Dec)	% Inc/(Dec)
School Contribution	\$ 8,653,353	\$ 8,855,403	\$ 202,050	2.3%
Reappropriation	27,022	-	(27,022)	(100%)
Additional Appropriation	146,000	-	(146,000)	(100%)
Total	\$ 8,826,375	\$ 8,855,403	\$ 29,028	.33%

General Fund City Expenditures by Category

Category	FY 2012	FY 2013	\$ Inc/(Dec)	% Inc/(Dec)
Personal Services	\$ 8,462,945	\$ 8,759,099	\$ 296,154	3.5%
Operations/Transfers	4,710,096	4,344,760	(365,336)	(7.8%)
Debt Service	2,052,246	2,052,250	4	0%
Capital Outlay	305,027	245,418	(59,609)	(19.5%)
Total	\$ 15,530,314	\$ 15,401,527	\$ (128,787)	(.83%)

Expenditures By Category: (Continued)

City Operations/Transfers: The City's operational costs and transfers are \$4,344,760 in FY 2013, a \$365,336 or 7.8% decrease.

Debt Service: In FY 2013, the City will transfer \$2,052,250 to the Debt Service Fund, the same amount as FY 2012. The transfer is explained in the Debt Service Fund section.

Capital Outlay: The City's capital outlay for FY 2013 is \$245,418, a \$59,609 or 19.5% decrease from FY 2012. This category consists of smaller capital outlay in various departments, including library books, computers, equipment, tools and fire hose.

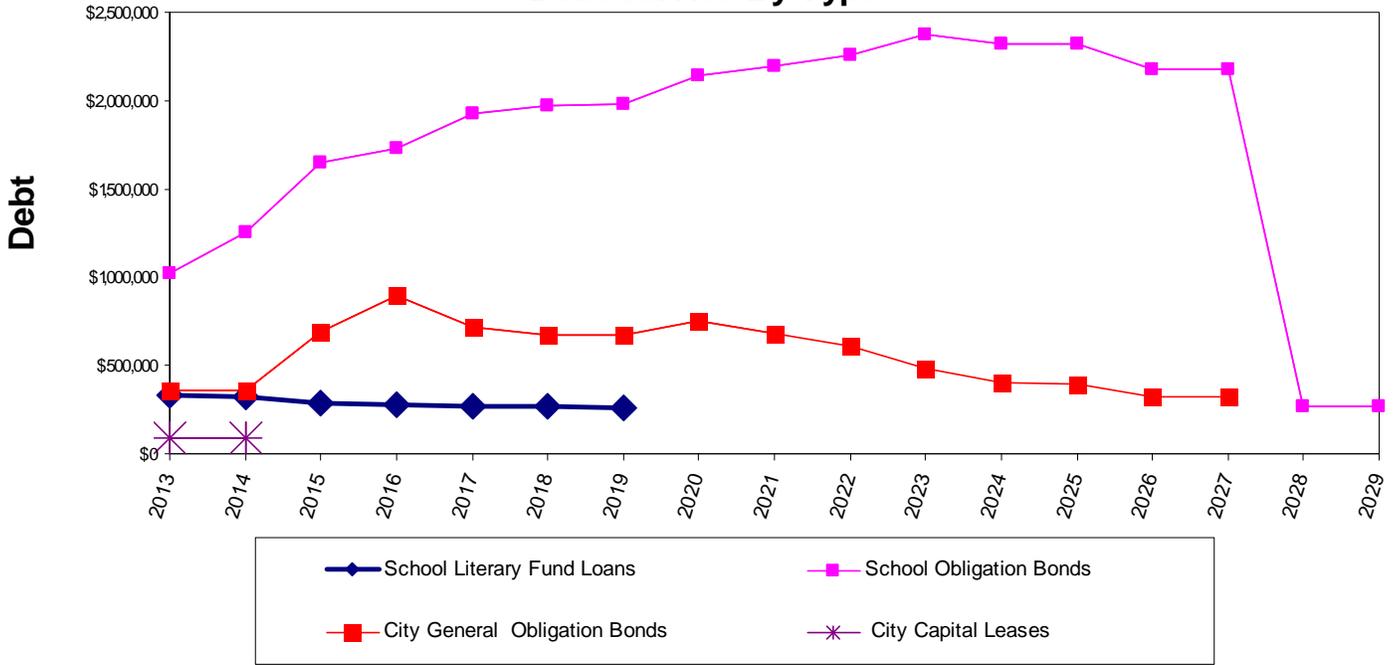
Expenditures By Category: (Continued)**Debt Service Fund****DEBT SERVICE FUND USES**

School Debt	\$1,355,963
City Debt	445,345
Future Debt Service	<u>250,942</u>
Total	<u>\$2,052,250</u>

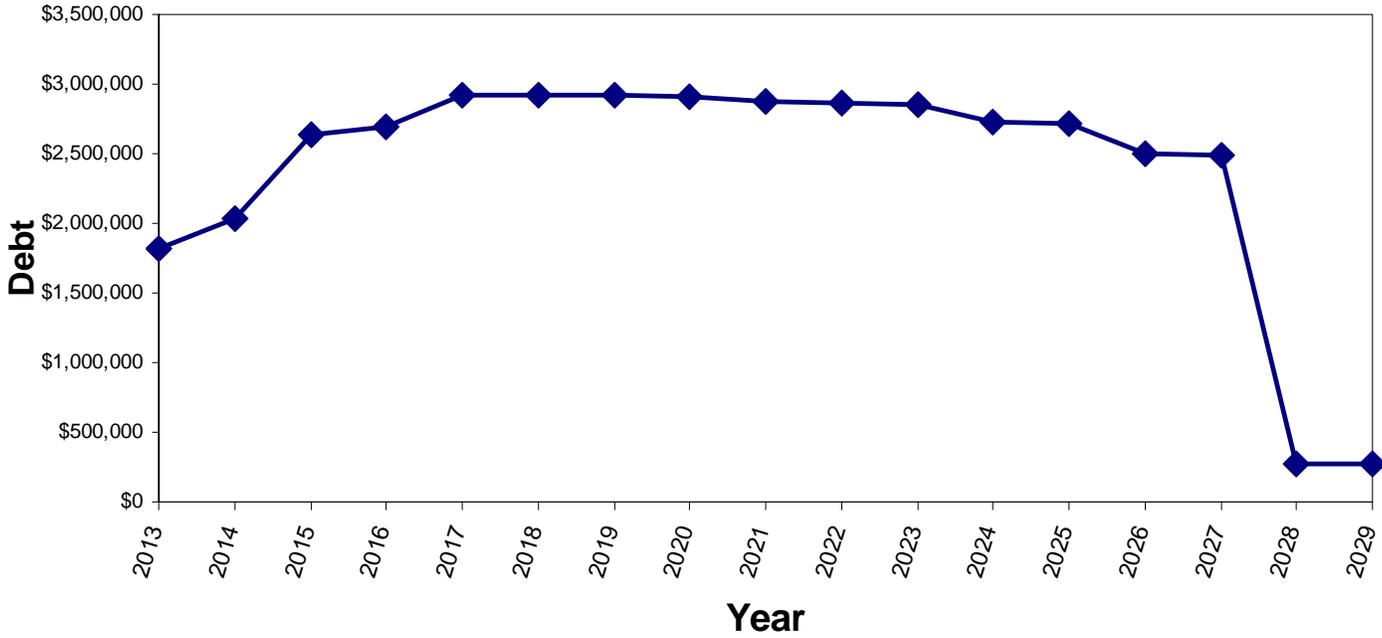
Debt Service Fund projected expenditures in FY 2013 are \$2,052,250 which is transferred from the General Fund. Included in the transfer from the general fund is \$250,942 to be used for future debt payments.

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 was recently refinanced to take advantage of favorable interest rates. Total Debt Service is relatively level through FY 2027.

Debt Service By Type



Total Debt Service Obligations



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 \$351,225 in State Highway Funds for street and drainage improvements and a transfer of \$90,000 from the General Fund and \$592,692 use of Fund Balance. The FY 2013 - Beyond FY 2017 CIP prepared by staff was presented to the Poquoson Planning Commission on January 17, 2012. The Planning Commission held a Public Hearing and adopted the plan as prepared. On January 23, 2012 the plan was submitted to City Council for their consideration. A public hearing was held and City Council adopted the plan as recommended by the Planning Commission.

Total FY 2013 year expenditures for the Capital Projects Fund are \$1,033,917. If the project is not completed Council must reappropriate the funds. Unspent funds from FY 2012 are allowed to be carried forward for two additional years. If the project is not complete 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	\$ 351,225
Transfer from the General Fund	90,000
Use of Fund Balance	<u>592,692</u>
Total	<u>\$1,033,917</u>

CAPITAL PROJECTS FUND EXPENDITURE USES

Street Paving	\$ 309,426
Drainage Projects	517,196
TMDL/Stormwater	125,500
School Projects	62,595
Technology	<u>19,200</u>
Total	<u>\$1,033,917</u>

Solid Waste Fund

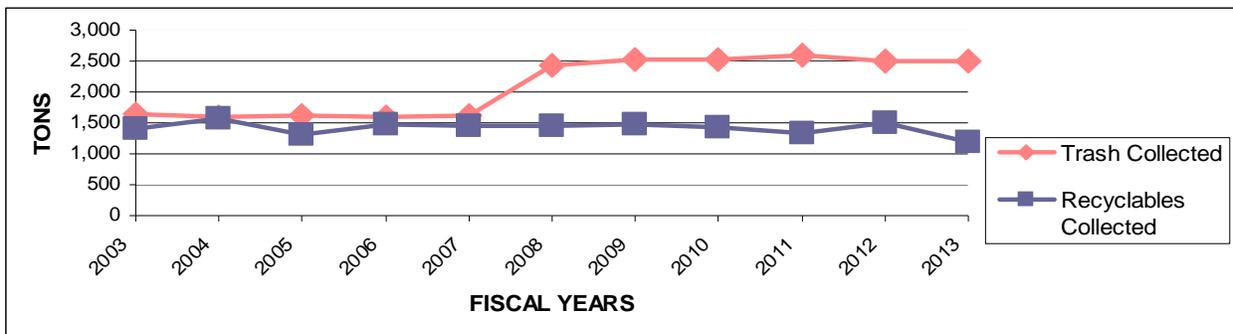
The Solid Waste Fund is an enterprise fund which accounts for the collection, disposal, and recycling of household and municipal solid waste, residential hazardous materials, bulky items, and landscaping debris. The revenues for FY 2013 are \$864,450. Revenues include an increase in bi-monthly rates of \$1.00 to \$10.50, depending on the plan chosen for residential garbage collection.

The City provides curbside pickup services for woody waste for a rate of \$60 per pickup. The fee is intended to cover a small portion of the cost incurred in picking up landscaping debris. The City is estimated to pay VPPSA \$32,000 to operate the composting/disposal facility in FY 2013. Residents may also take their landscaping debris to the VPPSA regional composting facility located at York County Landfill at no charge to the resident.

In FY 2013, the bulky item pickup rate after the first pick up is \$63. The fee is intended to limit the number of bulky item pickups in a year, not to cover the cost of the operation.

For both programs, the rate is increased to one third of the estimated costs of providing this service. In FY 2011, the City began a program where residents of the City may drop off their bulky and landscaping debris at a temporary convenience site on two Saturday's a month. There is no charge for this service. Also in FY 2011, the City began a leaf pick-up program. During the months of November through January, residents may put their leaves out 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 have decreased slightly while recyclables have been level. Citizens have the option to select a container/cart size and are billed bi-monthly along with the sewer service fee. Trash bags will be available for those residents who exceed the capacity of their trash cart/container.



<i>Solid Waste Fund (continued)</i>
--

SOLID WASTE SOURCES OF REVENUE		SOLID WASTE EXPENDITURE USES	
Solid Waste Fees	\$808,450	Personal Services	\$79,247
Bag Fees	20,000	Garbage Disposal	405,500
Landscaping & Bulky Item Charges	<u>36,000</u>	Recycling	173,475
		Bulky Item/Landscaping	91,862
		Hazardous Material	29,500
		Other Costs	<u>84,865</u>
Total	<u>\$864,450</u>	Total	<u>\$864,450</u>

In the FY 2013 budget, depreciation and amortization has not been budgeted as it has been in past years.

Utilities Fund

The Utilities Fund is operated as an enterprise fund and provides for the maintenance of sewer lines and pump stations. The FY 2013 adopted budget is \$1,859,080, which is \$489,967 or 21% less than the FY 2012 budget. This is due to depreciation being budgeted in FY 2012 and not in FY 2013.

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. Having not been adjusted since 2006, the sewer service fee is \$62 bi-monthly for FY 2013, which is an increase of \$6 per month. The sewer availability fee remains at \$6,000 for newly created lots. Commercial users also pay a fee based on water consumption. The consumption fee also remains at \$1.75 hcf.

Approximately 32% of the expenditures in the Utilities Fund covers debt service on various improvements and extension of the sewer system. \$617,921 is for maintenance, and capital needs to include an upgrade to the monitoring system and repairs associated with the SSES consent order. Personal services accounts for 15% of expenditures and includes salaries and benefits for 4 full time employees for FY 2013.

- ◆ 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	\$1,785,080
Sewer Availability Fee	48,000
Other	<u>26,000</u>
Total	<u>\$1,859,080</u>

UTILITIES EXPENDITURE USES	
Personal Services	\$268,226
Operating Expenses	251,506
Debt Service	591,427
Capital Outlay	617,921
Transfer to General Fund	<u>130,000</u>
Total	<u>\$1,859,080</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 \$668,030 in FY 2013, a \$35,286 increase from the FY 2012 budget. Increases are expected in vehicle parts, contracted services, fuel and employee benefits.

FLEET MANAGEMENT SOURCES OF REVENUE

Parts and Contracted Services	\$165,000
Garage Labor and Overhead	245,490
Gas and Oil Revenues	<u>257,540</u>
Total	<u>\$668,030</u>

FLEET MANAGEMENT EXPENSE USES

Personal Services	\$221,735
Fuel and Lubricants	257,540
Parts and Contractors	165,000
Other	<u>23,755</u>
Total	<u>\$668,030</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 none have been proposed. The City is still well below National Fire Protection Association recommendations for staffing of firefighter/paramedics. The Police Department requested a full time patrol officer and funds were converted from part time to full time line items. There is also a need for a human resources manager. These positions are not funded in the budget. Staffing may not be adequate in Public Works and Mosquito Control for drainage and street repair. This budget tried to limit the impact of increased health insurance premium costs to the employees and the City. Training and travel included in the budget have been reduced significantly.

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 minimum 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 subscription. The plan does not budget for replacement of any police vehicles, other vehicles, or small computer equipment to the extent needed by the departments.

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, 2011. 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 two 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 2013 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 adopts 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, or 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 department level. Expenditures may not exceed total appropriations for any department 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 quarterly 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 equal to 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.

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 between budget line items within a departmental budget. Revisions that alter total appropriations for a department 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 department. 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:** Used to account for resources and expenditures related to state and federal grants for community development and public safety.

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 governing body has determined that the periodic determination of net results of operations is appropriate for management control and accountability.

THE BUDGET PROCESS IN POQUOSON

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 maintaining 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 is striving to provide 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.

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 and the City Manager for their analysis and management.

THE BUDGET PROCESS IN POQUOSON

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 the 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 2013 – Beyond FY 2017 CIP prepared by staff was presented to the Poquoson Planning Commission on January 19, 2012. The Planning Commission held a Public Hearing on that date and adopted the Plan. The Plan was submitted to City Council on January 23, 2012 and adopted on January 23, 2012.

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.

FY 2013 BUDGET CALENDAR

DECEMBER 2011

- 9 Friday Budget letter request mailed to Outside Agencies.
- 9 Friday Budget preparation instructions distributed to Department Heads Including FY 2010 and FY 2011 Actual Expenses, FY 2012 Revised Budget and FY 2013 Request Departmental Budgets.

JANUARY 2012

- 10 Tuesday FY 2013 Departmental Expenditure Budget Requests due to Finance.
- 10 Tuesday FY 2013 Outside Agency budget requests due.
- 13 Friday Advertise Pre-Budget Public Hearing on January 23, 2012.
- 17 Wednesday Finance begins review of Departmental Budget Requests.
- 23 Monday Departmental Budget hearings with City Manager and Finance Director begins.
- 23 Monday FY 2013 Pre-Budget Public Hearing.

FEBRUARY 2012

- 24 Friday School Board Budget Request due.

MARCH 2012

- 9 Friday Final adjustments by Finance Department and City Manager to FY 2013 Proposed Revenue and Expenditures.

FY 2013 BUDGET CALENDAR

APRIL 2012

- | | | |
|----------|----------|--|
| 5 | Thursday | Proposed Budget FY 2013 Budget distributed to City Council Members. |
| 9
and | Monday | Presentation to City Council and public of proposed real estate personal property tax rate and fees for FY 2013. |
| 12 | Thursday | Publish notice of April 23, 2012 Public Hearing and proposed tax rates and fees. |
| 23 | Monday | Public Hearing on Budget at City Council Meeting and Budget Work Session prior to Council Meeting. |

MAY 2012

- | | | |
|----|--------|---|
| 14 | Monday | Adoption of FY 2013 Budget at City Council meeting. |
|----|--------|---|

SUMMARY OF TAX RATES AND FEES

	FY 2010 Approved	FY 2011 Approved	FY 2012 Approved	FY 2013 Adopted
<u>General Fund Taxes and Fees</u>				
Real Estate Tax	\$0.81/\$100 AV	\$0.81/\$100 AV	\$0.92/\$100 AV	\$0.92/\$100 AV
Public Service Corporation	\$0.81/\$100 AV	\$0.81/\$100 AV	\$0.92/\$100 AV	\$0.92/\$100 AV
Personal Property Tax				
Automobiles	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV
Boats	\$1.50/\$100 AV	\$1.50/\$100 AV	\$1.50/\$100 AV	\$.75/\$100 AV
Recreation Vehicles	\$1.50/\$100 AV	\$1.50/\$100 AV	\$1.50/\$100 AV	\$1.50/\$100 AV
Mobile Homes	\$0.81/\$100 AV 1st Half	\$0.81/\$100 AV 1st Half	\$0.81/\$100 AV 1st Half	\$0.92/\$100 AV 1st Half
Mobile Homes	\$0.81/\$100 AV 2nd Half	\$0.81/\$100 AV 2nd Half	\$0.92/\$100 AV 2nd Half	\$0.92/\$100 AV 2nd Half
Consumer Utility Tax				
Commercial	\$10	\$10	\$10	\$10
Residential	\$3	\$3	\$3	\$3
Cigarette Tax	\$.10 per pack	\$.10 per pack	\$.10 per pack	\$.20 per pack
Meals Tax (food and beverage)	5.5%	5.5%	5.5%	6.0%
Recovery (EMS) Fees:				
BLS	\$375	\$375	\$375	\$430
ALS	\$475	\$475	\$475	\$525
ALS-2	\$575	\$575	\$575	\$750
Mileage	\$8.25	\$8.25	\$8.25	\$9.00
<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	\$30 per pickup	\$30 per pickup	\$30 per pickup	\$60 per pickup
Bulky Item Pickup	1 free/yr; then \$30 ea	1 free/yr; then \$30 ea	1 free/yr; then \$30 ea	1 free/yr; then \$63 ea
Bulky Drop-off at City Hall	n/a	Free	Free	Free
<u>Utilities Fund Fees</u>				
Sewer Service Fees				
Commercial	\$50 bi-monthly plus \$1.75/hcf	\$50 bi-monthly plus \$1.75/hcf	\$50 bi-monthly plus \$1.75/hcf	\$62 bi-monthly plus \$1.75/hcf
Residential	\$50 bi-monthly	\$50 bi-monthly	\$50 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

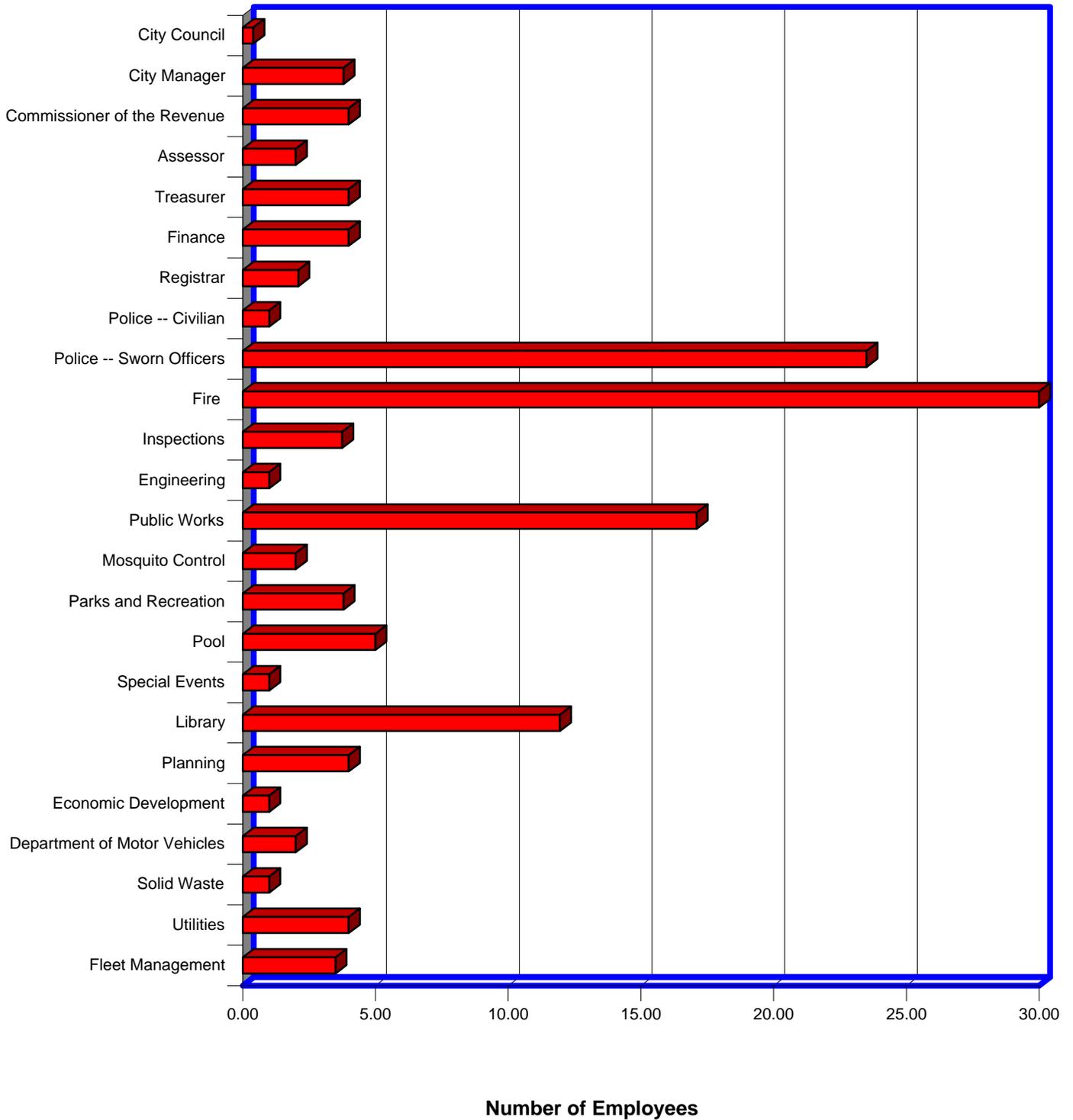
*Rate changes are shown in bold.

AV = Assessed Valuation
 SC = Service Charge
 hcf = 100 cubic feet

PERSONNEL POSITIONS

<u>Departments and Funds</u>	<u>FY 2010 Authorized FTE</u>	<u>FY 2011 Authorized FTE</u>	<u>FY 2012 Authorized FTE</u>	<u>FY 2013 Authorized FTE</u>
City Council	0.40	0.40	0.40	0.40
City Manager	3.80	3.80	3.80	3.80
Commissioner of the Revenue	4.00	4.00	4.00	4.00
Assessor	2.00	2.00	2.00	2.00
Treasurer	4.00	4.00	4.00	4.00
Finance	4.00	4.00	4.00	4.00
Registrar	2.10	2.10	2.10	2.10
Police -- Sworn Officers	22.50	22.50	22.50	23.50
Police -- Civilian	1.00	1.00	1.00	1.00
Fire	30.00	30.00	30.00	30.00
Inspections	3.00	3.75	3.75	3.75
Engineering	1.00	1.00	1.00	1.00
Public Works	14.50	16.50	16.50	17.10
Facilities & Grounds	2.00	0.00	0.00	0.00
Mosquito Control	2.00	2.00	2.00	2.00
Parks and Recreation	3.80	3.80	3.80	3.80
Pool	5.00	5.00	5.00	5.00
Special Events	1.00	1.00	1.00	1.00
Library	11.95	11.95	11.95	11.95
Planning	4.45	4.35	4.00	4.00
Economic Development	0.00	0.00	0.75	1.00
Department of Motor Vehicles	2.00	2.00	2.00	2.00
Total General Fund	<u>124.50</u>	<u>125.15</u>	<u>125.55</u>	<u>127.40</u>
Solid Waste	1.00	1.00	1.00	1.00
Utilities	4.00	4.00	4.00	4.00
Fleet Management	3.50	3.50	3.50	3.50
Total Departments and Funds	<u><u>133.00</u></u>	<u><u>133.65</u></u>	<u><u>134.05</u></u>	<u><u>135.90</u></u>

PERSONNEL POSITIONS IN FY 2013



SUMMARY OF REVENUES AND TRANSFERS IN BY FUND

Fund	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Budget	FY 2013 Adopted Budget
General Fund	\$ 24,010,711	\$ 23,628,917	\$ 24,373,814	\$ 24,292,366	\$ 24,256,930
Debt Service	18,243,463	9,607,452	14,240,246	14,240,246	2,052,250
Capital Projects	598,893	775,052	1,941,200	1,938,354	1,033,917
Special Revenue	3,090	52,007	-	32	-
Solid Waste Enterprise	789,010	756,232	1,015,100	1,015,100	864,450
Utilities Enterprise	1,517,781	1,560,727	2,349,047	2,349,047	1,859,080
Fleet Management Internal Service	625,042	615,653	632,744	632,744	668,030
TOTAL REVENUE AND TRANSFERS	45,787,990	36,996,040	44,552,151	44,467,889	30,734,657
Less: Interfund Transfers	2,632,735	2,284,842	2,284,842	2,304,346	2,272,250
TOTAL REVENUE	\$ 43,155,255	\$ 34,711,198	\$ 42,267,309	\$ 42,163,543	\$ 28,462,407

SUMMARY OF EXPENDITURES AND TRANSFERS OUT BY FUND

Fund	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Budget	FY 2013 Adopted Budget
General Fund	\$ 23,089,161	\$ 23,015,055	\$ 24,356,689	\$ 24,356,689	\$ 24,256,930
Debt Service	18,391,593	9,607,452	14,240,246	14,240,246	2,052,250
Capital Projects	838,069	814,872	1,352,716	1,352,716	1,033,917
Special Revenue	35,167	102	208	208	-
Solid Waste Enterprise	766,921	791,114	1,015,100	1,015,100	864,450
Utilities Enterprise	1,815,334	2,187,176	2,349,047	2,349,047	1,859,080
Fleet Management Internal Service	638,789	685,392	632,744	632,744	668,030
TOTAL EXPENDITURES AND TRANSFER	45,575,034	37,101,163	43,946,750	43,946,750	30,734,657
Less: Interfund Transfers	2,632,735	2,248,182	2,304,346	2,304,346	2,272,250
TOTAL EXPENDITURES	\$ 42,942,299	\$ 34,852,981	\$ 41,642,404	\$ 41,642,404	\$ 28,462,407

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY

Revenues		Expenditures	
	General Fund		
General Property Taxes	\$ 16,091,625	Personal Services	\$ 6,153,088
Other Local Taxes	2,698,000	Employee Benefits	2,606,011
Permits Licenses & Fees	80,900	Purchased Services	1,000,821
Fines & Forfeitures	53,200	Internal Services	377,019
Use of Money & Property	198,800	Other Charges	1,297,392
Charges for Services	690,141	Contributions to Agencies	139,279
Miscellaneous Revenue	63,000	Materials & Supplies	176,578
State Non-Categorical Aid	1,971,435	Payment to Joint Operations	1,263,671
State Categorical Aid	216,571	Capital Outlay	245,418
State Other Categorical Aid	1,444,115	Transfer to Debt Service Fund	2,052,250
Federal Revenue	2,500	Transfer to Capital Projects Fund	90,000
Transfer from Sewer Fund	130,000	School Contribution	<u>8,855,403</u>
Transfer from Unappropriated Fund Balance	<u>616,643</u>		
Total	<u>\$ 24,256,930</u>	Total	<u>\$ 24,256,930</u>
	Debt Service Fund		
Transfer from General Fund	<u>\$ 2,052,250</u>	School Debt Service	\$ 1,355,963
		City Debt Service	445,345
Total	<u>\$ 2,052,250</u>	Fund Balance	250,942
		Total	<u>\$ 2,052,250</u>
	Capital Projects Fund		
State Revenue	\$ 351,225	City Capital Outlay	<u>\$ 1,033,917</u>
Transfer from Fund Balance	592,692		
Transfer from General Fund	90,000		
Total	<u>\$ 1,033,917</u>	Total	<u>\$ 1,033,917</u>
	Special Revenue Fund		
N/A		N/A	
	Solid Waste Fund		
Charges for Services - Solid Waste Fees	\$ 808,450	Personal Services	\$ 51,431
Charges for Services - Other	<u>56,000</u>	Employee Benefits	27,816
		Purchased Services	480,062
		Internal Services	38,382
		Other Charges	10,559
		Materials & Supplies	3,125
		Payment to Joint Operations	234,975
		Capital	10,100
Total	<u>\$ 864,450</u>	Total	<u>\$ 856,450</u>

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY

Revenues		Expenditures	
	Utilities Fund		
Charges for Services - Sewer Service Fees	\$ 1,785,080	Personal Services	\$ 187,658
Sewer Availability Fees	48,000	Employee Benefits	80,564
Late Payment Fees	<u>26,000</u>	Purchased Services	131,500
		Internal Services	18,798
		Other Charges	91,864
		Materials & Supplies	9,344
		Debt Service	591,427
		Transfer to General Fund	130,000
		Capital Outlay	<u>617,925</u>
Total	<u>\$ 1,859,080</u>	Total	<u>\$ 1,859,080</u>
	Fleet Fund		
Internal Service Revenue - City	\$ 430,661	Personal Services	\$ 144,631
Internal Service Revenue - Schools	<u>237,369</u>	Employee Benefits	77,104
		Purchased Services	46,425
		Other Charges	12,730
		Materials & Supplies	383,640
		Capital Outlay	<u>3,500</u>
Total	<u>\$ 668,030</u>	Total	<u>\$ 668,030</u>

SUMMARY OF FUND BALANCE OR NET ASSETS BY FUND

	General Fund	Debt Service	Capital Projects Fund	Special Revenue Fund	Solid Waste Fund	Utilities Fund	Fleet Management Fund
Beginning Fund Balance - 7/1/2009	3,824,793	148,130	1,149,080	32,077	294,792	6,246,661	140,230
Actual FY 2010 Revenues	23,710,710	18,243,463	598,893	3,090	789,010	1,517,781	625,042
Actual FY 2010 Expenditures	(22,789,161)	(18,391,593)	(838,069)	(35,167)	(766,921)	(1,815,334)	(638,789)
Ending Fund Balance - 6/30/2010	\$ 4,746,342	\$ -	\$ 909,904	\$ -	\$ 316,881	\$ 5,949,108	\$ 126,483
Beginning Fund Balance - 7/1/2010	4,746,342	-	909,904	-	316,881	5,949,108	126,483
Actual FY 2011 Revenues	23,628,917	9,607,452	775,052	52,007	756,232	1,560,717	615,653
Actual FY 2011 Expenditures	(23,015,055)	(9,607,452)	(814,871)	(102)	(791,114)	(2,187,173)	(685,393)
Ending Fund Balance - 6/30/2011	\$ 5,360,204	\$ -	\$ 870,085	\$ 51,905	\$ 281,999	\$ 5,322,652	\$ 56,743
Beginning Fund Balance - 7/1/2011	5,360,204	-	870,085	51,905	281,999	5,322,652	56,743
Estimated FY 2012 Revenues	23,418,672	14,240,246	1,324,545	32	842,100	1,646,900	596,461
Estimated FY 2012 Expenditures	(24,356,689)	(14,240,246)	(1,352,716)	(208)	(1,015,100)	(2,349,047)	(632,744)
Projected Fund Balance - 6/30/2012	\$ 4,422,187	\$ -	\$ 841,914	\$ 51,729	\$ 108,999	\$ 4,620,505	\$ 20,460
Beginning Fund Balance - 7/1/2012	4,422,187	-	841,914	51,729	108,999	4,620,505	20,460
Estimated FY 2013 Revenues	23,640,287	2,052,250	441,225	-	864,450	1,859,080	668,030
Estimated FY 2013 Expenditures	(24,256,930)	(1,801,308)	(1,033,917)	-	(864,450)	(1,859,080)	(668,030)
Projected Fund Balance - 6/30/2013	\$ 3,805,544	\$ 250,942	\$ 249,222	\$ 51,729	\$ 108,999	\$ 4,620,505	\$ 20,460

GENERAL FUND - SUMMARY

General Fund Description

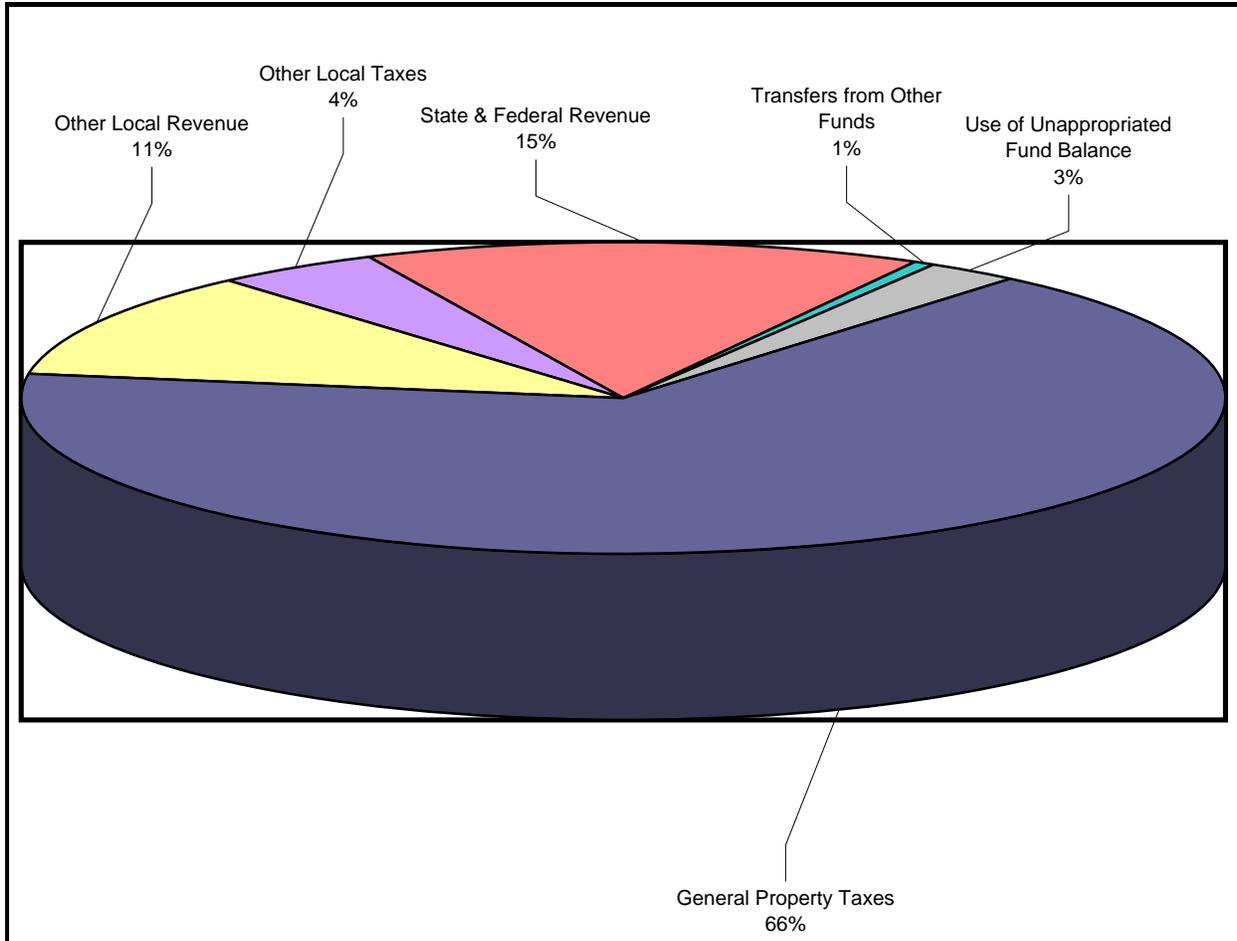
The General Fund accounts for all revenues and expenditures applicable to the general operations of the City which are not accounted for in other funds. Principal sources of revenue are property taxes and other local taxes, licenses and permit fees, and intergovernmental revenues. A significant part 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 - 6/30/2009		\$ 3,824,793
Actual FY 2010 Revenues	\$ 24,010,710	
Actual FY 2010 Expenditures	<u>(23,089,161)</u>	921,549
Fund Balance - 6/30/2010		<u>\$ 4,746,342</u>
Actual FY 2011 Revenues	\$ 23,628,917	
Actual FY 2011 Expenditures	<u>(23,015,055)</u>	613,862
Fund Balance - 6/30/2011		<u>\$ 5,360,204</u>
Estimated FY 2012 Revenues	\$ 23,418,672	
Estimated FY 2012 Expenditures	<u>(24,356,689)</u>	(938,017)
Projected Fund Balance - 6/30/2012		<u>\$ 4,422,187</u>
Estimated FY 2013 Revenues	\$ 23,640,287	
Estimated FY 2013 Expenditures	<u>(24,256,930)</u>	(616,643)
Projected Fund Balance - 6/30/2013		<u><u>\$ 3,805,544</u></u>

GENERAL FUND - SUMMARY

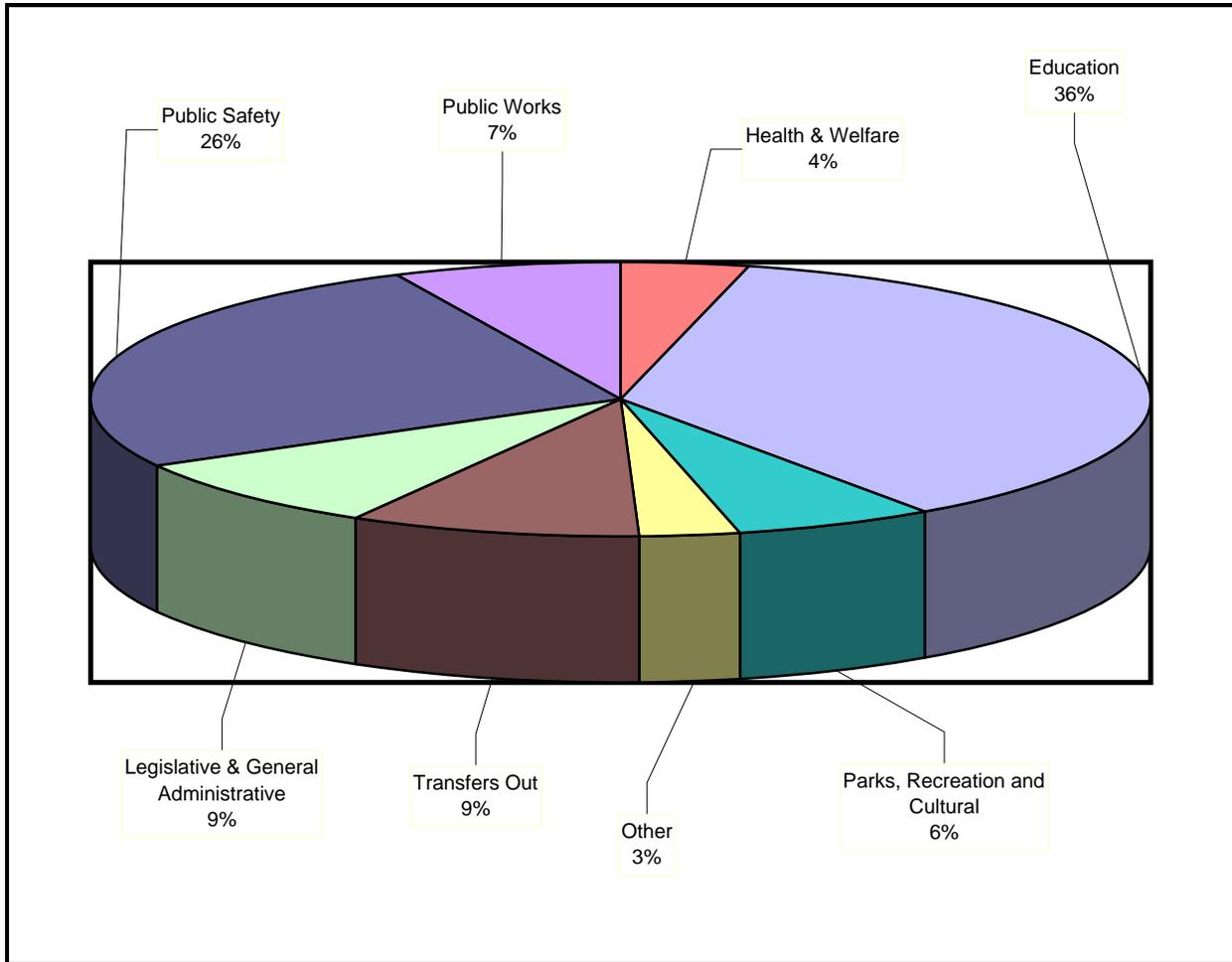
General Fund Revenue



<u>General Fund Revenue</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
General Property Taxes	\$ 16,023,000	\$ 16,091,625
Other Local Revenue	1,033,943	2,698,000
Other Local Taxes	2,477,500	1,086,041
State & Federal Revenue	3,754,229	3,634,621
Transfers from Other Funds	130,000	130,000
Use of Unappropriated Fund Balance	873,694	616,643
TOTAL	<u><u>\$ 24,292,366</u></u>	<u><u>\$ 24,256,930</u></u>

GENERAL FUND - SUMMARY

General Fund Expenditures



<u>General Fund Expenditures</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Legislative & General Administrative	\$ 2,160,880	\$ 2,085,976
Public Safety	6,173,980	6,335,616
Public Works	1,602,321	1,702,020
Health & Welfare	988,364	897,827
Education	8,826,375	8,855,403
Parks, Recreation and Cultural	1,467,604	1,495,164
Other	950,819	742,674
Transfers Out	2,186,346	2,142,250
TOTAL	<u>\$ 24,356,689</u>	<u>\$ 24,256,930</u>

GENERAL FUND REVENUE SUMMARY

General Fund Revenues Summary

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
LOCAL REVENUE:							
<u>GENERAL PROPERTY TAXES</u>							
Real Estate-Current Tax	\$ 13,411,379	\$ 13,572,385	\$ 13,348,000	\$ 13,348,000	\$ 13,402,000	\$ 54,000	0.4%
Delinquent Real Estate Taxes	100,043	70,811	90,000	90,000	70,000	(20,000)	-22.2%
Public Service Corp.	137,777	139,840	138,000	138,000	150,000	12,000	8.7%
Personal Property-Current Tax	2,203,586	2,332,067	2,250,000	2,250,000	2,289,625	39,625	1.8%
Delinquent Personal Property Taxes	47,619	25,292	40,000	40,000	30,000	(10,000)	-25.0%
Penalties and Interest	123,433	156,516	157,000	157,000	150,000	(7,000)	-4.5%
TOTAL GENERAL PROPERTY TAXES	16,023,837	16,296,911	16,023,000	16,023,000	16,091,625	68,625	0.4%
<u>OTHER LOCAL TAXES</u>							
Local Sales Tax	475,946	519,420	502,000	502,000	553,000	51,000	10.2%
Communications Sales & Use Tax	425,432	436,175	420,000	420,000	420,000	-	0.0%
Meals Tax	511,639	488,928	510,000	510,000	630,000	120,000	23.5%
Consumer Utility Tax	276,745	291,323	280,000	280,000	280,000	-	0.0%
Consumption Tax	41,937	43,235	41,500	41,500	41,500	-	0.0%
Business License Tax	400,260	398,812	400,000	400,000	400,000	-	0.0%
Cigarette Tax	68,192	50,548	60,000	60,000	136,500	76,500	127.5%
Other Local Taxes	251,781	235,782	264,000	260,000	237,000	(27,000)	-10.2%
TOTAL OTHER LOCAL TAXES	2,451,932	2,464,223	2,477,500	2,473,500	2,698,000	220,500	8.9%
TOTAL PERMITS, LICENSES & FEES	70,947	78,464	72,400	72,400	80,900	8,500	11.7%
TOTAL FINES & FORFEITURES	54,836	54,907	53,100	53,100	53,200	100	0.2%
<u>USE OF MONEY & PROPERTY</u>							
Interest on Investments	14,008	27,057	32,733	32,733	30,000	(2,733)	-8.3%
Rental of Property	142,130	154,796	163,800	163,800	168,800	5,000	3.1%
TOTAL USE OF MONEY & PROPERTY	156,138	181,853	196,533	196,533	198,800	2,267	1.2%
<u>CHARGES FOR SERVICES</u>							
Other Charges for Services	217,371	299,386	298,800	298,800	363,500	64,700	21.7%
Parks & Recreation Programs	117,391	133,903	138,630	131,130	125,630	(13,000)	-9.4%
Parks & Recreation Pool Programs	63,675	56,785	71,550	71,550	81,250	9,700	13.6%
Parks & Recreation Special Events	97,338	131,304	144,430	144,430	119,761	(24,669)	-17.1%
TOTAL CHARGES FOR SERVICES	495,775	621,378	653,410	645,910	690,141	36,731	5.6%
TOTAL MISCELLANEOUS REVENUE	60,625	124,147	66,000	66,000	63,000	(3,000)	-4.5%
TOTAL LOCAL REVENUE	\$ 19,314,090	\$ 19,821,883	\$ 19,541,943	\$ 19,530,443	\$ 19,875,666	\$ 333,723	1.7%

GENERAL FUND REVENUE SUMMARY

General Fund Revenues Summary

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 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	\$ -	0.0%
DMV Profit	138,593	104,853	105,000	105,000	90,000	(15,000)	-14.3%
Reimbursement to Commonwealth	(41,510)	(41,034)	(42,000)	(43,184)	(42,000)	-	0.0%
Other Aid	5,156	9,156	2,000	2,000	-	(2,000)	-100.0%
TOTAL NON-CATEGORICAL AID	2,025,670	1,996,406	1,988,435	1,987,251	1,971,435	(17,000)	-0.9%
<u>CATEGORICAL AID</u>							
TOTAL SHARED EXPENSES	254,482	223,887	216,985	216,985	216,571	(414)	-0.2%
<u>OTHER CATEGORICAL AID:</u>							
State 599 Funds (Police)	244,563	241,688	233,207	233,207	233,207	-	0.0%
Street & Highway Maintenance	840,000	775,800	775,000	775,000	915,000	140,000	18.1%
Library Aid	145,280	131,571	136,273	136,273	134,618	(1,655)	-1.2%
Comprehensive Services Act	290,993	121,814	173,290	173,290	121,814	(51,476)	-29.7%
Police Grants	21,874	42,725	2,751	2,751	-	(2,751)	-100.0%
Fire and EMS Grants	54,180	49,173	41,168	43,309	39,476	(1,692)	-4.1%
Other State Revenue	63,015	8,388	25,000	2,501	-	(25,000)	-100.0%
TOTAL OTHER CATEGORICAL AID	1,659,905	1,371,159	1,386,689	1,366,331	1,444,115	57,426	4.1%
TOTAL CATEGORICAL AID	1,914,387	1,595,046	1,603,674	1,583,316	1,660,686	57,012	3.6%
TOTAL STATE REVENUE	3,940,057	3,591,452	3,592,109	3,570,567	3,632,121	40,012	1.1%
FEDERAL REVENUE:							
Police Grants	25,230	27,964	29,128	26,370	-	(29,128)	-100.0%
Plum Tree Island Refuge	3,326	2,343	3,500	2,000	2,500	(1,000)	-28.6%
FEMA Public Assistance Grant	243,000	1,709	150,000	101,852	-	(150,000)	-100.0%
DHS and Citizen Corps Grants	47,724	16,400	51,440	51,440	-	(51,440)	-100.0%
Other Federal Revenue	7,283	5,966	2,000	2,000	-	(2,000)	-100.0%
TOTAL FEDERAL REVENUE	326,563	54,382	236,068	183,662	2,500	(233,568)	-98.9%
TOTAL GENERAL FUND REVENUE	23,580,710	23,467,717	23,370,120	23,284,672	23,510,287	140,167	0.6%
TRANSFERS IN:							
Transfer from Sewer Fund	130,000	130,000	130,000	130,000	130,000	-	0.0%
Transfer from Capital Projects Fund	-	-	-	-	-	-	n/a
Transfer from Fleet Fund	-	31,200	-	-	-	-	n/a
Transfer from School Board	300,000	-	-	-	-	-	n/a
Transfer from Unapprop. Fund Bal.	-	-	873,694	873,694	616,643	(257,051)	-29.4%
TOTAL TRANSFERS IN	430,000	161,200	1,003,694	1,003,694	746,643	(257,051)	-25.6%
TOTAL REVENUE & TRANSFERS IN	\$ 24,010,710	\$ 23,628,917	\$ 24,373,814	\$ 24,288,366	\$ 24,256,930	\$ (116,884)	-0.5%

REVENUE DETAIL

LOCAL REVENUE

General Property taxes account for 81% of locally generated revenues. Included in this category are levies made on real 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 adopted at a rate of \$0.92 per \$100 of assessed value. Each cent of tax brings approximately \$149,000 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 and FY 2013 is not a reassessment year.

Residential growth projections in FY 2013 are based on new houses and other residential improvements estimated in value at \$7,000,000, to be built throughout the year. This will bring approximately \$18,700 in additional tax revenue during FY 2013.

FY 2013 Real Estate Revised Budget Estimate	\$13,643,300
Tax Relief and Deferral	(260,000)
FY 2013 Residential growth \$7,000,000 on new assessments of new homes and other residential improvements	<u>18,700</u>
FY 2013 Real Estate Budget	<u>\$13,402,000</u>

Real estate taxes are due on December 5th and June 5th. A penalty of \$10 or 10%, whichever is greater, is assessed on past due balances. In addition, interest of 10% per annum is assessed on unpaid balances beginning in the month following the month in which the tax is 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 we are estimating that assessments will be \$17,000,000 in FY 2013.

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 2013 budget, the tax rate for automobiles is based on a \$4.15 tax rate per \$100 of assessed value; for recreational vehicles a \$1.50 tax rate per \$100 of assessed value and \$0.75 for boats. Mobile homes are assessed as personal property on a calendar year basis, and taxed at the real estate rate of \$0.92 per \$100 of assessed value. The low value in the ABOS book is used to determine the assessment for boats.

The FY 2013 personal property tax revenue is \$4,243,060 a \$29,625 increase over the FY 2012 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 2012.

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 2013. The break out between local taxes and state aid is as follows for FY 2013 Personal Property tax revenue.

<u>Local Taxes = 55%</u>	<u>State Aid = 45%</u>	<u>Total</u>
\$ 2,319,625	\$ 1,923,435	\$ 4,243,060

REVENUE DETAIL

LOCAL SALES TAX:

Since July 1, 2004, the Virginia State Sales Tax rate is 5.0%. The State returns to the City 1% of the sales tax collected within the City of Poquoson. In FY 2013, it is expected to increase from FY 2012 budget to \$553,000. This projection is based on commercial retail sales in the City.

MEALS TAX:

The meals tax rate for FY 2013 is 6% which is an increase of .5%. This tax has been imposed on all prepared food and beverages sold in the City since FY 2002. In FY 2013, revenue is expected to increase to \$630,000, an additional \$120,000.

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 2013, it is expected to remain level at \$420,000.

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 \$280,000 for FY 2013.

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 \$41,500 for FY 2013.

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 2013 is expected to remain level.

CIGARETTE TAX:

This tax is based on a rate of 20 cents per pack, an increase of 10 cents. This tax went into effect October 1, 2001. The amount budgeted for FY 2013 is \$136,500, an increase of \$76,500.

REVENUE DETAIL

OTHER LOCAL TAXES:

Included in this category are:

Bank Franchise Tax	\$ 32,000
Recordation Tax	180,000
Deed of Conveyance	<u>25,000</u>
	<u>\$237,000</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	\$ 4,500
Site Plan Inspection Fees	500
Site Plan Review Fees	500
Subdivision Plan Review Fees	500
Zoning Advertising Fees	3,000
Building Permits	35,000
Electrical Permits	8,000
Plumbing Permits	6,000
Mechanical Permits	8,000
Erosion and Sediment Fees	10,000
Right-of-Way Permits	2,500
Drainage Pipe Permits	1,000
Other Fees	<u>1,400</u>
	<u>\$ 80,900</u>

In FY 2013, this represents an increase of \$8,500 from the FY 2012 budget.

FINES AND FORFEITURES:

This represents fines for violation of local ordinances upon conviction. The amount budgeted for FY 2013 is \$53,200, an increase of \$100.

INTEREST ON INVESTMENTS:

For FY 2013 revenue of \$30,000 is anticipated to decrease \$2,733 from the FY 2012 estimate.

RENTAL OF PROPERTY:

REVENUE DETAIL

The City rents property to the School Board for administrative office space in City Hall. In FY 2013, 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 \$140,000 for tower rental for communications companies to place their towers on City property, an increase of \$5,000 from FY 2012. The rental of the Odd Road Community Center is expected to remain level at \$2,500.

CHARGES FOR SERVICES:

Included in this category of revenue are:

EMS Fees	\$263,500
Library Fees	22,000
Passport Processing	30,000
School Maintenance	45,000
Copying Charges	3,000
Parks & Recreation Programs	125,630
Pool Programs	81,250
Special Events	<u>119,761</u>
	<u>\$690,141</u>

EMS fees are charges for ambulance services. The City began charging for ambulance services in October 2009. The rate for FY 2013 is similar to a level charged by some of the surrounding localities. The FY 2013 revenue is expected to increase \$63,500.

Library fees are book fines, etc. that are charged to patrons for returning items late. Locally, the Library issues Passports and the Passport Processing fees are expected to increase in FY 2013 to \$30,000 as more individuals utilize the service.

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

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.

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

MISCELLANEOUS REVENUE:

Miscellaneous Revenue includes:

CSA Reimbursement	\$ 8,000
Donations - Facilities	50,000
Miscellaneous	<u>5,000</u>
	<u>\$ 63,000</u>

Donations for Facilities in the amount of \$50,000 includes the third year of a \$300,000 six year pledge to the City.

Miscellaneous revenue in prior years included donations and insurance recoveries.

REVENUE DETAIL

STATE REVENUE

NON-CATEGORICAL AID:

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

Personal Property Tax Relief Act	\$1,923,435
DMV Reimbursement	90,000
Local Aid Reimbursement to State	<u>(42,000)</u>
	<u>\$1,971,435</u>

Total personal property in FY 2013 is \$4,243,060. Of this amount, \$2,319,625 is recorded as general property taxes and \$1,923,435 is recorded as State Non-Categorical Aid. Personal Property is expected to increase by \$29,625; however, the revenue from the State will remain level.

The City opened a State Department of Motor Vehicles (DMV) office on January 2, 2002. As part of the City's agreement with DMV, the City receives 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 \$90,000 for FY 2013. The office staff salaries and the majority of office expenses are paid by the City. The total DMV expenditure budget is \$107,092.

The Local Aid Reimbursement to the State of \$42,000 is a result of reduced revenues from the State for the City of Poquoson. The City elected to reimburse the State our share of the reduction plan rather than electing a reduction of revenues for State Categorical Programs.

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 2013 budget of \$216,571 or a decrease of \$414 from FY 2012 is based on estimated information received from the State Compensation Board.

The revenues are:

Commissioner of the Revenue	\$ 96,383
Treasurer	86,188
Registrar	<u>34,000</u>
	<u>\$216,571</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 2013 is anticipated to be \$233,207 the same as FY 2012.

OTHER CATEGORICAL AID (continued):

REVENUE DETAIL

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 \$1,226,225 in FY 2013 for Street and Highway Maintenance funding which is a \$49,710 decrease from FY 2012. Of that amount, \$351,225 is budgeted in the Capital Projects Fund and is used for paving and drainage projects. The remaining \$915,000 is budgeted in the General Fund.

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 2013 is \$134,618.

Comprehensive Services Act (CSA) funds are provided to partially fund mandated foster care and residentially placed special education expenses. The State contribution is expected to be \$121,814 and a local cost of \$47,186 for a total of \$169,000 for CSA expenditures.

Various websites from State agencies and the Virginia Municipal League (VML) determined the FY 2013 estimates for State Categorical Aid. VML is an advocate for Virginia localities at the General Assembly.

FEDERAL REVENUE

CATEGORICAL AID:

Plum Tree Island Refuge revenue represents payment in lieu of taxes for the Big Marsh area administered by the Department of Interior.

TRANSFERS IN

The Utilities Fund reimburses the General Fund for expenses incurred in the overall administration of the sewer system and in FY 2013 will remain level at \$130,000.

The use of the Unappropriated Fund Balance in the amount of \$616,643 to balance the budget in FY 2013. This includes \$39,227 from Nonspendable Fund Balance. The remaining \$577,416 is from Unassigned Fund Balance.

THIS PAGE LEFT INTENTIONALLY BLANK

GENERAL FUND EXPENDITURES SUMMARY

General Fund Expenditures Summary

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
<u>LEGISLATIVE</u>						
City Council	\$ 65,337	\$ 64,563	\$ 70,005	\$ 66,467	\$ (3,538)	-5.1%
<u>GENERAL ADMINISTRATION</u>						
City Manager	398,568	384,039	397,972	411,407	13,435	3.4%
Legal Services	135,094	127,421	110,150	102,950	(7,200)	-6.5%
Independent Auditor	31,289	34,004	31,200	35,800	4,600	14.7%
Commissioner of the Revenue	295,762	274,718	279,167	293,222	14,055	5.0%
Assessor/Equalization Board	160,374	164,198	170,644	178,787	8,143	4.8%
Treasurer	292,598	330,457	340,795	343,314	2,519	0.7%
Finance	326,867	330,429	328,542	348,013	19,471	5.9%
Technology	20,080	74,000	43,500	65,000	21,500	49.4%
Risk Management	66,321	227,745	228,492	76,434	(152,058)	-66.5%
TOTAL ADMINISTRATION	1,726,953	1,947,011	1,930,462	1,854,927	(75,535)	-3.9%
<u>ELECTIONS</u>						
Registrar/Electoral Board	125,633	129,187	160,413	164,582	4,169	2.6%
<u>PUBLIC SAFETY</u>						
Courts and Sheriff	349,115	366,436	408,118	425,971	17,853	4.4%
Police	2,251,781	2,381,896	2,418,926	2,489,178	70,252	2.9%
Fire	2,442,232	2,419,982	2,678,352	2,659,354	(18,998)	-0.7%
Corrections & Detention	147,460	214,060	204,130	279,200	75,070	36.8%
Inspections	320,988	348,292	379,009	393,146	14,137	3.7%
Animal Control	81,627	84,173	85,445	88,767	3,322	3.9%
TOTAL PUBLIC SAFETY	5,593,203	5,814,839	6,173,980	6,335,616	161,636	2.6%
<u>PUBLIC WORKS</u>						
Engineering	102,547	85,748	100,271	111,747	11,476	11.4%
Public Works	985,609	1,286,464	1,357,620	1,437,870	80,250	5.9%
Street Lights	69,864	66,429	75,000	80,000	5,000	6.7%
Facilities	364,983	89,621	69,430	72,403	2,973	4.3%
TOTAL PUBLIC WORKS	1,523,003	1,528,262	1,602,321	1,702,020	99,699	6.2%
<u>HEALTH & WELFARE</u>						
Health Department	41,002	33,540	35,539	36,420	881	2.5%
Mosquito Control	207,325	224,604	234,816	235,936	1,120	0.5%
Mental Health	176,282	175,228	189,370	203,964	14,594	7.7%
Welfare/Social Services	584,526	389,866	528,639	421,507	(107,132)	-20.3%
TOTAL HEALTH & WELFARE	\$ 1,009,135	\$ 823,238	\$ 988,364	\$ 897,827	\$ (90,537)	-9.2%

GENERAL FUND EXPENDITURES SUMMARY

General Fund Expenditures Summary

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
EDUCATION						
School Contribution	\$ 8,244,994	\$ 8,489,579	\$ 8,799,353	\$ 8,855,403	\$ 56,050	0.6%
Reappropriation	63,398	89,096	27,022	-	(27,022)	-100.0%
TOTAL EDUCATION	8,308,392	8,578,675	8,826,375	8,855,403	29,028	0.3%
PARKS, RECREATION & CULTURAL						
Parks & Recreation Programs	428,129	447,393	448,663	402,562	(46,101)	-10.3%
Parks & Recreation Pool	108,823	112,243	100,902	110,149	9,247	9.2%
Parks & Recreation Special Events	114,744	126,215	144,430	194,958	50,528	35.0%
Library	753,322	749,165	773,609	787,495	13,886	1.8%
TOTAL PARKS, REC & CULTURAL	1,405,018	1,435,016	1,467,604	1,495,164	27,560	1.9%
COMMUNITY DEVELOPMENT						
Planning	320,701	287,033	304,485	324,403	19,918	6.5%
Planning/BZA/Wetlands/ARB	5,706	4,941	10,500	6,950	(3,550)	-33.8%
Economic Development	5,216	34,422	143,209	144,950	1,741	1.2%
Community Development	138,786	165,905	146,185	139,279	(6,906)	-4.7%
TOTAL COMMUNITY DEVELOPMENT	470,409	492,301	604,379	615,582	11,203	1.9%
NON-DEPARTMENTAL						
Non-Departmental	49,379	15,455	40,000	20,000	(20,000)	-50.0%
Department of Motor Vehicles	101,373	99,526	106,440	107,092	652	0.6%
Recovery - Nor'easter Ida & Hurricane Irene	168,591	-	200,000	-	(200,000)	-100.0%
TOTAL NON-DEPARTMENTAL	319,343	114,981	346,440	127,092	(219,348)	-63.3%
TRANSFERS OUT						
Debt Service Fund	2,410,984	2,036,982	2,052,246	2,052,250	4	0.0%
Capital Projects Fund	46,751	50,000	50,000	90,000	40,000	80.0%
Solid Waste Fund	45,000	-	72,100	-	(72,100)	-100.0%
Economic Development Authority	40,000	-	12,000	-	(12,000)	100.0%
TOTAL TRANSFERS OUT	2,542,735	2,086,982	2,186,346	2,142,250	(44,096)	-2.0%
TOTAL GENERAL FUND	\$ 23,089,161	\$ 23,015,055	\$ 24,356,689	\$ 24,256,930	\$ (99,759)	-0.4%

CITY COUNCIL

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 48,095	\$ 47,687	\$ 48,100	\$ 49,627	\$ 1,527	3.2%
Operating Expenses	17,242	16,876	21,905	16,840	(5,065)	-23.1%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 65,337	\$ 64,563	\$ 70,005	\$ 66,467	\$ (3,538)	-5.1%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
City Clerk	0.4	0.4	0.4	0.4
Totals	0.4	0.4	0.4	0.4

* In Personal 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

	<u>FY 2010</u> Actual	<u>FY 2011</u> Actual	<u>FY 2012</u> Estimated	<u>FY 2013</u> Estimated
Regular Meetings	19	17	18	20
Work Sessions	12	15	13	14
Special Sessions	3	3	2	1

Significant Budget Items

- * Decrease in operating expenses due to reduction in intergovernmental support.

CITY MANAGER

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 374,500	\$ 368,494	\$ 372,872	\$ 386,907	\$ 14,035	3.8%
Operating Expenses	24,068	15,545	25,100	24,500	(600)	-2.4%
Capital Outlay	-	-	-	-	-	n/a
Totals	\$ 398,568	\$ 384,039	\$ 397,972	\$ 411,407	\$ 13,435	3.4%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
City Manager	1	1	1	1
Assistant City Manager	0.6	0.6	0.6	0.6
Executive Assistant	1	1	1	1
Secretary	1	1	1	1
Part-time (FTE)	0.2	0.2	0.2	0.2
Totals	3.8	3.8	3.8	3.8



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.
- * Serve as the Director of Emergency Services.



Significant Budget Items

- * Increase in total budget due to increase in requirements by VRS and Life insurance premiums and other operating supplies.

LEGAL SERVICES

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	-	n/a
Operating Expenses	130,759	125,328	109,450	101,950	(7,500)	-6.9%
Capital Outlay	4,335	2,093	700	1,000	300	42.9%
Totals	\$ 135,094	\$ 127,421	\$ 110,150	\$ 102,950	\$ (7,200)	-6.5%

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

- * Decrease in operating expenses is due to reduction of legal services as compared to FY 2012.

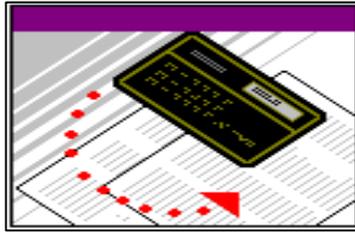
INDEPENDENT AUDITOR

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	31,289	34,004	31,200	35,800	4,600	14.7%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 31,289	\$ 34,004	\$ 31,200	\$ 35,800	\$ 4,600	14.7%

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 2012 audits of the City, School Board, School Activity Funds and Economic Development Authority (EDA) by November 30, 2012.
- * 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 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Auditing Hours	525	525	525	525

Significant Budget Items

* There is an increase in the audit budget. The required biennial actuarial evaluation on Other Post Employment Benefits (OPEB) is required in Fiscal Year 2013.

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 2012.

COMMISSIONER OF THE REVENUE

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 284,505	\$ 262,100	\$ 267,032	\$ 280,637	\$ 13,605	5.1%
Operating Expenses	11,257	11,354	12,135	12,585	450	3.7%
Capital Outlay	-	1,264	-	-	-	n/a
Totals	<u>\$ 295,762</u>	<u>\$ 274,718</u>	<u>\$ 279,167</u>	<u>\$ 293,222</u>	<u>\$ 14,055</u>	<u>5.0%</u>

Personnel Summary

	FY 2010 <u>Authorized</u>	FY 2011 <u>Authorized</u>	FY 2012 <u>Authorized</u>	FY 2013 <u>Authorized</u>
Commissioner of the Revenue	1	1	1	1
Deputy Commissioner II	1	1	1	1
Deputy Commissioner I	1	1	1	1
Assessment Technician/DMV Clerk	1	1	1	1
Totals	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

Goals and Objectives

- * Process online entry of State income tax returns within 2 days of receipt and submit required reports to State office and City Treasurer.
- * 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 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Business License	859	835	850	850
Meals Tax	48	47	48	48
Personal Property Abatements	3,768	3,881	3,800	3,800
Personal Property Assessments	20,778	20,738	21,000	21,000
Property Transfers	379	332	350	350
Public Service Corporations	12	14	14	14
Real Estate Abatements	327	323	320	320
Real Estate Parcels	5,272	5,273	5,280	5,280
State Estimated Returns	260	274	275	275
State Tax Returns Audited	1,839	1,630	1,800	1,800
State Tax Refunds Processed Online	1,129	1,017	1,000	1,000
Tax Exemption & Deferral Applications	154	145	160	160

Significant Budget Items

- * In FY 2013, the City expects to receive \$96,383 in State Categorical Aid towards expenses of this office.

Program Accomplishments

- * Received approval for 1,017 State Income Tax Refunds online with the Department of Taxation, resulting in citizens receiving \$410,000 of refunds within 3-5 days.
- * Continued providing efficiency and stability to the Department of Motor Vehicles office by cross training employees in the Commissioner's office.
- * Implemented the Disabled Veteran's Real Estate Tax Relief program.

ASSESSOR / EQUALIZATION BOARD

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 151,529	\$ 151,893	\$ 161,483	\$ 165,426	\$ 3,943	2.4%
Operating Expenses	8,845	11,245	9,161	13,361	4,200	45.8%
Capital Outlay	-	1,060	-	-	n/a	n/a
Totals	<u>\$ 160,374</u>	<u>\$ 164,198</u>	<u>\$ 170,644</u>	<u>\$ 178,787</u>	<u>\$ 8,143</u>	<u>4.8%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Assessor	1	1	1	1
Assessment Technician	1	1	1	1
Totals	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Ratio of property sales during time period

	6/08 -- 12/08	6/09-12/09	6/10-12/10	6/11-12/11
Sold 41% or more over Assessed Value	1	0	2	0
Sold 31% -- 40% over Assessed Value	0	0	1	0
Sold 11% -- 30% over Assessed Value	16	11	12	5
Sold 1% -- 10% over Assessed Value	16	24	17	11
Sold at Assessed Value	5	3	2	5
Sold 1% -- 10% under Assessed Value	18	19	8	6
Sold 11% -- 30% under Assessed Value	8	4	0	8
Sold 31% -- 40% under Assessed Value	3	0	0	0
Sold 41% or more under Assessed Value	0	0	0	4

The above shows the shift in properties selling at or below 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 the Geographic Information System (GIS).
- * Work with City departments to photograph all residential structures within the City.
- * 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.
- * Most recent ratio study published by the Tax Department has Poquoson at 101.36% with a Coefficient of Dispersion (COD) of 9.5%.
- * Begin the FY 2014 reassessment process.

ASSESSOR / EQUALIZATION BOARD

Major Departmental Functions

- * Conduct the reassessment of real estate within the City. Upon completion of reassessment, prepare and mail notices to property owners. Conduct hearings to review concerns of assessments. Assist in organizing hearings with Equalization Board. Equalization Board is nominated by City Council and appointed by the Circuit Court. The Board is responsible for hearing homeowners' appeals concerning their real estate property assessments. The Board has authority to increase, decrease or affirm appealed assessments. Assessor is bound by all Board decisions. Property owners may appeal Equalization Board decisions to the Circuit Court.
- * 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 do periodic ratio studies.
- * Inspect and value all new construction. Make scaled drawing and photograph each main improvement.
- * Maintain property tax maps. Utilize property surveys and aerial photographs in order to correct and maintain both paper and mylar maps.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Assessor				
Real Estate Parcels	5,309	5,316	5,317	5,325
Total Assessed Value	\$1,702,517,110	\$1,711,308,830	\$1,498,862,620	\$1,505,862,620
Property Transfers	367	400*	325	351
Renovations/New Construction	86	100*	100	100
Total New Assessed Value	\$6,012,600	\$7,000,000*	\$6,372,200	\$7,000,000

*estimated

Since reassessments are performed every two years, the Equalization Board meets every two years. Listed are the statistics for the Equalization Board. The reassessment for FY 2009 was rescinded resulting in no data for that year.

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual
Equalization Board				
# of Property Owners Appealing	n/a	53	n/a	7
# of Parcels Reviewed	n/a	78	n/a	25
# of Parcels Increased	n/a	1	n/a	0
Value of Increases	n/a	\$52,000	n/a	\$0
# of Assessments Decreased	n/a	96	n/a	18
Value of Decreases	n/a	\$1,180,100	n/a	\$1,078,500

Significant Budget Items

- * Increase in personal services and operating expenses due to Board of Equalization hearings.

Program Accomplishments

- * Completed the 2012 reassessment of City and mailed notices to taxpayers.
- * Organized and trained the Board of Equalization members and the board held their hearings in July 2011.
- * Assessed value of new construction that was completed in July 2011.

TREASURER

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 258,146	\$ 256,206	\$ 267,408	\$ 280,277	\$ 12,869	4.8%
Operating Expenses	34,177	74,251	72,387	63,037	(9,350)	-12.9%
Capital Outlay	275	0	1,000	-	(1,000)	n/a
Totals	<u>\$ 292,598</u>	<u>\$ 330,457</u>	<u>\$ 340,795</u>	<u>\$ 343,314</u>	<u>\$ 2,519</u>	<u>0.7%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Treasurer	1	1	1	1
Deputy Treasurer	1	1	1	1
Accounting Technician	1	1	1	1
Clerical Assistant	1	1	1	1
Totals	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>



Goals and Objectives

- * Maintain high collection rates and customer service.
- * Continue implementing a monthly auto debit program for the payment of personal property and real estate taxes.
- * Continue training/certification program for Treasurer and employees. Two deputies to maintain their Master Governmental Deputy Treasurer certification. Treasurer working towards achieving Master Governmental Treasurer certification.
- * Pursue collections of delinquent accounts through increased use of DMV stops and debt setoff programs and liens and warrants.
- * Obtain state office accreditation.
- * Continue to improve payment website functionality.

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

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Business Licenses Processed	859	868	875	880
Meals Tax Payments Processed	372	372	380	392
Personal Property Tax Tickets Processed	20,788	20,576	20,700	20,800
Real Estate Tax Tickets Processed	10,771	11,023	11,050	11,075
Utility Account Payments Processed	25,491	2,564	25,650	25,700
Dog Tags Processed	1,262	1,318	1,350	1,375
Estimated Tax Payments	818	809	800	800
Debris Pickup Payments	441	564	375	350
Bulky Item Pickup Payments	20	208	110	100

Significant Budget Items

- * Increase in personal expenses is due to required VRS rate change and Life Insurance.
- * In FY 2013, the City expects to receive \$86,188 in State Categorical Aid towards expenses of this office.

Program Accomplishments

- * Treasurer's Office collected taxes on a timely basis. As of December 31, 2011, the collection rate for 2011 personal property was 96%. The collection rate for the 2011 first half of real estate was 97%.
- * Two employees maintained certification with the Treasurers Association of Virginia (TAV).
- * Continued implementation of the automatic debit program for citizens to have automatic payments on utility accounts. There are currently 206 participants in the utility program which is an increase of 56.
- * Implemented a monthly auto debit program for the pre-payment of taxes. There are currently 28 participants accounting for approximately \$6,000 per month.
- * Implemented voluntary payroll deductions for payment of employee and school division employees' utilities and tax accounts.
- * Implemented convenience fees for credit card use as directed by City Council.
- * Filed 259 liens in calendar year 2011 for the benefit of collecting delinquent taxes, fees and library fines which represented \$10,425.
- * Continued cross-training and procedural documentation to enable continuity of critical functions.

FINANCE

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 288,739	\$ 286,187	\$ 292,561	\$ 311,543	\$ 18,982	6.5%
Operating Expenses	38,128	44,242	35,981	36,470	489	1.4%
Capital Outlay	-	-	-	-	-	n/a
Totals	<u>\$ 326,867</u>	<u>\$ 330,429</u>	<u>\$ 328,542</u>	<u>\$ 348,013</u>	<u>\$ 19,471</u>	<u>5.9%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Director of Finance	1	1	1	1
Accountant	1	1	1	1
Accounting Analyst	1	1	1	1
Accounting Assistant	1	1	1	1
Totals	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>



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.

FINANCE

Major Departmental Functions

- * Oversee revenues and expenditures of government funds.
- * Maintain the City's financial records.
- * Prepare the City's annual operating budget.
- * Prepare the City's bi-weekly payroll and weekly 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 Information Technology.
- * Manage the City's Purchasing policies.
- * Manage internal controls of the City.
- * Prepare financial reports at the direction of the City Manager.
- * Maintain the City's Webpage.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Accounts Payable Checks Issued	3,609	3,851	3,000	3,000
Payment Vouchers	6,500	6,200	6,100	6,100
Payroll Checks Issued	1,000	968	900	900
Payroll Direct Deposits	3,350	3,371	3,400	3,400
Deposits to Different Financial Institutions	19	20	21	21
Utility Bills Printed	29,490	28,830	28,380	28,500
Utility Customers	4,915	4,805	4,730	4,750
Utility Customers with Special Rates	148	135	133	133

Significant Budget Items

- * Increase in personal services is due to required VRS and Life Insurance rate changes.
- * Minimal increase in 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 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	19,708	20,650	43,500	55,000	11,500	26.4%
Capital Outlay	372	53,350	-	10,000	10,000	-100.0%
Totals	\$ 20,080	\$ 74,000	\$ 43,500	\$ 65,000	\$ 21,500	49.4%

Personnel Summary

N/A

Goals and Objectives

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

TECHNOLOGY

Major Departmental Functions

* This department supports the contractor that maintains and assists with the City's GIS database.

Significant Budget Items

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

RISK MANAGEMENT

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 33,415	\$ 195,600	\$ 194,607	\$ 54,466	\$ (140,141)	-72.0%
Operating Expenses	32,906	31,145	33,885	21,968	(11,917)	-35.2%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 66,321	\$ 226,745	\$ 228,492	\$ 76,434	\$ (152,058)	-66.5%

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 2010 Actual	Year 2011 Actual	Year 2012 Estimated	Year 2013 Estimated
<u>Worker's Compensation</u>				
Claims Filed	26	10	8	7
Loss Ratio	62.0%	3.0%	2.0%	2.0%
<u>General Liability</u>				
Claims Filed	3	8	2	3
Loss Ratio	0.0%	10.0%	0.0%	0.0%
<u>Auto Liability and No-Fault</u>				
Claims Filed	2	0	2	0
Loss Ratio	0.0%	0.0%	0.0%	0.0%
<u>Property</u>				
Claims Filed	3	8	0	0
Loss Ratio	8.0%	310.0%	0.0%	0.0%

Significant Budget Items

- * In FY 2013, personal services includes \$40,000 for retirement incentive for 10 retirees in two separate programs and training for employees. In FY 2012 and FY 2011, a supplemental appropriation was approved for one time bonus for employees.
- * 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

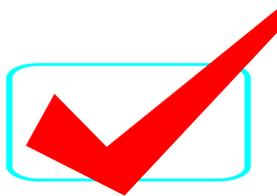
Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 106,532	\$ 111,350	\$ 126,906	\$ 137,419	\$ 10,513	8.3%
Operating Expenses	15,752	17,837	33,507	27,163	(6,344)	-18.9%
Capital Outlay	3,349	-	-	-	-	n/a
Totals	<u>\$ 125,633</u>	<u>\$ 129,187</u>	<u>\$ 160,413</u>	<u>\$ 164,582</u>	<u>\$ 4,169</u>	<u>2.6%</u>

* In Personal Services, a minimal amount is budgeted as a stipend to the three Electoral Board members in the amount of \$7,512.

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Registrar	1	1	1	1
Assistant Registrar	1	1	1	1
Part Time (FTE)	0.1	0.1	0.1	0.1
Totals	<u>2.1</u>	<u>2.1</u>	<u>2.1</u>	<u>2.1</u>



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.
- * Protect the integrity of the electoral process and efficiently conduct the elections in FY 2011 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 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Registered Voters	8,666	8,721	8,835	8,930
New Registrants	149	214	294	250
Transferred In	179	211	195	225
Deletions	463	365	375	380
Changes in Address	206	234	260	275
Other Changes	46	132	140	145

Significant Budget Items

- * In FY 2013, the City expects to receive \$34,000 in State Categorical Aid for the Registrar and board members' salaries.
- * Increase in personal services due to required VRS and Life Insurance rate change.
- * Decrease in operating expenses due to lower number of elections as compared to FY 2012.

Program Accomplishments

- * Successfully conducted the August 2011 Primary and March 2012 Presidential Primary.
- * Successfully conducted the November 2011 General Election.
- * Trained new election officials on the 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.
- * Successfully completed the redistricting process changing Poquoson's Senate District.

COURTS AND SHERIFF

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	349,115	366,436	408,118	425,971	17,853	4.4%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 349,115	\$ 366,436	\$ 408,118	\$ 425,971	\$ 17,853	4.4%

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 pro-rated 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.



Significant Budget Items

* York County sets the Poquoson Courts and Sheriff budget, and by legislation Poquoson pays 19.9% of the total budget of \$2,056,671 with \$409,300 as Poquoson's share.
 * Overall increase of \$17,853 or 4.4% for the department due in part to increases in operating costs.

<u>Budget Detail</u>	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget
York/Poquoson Courthouse	\$ 177,209	\$ 200,841	\$ 222,300	\$ 224,705
Sheriff	154,692	148,318	167,000	183,610
9th District Court	8,598	8,659	10,200	10,200
Colonial Community Corrections	8,616	8,618	8,618	7,456
Totals	\$ 349,115	\$ 366,436	\$ 408,118	\$ 425,971

POLICE

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 1,647,358	\$ 1,681,712	\$ 1,806,889	\$ 1,909,142	\$ 102,253	5.7%
Operating Expenses	598,060	665,523	592,197	580,036	(12,161)	-2.1%
Capital Outlay	6,363	34,661	19,840	-	(19,840)	-100.0%
Totals	<u>\$ 2,251,781</u>	<u>\$ 2,381,896</u>	<u>\$ 2,418,926</u>	<u>\$ 2,489,178</u>	<u>\$ 70,252</u>	<u>2.9%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Police Chief	1	1	1	1
Captain	1	1	1	1
Lieutenant	1	1	1	1
Sergeant/EMT	2	2	2	2
Sergeant	2	2	2	2
Detective/Sergeant/EMT	1	1	1	1
Corporal/EMT	1	1	1	1
Corporal	0	0	3	3
Master Patrolman/EMT	2	1	2	2
Master Patrolman	4	4	2	2
Detective/Master Patrolman/EMT	1	1	0	0
Detective/Master Patrolman	1	1	2	2
Police Officer/EMT	1	2	1	1
Police Officer	4	4	3	4
Administrative Support Technician	1	0	0	0
Administrative Assistant	0	1	1	1
Part Time Clerical (FTE)	0	0	0	0
Part Time Officer (FTE)	0.5	0.5	0.5	0.5
Totals	<u>23.5</u>	<u>23.5</u>	<u>23.5</u>	<u>24.5</u>

Goals and Objectives

- * Continue to pursue accredited status through the Virginia Law Enforcement Professional Standards Commission.
- * Make improvements and upgrades to the police department headquarters building, facilities and equipment.
- * Continue to expand training opportunities for all department personnel, including personal safety and conducting complex criminal investigations.
- * Implement a program of annual physical fitness examinations for all police officers.
- * Continue to provide opportunities for leadership development training for new supervisors.
- * Implement a replacement program for aging body armor and personal protective equipment for all sworn members.
- * Expand the "Holiday Patrol Program".
- * Continue to provide opportunities for leadership development.

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 public safety.
- * 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 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Accidents	123	135	160	160
Arrests/Charges/Apprehensions	506	453	498	498
Calls for Service	13,408	13,634	14,600	14,600
First Responder Calls	241	308	340	340
Traffic Tickets	957	1,052	1,157	1,157
Training Man-hours	2,450	2,695	3,185	3,185

Significant Budget Items

- * Increase in personal services due to required VRS and Life Insurance rate change and funding for a Police Officer to be assigned full time to the regional drug task force.
- * Decrease in operating expenses is due to DEA drug seizure money not appropriated until received.
- * Decrease in capital expenses is due to budgetary funding constraints.

Program Accomplishments

- * Continued with internal reorganization by implementing a four (4) platoon configuration and a 12-hour work schedule for uniformed patrol officers.
- * Enhanced the quality and frequency of departmental personnel training, including CPR/First Aid/EMT, investigations of Violence Against Women, defensive tactics instructor and handling special needs cases.
- * Received grant from Virginia Department of Motor Vehicles for DUI checkpoints.
- * Continued to make police officer training a priority.
- * Developed a new supervisor orientation program.
- * FY 2012, the Police Department was recognized for leading all law enforcement in Hampton Roads in 2010 with 13.78% overall reduction in the number of criminal incidents per 100,000 people.
- * Additional operational equipment was purchased through various grant awards.
- * Continued participation with the Youth Violence Prevention Initiative and the Tri-Rivers Drug Task Force.
- * Continued the Toys-for-Tots donation 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.

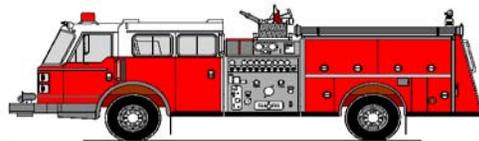
FIRE

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 2,119,852	\$ 1,975,342	\$ 2,178,604	\$ 2,243,039	\$ 64,435	3.0%
Operating Expenses	295,212	423,337	462,248	410,815	(51,433)	-11.1%
Capital Outlay	27,168	21,303	37,500	5,500	(32,000)	-85.3%
Totals	\$ 2,442,232	\$ 2,419,982	\$ 2,678,352	\$ 2,659,354	\$ (18,998)	-0.7%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Fire Chief	1	1	1	1
Deputy Fire Chief	1	1	1	1
Battalion Chief	3	3	3	3
Fire Lieutenant/Paramedic	1	1	2	1
Fire Lieutenant/Intermediate	1	1	0	1
Fire Lieutenant	1	1	1	1
Fire Engineer/Inspector	2	2	0	0
Fire Fighter/Paramedic	7	7	6	16
Fire Fighter/Intermediate	8	8	11	0
Fire Fighter/Enhanced	1	1	1	2
Fire Fighter/EMT	3	3	3	3
Administrative Secretary	1	1	1	1
Totals	30	30	30	30



Goals and Objectives

- * Improve training program through increased teaching aids and equipment and offering more basic classes.
- * Continue to refine and improve our fire prevention program and develop a Master Firefighter Program.
- * Cooperative effort between the City of Hampton and the City of Poquoson to conduct a Firefighter I and II class.
- * To further develop our Marine Program.
- * Seek out and apply for various grants to assist with training or equipment or programs enhancing the department.
- * Finalizing automatic Mutual Aid with York County and the City of Hampton.

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 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Average Fire/EMT calls per month	192	177	186	196
Training hours	4,897	4,900	5,400	5,400
Fire Calls:				
Structure Fire	44	33	35	37
Brush Fire	56	54	57	60
Miscellaneous Fire	1,001	947	994	1,044
Ambulance Calls:				
Advanced Life Support	530	474	498	523
Basic Life Support	548	513	539	566
Miscellaneous	119	106	111	116



Significant Budget Items

- * Increase in personal services is due to required VRS and Life Insurance rate increase.
- * Decrease in operating expenses is due to fire fund grant money not appropriated until received.
- * Decrease in capital expenses is due to a one time grant received in FY 2012.

Program Accomplishments

- * Completed the Standard Operation Procedures for the department and made updates as necessary.
- * Developed major improvements to the Volunteer Officers' training requirements.
- * Developed major changes to the requirements for the Volunteer Fire Company and Volunteer Rescue Squad membership application.
- * Emergency Management Program is on track which included additional training, exercise participation, coordinator briefings and planning.
- * Held EMT B class and Strategy and Tactics class.
- * Obtained Port Security Grants to purchase a new Fire/Rescue boat, communication equipment, and personal protective equipment for the boat crew.

CORRECTIONS AND DETENTIONS

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	147,460	214,060	204,130	279,200	75,070	36.8%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 147,460	\$ 214,060	\$ 204,130	\$ 279,200	\$ 75,070	36.8%

Personnel Summary

N/A

<u>Budget Detail</u>	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget
Adult Detention	\$ 122,057	\$ 138,112	\$ 165,524	\$ 220,900
Juvenile Services				
Juvenile Detention	16,638	66,129	33,200	52,800
Project Insight	8,765	9,819	5,406	5,500
Totals	\$ 147,460	\$ 214,060	204,130	279,200

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. Poquoson's financial share is based on a per diem rate for each day a juvenile offender from Poquoson is incarcerated.
- * 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 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Adult Detention:				
Average Daily Population	9	23	21	23
Percentage of Use	2.0%	2.7%	5.3%	3.5%
Per Diem Rate	\$35.56	\$35.56	\$42.30	\$44.27
Juvenile Services:				
Juvenile Detention (Days)	300	300	300	300
Per Diem Rate	\$141.00	\$141.00	\$166.00	\$166.00

Significant Budget Items

- * Increase in department of \$55,376 for adult detention services and \$19,694 for juvenile detention.

INSPECTIONS

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 256,581	\$ 248,900	\$ 255,468	\$ 267,033	\$ 11,565	4.5%
Operating Expenses	64,349	95,042	123,541	126,113	2,572	2.1%
Capital Outlay	58	4,350	-	-	-	n/a
Totals	\$ 320,988	\$ 348,292	\$ 379,009	\$ 393,146	\$ 14,137	3.7%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Building Official	1	1	1	1
Code Inspector	0	1	1	1
Inspector II	1	0	0	0
Secretary	1	1	1	1
Part Time (FTE)	0	0.75	0.75	0.75
Totals	3	3.75	3.75	3.75



Goals and Objectives

- * Provide information for the implementation of the City GIS system and strive for "real time inspections and information gathering."
- * Work and develop a GIS layer for repetitive loss properties.
- * 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.
- * Continue to update new permit program.
- * Have all Elevation Certificates currently obtained available online.
- * Have available additional flood related information online.

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.
- * Oversee the maintenance of City buildings including City Hall, Public Works, Fire Station #1 and #2, Police Department, Municipal Building and Community Center.
- * Reviews all building plans.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Building Permits Issued	223	250	186	250
Certificate of Occupancies Issued	20	20	12	30
Code Violations Cited & Enforced	420	450	450	450
Inspections Performed	4,767	4,800	4,800	4,800
Meetings	375	300	350	350
Plans Reviewed	631	650	625	650
Other Permits (Elect, Plumbing, Mech, etc)	436	450	435	450

Significant Budget Items

- * Increase in personal services is due to the required VRS and Life Insurance rate increase.
- * Minimal increase in operating expenses for training and refuse disposal.

Program Accomplishments

- * Continued the development of efficient methods of notifying violators of areas to be corrected.
- * Catalogued and developed a database of all elevation certificates currently on file with the department.
- * Updated the building permit/zoning application.
- * Elevation certificates are available online through the City's GIS program.
- * CRS yearly review rated the City a Class 9.

ANIMAL CONTROL

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	81,627	84,173	85,445	88,767	3,322	3.9%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 81,627	\$ 84,173	\$ 85,445	\$ 88,767	\$ 3,322	3.9%

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.
- * Construction of a spay/neuter clinic at the Society for the Prevention of Cruelty to Animals (SPCA) site providing a significant solution to the problem of pet overpopulation.

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 Peninsula SPCA shelters animals for Poquoson. The cost formula is that Poquoson pays 100% for stray animals and 67% for surrendered animals.

<u>Budget Detail</u>	<u>FY 2010 Actual</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Revised Budget</u>	<u>FY 2013 Adopted Budget</u>
SPCA	\$ 43,154	\$ 45,312	\$ 46,445	\$ 48,767
Newport News Animal Control	38,473	38,861	39,000	40,000
Totals	<u>\$ 81,627</u>	<u>\$ 84,173</u>	<u>\$ 85,445</u>	<u>\$ 88,767</u>

Significant Budget Items

* Minimal increase in contracted services to the SPCA and Newport News Animal Control.

	<u>Year 2010 Actual</u>	<u>Year 2011 Actual</u>	<u>Year 2012 Estimated</u>	<u>Year 2013 Estimated</u>
Calls for Service	164	185	225	255
Written Warnings	10	24	14	14
Summons Issued	-	6	12	12
Calls for Stray Animals	63	93	117	117
Calls for Animal Bites	7	9	9	9
Calls for Sick/Injured Animal	38	29	45	45
Calls for Nuisance Wildlife	20	18	42	42
Other Calls	15	12	17	17
Dogs Impounded	20	50	44	44
Cats Impounded	30	37	24	24
Wildlife Impounded	22	14	48	48

ENGINEERING

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 95,537	\$ 84,141	\$ 100,271	\$ 104,438	\$ 4,167	4.2%
Operating Expenses	7,010	1,607	-	7,309	7,309	n/a
Capital Outlay	-	-	-	-	n/a	n/a
Totals	<u>\$ 102,547</u>	<u>\$ 85,748</u>	<u>\$ 100,271</u>	<u>\$ 111,747</u>	<u>\$ 11,476</u>	<u>11.4%</u>

Personnel Summary

	<u>FY 2010 Authorized</u>	<u>FY 2011 Authorized</u>	<u>FY 2012 Authorized</u>	<u>FY 2013 Authorized</u>
Civil Engineer II	1	1	1	1
Totals	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Goals and Objectives

- *Develop grant-ready water quality project for City.
- *Develop framework for 15-year TMDL project work in preparation for upcoming permit negotiations with Virginia and U.S. EPA.
- *Author draft fat, oil and grease ordinance as required by Consent Order. Continue to participate in regional negotiations, provide tech support as needed for this effort. Provide tech direction to consultant.
- *Obtain VDOT approval of the South Lawson Park recreation access grant construction documents.
- *Continue to provide engineering support for Virginia Pollutant Discharge Elimination System (VPDES) Phase II MS4 Permit required actions.
- *Develop comprehensive City stormwater management program and draft stormwater ordinance as required by new state stormwater regulations. Begin process of obtaining State Water Control Board approval of City's program.
- *Respond to citizen concerns and provide technical advice on issues impacting City.
- *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.

ENGINEERING

Major Departmental Functions

- *Develop illicit discharge detection and dry weather monitoring programs for the VPDES stormwater permit.
- *Create database of existing treatment facilities, impervious areas and conservation areas for the Chesapeake Bay Total Maximum Daily Load (TMDL) work. Advocate for achievable state stormwater regulations and Phase II Watershed Implementation Plan.
- *Manage special projects related to the City's infrastructure.
- *Coordinate and participate in outside agencies such as Hampton Roads Planning District Commission, Virginia Peninsulas Public Service Authority, and Hampton Roads Public Works Association.
- *Meet with residents, staff and City Council members to provide solutions to issues such as drainage, traffic and other infrastructure related matters of citizen concern.
- *Coordinate with State and Federal agencies including Environmental Protection Agency (EPA), U.S. Army Corps of Engineers, Department of Environmental Quality, Virginia Department of Transportation, Department of Conservation and Recreation, Virginia Marine Resources Commission and others.
- *Expand City GIS features to include all infrastructure including utilities and all public rights-of-way.
- *Review all proposed development work for engineering soundness and constructability issues.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Capital Projects	14	14	16	16
Citizen Inquiries/Request Information	2,150	2,150	2,200	2,200
Special Projects	17	17	20	20

Significant Budget Items

- * Increase in personal services due to the required VRS and Life Insurance rate increase.
- * Increase in operating expenses due to dues and memberships and other minor expenditures.

Program Accomplishments

- *Provided information to Virginia and US Environmental Protection Agency in an effort to obtain realistic future permit requirements associated with the Chesapeake Bay TMDL, and obtain credit for past Bay clean up work.
- *Provided an extensive documentation of past work, existing land covers for State's Phase II IP TMDL.
- *Continue to negotiate and work with VDOT on South Lawson Park pond.
- *Submitted extensive MS4 permit report.
- *With Public Works take lead on construction completed valve installation in Poquoson Shores; channel widening on Hopkins Court and Laydon Way.
- *Worked on prioritizing drainage work and flood mitigation.
- *Participated in Consent Order work/negotiations with DEQ; developed budget cost estimates and consent work phasing options for City Council consideration.
- *Provided technical support to ARRA road paving project, FEMA map work, City and EDA projects.
- *Analyzed and provided briefings and prepared comments on Chesapeake Bay TMDL program; transportation issues; Consent Order work; and new FEMA coastal study.
- *Responded to citizen questions on new FIRM maps. Responded to and resolved citizen complaints on drainage, adjacent development, street configurations, channel infill and erosion.

PUBLIC WORKS

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 797,816	\$ 846,737	\$ 943,394	\$ 1,032,712	\$ 89,318	9.5%
Operating Expenses	139,587	311,143	343,226	329,158	(14,068)	-4.1%
Capital Outlay	48,206	128,584	71,000	76,000	5,000	7.0%
Totals	\$ 985,609	\$ 1,286,464	\$ 1,357,620	\$ 1,437,870	\$ 80,250	5.9%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Director of Public Works	0	1	1	1
Deputy Director of Public Works	1	0	0	0
Construction Inspector	1	1	1	1
Equipment Operations Foreman	1	1	1	1
Equipment Operator III	1	1	2	2
Parks Maintenance Supervisor	0	1	1	1
Equipment Operator II	1	1	1	1
Equipment Operator I	2	2	2	2
Maintenance Worker IV	0	0	1	1
Maintenance Worker III	3	3	2	2
Maintenance Worker II	0	0	2	2
Parks Maintenance Worker	0	1	1	1
Maintenance Worker I	4	4	1	1
Laborer (FTE)	0	0	0	0.6
Secretary (FTE)	0.5	0.5	0.5	0.5
Totals	14.5	16.5	16.5	17.1

Goals and Objectives

- * Oversee construction and maintenance of all City streets in accordance with Virginia Department of Highways and Transportation standards to ensure safe vehicle operation for all motorists.
- * Continue the next phase of the South Lawson Park Project.
- * 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.
- * Scheduling infrastructure maintenance using the departmental computer system to increase efficiency.
- * Schedule at least one in-house training session per month. Sessions train employees for more versatility in infrastructure maintenance, "on and off the job" safety issues, and teach correct procedures for performance of specific tasks.
- * Produce in-house work procedure videos to train employees in safe and efficient ways to complete jobs.
- * Continue to complete 100% of all work orders within the same week of receipt of request.
- * Oversee the maintenance of parks and athletic fields and upgrade athletic facilities to meet increased demand.
- * Continue to upgrade roadside and outfall drainage systems throughout the City according to drainage study.
- * Continue to improve the new leaf and convenience site programs.

PUBLIC WORKS

Major Departmental Functions

- * Construct and maintain all City streets to Virginia Department of Transportation standards. Perform preventative maintenance on City streets to maximize expected life including timely shoulder maintenance, street restoration, pothole repair, paving, and drainage maintenance.
- * Keep roadside drainage ditches clean to eliminate standing water breeding mosquitoes and to reduce pavement failure and keep curb and gutters clean to reduce stoppages and improve pavement life.
- * Maintain road shoulders by placing stone along edge of pavement, mowing grass and policing litter.
- * Maintain traffic control devices, traffic lines, traffic lights, traffic signs and "no wake" signs in the local waterways.
- * Provide safe travel for the public on City right-of-ways including keeping streets clear of snow and ice.
- * Review new construction plans and perform inspections.
- * 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, walking trails and the City's public boat ramps.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Street Maintenance:				
Asphalt Material Used for Patching (tons)	183	372	250	250
Asphalt Paving Material Applied (tons)	6,414	0	5,024	3,640
Delivery of cases of Green Bags	108	91	100	100
Installation of New Drainage Pipe (feet)	64	264	150	150
Regrading of Roadside Ditches (feet)	6,976	10,717	10,000	10,000
Stone Used for Street Maintenance (tons)	1,374	800	1,200	1,200
Work Orders Completed	30	33	30	30
Construction Inspections Performed:				
Driveways	45	36	50	50
Erosion & Sediment Control	42	50	50	50
Sewer	12	2	8	8
Curb & Gutter (feet)	10,957	26,808	15,000	15,000
Sanitary Sewer Pipeline (feet)	248	1,169	500	500
Storm Pipe & Drainage Ditches (feet)	3,780	5,010	4,000	4,000
New Street Construction (feet)	57,314	10,426	8,000	8,000

Significant Budget Items

- * Increase in personal services is due to increased cost of the retirement system and adding .6 FTE for a part time laborer to cut grass at some City fields. In previous years, this function was outsourced.

Program Accomplishments

- * Completed concrete swale and major roadside ditching for the Laydon Way project.
- * Upgraded the roadside ditches and installed drainage pipe throughout Phillips Drive and East Sandy Point area.
- * Completed improvements to Kids Island, Messick Pocket Park, Municipal Park and the Messick Point ramp.
- * Installed transfer switches to traffic lights at intersections to operate lights with a generator.
- * Installed transfer switches to have generators operate traffic lights at the City's major intersections.
- * Oversaw the clean-up of the City from Hurricane Irene which occurred August 27, 2011.
- * Implemented the convenience site drop-off program for bulky and landscape debris.

STREET LIGHTS

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	-	n/a
Operating Expenses	69,864	66,429	75,000	80,000	5,000	6.7%
Capital Outlay	-	-	-	-	-	n/a
Totals	\$ 69,864	\$ 66,429	\$ 75,000	\$ 80,000	\$ 5,000	6.7%

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.
- * This department also provides funding for electricity for the Christmas lights along Wythe Creek Road, which are illuminated during the holiday season and are maintained by the Public Works Department.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Number of Street Lights	587	587	587	600
New Lights Installed:				
City Installed	6	2	0	0
Developer Installed	30	2	2	2

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 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 106,160	\$ -	\$ -	\$ -	\$ -	n/a
Operating Expenses	234,738	73,937	53,930	56,903	2,973	5.5%
Capital Outlay	24,085	15,684	15,500	15,500	-	0.0%
Totals	\$ 364,983	\$ 89,621	\$ 69,430	\$ 72,403	\$ 2,973	4.3%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Parks Maintenance Supervisor	1	0	0	0
Parks Maintenance Worker	1	0	0	0
Totals	2.0	0.0	0.0	0.0

Goals and Objectives

* Maintenance of all facilities used by the staff and citizens of the City of Poquoson.

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 everyday maintenance needs as they become apparent.
- * Coordinate all construction projects.

Performance Measures

	<u>FY 2010</u> Actual	<u>FY 2011</u> Actual	<u>FY 2012</u> Estimated	<u>FY 2013</u> Estimated
Facilities Maintained	51	n/a	n/a	n/a

Significant Budget Items

*The department was reorganized in FY 2011 and employees were transferred to Public Works along with their associated costs.

HEALTH DEPARTMENT

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	41,002	33,540	35,539	36,420	881	2.5%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 41,002	\$ 33,540	\$ 35,539	\$ 36,420	\$ 881	2.5%

Personnel Summary

N/A



Goals and Objectives

* Continue to provide funding for the regional Public Health Department's services as well as \$200 for the cost of the Medical Examiner.

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 \$111,291 net of estimated revenues. The total Health District's budget for FY 2013 is \$7,246,277.
- * 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.
- * The Health Department has a mobile unit that visits Poquoson on a once a month basis to provide more convenient services to the citizens of Poquoson.

MOSQUITO CONTROL

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 128,704	\$ 134,532	\$ 144,552	\$ 150,314	\$ 5,762	4.0%
Operating Expenses	77,430	89,816	88,464	83,822	(4,642)	-5.2%
Capital Outlay	1,191	256	1,800	1,800	-	0.0%
Totals	<u>\$ 207,325</u>	<u>\$ 224,604</u>	<u>\$ 234,816</u>	<u>\$ 235,936</u>	<u>\$ 1,120</u>	<u>0.5%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Mosquito Control & Drainage Supervisor	1	1	1	1
Equipment Operator III	1	1	1	1
Totals	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>



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.
- * Have all drainage systems be constructed of cement swales and/or cement pipes.
- * With the continued funding for contracted labor, the City will clean the outfall ditches throughout on a preventative maintenance schedule.
- * Upgrade the loading dock where chemicals are stored to bring it up to minimum DEQ requirements.
- * Maintain our current level of service.

MOSQUITO CONTROL

Major Departmental Functions

- * Provide good drainage in the City's right-of-ways 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 and applicable training seminars.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Cleaning Outfall Ditches by Hand (Feet)	125,600	150,220	90,000	150,000
Cleaning Outfall Ditches with Equip (Feet)	0	750	100	1,000
Drainage Pipe Installed (Feet)	64	0	100	0
Drainage Structures Maintained	815	815	815	820
Larvicide for Mosquito Control (Pounds)	25	65	50	70
Mosquito Spray Applied (Gallons)	100	115	110	115
Weed Killer Applied (Gallons)	25	30	50	50



Significant Budget Items

- * Increase in personal services is due to increased cost of the required VRS rate increase.

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 due to the additional help of contracted labor.

MENTAL HEALTH

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	176,282	175,228	189,370	203,964	14,594	7.7%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 176,282	\$ 175,228	\$ 189,370	\$ 203,964	\$ 14,594	7.7%

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 \$13,217,918 with the local share of \$2,118,801. Poquoson's share is 7% or \$149,979; James City County's share is 44% or \$923,180; York County's share is 37% or \$789,948 and Williamsburg's share is 12% or \$255,694.

* 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% on 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.

<u>Budget Detail</u>	<u>FY 2010 Actual</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Revised Budget</u>	<u>FY 2013 Adopted Budget</u>
Colonial Behavioral Health	\$137,343	\$137,343	\$144,210	\$149,979
Crossroads Programs	38,939	37,885	45,160	53,985
Totals	<u>\$176,282</u>	<u>\$175,228</u>	<u>\$189,370</u>	<u>\$203,964</u>

Significant Budget Items

* The Colonial Behavioral Health request includes a 4% increase in funding from Poquoson and Williamsburg and 8% increase for York County and James City County.

WELFARE / SOCIAL SERVICES

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	584,526	389,866	528,639	421,507	(107,132)	-20.3%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 584,526	\$ 389,866	\$ 528,639	\$ 421,507	\$ (107,132)	-20.3%

Personnel Summary

N/A

Goals and Objectives

- * Maintain the current level of services to our citizens.
- * Reduce local match requirements.

WELFARE / SOCIAL SERVICES

Major Departmental Functions

* This department funds the Peninsula Agency on Aging, Social Services, Department of Medical Assistance Service, and Comprehensive Services Act (CSA).

<u>Budget Detail</u>	<u>FY 2010</u> <u>Actual</u>	<u>FY 2011</u> <u>Actual</u>	<u>FY 2012</u> <u>Revised</u> <u>Budget</u>	<u>FY 2013</u> <u>Adopted</u> <u>Budget</u>
Comprehensive Services Act	\$ 353,264	\$ 168,323	\$ 250,000	\$ 169,000
Department of Medical Assistance	0	0	1,000	-
Peninsula Agency on Aging	2,792	2,792	2,639	2,507
Social Services	228,470	168,323	275,000	250,000
<hr/>				
Totals	\$ 584,526	\$ 339,438	\$ 528,639	\$ 421,507
<hr/>				

Significant Budget Items

* Decreased cost of Social Services is due to actual services utilized by the citizens of Poquoson.
 * Comprehensive Services costs can fluctuate depending on the number of cases and type of treatment. Projections indicate that this will be \$169,000 in FY 2013.

SCHOOL CONTRIBUTION

Expenditures Summary

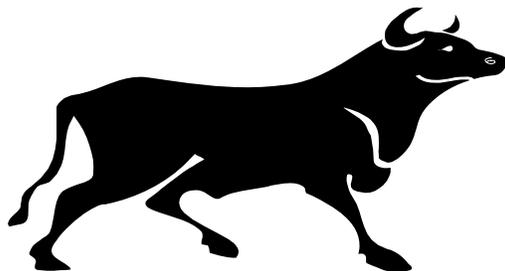
	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Operation Transfer	\$ 8,244,994	\$ 8,489,579	\$ 8,653,353	\$ 8,855,403	\$ 202,050	2.3%
Additional Appropriation	-	-	146,000	-	(146,000)	-100.0%
Reappropriation	63,398	89,096	27,022	-	(27,022)	-100.0%
Totals	\$ 8,308,392	\$ 8,578,675	\$ 8,826,375	\$ 8,855,403	\$ 29,028	0.3%

Personnel Summary

N/A

Goals and Objectives

- * Provide a curriculum that meets the goals and objectives of the mandated State Standards of Learning (SOL).
- * Increase student achievement, which can be evidenced by scores on the Virginia State Assessment program.
- * Maintain a safe, comfortable environment which allows for diversity among individuals.
- * Encourage professionalism and mutual respect among staff, students, and the community.



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.
- * Poquoson High School met the federal Adequate Yearly Progress (AYP) goals mandated by the *No Child Left Behind Act*. Poquoson Middle School missed 1 out of 29 targets and Poquoson Elementary and Poquoson Primary Schools both missed 2 out of 29 targets.

Significant Budget Items

- * The FY 2013 operation funding for the Poquoson City School system is \$8,855,403 which is an increase of \$202,050 from FY 2012.
- * Leftover funds from one fiscal year may be reappropriated to the current fiscal year.
- * The School's budget is based on an average daily membership of 2,128 for the FY 2013 school year.
- * The School's total budget of \$19,927,692 is an increase of .55% from FY 2012. This budget is a reflection of the difficult economic times. The School's budget projects a reduction of 11.5 full time equivalent positions including 9 teacher positions, 2.5 support positions.

Program Accomplishments

- * SAT scores above State and national average in reading, math and writing.
- * On-time graduation rate is 93.13%.
- * There were 93 students who earned industry certificates.
- * Poquoson High School had 76% of the students score above 3 on Advanced Placement Tests, resulting in these students earning college credit.
- * Poquoson schools launched a new and more interactive website and has enhanced its instructional technology program
- * Poquoson schools continued implementation of unique programs such as international partnerships and a partnership with ECPI College of Technology.

PARKS & RECREATION PROGRAMS

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 252,109	\$ 252,198	\$ 274,209	\$ 235,410	\$ (38,799)	-14.1%
Operating Expenses	175,309	193,778	170,454	163,152	(7,302)	-4.3%
Capital Outlay	711	1,417	4,000	4,000	-	0.0%
Totals	<u>\$ 428,129</u>	<u>\$ 447,393</u>	<u>\$ 448,663</u>	<u>\$ 402,562</u>	<u>\$ (46,101)</u>	<u>-10.3%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Dir P&R/Economic Devt/Special Events	1	1	1	1
Assistant Director of Parks & Recreation	0	0	0	0.5
Athletic/Aquatic Coordinator	0.5	0.5	0.5	0
Program Support Technician	0	0	1	1
Secretary	2	2	1	1
Part-time (FTE)	0.3	0.3	0.3	0.3
Totals	<u>3.8</u>	<u>3.8</u>	<u>3.8</u>	<u>3.8</u>

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.
- * Update the Parks and Recreation Master Plan and City 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.
- * Develop comprehensive facilities agreement for all users to protect City 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 time a year publication to communicate with citizens City information and events.
- * Coordinate all programs to include leisure and athletic programs.

Performance Measures

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Adult Athletic Leagues	600	600	600	600
Adult Instructional Classes	175	175	175	100
Games Scheduled/Played	1,785	1,780	1,750	1,750
Leagues Supported	28	28	28	28
Programs Offered	250	250	250	250
Senior Center (Mature Adults)	850	890	890	890
Trips -- Youth/Adult	200	200	200	200
Youth Athletic Leagues	950	975	975	975
Youth Instructional Classes	400	465	465	450

Significant Budget Items

- * Decrease in personal services due to reorganization and inclusion of the Parks & Recreation Enterprise Fund into the General Fund.

Program Accomplishments

- * Continued to work with Public Works, community civic groups and citizen volunteers for park refurbishments and improvements.
- * Continued to offer instructional programs including youth drama, self defense, summer sports camps, youth and adult team sports, various health and fitness programs, adult trips and activities.
- * Published program booklet 3 times per year to City residents highlighting events and recreation for community participants.
- * Supported independent community organizations and PHS in field scheduling and facility use for athletics.
- * Developed and introduced new instructional and athletic programs throughout the year.
- * Developed a program for community youth sports organizations to be recognized as special user groups.
- * Developed and implemented a fee structure for rental of City facilities.

PARKS & RECREATION POOL

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 66,472	\$ 65,804	\$ 67,977	\$ 72,124	\$ 4,147	6.1%
Operating Expenses	36,624	40,274	28,925	38,025	9,100	31.5%
Capital Outlay	5,726	6,165	4,000	-	(4,000)	-100.0%
Totals	<u>\$ 108,822</u>	<u>\$ 112,243</u>	<u>\$ 100,902</u>	<u>\$ 110,149</u>	<u>\$ 9,247</u>	<u>9.2%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Assistant Director of Parks & Recreation	0	0	0	0.5
Athletic/Aquatic Coordinator	0.50	0.50	0.50	0.00
Part Time (FTE)	4.50	4.50	4.50	4.50
Totals	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>



Goals and Objectives

- * Provide a comprehensive 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.
- * Provide opportunities for better health and fitness through aquatic activities and programs.
- * 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.

Performance Measures

	Actual FY 2010	Actual FY 2011	Estimated FY 2012	Estimated FY 2013
*Daily Gate Admissions	2,000	2,500	2,500	2,500
*Season Pass Admissions	200	200	210	210
Swimming Lessons	225	275	250	250
Swim Teams-- combined	120	133	125	125

* one pass for each swim team participant

Significant Budget Items

- * Decrease in Capital Outlay is due to the replacement of equipment in FY 2012.
- * Increase in operating expense is due to an increase in chemicals and repair cost needed for the pool.

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 Hampton Aquatic Center for the Poquoson Riptide Swimteam.
- * Supported swimming opportunities for community youth programs with local day camps.
- * Instituted a new program, Strive for 25, to encourage young members to join the Barracuda Swim Team.

PARKS & RECREATION SPECIAL EVENTS

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 11,591	\$ 14,761	\$ 18,178	\$ 79,753	\$ 61,575	338.7%
Operating Expenses	103,153	111,454	126,252	115,205	(11,047)	-8.7%
Capital Outlay	-	-	-	-	-	n/a
Totals	\$ 114,744	\$ 126,215	\$ 144,430	\$ 194,958	\$ 50,528	35.0%

Personnel Summary

	<u>FY 2010 Authorized</u>	<u>FY 2011 Authorized</u>	<u>FY 2012 Authorized</u>	<u>FY 2013 Authorized</u>
Community Events Coordinator	1	1	1	1
Totals	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

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, Easter Egg Hunt and other seasonal celebrations.
- * The 32nd Poquoson Seafood Festival will be held October 19-21, 2012. Goals for this year's festival include attracting 50,000 patrons, 155 vendors, regional entertainment, and increasing waterman and bay exhibits.
- * Promote ribbon cutting ceremonies for new City businesses.
- * Update holiday decorations in the Victory Boulevard/Wythe Creek Road.
- * Assist the Poquoson Business Alliance with implementation of decorating program.

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.

<u>Performance Measures</u>	<u>Actual FY 2010</u>	<u>Actual FY 2011</u>	<u>Estimated FY 2012</u>	<u>Estimated FY 2013</u>
Poquoson Seafood Festival:				
Arts & Crafts Vendors	170	155	160	155
Exhibitors	60	50	50	50
Food Vendors	31	26	24	26
Workboat Race Entries	55	20	15	20
Attendance	30,000	60,000	60,000	50,000
Fishing Tournament	20	8	9	16
Other Events	15	15	14	22
Days of Programming	20	20	20	16

Significant Budget Items

- * In FY 2013 the planned festivals include the Poquoson Seafood Festival Weekend on October 19-21, 2012, Poquoson Holiday Parade and an Easter Egg Hunt in spring 2013.
- * In FY 2013 there is an increase in prize money for the workboat races.
- * Increase in personal services due to reorganization and inclusion of the Parks & Recreation Enterprise Fund into the General Fund.

Program Accomplishments

- * Maintained the quality of existing events such as the Poquoson Seafood Festival and Easter Egg Hunt while introducing new activities to each event.
- * Introduced new food vendors, exhibitors and media support partners at the Seafood Festival.
- * Instituted scientific crowd estimating.
- * Procured in-kind services in exchange for promotional consideration at the Poquoson Seafood Festival.

LIBRARY

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 492,888	\$ 497,380	\$ 515,573	\$ 537,246	\$ 21,673	4.2%
Operating Expenses	99,568	110,311	108,349	118,631	10,282	9.5%
Capital Outlay	160,866	141,474	149,687	131,618	(18,069)	-12.1%
Totals	<u>\$ 753,322</u>	<u>\$ 749,165</u>	<u>\$ 773,609</u>	<u>\$ 787,495</u>	<u>\$ 13,886</u>	<u>1.8%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Library Director	1	1	1	1
Reference Librarian	1	1	1	1
Senior Library Associate/System Admin	1	1	1	1
Library Associate	1	1	1	1
Administrative Secretary	1	1	1	1
Library Associate (FTE)	1.25	1.25	1.25	1.25
Senior Library Assistant (FTE)	1.40	1.40	1.40	1.40
Library Assistant (FTE)	3.80	3.80	3.80	3.80
Library Page (FTE)	0.50	0.50	0.50	0.50
Totals	<u>11.95</u>	<u>11.95</u>	<u>11.95</u>	<u>11.95</u>



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 during these challenging economic times.
- * Provide informational, recreational and cultural programs and activities to enrich the community.
- * Provide up-to-date and high quality technology resources and services which result in positive Library experiences.
- * Continue to utilize social media to promote the library as a focal point in the community.
- * Promote Library membership through services and various outreach programs.
- * Work with the Library Advisory Board, the Friends of the Public Library and service groups to promote the library as a focal point of community life.
- * Network 21 public use computers, update operating system and explore migrating to a software for website to make library service more accessible to the public.
- * Continue to enhance the library's website by developing it into a "virtual branch" with resources available to the community 24/7.

LIBRARY

Major Departmental Functions

- * Operate as a free public lending facility with reading materials for all ages.
- * Provide high quality up-to-date service that is quick, efficient and convenient.
- * Serve as a community center where exhibits, workshops, book talks, storytimes, poetry readings, musical performances, reading clubs and other programs and activities for all ages are offered.
- * Provide meeting facilities and information on community issues and services.
- * Work with the Library Advisory Board, Friends of the Library, Library volunteers, and the 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.
- * Promote life long learning.
- * Provide the public with free notary public service and serve as a passport acceptance agency for the U.S. State Department.

Performance Measures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Estimated	FY 2013 Estimated
Active Library Members	12,631	12,391	12,000	12,000
Attendance at Library Programs	7,575	8,963	8,000	8,000
Circulation	209,768	198,058	190,000	190,000
Documents Notarized	874	724	800	800
Interlibrary Loans	195	111	150	150
Internet, MS Office, etc. usage	17,544	15,695	16,000	16,000
Items Purged	7,965	8,320	8,000	8,000
Library Visits	125,566	121,849	120,000	120,000
Meeting Room Usage	1,380	1,484	1,400	1,400
New Items added to Collection	6,421	8,185	8,000	8,000
Overdue Items Retrieved	5,039	2,834	2,800	2,800
Passport Applications Processed	1,005	1,321	1,300	1,300
Reading Material Reserves	9,429	10,249	10,000	10,000
Web Page Hits	182,444	243,520	250,000	250,000

Significant Budget Items

- * Increase in personal services is due to required rate increase for VRS and salary adjustments.
- * Increase in operating expenses due to electricity and other building utility usage increase.
- * Decrease in capital expenses in FY 2013 is due to donations not appropriated until received.
- * In FY 2013, the City expects to receive \$134,618 in State Aid. Funding is used to purchase books, videos and subscriptions.
- * In FY 2013 the Library is expected to generate passport processing fees of \$30,000 and Library fines of \$22,000.

Program Accomplishments

- * The Library was ranked 1st in circulation and regular visits per capita among the 13 libraries in Tidewater.
- * Offered training on basic computer skills and downloadable audio books, eBooks and music.
- * The Library was presented with the 2011 Outstanding program for Seniors Award and Outstanding Children's Program Award from the Virginia Public Library Director's Association.
- * The Library was rated as the 5th highest in visits and 7th in circulation among the 91 public libraries in Virginia.
- * Awarded the Library of Virginia Foundation Grant to sponsor an early literacy outreach program.
- * Added downloadable audio books, ebooks and music to the library's technology service.

PLANNING

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2011 Budget	% Change From 2011 Budget
Personal Services	\$ 295,118	\$ 247,555	\$ 267,197	\$ 290,102	\$ 22,905	8.6%
Operating Expenses	24,697	38,839	37,288	34,301	(2,987)	-8.0%
Capital Outlay	886	639	-	-	-	n/a
Totals	<u>\$ 320,701</u>	<u>\$ 287,033</u>	<u>\$ 304,485</u>	<u>\$ 324,403</u>	<u>\$ 19,918</u>	<u>6.5%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Coordinator of Community Development	1	1	1	1
Principal Planner	1	1	1	1
Environmental Compliance Officer	1	1	1	1
Administrative Secretary	1	1	1	1
Part Time (FTE)	0.45	0.35	0	0
Totals	<u>4.45</u>	<u>4.35</u>	<u>4</u>	<u>4</u>

Goals and Objectives

- * Assist the EDA, City Manager and City Council in promoting economic growth.
- * Continue to lead the Development 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.
- * Strive to provide professional, expeditious, thorough, accurate and courteous service to the public on local, State and Federal land use regulations.
- * Create informational brochures to educate the public on various development processes within the City.
- * Issue and renew farm animal permits following guidelines as stated in City Code.
- * Work with VDOT to make safety improvements at the intersection of Cary's Chapel and Wythe Creek Roads.

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.
- * 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.
- * Promote economic development through comprehensive planning, rezoning and master planning process.
- * Serve as lead department for the Hazard Mitigation Planning Committee.
- * Coordinate and serve as lead department for the Environmental Development Plan Review Committee.
- * Coordinate and monitor ongoing residential and commercial site development.
- * Monitor and administer state mandated policies, practices and regulations.
- * Develop and maintain community access cable tv channel.
- * Department staff serves as liaison to multiple state and regional agencies and committees.
- * Oversee the engineering function of the City.

Performance Measures

	FY 2010 Actual	FY 2011 Estimated	FY 2012 Estimated	FY 2013 Estimated
Citizen requests for information	1,600	1,600	1,600	1,600
City Council/Board/Comm Agenda Items	6	6	6	6
Major subdivision plans reviewed	2	0	2	2
Minor subdivision plans reviewed	5	2	6	6
Sign Permit Applications	8	7	8	11
Site Plans reviewed	24	18	18	18
Special Projects (non Planning)	3	6	2	2
Zoning Ordinance/City Code Amendments	3	4	3	3

Significant Budget Items

- * Increase in personal services is due to required increased VRS and Life Insurance rate and health insurance subscription change.

Program Accomplishments

- * Implemented multiple Department of Conservation and Recreation program requirements.
- * Continued the process of updating the City's Comprehensive Plan.
- * Continued the process of updating the City's Zoning Ordinance and various other ordinances and City Code provisions.
- * Created information handouts to educate the public on the development of 2 & 3 lot and family subdivisions.
- * Processed 26 land use applications.

PLANNING / BZA / WETLANDS / ARB

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	-	-	\$ -	\$ -	n/a	n/a
Operating Expenses	5,706	4,941	10,500	6,950	(3,550)	-33.8%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 5,706	\$ 4,941	\$ 10,500	\$ 6,950	\$ (3,550)	-33.8%

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 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.

Planning Commission

- * Provide competent, expedient and professional advice and technical support to City Council pertaining to land use and development issues facing Poquoson.
- * Expand upon staff's knowledge and technical abilities of planning, land use, development, and zoning issues.
- * Assist in guiding development in a fashion consistent with the 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 and technical abilities pertaining to the use and protection of wetlands.

Environmental Development Plan Review Committee

- * Review site and subdivision plans, proposed 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.
- * Serve as staff liaison to various Boards/Commissions and Committees.
- * 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 2010	FY 2011	FY 2012	FY 2013
	Actual	Actual	Estimated	Estimated
Architectural Review Applications	6	5	5	5
Board of Zoning Appeals - Ches Bay Exceptions	1	2	30	30
Board of Zoning Applications	12	8	12	12
*EDPRC Chesapeake Bay Waivers	0	16	10	10
Ordinance Amendments	4	10	3	3
Wetland Board Applications	8	3	1	4

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

Significant Budget Items

- * Decrease in operating expenses since board members were trained in FY 2012.

Program Accomplishments

- * Processed applications in a timely manner.

ECONOMIC DEVELOPMENT

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ 6,488	\$ 57,278	\$ 68,400	\$ 11,122	19.4%
Operating Expenses	5,216	27,934	85,931	76,550	(9,381)	-10.9%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 5,216	\$ 34,422	\$ 143,209	\$ 144,950	\$ 1,741	1.2%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Economic Development Coordinator	0	0	0.75	1
Totals	0	0	0.75	1

Goals and Objectives

- * Strengthen the employment and tax base of the community through economic development activities.
- * Assist in the marketing of the Big Woods and Messick Point.
- * Participate in regional planning efforts to establish and implement development opportunities and define the region's priorities. An overall goal is to improve the competitiveness of the region especially in employment and income growth.

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 and the Virginia Economic Development Partnership.
- * Develop and implement marketing initiatives to publicize the Poquoson Business Community.
- * Update, revise and distribute the Poquoson Business Resource Guide.

Performance Measures

	<u>Actual FY 2010</u>	<u>Actual FY 2011</u>	<u>Estimated FY 2012</u>	<u>Estimated FY 2013</u>
Ribbon cutting ceremony	n/a	n/a	10	30

Significant Budget Items

- * In the fall of 2011, the City funded a full time position of .75 FTE to promote economic development efforts within the City of Poquoson. This position is funded for FY 2013 for the entire year.
- * Incentive for business to relocate to Poquoson.

Program Accomplishments

- * Planned activities targeting potential companies and economic development presentations to Council and outside organizations.

COMMUNITY DEVELOPMENT

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	138,786	165,905	146,185	139,279	(6,906)	-4.7%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	<u>\$ 138,786</u>	<u>\$ 165,905</u>	<u>\$ 146,185</u>	<u>\$ 139,279</u>	<u>\$ (6,906)</u>	<u>-4.7%</u>

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 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget
Litter Control Grant	\$ 5,137	\$ 6,005	\$ 5,000	\$ -
Contributions to Agencies:				
American Red Cross -- York/Poquoson Chapter	-	-	500	-
CASA	-	-	500	-
Commission on Homelessness	2,781	2,781	2,781	2,781
Disabilities Transportation	6,000	6,000	4,000	3,800
Green Jobs Alliance	1,179	-	2,376	-
Hampton Roads Economic Development	11,858	11,238	11,204	11,543
Heritage Park Project	1,950	-	-	-
Hampton Roads Planning District Comm (HRPDC)	9,691	9,691	9,688	9,720
HRPDC Municipal Construction Standards	375	375	378	389
HRPDC Other Projects	3,949	3,949	4,587	4,654
HRPDC Regional Groundwater Mitigation	3,461	3,461	3,452	3,452
HRPDC Stormwater Management Program	10,066	10,066	11,905	11,905
HR Military/Federal Facilities Alliance	5,932	5,318	5,400	6,075
Jamestown 2007 400th Celebration	11,240	-	-	-
NASA Aeronautics Support Team (NAST)	5,000	5,590	6,000	6,000
Peninsula Chamber of Commerce	1,750	1,750	1,750	1,660
Peninsula Council Workforce Development	5,847	5,847	5,847	5,847
Peninsula Emergency Medical Services	1,156	1,156	1,180	1,215
Peninsula Workforce Development Center	-	-	-	-
Poquoson Museum Foundation	-	40,487	29,640	30,888
Poquoson Historical Commission	500	500	500	-
Regional Air Service Enhancement Fund (RAISE)	4,767	4,767	4,767	4,860
Retired Senior Volunteer Program	2,750	2,750	2,750	2,750
Small Business Development Center	3,000	3,000	3,000	2,850
Thomas Nelson Community College	28,647	29,424	27,230	27,230
Transitions Family Violence Services	1,750	1,750	1,750	1,660
YMCA Contribution	10,000	10,000	-	-
Totals	\$ 138,786	\$ 165,905	\$ 146,185	\$ 139,279

Significant Budget Items

* Hampton Roads Planning District Commission provides oversight for various projects, total funding for HRPDC is \$30,120 for FY 2013.

* Poquoson Museum Foundation funding in the amount of \$30,888 for FY 2013 is a forgiveness of 1/10th of the deed of trust note with the City as well as the interest relating to that note.

NON-DEPARTMENTAL

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	217,970	15,452	240,000	20,000	(220,000)	-91.7%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 217,970	\$ 15,452	\$ 240,000	\$ 20,000	\$ (220,000)	-91.7%

Personnel Summary

N/A

Goals and Objectives

- * Provide a contingency for certain unanticipated expenses which inevitably arise during the year.
- * Continue to keep the contingency account less than one quarter of one percent of the total general fund budget.

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.

<u>Budget Detail</u>	<u>FY 2010 Actual</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Revised Budget</u>	<u>FY 2013 Adopted Budget</u>
Refunds	\$ (348)	\$ (40)	\$ -	\$ -
Treasurer Cash Overages/Shortages	(44)	29	-	-
Bank Charges/Returned Checks	46,373	(114)	-	-
Contingencies	3,398	15,577	40,000	20,000
Tropical Storm Ida Recovery				
Personal Services	35,217	-	-	-
Operating Expenses	126,062	-	-	-
Capital Outlay	7,312	-	-	-
Hurricane Irene Recovery				
Personal Services	-	-	-	-
Operating Expenses	-	-	200,000	-
Capital Outlay	-	-	-	-
Totals	\$ 217,970	\$ 15,452	\$ 240,000	\$ 20,000

Significant Budget Items

- * Minimal funding for contingencies to pay for any unforeseen expenses throughout the City.
- * FY 2010 Tropical Storm Ida Recovery of \$168,591 for the expenditures of the November 2009 storm. The City suffered severe flooding for several days creating debris such as household items and woody waste including tree limbs requiring disposal. City staff and equipment restored the City to its original state within six months of the storm.
- * FY 2012 Hurricane Irene Recovery of \$200,000 for the expenditures of the August 2011 storm. The City suffered flooding which created debris including household items and woody waste. City staff and equipment restored the City within four months of storm.

DEPARTMENT OF MOTOR VEHICLES

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 97,898	\$ 96,331	\$ 102,386	\$ 103,084	\$ 698	0.7%
Operating Expenses	3,475	3,195	4,054	4,008	(46)	-1.1%
Capital Outlay	-	-	-	-	-	n/a
Totals	\$ 101,373	\$ 99,526	\$ 106,440	\$ 107,092	\$ 652	0.6%

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
DMV Service Clerk	2	2	2	2
Totals	2	2	2	2

Goals and Objectives

- * Continue to provide excellent customer service to all DMV customers.
- * Work in partnership with DMV to secure a relationship with the Department of Game and Inland Fisheries (DGIF) to begin registering boats and issue hunting and fishing licenses.

DEPARTMENT OF MOTOR VEHICLES

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.

Performance Measures

	<u>FY 2010</u> Actual	<u>FY 2011</u> Actual	<u>FY 2012</u> Estimated	<u>FY 2013</u> Estimated
Total DMV Transactions	39,646	33,645	35,000	35,000
Car Dealers Served	15	24	25	25

Significant Budget Items

- * In FY 2013, it is estimated that the DMV operations will generate \$90,000 in revenue to the City.
- * Rate of compensation for DMV services is 4.5% of the first \$500,000 of gross collections and 5% on gross collection over \$500,000.

Program Accomplishments

- * Cross-trained with Commissioner of the Revenue employees.
- * Continued to establish new business relationships with car dealers in an effort to minimize the revenue impact resulting from the difficult economic conditions.
- * Established a relationship with DMV to secure City Hall visits of the DMV2Go Mobile Unit that issues drivers licenses and identification cards.

TRANSFER TO OTHER FUNDS

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	2,542,735	2,086,982	2,186,346	2,142,250	(44,096)	-2.0%
Capital Outlay	-	-	-	-	n/a	n/a
Totals	\$ 2,542,735	\$ 2,086,982	\$ 2,186,346	\$ 2,142,250	\$ (44,096)	-2.0%

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 Capital Projects fund for the City's TMDL/Stormwater.

TRANSFER TO OTHER FUNDS

Major Departmental Functions

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

<u>Budget Detail</u>	<u>FY 2010 Actual</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Revised Budget</u>	<u>FY 2013 Adopted Budget</u>
Transfer to Debt Service	\$ 2,410,984	\$ 2,036,982	\$ 2,052,246	\$ 2,052,250
Transfer to Capital Projects	46,751	50,000	50,000	90,000
Transfer to Special Revenue Fund	-	-	-	-
Transfer to Solid Waste	45,000	-	72,100	-
Transfer to Utilities Fund	-	-	-	-
Transfer to Economic Development Authority	40,000	-	12,000	-
Totals	<u>\$ 2,542,735</u>	<u>\$ 2,086,982</u>	<u>\$ 2,186,346</u>	<u>\$ 2,142,250</u>

Significant Budget Items

- * The transfer to Debt Service of \$2,052,250 includes refinancing and restructuring of debt in FY 2012.
* The transfer to Capital Projects of \$90,000 is for continued funding of TMDL projects.

THIS PAGE LEFT INTENTIONALLY BLANK

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.

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.

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.

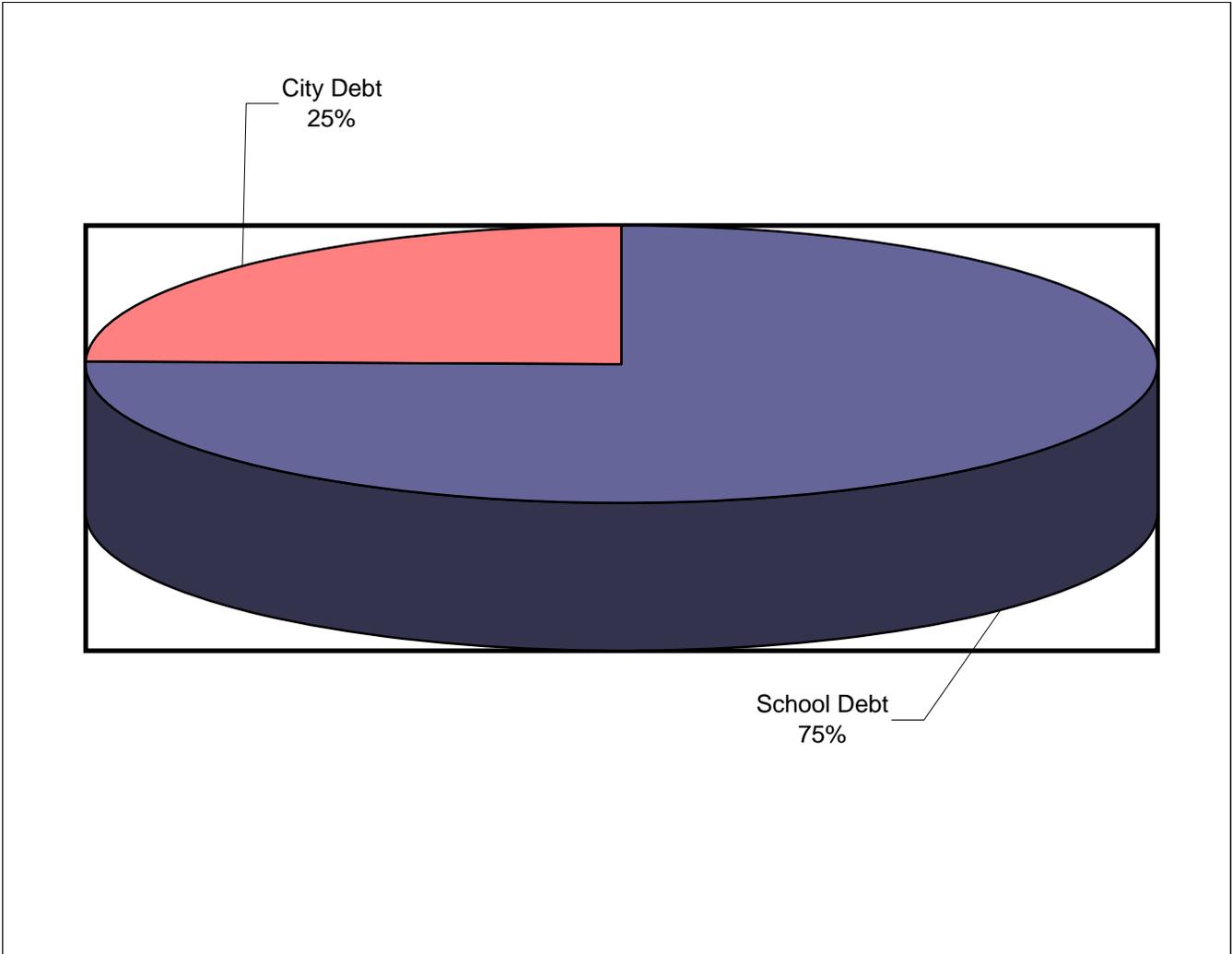
A bond credit rating assesses the credit worthiness of government debt issues. In April 2012, the rating agencies of Standard & Poor's and Moody's have given the City an initial bond credit rating of AA+ and Aa3, respectively. This translates to the rating agency belief that the City has a very strong capacity to meet its financial commitments. This differs from the highest rated obligatoors only in a small degree.

Debt Service Projection of Fund Balance

Beginning Fund Balance - 6/30/2009		\$	148,130
Actual FY 2010 Revenues	\$ 18,243,463		
Actual FY 2010 Expenditures	<u>(18,391,593)</u>		<u>(148,130)</u>
Fund Balance - 6/30/2010		\$	-
Actual FY 2011 Revenues	\$ 9,607,452		
Actual FY 2011 Expenditures	<u>(9,607,452)</u>		<u>-</u>
Fund Balance - 6/30/2011		\$	-
Estimated FY 2012 Revenues	\$ 14,240,246		
Estimated FY 2012 Expenditures	<u>(14,240,246)</u>		<u>-</u>
Projected Fund Balance - 6/30/2012		\$	-
Estimated FY 2013 Revenues	\$ 2,052,250		
Estimated FY 2013 Expenditures	<u>(1,801,308)</u>		<u>250,942</u>
Projected Fund Balance - 6/30/2013		\$	<u>250,942</u>

DEBT SERVICE FUND - SUMMARY

Debt Service Expenditures



<u>Debt Service Expenditures</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
School Debt	\$ 9,340,605	\$ 1,355,963
City Debt	<u>4,899,641</u>	<u>445,345</u>
TOTAL	<u>\$ 14,240,246</u>	<u>\$ 1,801,308</u>

DEBT SERVICE FUND - REVENUE

Debt Service Revenue

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Revenue	FY 2013 Adopted Revenue	\$	%
						Change From 2012 Budget	Change From 2012 Budget
Transfer from General Fund	\$ 2,410,984	\$ 2,036,982	\$ 2,052,246	\$ 2,052,246	\$ 2,052,250	\$ 4	0.0%
Issuance of Debt	15,832,479	7,570,470	12,188,000	12,188,000	-	(12,188,000)	-100.0%
Use of Reserve	148,130	-	-	-	-	-	0.0%
TOTAL TRANSFERS IN	\$ 18,391,593	\$ 9,607,452	\$ 14,240,246	\$ 14,240,246	\$ 2,052,250	\$ (12,187,996)	-85.6%

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.

Issuance of Debt: In FY 2011, the City refinanced approximately \$7.5 million School and City outstanding debt. In FY 2010, the City refunded \$15.4 million in School and City outstanding debt. In FY 2012, the City refinanced approximately \$3 million School debt. Also in FY 2012, the City refinanced approximately \$8.4 million School and City outstanding debt.

Use of Reserve: In FY 2006, the City established a capital reserve to set aside funds for future debt service in the amount of \$385,137. The City drew down the reserve, as planned, in FY 2008, FY 2009 and FY 2010, in the amount of \$126,413, \$110,594 and \$148,130 respectively.

Computation of Estimated Legal Debt Margins for FY 2012

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 7/1/2012, is shown below. A further discussion of the City's debt service can be found in the Appendix section of this document.

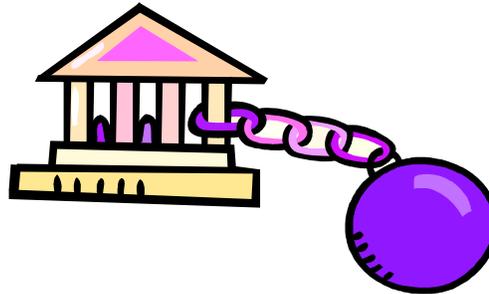
Estimated Assessed Value of Real Estate as of 7/1/2012

General	\$1,498,862,620
Public Service Corporation	17,000,000
Total	<u>\$1,515,862,620</u>
Total Bonding Limit (10% of total assessed value)	\$151,586,262
General Obligation Bonds, other than those authorized for a specific revenue producing project	\$27,212,000
State Literary Fund Loans	1,807,820
Capital Leases	163,551
Sewer Bonds	<u>8,605,001</u>
Net Bonded indebtedness subject to limit	\$37,788,372
Bonded indebtedness as percent of assessed value of real estate	<u>2.49%</u>
Margin for Additional Borrowing	<u>\$113,797,890</u>

DEBT SERVICE FUND - EXPENDITURES

Debt Service Expenditures

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
School Principal	\$ 999,165	\$ 547,306	\$ 485,667	\$ 473,447	\$ (12,220)	-2.5%
School Interest	946,547	887,518	975,917	882,516	(93,401)	-9.6%
City Principal	358,908	349,658	368,990	210,989	(158,001)	-42.8%
City Interest	252,995	247,901	237,561	232,356	(5,205)	-2.2%
Trustee Fees	1,500	1,250	2,000	2,000	-	0.0%
Future Debt Service	-	-	-	250,942	250,942	100.0%
Advance Refunding	15,598,139	7,530,556	12,099,067	-	(12,099,067)	-100.0%
Cost of Debt Issuance	234,339	43,263	71,044	-	(71,044)	-100.0%
Totals	\$ 18,391,593	\$ 9,607,452	\$ 14,240,246	\$ 2,052,250	\$ (12,187,996)	-85.6%



Significant Budget Items

- * In FY 2010, the City refunded \$15.4 million in debt.
- * In FY 2011, the City refunded \$9.5 million in debt in order to take advantage of lower interest rates on debt while not extending the terms of the original loans.
- * In FY 2012, the City refunded \$2.9 and \$8.4 million in debt in order to take advantage of lower interest rates.

DEBT SERVICE FUND - EXPENDITURES

Expenditures Summary

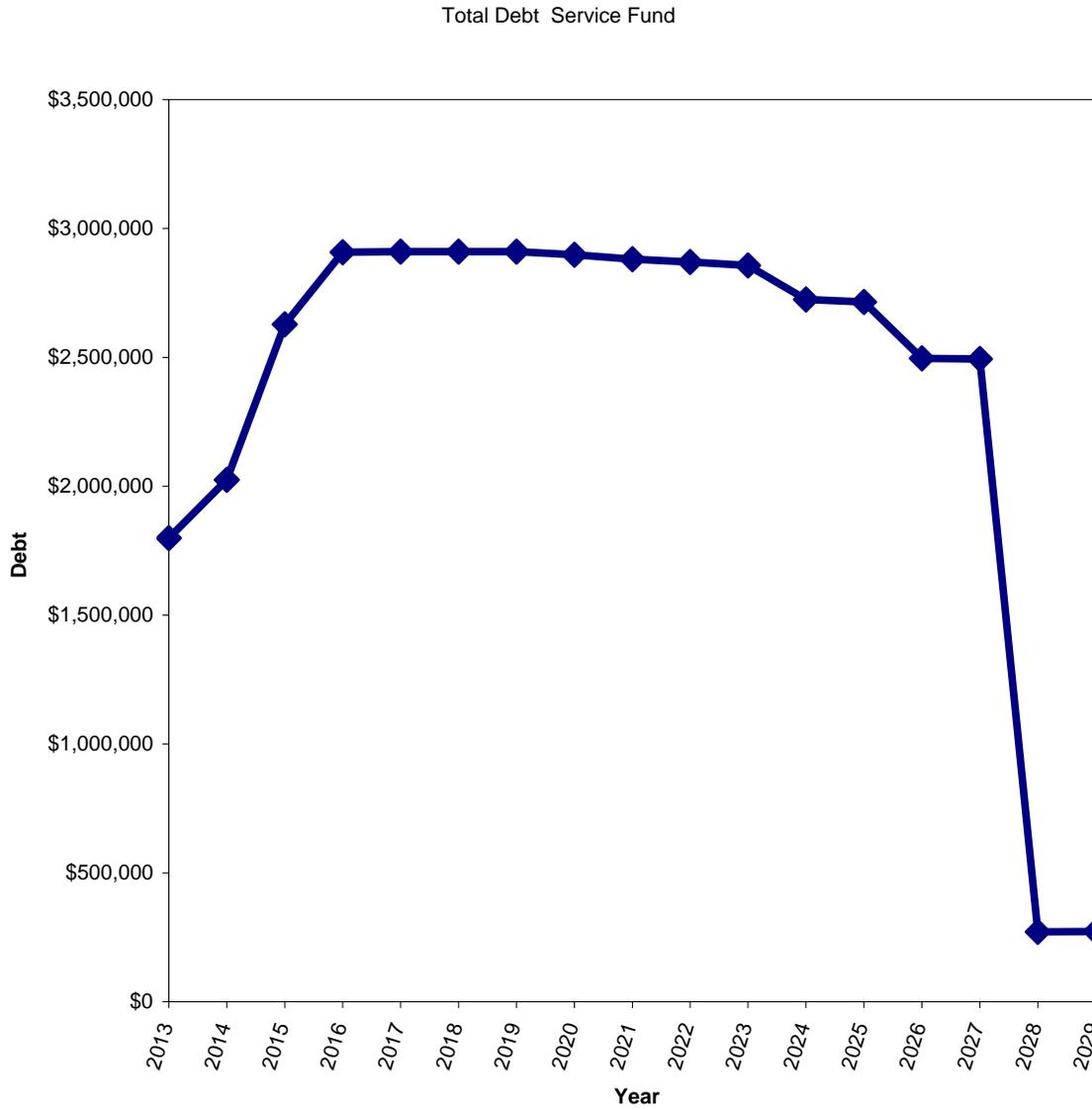
DEBT INSTRUMENT	FY 2013 Principal	FY 2013 Interest	FY 2013 Other Fees	FY 2013 Adopted Budget
<u>Schools</u>				
<u>Bonds:</u>				
1998A VPSA PHS Addition/Renovations	\$ 30,000	\$ 9,720	\$ -	\$ 39,720
2012 Refunded 2002 Refunded 1994A (Cafeteria)	9,184	8,738	-	17,922
2011B Refunded 2009A Refunded 2006A PES	25,000	85,586	-	110,586
2012 Refunded 2009C Refunded 2001 School's VRS	-	10,772	-	10,772
2010 PMS HVAC	20,000	4,938	-	24,938
2010 Refunded 2005 PES	-	139,913	-	139,913
2010 Refunded 2006B PES	-	287,175	-	287,175
2010 Refunded 2007 PES	-	141,294	-	141,294
2012 Refunded 2011 Refunded 2007 Unrefunded PES	73,757	90,017	-	163,774
2012 Refunded 2011 Refunded 2008 PMS Stadium	38,506	50,128	-	88,634
<u>Literary Loans:</u>				
1998 PPS Desiccant Wheel	27,000	1,735	-	28,735
1998 PHS Addition/Renovations	250,000	52,500	-	302,500
Total Schools	\$473,447	\$882,516	\$ -	\$1,355,963
<u>City</u>				
<u>Bonds:</u>				
2012 Refunded 2002 Refunded 1994 A (City Hall)	35,816	34,080	-	69,896
2010 Refunded 2005 Fire Station #1	-	59,963	-	59,963
2010 Refunded 2007 Fire Station #1	-	33,143	-	33,143
2012 Refunded 2011 Refunded 2007 Unrefunded Fire Station	17,301	22,523	-	39,824
2012 Refunded 2011 Refunded 2009B & 1998A Refunded Court House	-	23,670	-	23,670
2012 Refunded 2011 Refunded 2009B & 2001 Fire Station #2	-	16,531	-	16,531
2012 Refunded 2011 Refunded 2009B & 2002 Fire Pumper	25,000	5,000	-	30,000
2012 Refunded 2011 Refunded 2009B & 2008 Motorola Radios	20,435	13,704	-	34,139
2011 Public Works Storage	32,000	17,880	-	49,880
<u>Capital Leases:</u>				
2005 Fire Pumpers	80,437	5,862	-	86,299
<u>Trustee Fees:</u>				
US Bank	-	-	2,000	2,000
Total City	\$210,989	\$232,356	\$2,000	\$445,345
TOTAL DEBT SERVICE FY 2013	\$684,436	\$1,114,872	\$2,000	\$1,801,308

THIS PAGE LEFT INTENTIONALLY BLANK

DEBT SERVICE FUND - LONG TERM DEBT OBLIGATIONS

<u>Summary of Long Term Debt Obligations</u>	Projected			Projected
<u>General Long Term Obligations</u>	Balance	Additions	Retirement	Balance
	6/30/2012			6/30/2013
<u>School Bonds:</u>				
1998A VPSA PHS Addition/Renovations	\$ 210,000	\$ -	\$ 30,000	\$ 180,000
2012 Refunded 2002 Refunded 1994A (Cafeteria)	283,674	-	9,184	274,490
2011B Refunded 2009A Refunded 2006A PES	2,872,000	-	25,000	2,847,000
2012 Refunded 2009C Refunded 2001 School's VRS	315,000	-	-	315,000
2010 PMS HVAC	195,000	-	20,000	175,000
2010 Refunded 2005 PES	3,269,000	-	-	3,269,000
2010 Refunded 2006B PES	6,600,000	-	-	6,600,000
2010 Refunded 2007 PES	3,159,000	-	-	3,159,000
2012 Refunded 2011 Refunded 2007 Unrefunded PES	2,722,697	-	73,757	2,648,940
2012 Refunded 2011 Refunded 2008 PMS Stadium	1,421,438	-	38,506	1,382,932
	<u>\$ 21,047,809</u>	<u>-</u>	<u>\$ 196,447</u>	<u>\$ 20,851,362</u>
<u>School Literary Loans:</u>				
1998 PPS Desiccant Wheel	57,820	-	27,000	30,820
1998 PHS Addition/Renovations	1,750,000	-	250,000	1,500,000
	<u>1,807,820</u>	<u>-</u>	<u>277,000</u>	<u>1,530,820</u>
<u>City Bonds:</u>				
2012 Refunded 2002 Refunded 1994 A (City Hall)	1,106,326	-	35,816	1,070,510
2010 Refunded 2005 Fire Station #1	1,401,000	-	-	1,401,000
2010 Refunded 2007 Fire Station #1	741,000	-	-	741,000
2012 Refunded 2011 Refunded 2007 Unrefunded Fire Station	638,657	-	17,301	621,356
2012 Refunded 2011 Refunded 2009B & 1998A Refunded Court House	674,599	-	-	674,599
2012 Refunded 2011 Refunded 2009B & 2001 Fire Station #2	431,252	-	-	431,252
2012 Refunded 2011 Refunded 2009B & 2002 Fire Pumper	172,906	-	25,000	147,906
2012 Refunded 2011 Refunded 2009B & 2008 Motorola Radios	398,451	-	20,435	378,016
2011 Public Works Storage	600,000	-	32,000	568,000
	<u>6,164,191</u>	<u>-</u>	<u>130,552</u>	<u>6,033,639</u>
<u>Capital Leases:</u>				
2005 Fire Pumpers	163,551	-	80,437	83,114
	<u>163,551</u>	<u>-</u>	<u>80,437</u>	<u>83,114</u>
Total General Long Term Obligations	\$29,183,371	\$0	\$684,436	\$28,498,935
<u>Sewer Fund Obligations</u>				
<u>Sewer Bonds:</u>				
2012 Refunded 2000 DEQ Loan	3,695,000	-	140,000	3,555,000
2012 Refunded 2000 DEQ Loan	1,300,000	-	20,000	1,280,000
2010 Bond	600,000	-	-	600,000
2010 VRA Refunded 2002 Bond	675,000	-	60,000	615,000
2012 Refunded 2011 Refunded 2009B & 1998B Bond	1,914,133	-	65,581	1,848,552
2012 Refunded 2011 Refunded 2009B & 2003B Bond	420,867	-	14,419	406,448
Total Sewer Obligations	\$8,605,000	\$0	\$300,000	\$8,305,000

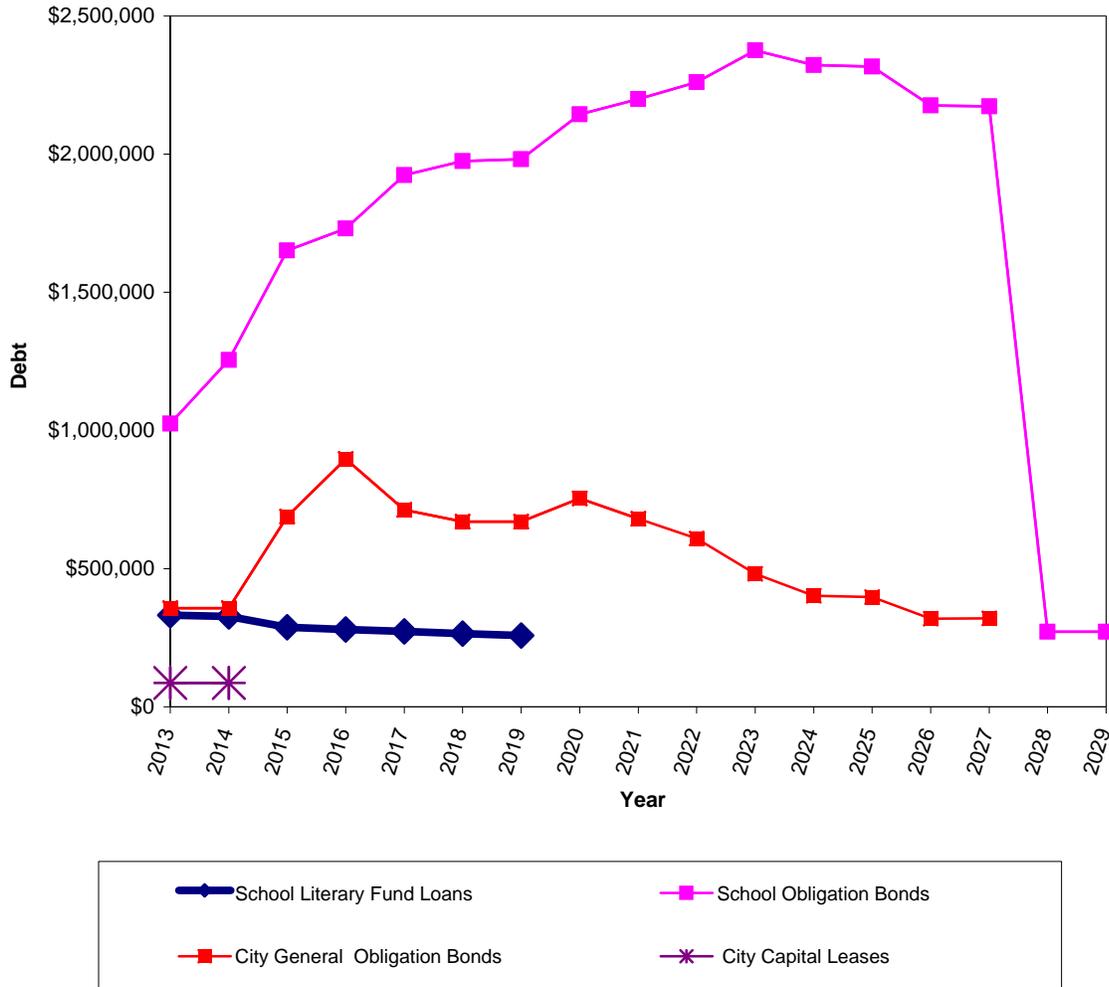
DEBT SERVICE FUND



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

DEBT SERVICE FUND

Debt Service By Type



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	
	Principal	Interest	Principal	Interest
2013	277,000	54,235	196,447	828,280
2014	280,820	45,925	374,967	879,742
2015	250,000	37,500	781,367	870,257
2016	250,000	30,000	882,449	848,413
2017	250,000	22,500	1,107,016	816,616
2018	250,000	15,000	1,203,301	771,145
2019	250,000	7,500	1,260,377	721,590
2020			1,474,362	669,369
2021			1,596,669	602,932
2022			1,725,026	535,365
2023			1,911,809	463,554
2024			1,947,578	375,057
2025			2,033,828	283,373
2026			1,971,578	204,964
2027			2,061,035	112,363
2028			256,000	15,496
2029			264,000	7,868
TOTAL	\$ 1,807,820	\$ 212,660	\$ 21,047,809	\$ 9,006,384

DEBT SERVICE FUND--AMORTIZATION OF LONG TERM DEBT

Amortization of Long Term Debt

Year Ending June 30	City General Obligation Bonds		City Capital Leases		Total Debt Service Fund	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	130,552	226,494	80,437	5,862	684,436	1,114,871
2014	98,033	259,039	83,114	2,983	836,934	1,187,689
2015	432,633	256,418			1,464,000	1,164,175
2016	653,552	243,698			1,786,001	1,122,111
2017	494,985	218,298			1,852,001	1,057,414
2018	474,699	195,606			1,928,000	981,751
2019	496,623	173,907			2,007,000	902,997
2020	603,639	150,997			2,078,001	820,366
2021	558,331	122,493			2,155,000	725,425
2022	511,974	96,910			2,237,000	632,275
2023	407,191	74,062			2,319,000	537,616
2024	345,422	56,040			2,293,000	431,097
2025	357,172	40,289			2,391,000	323,662
2026	292,422	26,775			2,264,000	231,739
2027	306,963	13,713			2,367,998	126,076
2028					256,000	15,496
2029					264,000	7,868
TOTAL	\$ 6,164,191	\$ 2,154,739	\$ 163,551	\$ 8,845	\$ 29,183,371	\$ 11,382,628

DEBT SERVICE FUND--AMORTIZATION OF LONG TERM DEBT

<u>Amortization of Long Term Debt</u>			<u>Total</u>		
<u>Year</u>			<u>Total Sewer</u>	<u>Total</u>	<u>City, School</u>
<u>Ending</u>	<u>Sewer Fund Bonds/Notes</u>		<u>Fund</u>	<u>Debt Service</u>	<u>& Sewer</u>
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal &</u>	<u>Fund Principal &</u>	<u>Principal &</u>
			<u>Interest</u>	<u>Interest</u>	<u>Interest</u>
2013	300,000	346,427	646,427	1,799,307	2,445,734
2014	205,000	381,939	586,939	2,024,623	2,611,562
2015	880,000	375,474	1,255,474	2,628,175	3,883,649
2016	365,000	348,567	713,567	2,908,112	3,621,679
2017	445,000	334,122	779,122	2,909,415	3,688,537
2018	470,000	313,481	783,481	2,909,751	3,693,232
2019	490,000	289,854	779,854	2,909,997	3,689,851
2020	515,000	265,372	780,372	2,898,367	3,678,739
2021	540,000	240,179	780,179	2,880,425	3,660,604
2022	565,000	214,337	779,337	2,869,275	3,648,612
2023	590,000	188,913	778,913	2,856,616	3,635,529
2024	610,000	160,438	770,438	2,724,097	3,494,535
2025	630,000	130,901	760,901	2,714,662	3,475,563
2026	650,000	100,088	750,088	2,495,739	3,245,827
2027	665,000	68,000	733,000	2,494,074	3,227,074
2028	685,000	34,851	719,851	271,496	991,347
2029	-	-	-	271,868	271,868
TOTAL	\$ 8,605,000	\$ 3,792,943	\$ 12,397,943	\$ 40,565,999	\$ 52,963,942

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.

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 2013 through FY 2017 CIP's General Fund Projects are shown in detail found on page 116.

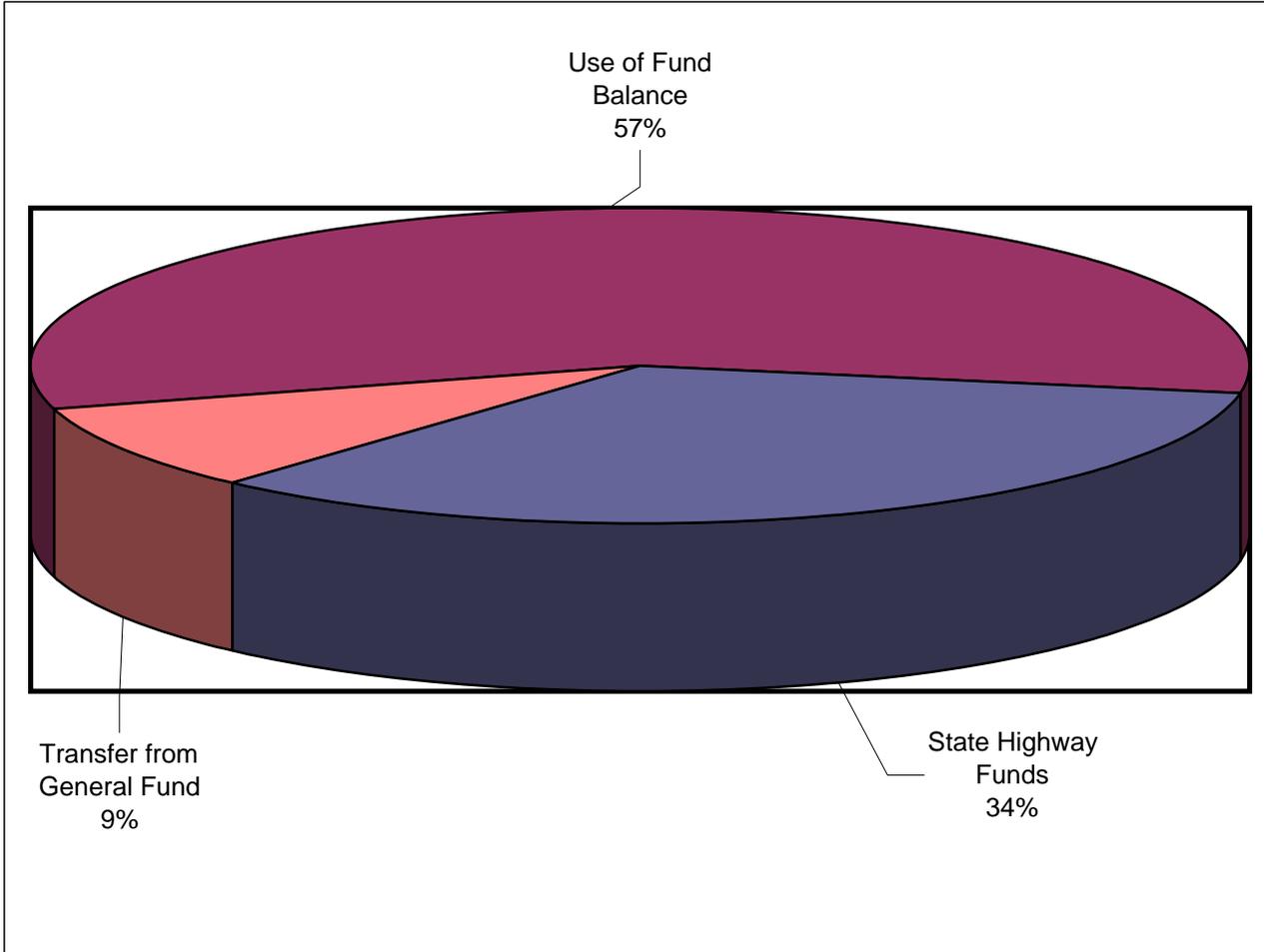
Unlike the City's General Fund in which any unexpended funds lapse at the end of the fiscal year, the monies appropriated in the Capital Fund lapse into the fund balance. Therefore, in addition to funds budgeted for FY 2013, there may also be monies remaining from prior years that fund continuing projects.

Capital Projects Projection of Fund Balance

Beginning Fund Balance - 6/30/2009		\$ 1,149,080
Estimated FY 2010 Revenues	\$ 598,893	
Estimated FY 2010 Expenditures	(838,069)	(239,176)
Fund Balance - 6/30/2010		\$ 909,904
Estimated FY 2011 Revenues	\$ 775,052	
Estimated FY 2011 Expenditures	(814,871)	(39,819)
Fund Balance - 6/30/2011		\$ 870,085
Estimated FY 2012 Revenues	\$ 1,324,545	
Estimated FY 2012 Expenditures	(1,352,716)	(28,171)
Projected Fund Balance - 6/30/2012		\$ 841,914
Estimated FY 2013 Revenues	\$ 441,225	
Estimated FY 2013 Expenditures	(1,033,917)	(592,692)
Projected Fund Balance - 6/30/2013		\$ 249,222

CAPITAL PROJECTS FUND - SUMMARY

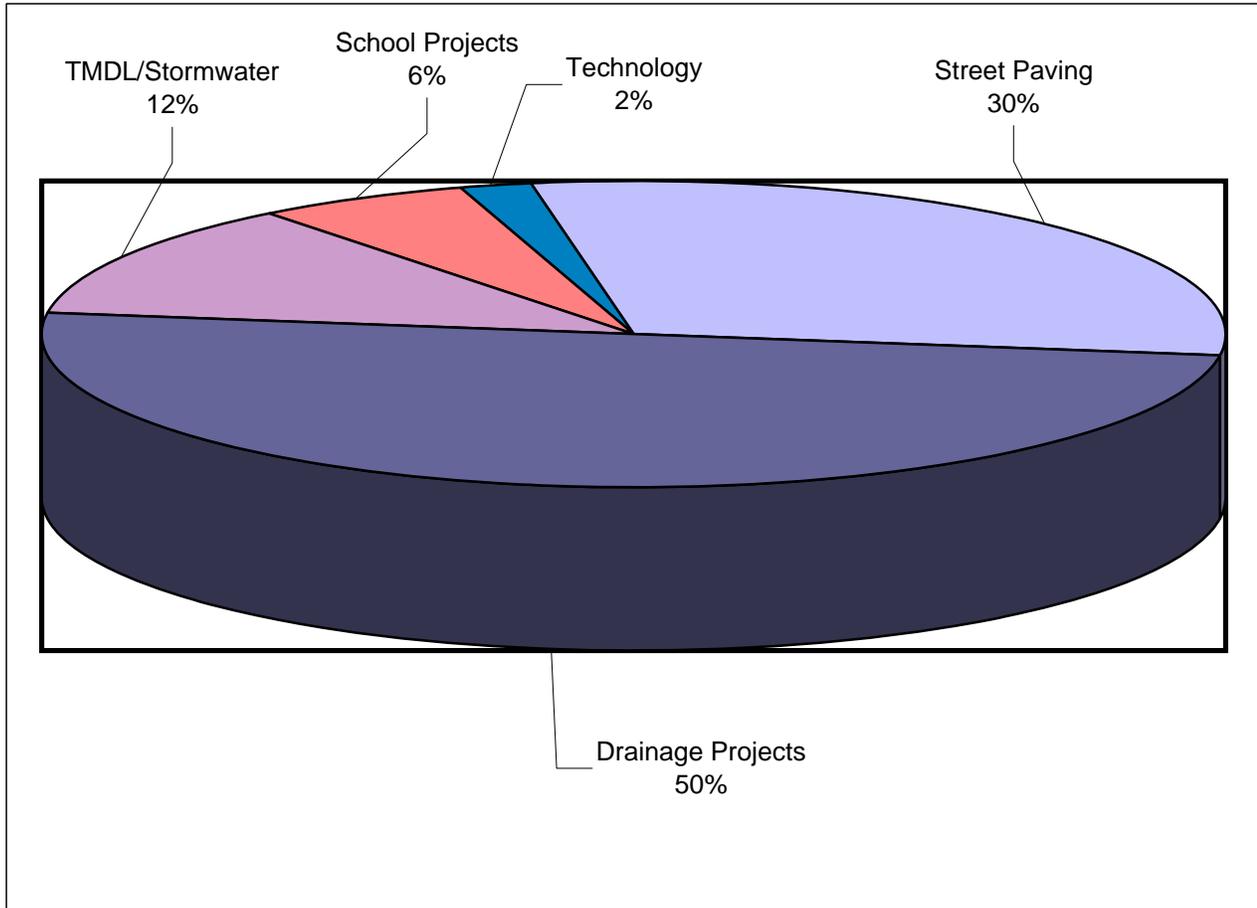
Capital Projects Revenue



<u>Capital Projects Revenue</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
State Highway Funds	\$ 455,800	\$ 351,225
Transfer from General Fund	50,000	90,000
Note or Bond Proceeds	592,103	-
Grant Funds	221,591	-
Miscellaneous	5,051	-
Use of Fund Balance	613,809	592,692
TOTAL	\$ 1,938,354	\$ 1,033,917

CAPITAL PROJECTS FUND - SUMMARY

Capital Projects Expenditures



<u>Capital Projects Expenditures</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Street Paving	\$ 425,010	\$ 309,426
Drainage Projects	33,504	517,196
TMDL/Stormwater	14,500	125,500
School Projects	-	62,595
PW Compound	600,000	-
Playground Equipment	8,111	-
Concession Building	50,000	-
Technology	-	19,200
Patrol Boat	221,591	-
TOTAL	<u>\$ 1,352,716</u>	<u>\$ 1,033,917</u>

CAPITAL PROJECTS FUND - REVENUE

Revenue Summary

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Revenue	FY 2012 Estimated Revenue	FY 2013 Adopted Revenue	\$	%
						Change From 2012 Budget	Change From 2012 Budget
State Highway Funds	\$ 327,802	\$ 446,696	\$ 455,800	\$ 455,800	\$ 351,225	\$ (104,575)	-22.9%
ARRA Funding	-	210,538	-	-	-	-	n/a
Note or Bond Proceeds	223,052	-	600,000	591,143	-	(600,000)	-100.0%
Interest -- Bond Proceeds	1,289	1,429	-	960	-	-	n/a
Patrol Boat Grant	-	61,659	221,591	221,591	-	(221,591)	-100.0%
Miscellaneous	-	4,730	-	5,051	-	-	n/a
Reappropriation of Fund Bal	-	-	613,809	613,809	592,692	(21,117)	-3.4%
Transfer from General Fund	46,751	50,000	50,000	50,000	90,000	40,000	80.0%
TOTAL REVENUE	\$ 598,894	\$ 775,052	\$ 1,941,200	\$ 1,938,354	\$ 1,033,917	\$ (907,283)	-46.7%

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 and Drainage" projects). The City is projected to receive a total of \$1,266,225 from the State Highway Maintenance Fund, \$351,225 is recorded in the Capital Projects Fund, and the remaining \$915,000 is recorded in the General Fund. The exact amount of revenue for FY 2013 will not be known until August 2012.

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

CAPITAL PROJECTS FUND - EXPENDITURES

Expenditures Summary

Project	Estimated FY 2012 Expended Projects	Estimated Prior Fiscal Year's Unexpended	FY 2013 New Projects Adopted Budget	Total FY 2013 Projects
		Prior Year	Year 1	
School Projects				
PES	\$ -	\$ 14,769	\$ -	\$ 14,769
PMS	-	5,423	-	5,423
School Miscellaneous Projects	-	42,403	-	42,403
Public Works, Transportation & Drainage Projects				
Street Paving	425,010	8,201	301,225	309,426
Drainage Projects	33,504	467,196	50,000	517,196
PW Compound	600,000	-	-	-
TMDL/Stormwater	14,500	35,500	90,000	125,500
Parks & Recreation Projects				
South Lawson Park	-	-	-	-
Concession Bldg @ LL Field	50,000	-	-	-
Playground	8,111	-	-	-
Miscellaneous Projects				
Patrol Boat Grant	221,591	-	-	-
Technology	-	19,200	-	19,200
Totals	\$ 1,352,716	\$ 592,692	\$ 441,225	\$ 1,033,917

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 Unappropriated 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.

FY 2013 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 and the City allocated \$301,225 towards paving for FY 2013.

Drainage Projects: These projects are also funded through VDOT State Highway Funds with an allocation of \$50,000. The planned projects include completion of Sandy Bay Drive and Wainwright Drive. These existing drainage systems will be upgraded to lessen flooding.

TMDL/Stormwater: This project is a federally mandated Chesapeake Bay cleanup program. The project calls for retrofitting the storm drainage system with water quality treatment measures. The City is required to provide enough water quality measures to treat 15% of the impervious area that currently exists within the City by 2017 and 25% by 2025. The current year funding includes \$90,000 as a Transfer from General Fund.

CAPITAL PROJECTS FUND - CIP PLAN SUMMARY

FY 2013 Adopted Capital Projects Fund

Adopted CIP Summary FY 2013 - Beyond FY 2017

Project	FY 2013 Adopted Budget	Prior Year Funding	FY 2013 Adopted Project	FY 2014 Adopted Project	FY 2015 Adopted Project	FY 2016 Adopted Project	FY 2017 Adopted Project	Beyond FY 2017 Project	Total Cost
School Projects									
High School Forum Renovation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
High School Track	-	-	300,000	-	-	-	-	-	300,000
High School Locker Room Renovation	-	-	-	-	-	-	-	66,000	66,000
High School HVAC	-	-	-	-	-	75,000	-	-	75,000
High School Gym HVAC	-	-	-	-	-	-	-	125,000	125,000
High School Roof Replacement	-	-	-	-	-	-	-	925,000	925,000
Primary School HVAC	-	-	205,000	-	-	-	-	-	205,000
Primary School Roof Replacement	-	-	-	-	-	350,000	-	-	350,000
Middle School Renovation	-	-	-	1,563,000	11,457,500	72,000	72,000	-	13,164,500
Asphalt Repairs	-	-	-	-	-	146,000	-	-	146,000
Bus Replacement	-	-	160,000	170,000	160,000	80,000	80,000	80,000	730,000
Total School Projects	\$ -	\$ -	\$ 665,000	\$ 1,733,000	\$ 11,617,500	\$ 723,000	\$ 152,000	\$ 3,696,000	\$ 18,586,500
Transportation and Drainage Projects									
Street Paving	\$ 301,225	\$ -	\$ 301,225	\$ 255,775	\$ 318,730	\$ -	\$ -	\$ -	\$ 875,730
Wythe Creek Road South	-	4,159,000	200,000	400,000	1,645,850	1,458,288	8,295,862	-	12,000,000
Drainage Projects -- Poquoson Shores Tidal Flooding	-	-	-	80,000	-	-	-	-	80,000
Drainage Projects -- City Ditch Erosion Paving	-	-	-	-	50,000	50,800	-	-	100,800
Chesapeake Bay TMDL/Stormwater	90,000	-	150,000	2,000,000	2,000,000	2,000,000	2,000,000	18,000,000	26,150,000
Poquoson Avenue Piping Upgrade	-	-	-	-	90,000	55,000	-	-	145,000
Wainwright Drive Curb Upgrade	50,000	-	50,000	-	-	-	-	-	50,000
ROW Acquisition, Bike paths & Sidewalks	-	-	500,000	-	-	-	-	-	500,000
Victory Boulevard	-	-	-	-	-	-	-	9,000,000	9,000,000
Total Transportation and Drainage Projects	\$ 441,225	\$ 4,159,000	\$ 1,201,225	\$ 2,735,775	\$ 4,104,580	\$ 3,564,088	\$ 10,295,862	\$ 27,000,000	\$ 48,901,530
Public Safety: Fire and Police Projects									
Replacement of Engine 102	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ 350,000
Replacement of Medic 3	-	-	150,000	-	-	-	-	-	150,000
Replacement of Medic 4	-	-	-	150,000	-	-	-	-	150,000
Public Safety Building	-	-	-	-	-	-	-	3,000,000	3,000,000
Total Public Safety: Fire and Police Projects	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ 350,000	\$ -	\$ -	\$ 3,000,000	\$ 3,650,000
Public Works Projects									
Equipment Replacement	\$ -	\$ -	\$ -	\$ 68,000	\$ 155,000	\$ 218,000	\$ 192,000	\$ 791,000	\$ 1,424,000
Public Works Compound	-	-	-	-	-	-	-	1,104,000	1,104,000
Total Public Works Projects	\$ -	\$ -	\$ -	\$ 68,000	\$ 155,000	\$ 218,000	\$ 192,000	\$ 1,895,000	\$ 2,528,000

CAPITAL PROJECTS FUND - CIP PLAN SUMMARY

FY 2013 Adopted Capital Projects Fund

Adopted CIP Summary FY 2013 - Beyond FY 2017

Project	FY 2013 Adopted Budget	Prior Year Funding	FY 2013 Adopted Project	FY 2014 Adopted Project	FY 2015 Adopted Project	FY 2016 Adopted Project	FY 2017 Adopted Project	Beyond FY 2017 Project	Total Cost
Parks & Recreation Projects									
Municipal Ballfield Lighting Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230,000	\$ 230,000
Firth Field Light Replacement	-	-	-	-	-	-	-	275,000	275,000
Blue Way System	-	-	-	-	13,000	22,500	15,000	15,000	65,500
Messick Point Breakwater	-	-	-	-	-	142,725	-	-	142,725
Messick Point Pier & Beach	-	-	-	700,000	-	-	85,000	-	785,000
Pool Reconstruction	-	-	-	-	-	-	-	3,000,000	3,000,000
Pool House Renovation	-	-	-	-	-	-	-	225,000	225,000
Recreation Center	-	-	-	-	-	-	-	17,245,895	17,245,895
Western Precinct Park	-	-	-	-	-	-	-	1,000,000	1,000,000
South Lawson Park Bike Path	-	-	-	-	59,000	136,000	-	-	195,000
South Lawson Park Upgrades	-	-	-	-	-	-	-	400,000	400,000
Total Parks & Recreation Projects	\$ -	\$ -	\$ -	\$ 700,000	\$ 72,000	\$ 301,225	\$ 100,000	\$ 22,390,895	\$ 23,564,120
Facilities & Miscellaneous City Projects									
Municipal Building Roof	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Financial System Upgrade	-	-	-	-	-	-	-	250,000	250,000
City Hall HVAC	-	-	-	-	-	-	-	350,000	350,000
Telephone System	-	-	-	-	-	-	-	150,000	150,000
Police Department HVAC	-	-	-	-	-	-	-	73,000	73,000
Total Facilities & Miscellaneous City Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,023,000	\$ 1,023,000
Totals	\$ 441,225	\$ 4,159,000	\$ 2,016,225	\$ 5,386,775	\$ 16,299,080	\$ 4,806,313	\$ 10,739,862	\$ 59,004,895	\$ 98,253,150

117

Expenditures Explanations

The FY 2013 - Beyond FY 2017 CIP prepared by staff was presented on January 17, 2012 to Poquoson Planning Commission. The Planning Commission held a Public Hearing and adopted the Plan as prepared. On January 23, 2012, the CIP was submitted to City Council, a Public Hearing was held and the Plan was adopted as approved by the Planning Commission.

THIS PAGE LEFT INTENTIONALLY BLANK

SPECIAL REVENUE FUND - SUMMARY

Special Revenue Fund Description

The Special Revenue Fund previously accounted for revenues and expenditures related to State and Federal grants for community development and public safety. The City received two Federal Hazard Mitigation Grant Program (HMGP) grants for the purpose of raising houses to above flood elevation level so they will not flood in the future. The grant was a shared grant with 75% funding coming from the Federal Government, 20% coming from the State and a local match of 5% paid by the City. The City also received two Community Development Block (CDBG) grants to elevate homes and to reimburse citizens for their repair costs.

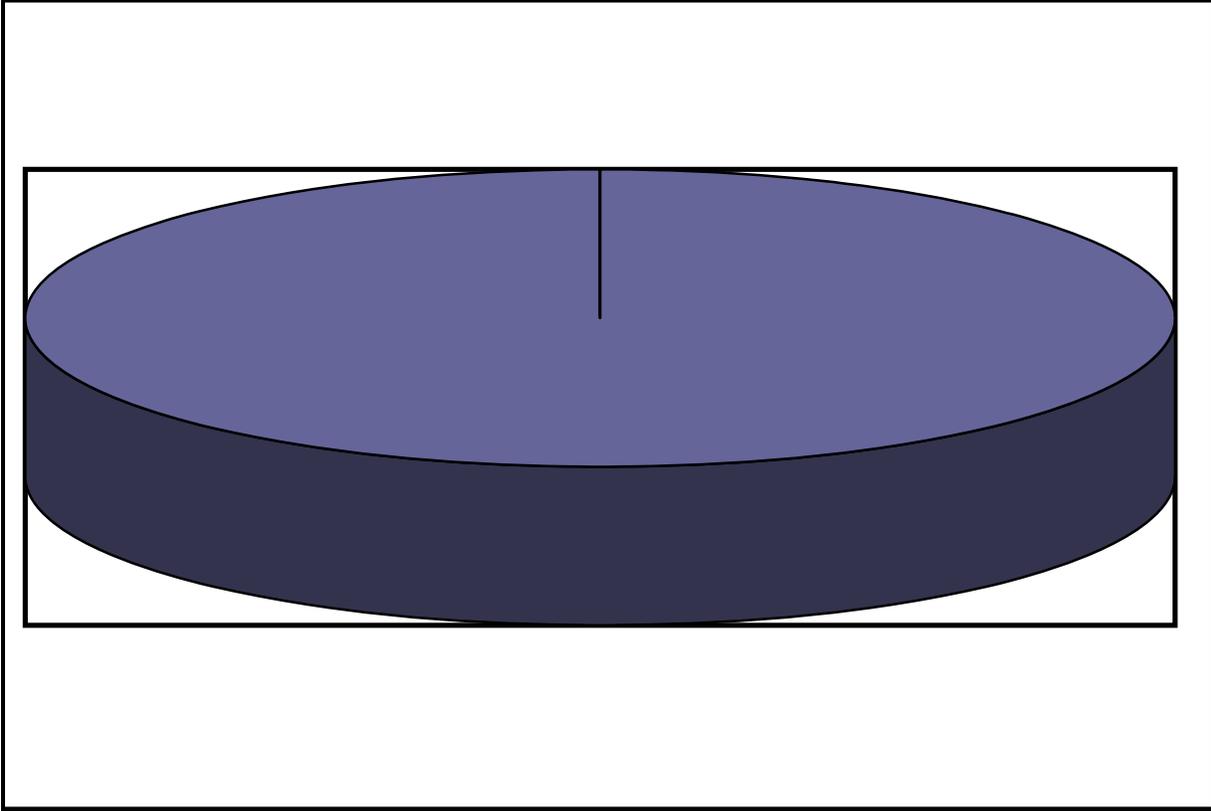
In FY 2010, the City reimbursed the Poquoson Museum the balance for the relocation expenses of the Tom Hunt Store. The City serves as the fiscal agent for the Museum.

Special Revenue Projection of Fund Balance

Beginning Fund Balance - 6/30/2009		\$ 32,077
Actual FY 2010 Revenues	\$ 3,090	
Actual FY 2010 Expenditures	<u>(35,167)</u>	<u>(32,077)</u>
Fund Balance - 6/30/2010		\$ -
Actual FY 2011 Revenues	\$ 52,007	
Actual FY 2011 Expenditures	<u>(102)</u>	<u>51,905</u>
Fund Balance - 6/30/2011		\$ 51,905
Estimated FY 2012 Revenues	\$ 32	
Estimated FY 2012 Expenditures	<u>(208)</u>	<u>(176)</u>
Projected Fund Balance - 6/30/2012		\$ 51,729
Estimated FY 2013 Revenues	\$ -	
Estimated FY 2013 Expenditures	<u>-</u>	<u>-</u>
Projected Fund Balance - 6/30/2013		<u><u>\$ 51,729</u></u>

SPECIAL REVENUE FUND - SUMMARY

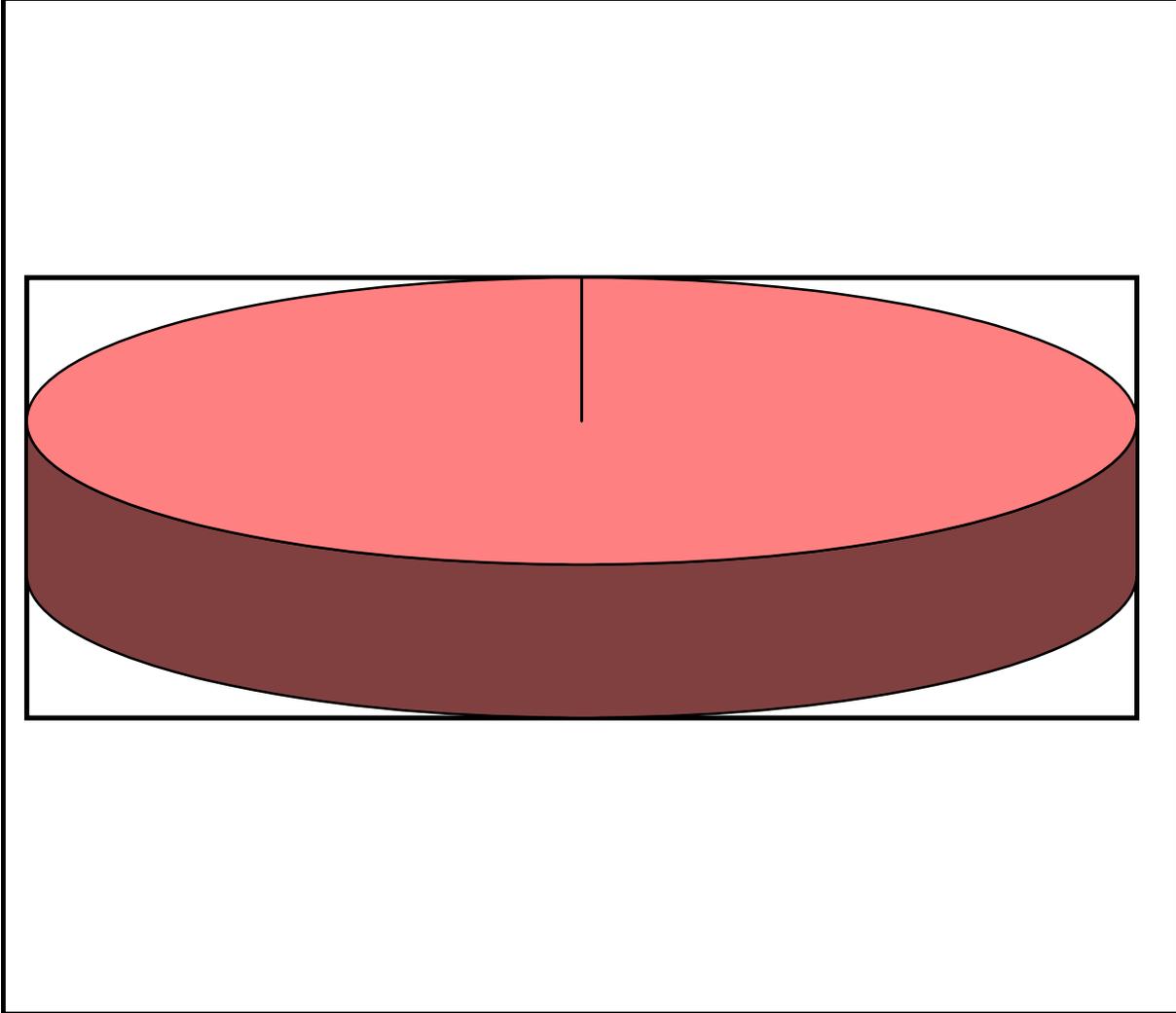
Special Revenue Fund Revenue



<u>Special Revenue Fund Revenue</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Federal Grants	\$ -	\$ -
HMGP Grant	-	-
CDBG Grant	-	-
TEA 21 Museum Grant	-	-
Interest	32	-
Transfer from General Fund	-	-
	<hr/>	<hr/>
TOTAL	<u><u>\$ 32</u></u>	<u><u>\$ -</u></u>

SPECIAL REVENUE FUND - SUMMARY

Special Revenue Fund Expenditures



<u>Special Revenue Fund Expenditures</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Operating Expenditures	\$ 208	\$ -
TOTAL	\$ 208	\$ -

THIS PAGE LEFT INTENTIONALLY BLANK

SPECIAL REVENUE FUND-REVENUE

Special Revenue Fund Revenue

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Revenue	FY 2013 Adopted Revenue	\$	%
						Change From 2012 Budget	Change From 2012 Budget
HMGP Local Match	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
HMGP State	-	-	-	-	-	n/a	n/a
HMGP Federal	2,850	-	-	-	-	n/a	n/a
CDBG Local Match	-	-	-	-	-	n/a	n/a
CDBG State	-	-	-	-	-	n/a	n/a
CDBG Federal	-	-	-	-	-	n/a	n/a
Reimbursed Expenses	-	15,467	-	-	-	n/a	n/a
Museum TEA 21 Grant	240	-	-	-	-	n/a	n/a
CDGB Program Revenue	-	36,540	-	-	-	n/a	n/a
Interest Income	-	-	-	32	-	n/a	n/a
Transfer from General Fund	-	-	-	-	-	n/a	n/a
TOTAL REVENUE	\$ 3,090	\$ 52,007	\$ -	\$ 32	\$ -	n/a	n/a

Revenue Explanations

HMGP: Hazard Mitigation Grant Program for the purpose of elevating homes to prevent future flooding. This grant was a 75% Federal share, 20% State share, and 5% local share. The City administered the grant for the homeowners and also paid the 5% local match using a transfer from the General Fund. Twenty-eight homes qualified for the grant funding.

CDBG Program Revenue: Community Development Block Grant to elevate homes damaged by Hurricane Isabel in 2003. These grant funds helped citizens that had more than 50% damage to their homes from the storm surge raise their homes to an elevation of one foot above the required flood elevation. Twenty-eight homes qualified for the grant funding. The grant requires that the citizen receiving the funding reside in the home for ten years or pay back a percentage of the grant received for the remainder of ten years should they sell or move out of the residence.

Museum TEA 21 Grant: This a grant that the Poquoson Museum received from the Virginia Department of Transportation to move the Tom Hunts Store. The City is the fiscal agent for the Museum.

SPECIAL REVENUE FUND - EXPENDITURES

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	35,167	102	-	-	n/a	n/a
Capital Outlay	-	-	-	-	n/a	n/a
Totals	<u>\$ 35,167</u>	<u>\$ 102</u>	<u>\$ -</u>	<u>\$ -</u>	n/a	n/a

Personnel Summary

n/a

Goals and Objectives

- * Assist the Poquoson Museum in the completion of the relocation project for the Tom Hunt Store.
- * Assure the CDGB Program revenue is expended according to grant guidelines.

Major Fund Functions

- * City is fiscal agent for the Poquoson Museum's grants and the local match is provided by Museum.

SPECIAL REVENUE FUND - EXPENDITURES

Detailed Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
HMGP I Grant	\$ -	\$ -	\$ -	\$ -	n/a	n/a
HMGP II Grant	398	80	-	-	n/a	n/a
HMGP Special Grant	-	-	-	-	n/a	n/a
CDBG I Grant	-	22	-	-	n/a	n/a
CDBG II Grant	7,595	-	-	-	n/a	n/a
CDBG III Grant	-	-	-	-	n/a	n/a
Homeland Security Grant	-	-	-	-	n/a	n/a
Museum TEA 21 Grant	27,174	-	-	-	n/a	n/a
Totals	\$ 35,167	\$ 102	\$ -	\$ -	n/a	n/a

THIS PAGE LEFT INTENTIONALLY BLANK

SOLID WASTE FUND - SUMMARY

Solid Waste Fund Description

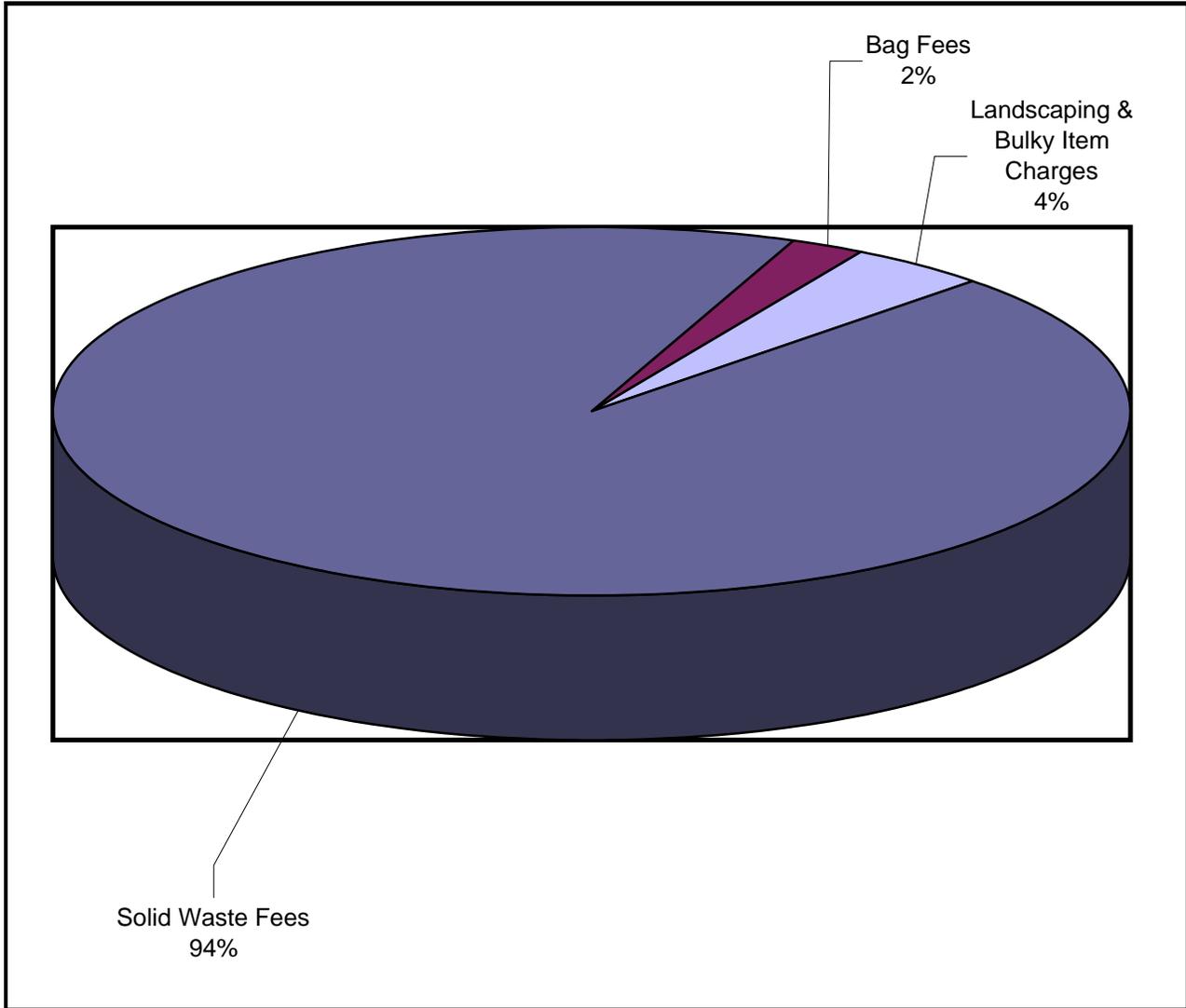
The Solid Waste Fund is an Enterprise Fund which accounts for the collection, disposal, and recycling of household and municipal solid waste, residential hazardous materials, bulky items, and landscaping debris.

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 - 7/1/2009		\$ 294,792
Actual FY 2010 Revenues	\$ 789,010	
Actual FY 2010 Expenses	<u>(766,921)</u>	<u>22,089</u>
Net Assets - 6/30/2010		\$ 316,881
Actual FY 2011 Revenues	\$ 756,232	
Actual FY 2011 Expenses	<u>(791,114)</u>	<u>(34,882)</u>
Net Assets - 6/30/2011		\$ 281,999
Estimated FY 2012 Revenues	\$ 842,100	
Estimated FY 2012 Expenses	<u>(1,015,100)</u>	<u>(173,000)</u>
Projected Net Assets - 6/30/2012		\$ 108,999
Estimated FY 2013 Revenues	\$ 864,450	
Estimated FY 2013 Expenses	<u>(864,450)</u>	<u>-</u>
Projected Net Assets - 6/30/2013		<u><u>\$ 108,999</u></u>

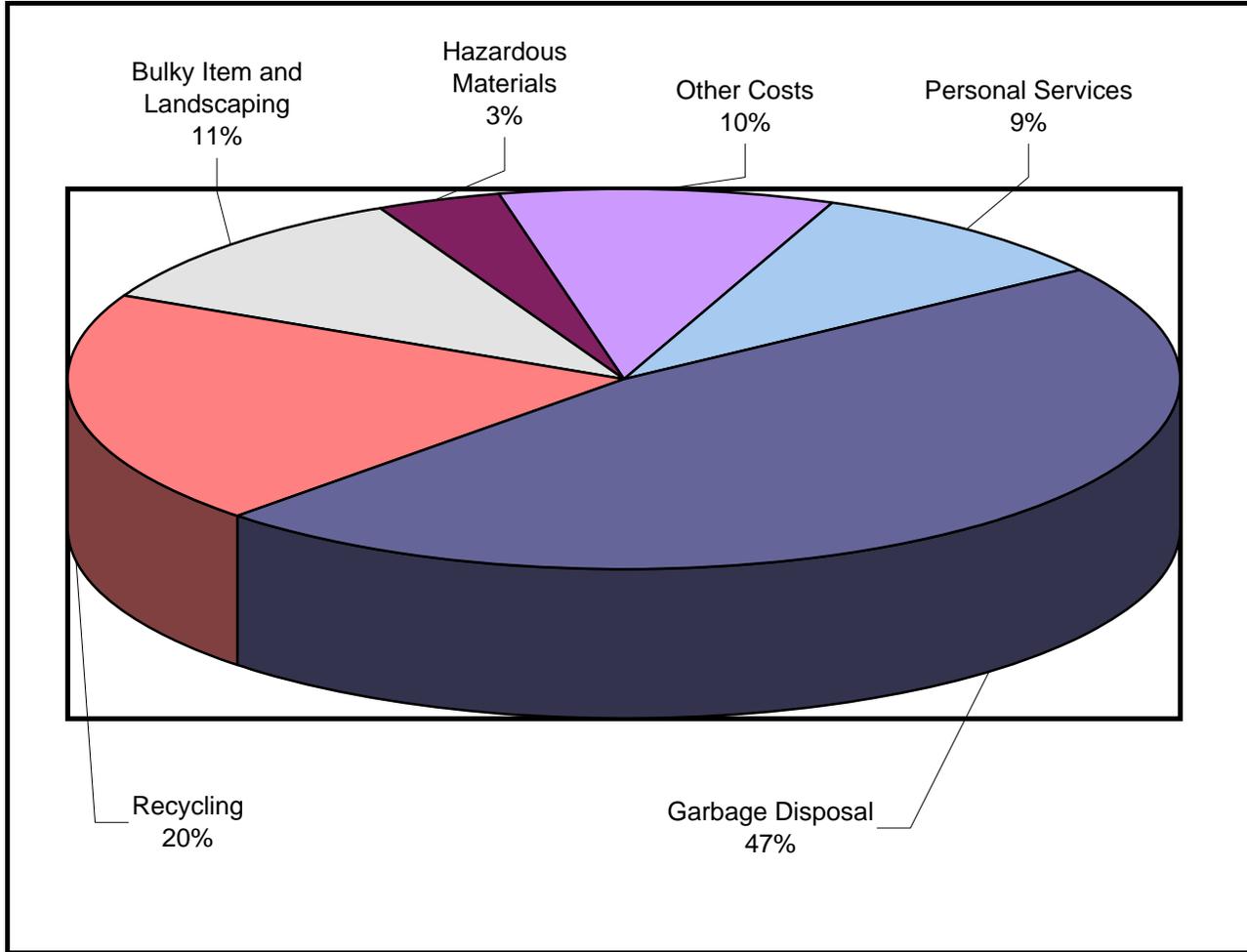
SOLID WASTE FUND - SUMMARY



<u>Solid Waste Revenue</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Solid Waste Fees	\$ 721,000	\$ 808,450
Bag Fees	25,000	20,000
Landscaping & Bulky Item Charges	24,000	36,000
Transfer from General Fund	72,100	-
Use of Net Assets	173,000	-
TOTAL	<u><u>\$ 1,015,100</u></u>	<u><u>\$ 864,450</u></u>

SOLID WASTE FUND - SUMMARY

Solid Waste Expenses



<u>Solid Waste Expenses</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Personal Services	\$ 80,762	\$ 79,247
Garbage Disposal	405,500	405,500
Recycling	171,620	173,475
Bulky Item and Landscaping	83,715	91,862
Hazardous Materials	29,500	29,500
Depreciation	28,000	-
Other Costs	216,003	84,866
	<hr/>	<hr/>
TOTAL	<u>\$ 1,015,100</u>	<u>\$ 864,450</u>

SOLID WASTE FUND - REVENUE

Solid Waste Revenue

Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Revenue	FY 2013 Adopted Revenue	\$ Change From 2012 Budget	% Change From 2012 Budget
Solid Waste Fees	\$ 701,603	\$ 707,011	\$ 721,000	\$ 721,000	\$ 808,450	87,450	12.1%
Bag Fees	27,038	26,484	25,000	25,000	20,000	(5,000)	-20.0%
Disposal Fees	226	166	-	-	-	-	0%
Landscaping Debris Charge	13,416	16,885	18,000	18,000	16,000	(2,000)	-11.1%
Bulky Item Charge	1,320	4,922	6,000	6,000	20,000	14,000	233.3%
Miscellaneous	407	764	-	-	-	-	0.0%
Transfer from General Fund	45,000	-	72,100	72,100	-	(72,100)	100%
Use of Unrestricted Net Assets	-	-	173,000	173,000	-	(173,000)	-100.0%
TOTAL REVENUE & TRANSFERS IN	\$ 789,010	\$ 756,232	\$ 1,015,100	\$ 1,015,100	\$ 864,450	\$ (150,650)	-14.8%

Revenue Explanations

Solid Waste Fees: In FY 2013, the fees are based on the container/cart program implemented on October 1, 2007. Citizens have the option to choose from 5 plans. The Solid Waste Ordinance has a sliding scale that is offered to households who meet certain income requirements. It is estimated that \$15,341 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 10 additional units will bring an additional \$2,115 in revenue for FY 2013.

Plans:	Number of Units	FY 2012 Adopted Bi-Monthly Fees	FY 2013 Adopted Bi-Monthly Fees	FY 2013 Adopted Revenue	FY 2013 Adopted Fees Waived	FY 2013 Total Adopted Revenue
Plan A = 35 gallon container/cart	1,765	\$23.00	\$26.50	\$ 272,773	\$ (5,247)	\$ 267,526
Plan B = 65 gallon container/cart	1,785	38.00	44.00	\$ 463,377	(4,620)	458,757
Plan C = (2) 65 gallon container/carts	69	70.00	80.50	33,327	(483)	32,844
Plan D = 35 gallon container/cart (bi-weekly pickup)	499	14.00	16.00	47,904	(4,680)	43,224
Plan E = no container/cart (private lanes, townhomes)	140	8.00	9.00	7,560	(311)	7,249
	4,258			\$ 824,940	\$ (15,341)	\$ 809,599

Bag Fees: The fee for the green bags will remain at 5 bags for \$8.75 per package (\$1.75 per bag). This fee has been the same for the previous 8 fiscal years.

Landscaping Debris Charges: The City provides curbside pickup service for woody waste. The proposed 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 \$32,000 to operate the composting/disposal facility in FY 2013. 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 residents may also bring woody waste to a free drop off service that is open twice a month.

Bulky Item Charge: In FY 2013 the fee is free for the first pickup only and \$63 per subsequent 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.

Use of Unrestricted Net Assets: In FY 2012, there is a usage of \$48,000 to cover depreciation and the new convenience site program. There is no use of net assets in the FY 2013 budget. Depreciation has not been budgeted in the FY 2013 budget.

THIS PAGE LEFT INTENTIONALLY BLANK

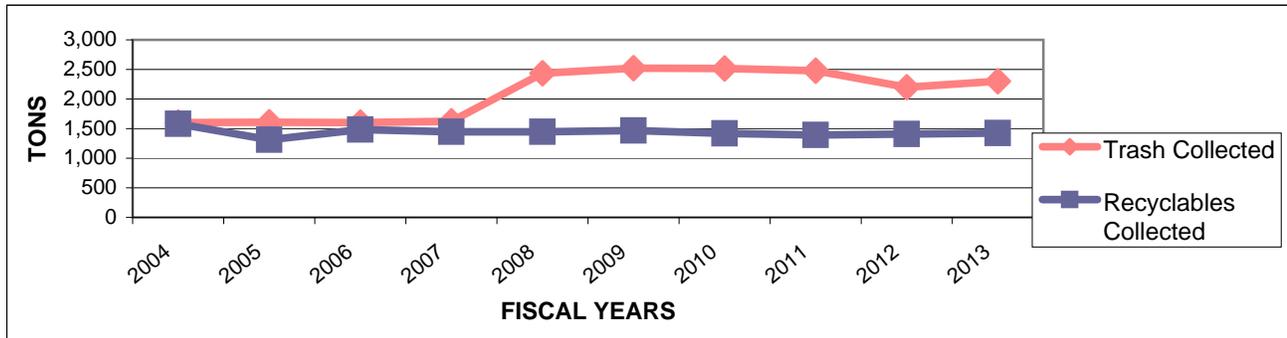
SOLID WASTE FUND - GARBAGE AND RECYCLING

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2011 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Operating Expenses	566,556	564,547	608,975	609,125	150	0.0%
Capital Outlay	-	-	-	-	-	n/a
Totals	\$ 566,556	\$ 564,547	\$ 608,975	\$ 609,125	\$ 150	0.0%

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.
- * Continue to provide curbside recycling via VPPSA to all City residents.

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.

Performance Measures

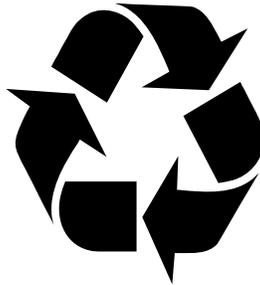
	Actual FY 2010	Actual FY 2011	Estimated FY 2012	Estimated FY 2013
Trash Collected (Tons)	2,514	2,481	2,200	2,300
Recyclables Collected by Contractor (Tons)	1,418	1,390	1,410	1,425

Significant Budget Items

- * Total cost for contracted residential refuse pickup and disposal cost is expected to be \$405,500 in FY 2013, the same as FY 2012.
- * Curbside recycling cost in FY 2013 is expected to be \$173,475 an increase of \$5,600 from FY 2012.
- * Hazardous material disposal is contracted through VPPSA. In FY 2013, the cost is expected to be \$29,500, the same as FY 2012.

Program Accomplishments

- * Successfully continued container/cart program while outsourcing the collection of residential waste.



SOLID WASTE FUND - BULKY ITEM AND LANDSCAPING

Expenditures Summary

	FY 2010	FY 2011	FY 2012	FY 2013	\$	%
	Actual	Actual	Revised	Adopted	Change	Change
			Budget	Budget	From 2012	From 2012
					Budget	Budget
Personal Services	\$ 55,898	\$ 62,228	\$ 80,762	\$ 79,247	\$ (1,515)	-1.9%
Operating Expenses	113,962	136,082	172,363	176,078	3,715	2.2%
Capital Outlay	30,505	28,257	153,000	-	(153,000)	-100.0%
Totals	\$ 200,365	\$ 226,567	\$ 406,125	\$ 255,325	\$ (150,800)	-37.1%

Personnel Summary

	FY 2010	FY 2011	FY 2012	FY 2013
	Authorized	Authorized	Authorized	Authorized
Equipment Operator II	1	1	1	1
Totals	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.
- * Assist in the recycling of landscaping debris to produce mulch and compost.
- * Collect metal items for recycling to help reduce disposal costs.
- * Pick up bulk items and landscaping debris within 7 days after it is placed in the City's right-of-way when a request from the property owner has been received.
- * Operate a convenience site drop off for citizens
- * Furnish manpower and trucks for the leaf pickup program.

SOLID WASTE FUND - BULKY ITEM AND LANDSCAPING

Major Departmental Functions

- * To continue to furnish quality service to the citizens of Poquoson.
- * To continue to 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 and to not place their debris piles in the gutters or ditches for pickup.

Performance Measures

	Actual FY 2010	Actual FY 2011	Estimated FY 2012	Estimated FY 2013
Waste Oil Collected for Recycling (gallons)	3,270	2,584	2,500	2,500
*Bulky Item Debris Collected for Disposal	3,521	1,033	3,500	1,600
*Landscape Debris Collected for Recycling	920	1,340	1,500	1,200
*Metal Items Collected for Recycling	0	0	0	0
Used Tires Collected for Recycling	507	403	500	500
* Amounts given in tons				

Significant Budget Items

- * Decrease in capital outlay is due to a debris truck purchased in FY 2012. The City is not planning on purchasing additional trucks in FY 2013.

Program Accomplishments

- * Notified citizens with door hangers of the need to call in for a debris pickup if a pile had been in front of their home for more than a week.
- * Provided good and dependable bulky item and landscaping service. Received compliments on how clean the City employees leave the bulky item area after a pickup.
- * Put in place a revised pickup structure to help offset departmental costs.
- * Picked up storm debris using only City workforce after hurricane Irene.
- * Continued to provide convenience site.
- * Continued to pick up leaves.

THIS PAGE LEFT INTENTIONALLY BLANK

UTILITIES FUND - SUMMARY

Utilities Fund Description

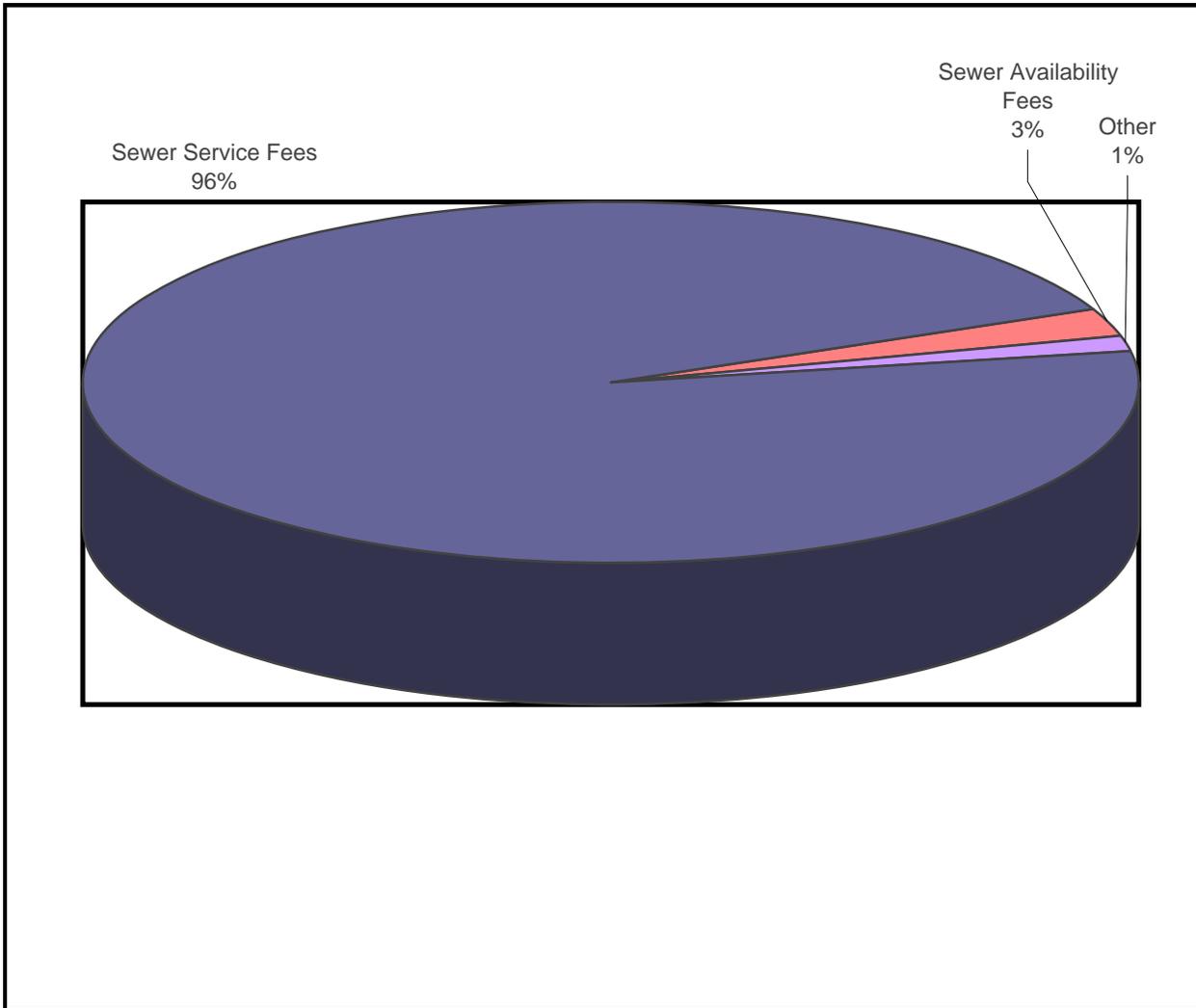
The Utilities Fund is operated as an Enterprise Fund which is used to account for sewer operations that function as though they were a private-sector entity. An Enterprise Fund is expected to cover its costs through user charges. The Utilities Fund provides for the maintenance of sewer lines and pump station and the debt service incurred in having the sewer originally extended and renovated. The Department provides 24 hour service for the 29 pump stations, 51.3 miles of gravity sewer lines and 18 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 - 7/1/2009		\$ 6,246,661
Actual FY 2010 Revenues	\$ 1,517,781	
Actual FY 2010 Expenses	<u>(1,815,334)</u>	<u>(297,553)</u>
Net Assets - 6/30/2010		\$ 5,949,108
Actual FY 2011 Revenues	\$ 1,560,717	
Actual FY 2011 Expenses	<u>(2,187,173)</u>	<u>(626,456)</u>
Net Assets - 6/30/2011		\$ 5,322,652
Estimated FY 2012 Revenues	\$ 1,646,900	
Estimated FY 2012 Expenses	<u>(2,349,047)</u>	<u>(702,147)</u>
Projected Net Assets - 6/30/2012		\$ 4,620,505
Estimated FY 2013 Revenues	\$ 1,859,080	
Estimated FY 2013 Expenses	<u>(1,859,080)</u>	<u>-</u>
Projected Net Assets - 6/30/2013		<u><u>\$ 4,620,505</u></u>

UTILITIES FUND - SUMMARY

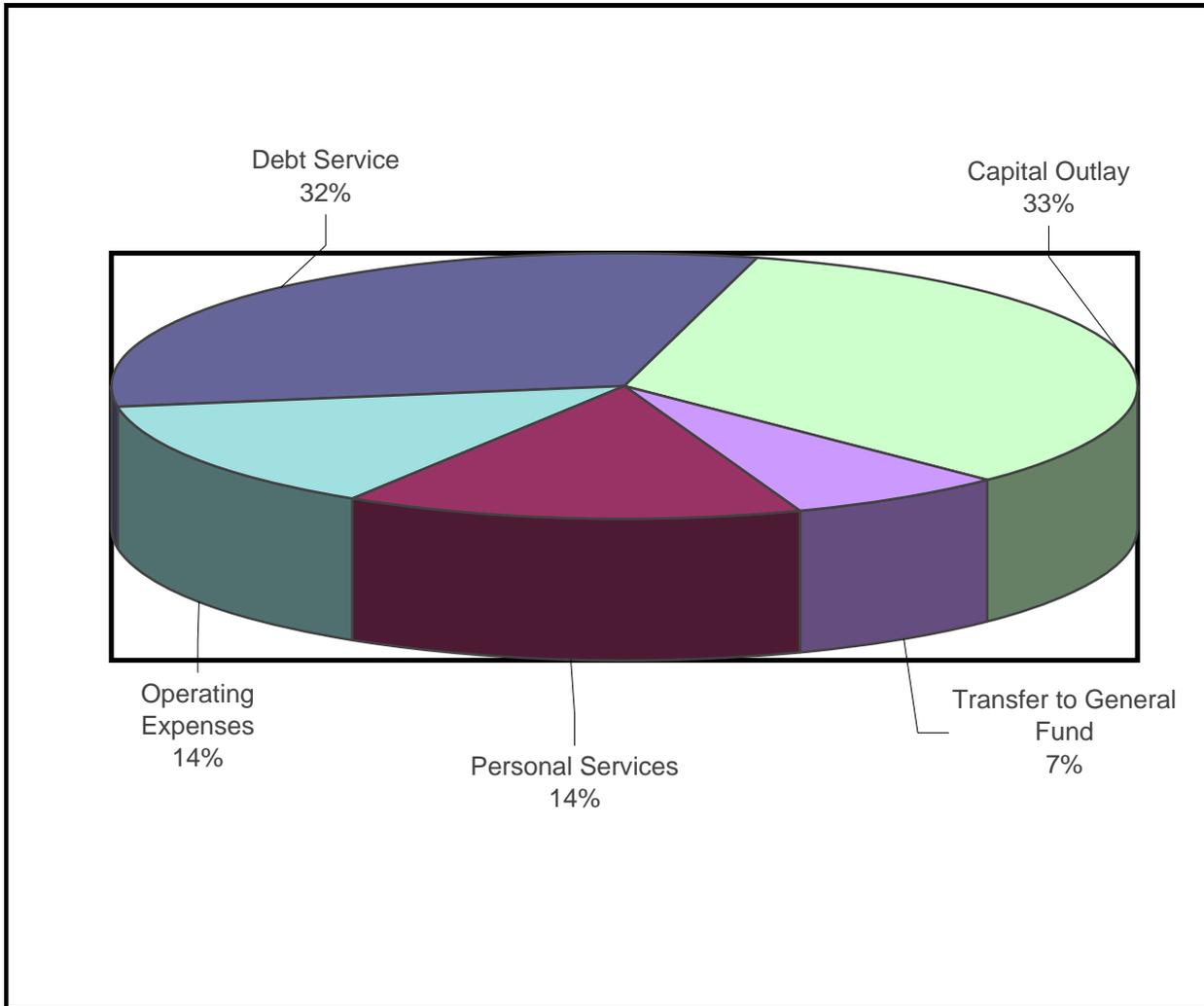
Utilities Fund Revenue



<u>Utilities Fund Revenue</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Sewer Service Fees	\$1,500,900	\$1,785,080
Sewer Availability Fees	120,000	48,000
Other	26,000	26,000
Transfer from Unrestricted Net Assets	<u>702,147</u>	<u>0</u>
TOTAL	<u><u>\$2,349,047</u></u>	<u><u>\$1,859,080</u></u>

UTILITIES FUND - SUMMARY

Utilities Fund Expenditures



<u>Utilities Fund Expenditures</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Personal Services	\$257,964	\$268,226
Operating Expenses	373,540	251,506
Depreciation and Amortization	615,000	0
Debt Service	918,893	591,427
Capital Outlay	53,650	617,921
Transfer to General Fund	130,000	130,000
TOTAL	<u><u>\$2,349,047</u></u>	<u><u>\$1,859,080</u></u>

UTILITIES FUND - REVENUE

<u>Utilities Revenue</u>					\$	%	
Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Revenue	FY 2013 Adopted Revenue	Change From 2012 Budget	Change From 2012 Budget
Sewer Service Fees	\$ 1,448,157	\$ 1,452,982	\$ 1,500,900	\$ 1,500,900	\$ 1,785,080	\$ 284,180	18.9%
Sewer Availability Fees	39,000	78,337	120,000	120,000	48,000	(72,000)	-60.0%
Notes Receivable - Interest	1,250	198	-	-	-	-	0.0%
Miscellaneous Revenue	102	320	-	-	-	-	0.0%
Late Payment Fees	28,258	26,183	26,000	26,000	26,000	-	0.0%
Interest Income	1,014	2,697	-	-	-	-	0.0%
Transfer-Unrestricted Net Assets	-	-	702,147	702,147	-	(702,147)	-100.0%
TOTAL REVENUE & TRANSFERS IN	\$ 1,517,781	\$ 1,560,717	\$ 2,349,047	\$ 2,349,047	\$ 1,859,080	\$ (489,967)	-20.9%

Revenue Explanations

Sewer Service Fees: Each household which is connected to sewer is assessed a flat sewer service fee unless a waiver is granted by City Council. In FY 2013, the adopted Sewer Service fee is \$62 bi-monthly.

The Sewer Ordinance has a sliding scale that is offered to households who meet certain income requirements. It is estimated that \$39,339 of sewer fees will be waived due to the scale. Reduced fees are estimated to be \$10,137.

Sliding Scale Sewer Service Fees:

	FY 2012 Adopted Bi-Monthly Fees	FY 2013 Bi-Monthly Adopted Fees	Projected Number of Households	FY 2013 Adopted Revenue	FY 2013 Adopted Loss Revenue
Combined Income					
\$25,000 or less	\$0	\$0	67	\$ -	\$ 24,924
25,001 - 30,000	12.50	15.50	37	3,441	10,323
30,001 - 35,000	25.00	31.00	15	2,790	2,790
35,001 - 40,000	37.50	46.50	14	3,906	1,302
over 40,000	50.00	62.00	4,605	1,713,060	-
			4,738	\$ 1,723,197	\$ 39,339

In FY 2013, there are an estimated 4,728 users of sewer for total revenues of \$1,720,717. It is also estimated that 10 new homes will connect to sewer and pay bi-monthly fees for 1/2 of the year totaling \$2,480 in additional revenue.

Commercial users are charged the flat sewer service fee plus a fee based on water consumption. In FY 2013, the commercial fee is \$1.75 for every 100 cubic feet of water consumed. In FY 2013, it is estimated that \$61,883 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 2013, it is estimated that 6 new properties will generate \$48,000.

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

Miscellaneous Revenue: This account includes \$5 sewer tokens for the sewage pump out facility on a City pier, repair revenue for sewer clean outs available to plumbers, and other unusual non-routine transactions.

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.

Transfer from Unrestricted Net Assets: The Utilities Fund budget includes items affecting the inflow and outflow of cash and non-cash items such as depreciation and amortization. The budgeted use of net assets in the previous years equaled non-cash depreciation and amortization. The FY 2013 budget does not include these non-cash items. Actual use of net assets is slightly different than budgeted use of net assets since Generally Accepted Accounting Principals (GAAP) requires principal payments on notes receivable to be recorded as a reduction in an asset rather than revenue and debt principal payments are recorded as a reduction in a liability rather than an expenditure.

UTILITIES FUND - EXPENDITURES

Expenditures Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2012 Budget	% Change From 2012 Budget
Personal Services	\$ 249,692	\$ 241,853	\$ 257,964	\$ 268,226	\$ 10,262	4.0%
Operating Expenses	395,732	647,214	373,540	251,506	(122,034)	-32.7%
Depreciation & Amortization	618,751	615,601	615,000	-	(615,000)	-100.0%
Debt Service	384,617	507,910	918,893	591,427	(327,466)	-35.6%
Transfer to General Fund	130,000	130,000	130,000	130,000	-	0.0%
Capital Outlay*	36,542	44,595	53,650	617,921	564,271	1051.8%
Totals	<u>\$ 1,815,334</u>	<u>\$ 2,187,173</u>	<u>\$ 2,349,047</u>	<u>\$ 1,859,080</u>	<u>\$ (489,967)</u>	<u>-20.9%</u>

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

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Superintendent of Utilities	1	1	1	1
Utilities Foreman	1	1	1	1
Utilities Technician	2	2	1	1
Utilities Worker	0	0	1	1
Totals	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

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.
- * Expand the opportunity for employee training.
- * Implement the next phase of the Consent Order and continue the recommended work within the SSES plan.
- * Receive approval from DEQ on CMOM Program (Capacity Management Operations Maintenance) and develop FOG Elimination Program (Fats, Oil and Grease).
- * Develop private property Inflow and Infiltration (I/I) abatement program for private-side rehabilitation.
- * Replace pumps in stations #1, 6 and 4.
- * Continue to operate the sewer system in a safe and cost effective manner with emphasis on protecting the environment.
- * Complete the mapping and inventory of the sanitary sewer system in coordination with the GIS mapping.
- * Finalize the development of the Rehabilitation Plan.

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 departments with services and special projects.
- * Meet the requirements for complying with the DEQ and EPA consent order.

Performance Measures

	Actual FY 2010	Actual FY 2011	Estimated FY 2012	Estimated FY 2013
Force Main Miles	12.1	12.1	12.1	12.1
Grinder Pump Stations	19	19	19	19
Laterals Cleaned bi-monthly	11	11	11	11
Laterals Cleaned bi-yearly	17	16	16	15
Laterals Installed	0	1	1	1
Laterals Repaired	25	7	20	10
Locations Marked for Miss Utilities	2,373	2,219	3,300	3,000
Pump Stations	29	29	29	29
Pumps Repaired	16	10	20	15
Sewer Connections	4,487	4,500	4,728	4,738
Sewer Gravity Miles	51.3	51.3	51.3	51.3

Significant Budget Items

- * Increase in personal services is due to increased VRS rates.
- * Decrease in operating expenses is due to cost associated with a Special Consent Order with DEQ in conjunction with Hampton Roads Sanitation District (HRSD) and twelve (12) other Hampton Roads localities in an effort to reduce sanitary sewer overflows through a collective effort during FY 2012.
- * Increase in capital outlay is due to replacement of a System & Control and Data Acquisition (SCADA) system and the beginning of the repairs required by the Special Consent Order with DEQ.
- * Decrease in depreciation is due to eliminating the non-cash items for budgetary purposes only.

Program Accomplishments

- * Met the goals and deadlines for the SSES program.
- * Completed the remaining Closed Circuit Television (CCTV) inspections and smoke testing.
- * Maintained a high level of system reliability and service.
- * Completed four point repairs to gravity mains which were bored through by other utilities.
- * Maintained a high level of customer service.
- * Developed a plan for the Public Works building improvements, solicited bids and awarded the contract for the building.
- * Met the requirements of the "Miss Utilities" system.
- * Developed and submitted fully functioning initial Regional Technical Standards compliant Hydraulic Model.
- * Received and installed a new computer with the entire sanitary sewer system description that will aid in operations.

UTILITIES FUND CAPITAL PROJECTS - CIP PLAN SUMMARY

FY 2013 Utilities Fund Capital Projects

Adopted CIP Summary FY 2013 -- Beyond FY 2017

Project	FY 2013 Adopted Budget	Prior Year Funding	FY 2013 Adopted Project	FY 2014 Adopted Project	FY 2015 Adopted Project	FY 2016 Adopted Project	FY 2017 Adopted Project	Beyond FY 2017 Adopted Project	Total Cost
Facility Projects									
Pump Station Generators	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000
Sewer Cleaning Truck	-	-	90,000	-	-	-	-	-	90,000
Replacement of Power Supplies	-	-	100,000	-	-	-	-	-	100,000
S.C.A.D.A System	300,000	-	-	500,000	-	-	-	-	500,000
Total Facility Projects	\$ 300,000	\$ -	\$ 190,000	\$ 620,000	\$ -	\$ -	\$ -	\$ -	810,000
Sanitary Sewer Evaluation Study (SSES)									
Sanitary Sewer Consent Repairs	317,921	-	-	470,000	514,000	514,000	514,000	514,000	2,526,000
Total Utilities Projects	\$ 617,921	\$ -	\$ 190,000	\$ 1,090,000	\$ 514,000	\$ 514,000	\$ 514,000	\$ 514,000	\$ 3,336,000

Expenditures Explanations

The FY 2013 -- Beyond FY 2017 CIP prepared by staff was presented to the Poquoson Planning Commission on January 17, 2012. The Planning Commission held a Public Hearing and adopted the Plan as prepared. On January 23, 2012, the CIP was submitted to City Council, a Public Hearing was held and the FY 2013-Beyond FY 2017 Plan was adopted as approved by the Planning Commission.

FLEET MANAGEMENT FUND - SUMMARY

Fleet Management Fund Description

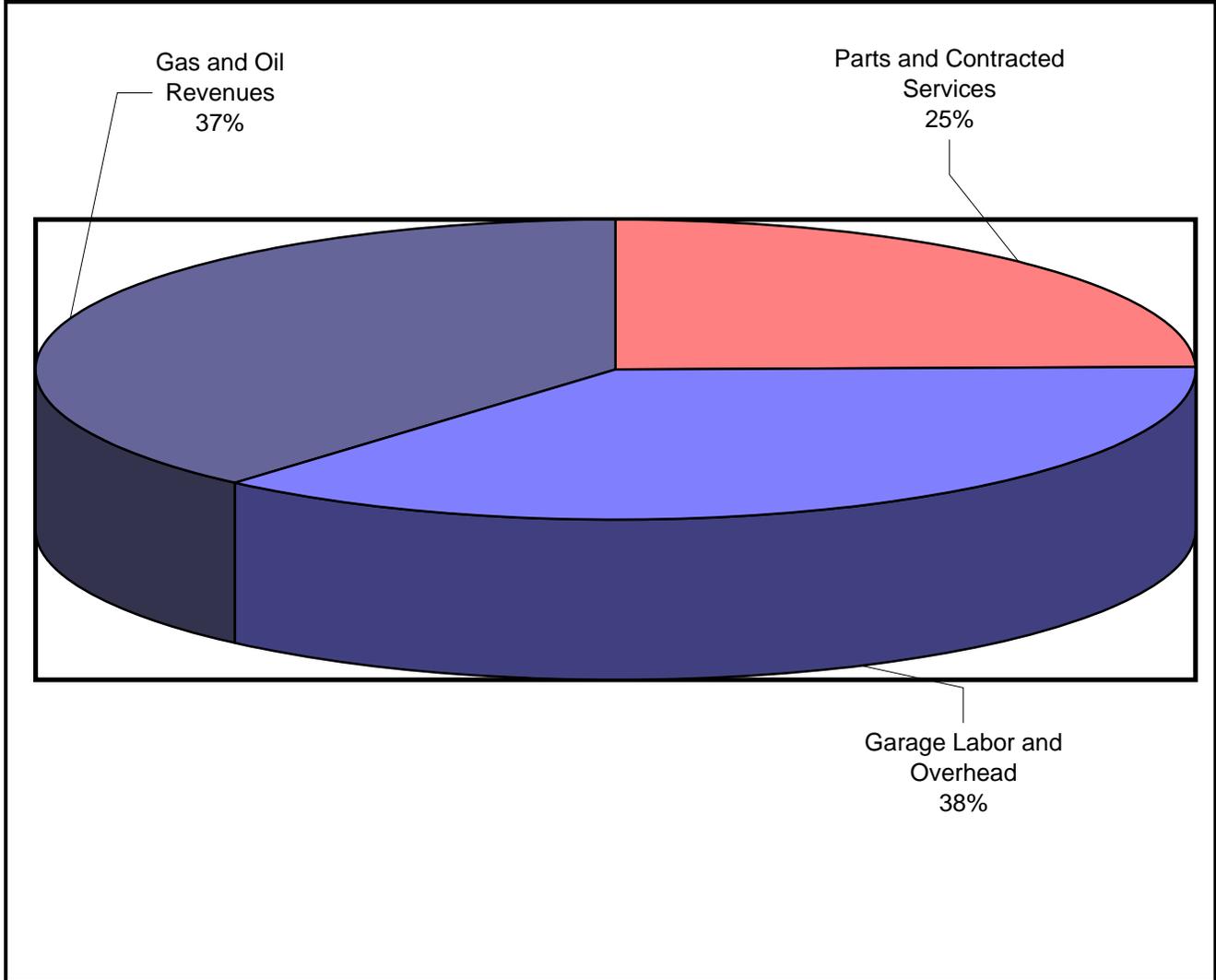
The Fleet Management Fund is operated as an Internal Service Fund. An Internal Service Fund is used to account for the financing of costs of services provided by one department to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis. Internal 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 for 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 - 6/30/2009		\$ 140,230
Actual FY 2010 Revenues	\$ 625,042	
Actual FY 2010 Expenses	<u>(638,789)</u>	<u>(13,747)</u>
Net Assets - 6/30/2010		\$ 126,483
Actual FY 2011 Revenues	\$ 615,653	
Actual FY 2011 Expenses	<u>(685,393)</u>	<u>(69,740)</u>
Net Assets - 6/30/2011		\$ 56,743
Estimated FY 2012 Revenues	\$ 596,461	
Estimated FY 2012 Expenses	<u>(632,744)</u>	<u>(36,283)</u>
Projected Net Assets - 6/30/2012		\$ 20,460
Estimated FY 2013 Revenues	\$ 668,030	
Estimated FY 2013 Expenses	<u>(668,030)</u>	<u>-</u>
Projected Net Assets - 6/30/2013		<u><u>\$ 20,460</u></u>

FLEET MANAGEMENT FUND - SUMMARY

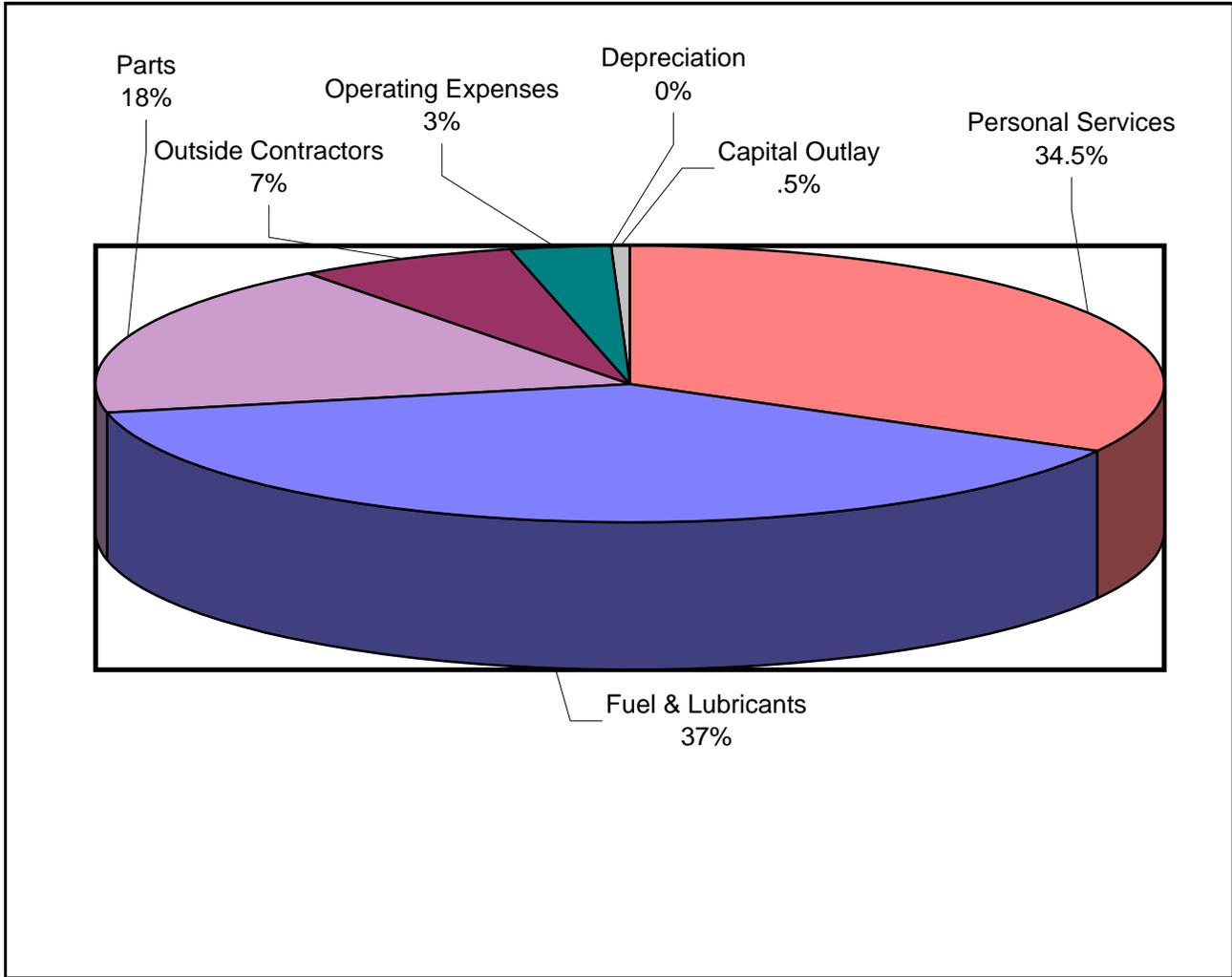
Fleet Management Revenue



<u>Fleet Management Revenue</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Parts and Contracted Services	\$ 158,000	\$ 165,000
Garage Labor and Overhead	212,961	245,490
Gas and Oil Revenues	225,500	257,540
Use of Net Assets	<u>36,283</u>	<u>-</u>
TOTAL	<u>\$ 632,744</u>	<u>\$ 668,030</u>

FLEET MANAGEMENT FUND - SUMMARY

Fleet Management Expenses



<u>Fleet Management Expenses</u>	<u>Estimated FY 2012</u>	<u>Adopted FY 2013</u>
Personal Services	\$ 224,196	\$ 221,735
Fuel & Lubricants	225,500	257,540
Parts	118,000	121,000
Outside Contractors	40,000	44,000
Operating Expenses	19,249	20,255
Depreciation	2,214	-
Capital Outlay	3,585	3,500
TOTAL	<u>\$ 632,744</u>	<u>\$ 668,030</u>

FLEET MANAGEMENT FUND - REVENUE

Fleet Management Revenue

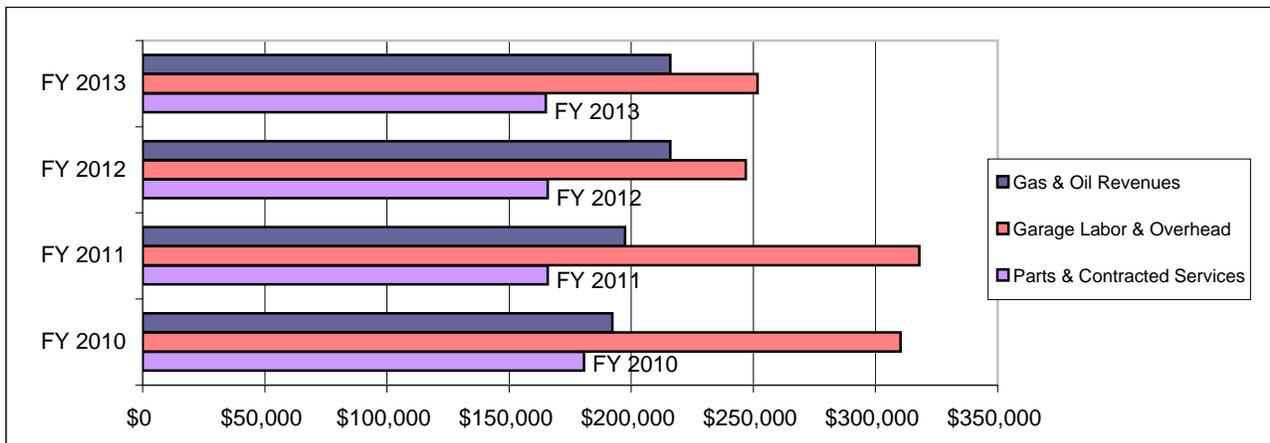
Account Title	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2012 Estimated Revenue	FY 2013 Adopted Revenue	\$	%
						Change From 2012 Budget	Change From 2012 Budget
Parts and Contracted Services	\$ 180,661	\$ 161,692	\$ 158,000	\$ 158,000	\$ 165,000	\$ 7,000	4.4%
Garage Labor and Overhead	246,846	233,720	212,961	212,961	245,490	32,529	15.3%
Gas and Oil Revenues	197,535	220,241	225,500	225,500	257,540	32,040	14.2%
Use of Fund Balance	-	-	36,283	36,283	-	(36,283)	-100.0%
TOTAL REVENUE	\$ 625,042	\$ 615,653	\$ 632,744	\$ 632,744	\$ 668,030	\$ 35,286	5.6%

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 2013 is based on estimates from the Fleet Management Supervisor.

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 2013. 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 \$3.30 per gallon of fuel. Usage is an estimated 53,000 gallons of diesel fuel and 23,800 gallons of gasoline.



FLEET MANAGEMENT FUND - EXPENSES

Expense Summary

	FY 2010 Actual	FY 2011 Actual	FY 2012 Revised Budget	FY 2013 Adopted Budget	\$ Change From 2011 Budget	% Change From 2011 Budget
Personal Services	\$ 228,680	\$ 221,553	\$ 224,196	\$ 221,735	\$ (2,461)	-1.1%
Operating Expenses	406,725	427,380	402,749	442,795	40,046	9.9%
Transfer to General Fund	-	31,200	-	-	-	n/a
Capital Outlay	3,384	5,260	5,799	3,500	(2,299)	-39.6%
Totals	<u>\$ 638,789</u>	<u>\$ 685,393</u>	<u>\$ 632,744</u>	<u>\$ 668,030</u>	<u>\$ 35,286</u>	<u>5.6%</u>

Personnel Summary

	FY 2010 Authorized	FY 2011 Authorized	FY 2012 Authorized	FY 2013 Authorized
Fleet Manager	1	1	1	1
Chief Equipment Mechanic	1	1	1	1
Equipment Mechanic	1	1	1	1
Secretary (FTE)	0.50	0.50	0.50	0.50
Totals	<u>3.50</u>	<u>3.50</u>	<u>3.50</u>	<u>3.50</u>

Goals and Objectives

- * Maintain a safe, serviceable fleet of approximately 262 vehicles and equipment at the lowest possible cost and downtime to the individual departments.
- * 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 feasible.
- * Ensure all Fleet Management personnel are kept abreast of the many changes that occur in vehicles and equipment.
- * Assist departments in replacement of vehicles and equipment that are no longer economical to maintain through monitoring of repair frequency, costs and vehicle downtime.
- * Provide safe working environment through safety program that identifies potential hazards and train employees to identify and correct deficiencies.
- * Perform quality control inspections on 20% of repairs.
- * Coordinate repair costs with department heads when extensive repairs are needed.
- * Maintain a labor rate of at least 85% of available man hours.
- * Maintain effective communications between Fleet Management and other departments.

FLEET MANAGEMENT FUND - EXPENSES

Major Fund 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 2010	Actual FY 2011	Estimated FY 2012	Estimated FY 2013
Number of Vehicles & Equipment	262	258	260	260
% of Maintenance Performed In-House	97%	96%	95%	95%
Scheduled Maintenance Work Orders	501	488	500	500
Scheduled Work %	36%	34%	36%	36%
Unscheduled Maintenance Work Orders	899	964	900	900
Unscheduled Work %	64%	66%	64%	64%
Direct Labor Hours	4,858	4,761	4,800	4,800
Direct Labor Hours of Available Hours %	79%	78%	80%	80%
Overtime Hours	18	61	70	70
Sublet Work Orders (Outside Repairs)	90	86	95	95
Service Calls for Repairs Out of Shop	98	110	110	110
Quality Control Inspections %	5%	4%	4%	4%
Parts Transactions	2,679	2,486	2,600	2,600

Significant Budget Items

- * Increase in Operating expense is due to increased cost of fuel in FY 2013.

Program Accomplishments

- * This is the 21st year that Vehicle Maintenance has gone with no reportable discrepancies on the school buses per the inspections performed by the Virginia Department of Education's Transportation Division.
- * Maintained a rate of greater than 90% for in-house repairs.

FLEET MANAGEMENT FUND - EXPENSES

FY 2013 costs charged to City Departments and Schools

	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013
	<u>Parts</u>	<u>Parts</u>	<u>Gas & Oil</u>	<u>Gas & Oil</u>	<u>Labor & Overhead</u>	<u>Labor & Overhead</u>
Police	\$18,811	\$21,293	\$42,000	\$58,050	\$32,148	\$34,992
Fire	22,168	31,464	16,380	22,932	33,888	35,582
Inspections	720	660	840	1,693	1,992	1,200
Public Works	27,668	25,643	29,926	31,774	41,376	47,604
General Properties	1,332	945	2,240	1,994	1,740	2,400
Mosquito	21,397	18,520	4,800	6,378	24,420	24,480
Parks	288	550	754	3,155	1,248	1,200
Utilities	4,232	4,630	9,700	10,412	6,732	3,756
Solid Waste - Bulky Item/Landscaping	22,902	16,236	29,268	12,870	8,508	9,276
Fleet	252	572	400	400	0	0
Schools	38,230	44,487	89,192	107,882	97,192	85,000
Totals	<u>\$158,000</u>	<u>\$165,000</u>	<u>\$225,500</u>	<u>\$257,540</u>	<u>\$249,244</u>	<u>\$245,490</u>

THIS PAGE LEFT INTENTIONALLY BLANK

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. If paid after the due date, a 10% penalty is added. Interest at the rate of 10% per annum accrues on all delinquent taxes beginning on the first day following the due date.

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	4.62
Secondary	<u>50.38</u>
Total	<u>55.00</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 2011 - 2012 Enrollment</u>	<u>Projected 2012 - 2013 Enrollment</u>
Primary	1	393	372
Elementary	1	469	443
Middle	1	556	524
High	1	<u>797</u>	<u>809</u>
Total		<u>2,215</u>	<u>2,148</u>

APPENDIX

FINANCIAL TRENDS ANALYSIS 2002 – 2011

FACTORS USED IN ANALYZING TRENDS

The *Financial Trends Analysis 2002 - 2011* is presented here to show some of the trends over time.

Much of the following data is presented in 2002 dollars as well as current dollars. The intent is to take inflation out of the numbers in order that the real change, if any, will be more apparent. No single statistical index precisely measures inflation in a given locality. The report uses the National Consumer Price Index (CPI) because it is the index most widely understood by the public at large and because it is historically consistent from year to year.

Similarly, data is also presented on a per household basis because as revenues grow and additional expenditures become necessary as a result of population growth, the underlying trend is most important. Household estimates from year to year are not precise, but are derived from a combination of U. S. Bureau of Census information and the University of Virginia Center for Public Service. Therefore, as is the case with the estimates for inflation, no single year's data should be viewed in isolation.

The factors used in the analysis are shown below:

Year	Annual Increase in CPI	Population	Housing Units
2002	2.4%	11,845	4,324
2003	1.9%	12,076	4,370
2004	3.3%	11,600	4,414
2005	3.4%	11,750	4,464
2006	2.5%	11,811	4,554
2007	4.1%	11,988	4,635
2008	0.1%	11,791	4,688
2009	2.7%	11,881	4,737
2010	1.5%	12,150	4,755
2011	3.0%	12,150	4,726
% Change	24.1%	2.6%	9.3%

CPI Change is December - December. 2011 change estimated by The Kiplinger Letter.

Population- University of Virginia Weldon Center for Public Service
Households- University of Virginia Weldon Center for Public Service

APPENDIX

HOUSEHOLD INCOME

Household Income is an important measure of a community's ability to pay for the services provided by the local government. The higher the income, the greater the ability to generate revenue to pay for the desired level of services. For example, a higher income can translate into greater spending power within the community, which translates into greater local sales tax, and meals tax revenue, as well as a greater base of personal property value. In addition, if income is evenly distributed, a higher-than-average household income will usually mean lower dependency upon governmental services, particularly in the health and welfare area. Bond rating firms also use such an indicator as an important measure of a locality's ability to repay debt.

The following table indicates that Poquoson has the highest median household income in the Hampton Roads area for 2010, at \$84,315 which is 37% above the Virginia average of \$61,406

Median Household Income

	2008	2009	2010
Poquoson	\$79,123	\$84,688	\$84,315
York County	\$78,920	\$79,189	\$81,055
James City County	\$76,705	\$71,988	\$73,903
Chesapeake	\$67,082	\$66,932	\$67,855
Virginia Beach	\$64,979	\$63,370	\$64,618
Suffolk	\$57,573	\$63,657	\$65,104
Gloucester County	\$56,922	\$56,830	\$59,331
Williamsburg	\$50,209	\$41,236	\$50,794
Newport News	\$48,849	\$48,124	\$49,562
Hampton	\$47,301	\$48,122	\$49,815
Portsmouth	\$45,292	\$44,410	\$45,488
Norfolk	\$40,380	\$41,739	\$42,677
Virginia	\$61,210	\$60,316	\$61,406

Source: U.S. Bureau of the Census Fact Finder, factfinder.census.gov.

APPENDIX

TOTAL REVENUES

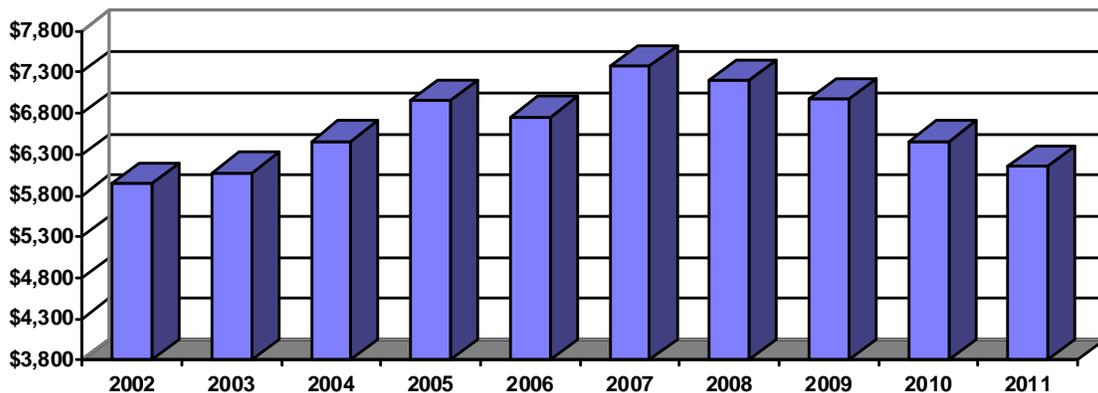
After adjusting for inflation, total revenue received per Poquoson household has increased 3.5% since 2002, or an average of .35% per year.

Total Revenue Per Household

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2002 Dollars	Revenue Per Household
2002	\$25,687,323	\$5,941	\$25,687,323	\$5,941
2003	\$27,172,586	\$6,218	\$26,535,729	\$6,072
2004	\$29,733,770	\$6,736	\$28,495,471	\$6,456
2005	\$33,462,935	\$7,496	\$31,044,850	\$6,954
2006	\$34,304,554	\$7,533	\$30,779,161	\$6,759
2007	\$39,045,892	\$8,424	\$34,178,774	\$7,374
2008	\$40,147,113	\$8,564	\$33,758,623	\$7,201
2009	\$39,340,239	\$8,305	\$33,047,097	\$6,976
2010	\$37,551,873	\$7,897	\$30,715,493	\$6,460
2011	\$36,072,531	\$7,633	\$29,069,426	\$6,151
% Change	40.4%	28.5%	13.2%	3.5%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*, includes General, Special Revenue, Debt Service and Capital Projects Funds and Component Unit (School Board).

Total Revenue Per Household in 2002 Dollars



APPENDIX

In 2004, the City had an unusual increase in Federal revenues due to Federal aid from Hurricane Isabel. 2005 and 2006 Federal revenue was higher than previous fiscal years due to grants for the Police Department. Federal revenue continued to increase in 2007 and 2008 due to Federal mitigation grants that were awarded. These grants ended during fiscal year 2009.

Sources of Revenue - Poquoson

Year	Local	State	Federal	Total
2002	52.8%	43.8%	3.4%	100.0%
2003	54.8%	42.1%	3.1%	100.0%
2004	49.5%	39.8%	10.7%	100.0%
2005	52.6%	43.5%	3.9%	100.0%
2006	53.6%	42.5%	3.9%	100.0%
2007	53.4%	41.8%	4.8%	100.0%
2008	54.3%	39.8%	5.9%	100.0%
2009	55.6%	40.6%	3.8%	100.0%
2010	55.8%	37.7%	6.5%	100.0%
2011	57.1%	39.2%	3.7%	100.0%

Source: Annual edition of the *Comparative Report of Local Government Revenues and Expenditures*, Commonwealth of Virginia, Auditor of Public Accounts.

When compared with the following data, Poquoson still relies less upon local revenue sources and more upon State revenue, than does the typical Virginia locality. This is primarily due to Schools receiving approximately 50% of their revenue from the State.

Sources of Revenue - All Virginia Localities

Year	Local	State	Federal	Total
2002	56.2%	36.1%	7.7%	100.0%
2003	56.2%	35.1%	8.7%	100.0%
2004	56.3%	33.9%	9.8%	100.0%
2005	56.3%	35.0%	8.7%	100.0%
2006	57.7%	33.9%	8.4%	100.0%
2007	57.6%	34.6%	7.8%	100.0%
2008	58.3%	33.8%	7.9%	100.0%
2009	57.5%	34.4%	8.1%	100.0%
2010	56.3%	33.4%	10.4%	100.0%
2011	57.1%	32.8%	10.1%	100.0%

Source: Annual CAFR's City of Poquoson

APPENDIX

It is also useful to consider the various sources from which local revenue is raised. As can be seen from the following table, 85.1% comes from General Property Taxes (Real Estate and Personal Property) and Other Local Taxes (Local Sales Tax and Consumer Utility Tax, etc.). This percentage has fluctuated between 81.1% and 87.5% since 2002.

Sources of Local Revenue - Poquoson

Year	General Property Taxes	Other Local Taxes	Permits & Fees	Fines	Charges For Services	Interest and Rent	Misc.
2002	67.8%	16.7%	1.0%	0.2%	11.9%	0.9%	1.5%
2003	68.4%	15.4%	0.7%	0.2%	11.0%	0.8%	3.5%
2004	67.1%	15.1%	1.0%	0.2%	10.8%	0.4%	5.5%
2005	70.2%	14.7%	1.0%	0.2%	11.2%	0.7%	2.0%
2006	68.5%	14.6%	0.9%	0.2%	12.5%	1.0%	2.3%
2007	74.2%	12.0%	0.8%	0.4%	8.8%	1.2%	2.6%
2008	71.4%	11.4%	0.4%	0.2%	9.2%	1.3%	6.1%
2009	70.8%	11.0%	0.4%	0.2%	6.8%	0.8%	10.1%
2010	77.8%	9.7%	0.3%	0.3%	10.1%	0.8%	1.0%
2011	75.7%	9.4%	0.4%	0.3%	11.0%	0.9%	2.3%

Source: Annual edition of *Comparative Report of Local Government Revenues and Expenditures*, Commonwealth of Virginia, Auditor of Public Accounts.

As one would expect in a community that does not have an extensive commercial and industrial base, property taxes generate more revenue than in the typical Virginia locality. Poquoson's local revenue sources are compared to the statewide figures in the following table.

Sources of Local Revenue Poquoson Compared to State Average

	2002		2011	
	Poquoson	All Cities	Poquoson	All Cities
General Property Taxes	67.8%	51.6%	75.7%	57.6%
Other Local Taxes	16.7%	31.3%	9.4%	25.0%
Permits & Fees	1.0%	0.8%	0.4%	0.7%
Fines	0.2%	0.8%	0.3%	0.8%
Charges for Services	11.9%	10.0%	11.0%	11.9%
Interest and Rent	.9%	2.2%	0.9%	1.1%
Miscellaneous	1.5%	3.3%	2.3%	2.9%

Source: Annual edition of *Comparative Report of Local Government Revenues and Expenditures*, Commonwealth of Virginia, Auditor of Public Accounts.

APPENDIX

REAL ESTATE TAX REVENUE

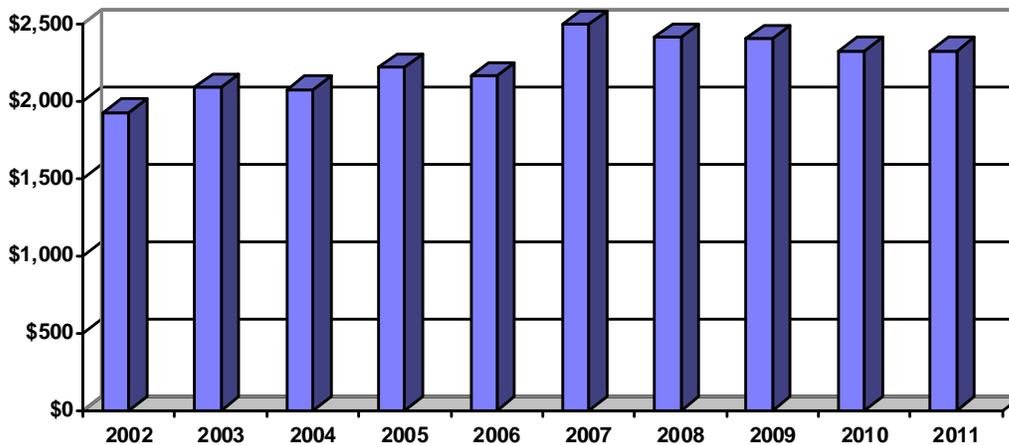
After adjusting for inflation, real estate tax revenue per Poquoson household has increased by approximately 20.8% in 2002 dollars, or an average of 2.1% per year.

Total Real Estate Property Tax Revenue Per Household

Year	Revenue In Current Dollars	Revenue Per Household	Revenue in 2000 Dollars	Revenue Per Household
2002	\$8,327,868	\$1,926	\$8,327,868	\$1,926
2003	\$9,345,943	\$2,139	\$9,126,897	\$2,089
2004	\$9,546,989	\$2,163	\$9,149,393	\$2,073
2005	\$10,681,417	\$2,393	\$9,909,561	\$2,220
2006	\$10,974,911	\$2,410	\$9,847,047	\$2,162
2007	\$13,208,997	\$2,850	\$11,562,479	\$2,495
2008	\$13,440,790	\$2,867	\$11,301,997	\$2,411
2009	\$13,560,850	\$2,863	\$11,391,561	\$2,405
2010	\$13,511,422	\$2,842	\$11,051,645	\$2,324
2011	\$13,643,196	\$2,887	\$10,994,512	\$2,326
% CHANGE	63.8%	49.9%	32.0%	20.8%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

Real Estate Tax Revenue Per Household in 2002 Dollars



APPENDIX

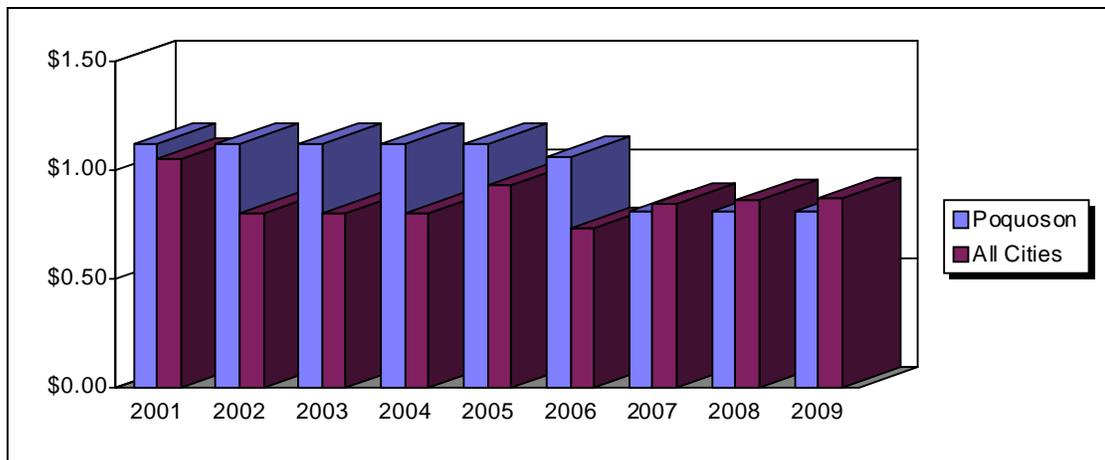
In considering Real Estate Tax Revenue, the locality's assessments must also be considered. The Assessment/Sales Ratio, computed by the State Department of Taxation, compares assessed values and selling prices of all residential property sold within a locality during a given year.

Median, Nominal and Effective Real Estate Tax Rates

Year	Median Ratio		Nominal Tax Rates		Effective Tax Rates	
	Poquoson	VA Cities/ Counties	Poquoson	VA Cities/ Counties	Poquoson	VA Cities/ Counties
2001	93.8%	76.8%	\$1.12	\$1.05	\$1.05	\$0.80
2002	87.5%	83.8%	\$1.12	\$0.80	\$0.98	\$0.68
2003	85.8%	82.0%	\$1.12	\$0.80	\$0.96	\$0.66
2004	94.1%	77.8%	\$1.12	\$0.80	\$1.05	\$0.62
2005	77.4%	73.2%	\$1.12	\$0.77	\$0.82	\$0.57
2006	67.2%	75.0%	\$1.06	\$0.73	\$0.71	\$0.55
2007	97.0%	86.0%	\$0.81	\$0.70	\$0.79	\$0.88
2008	99.8%	90.9%	\$0.81	\$0.86	\$0.81	\$0.78
2009	101.4%	98.01%	\$0.81	\$0.87	\$0.82	\$0.85

Source: 2009 Virginia Assessment/Sales Ratio Study, Virginia Department of Taxation (prepared July 2011)

Nominal Real Estate Tax Rate



APPENDIX

The City remains overwhelmingly dependent upon the single-family residential taxpayer base. The Commissioner of the Revenue and City Assessor has furnished the assessed values for single-family, multi-family residential property, commercial and agricultural property for each of the years shown below.

Real Property Assessments by Category and Percent of Total

Year	Residential		Other		Total
	Single Family	Multi-Family	Commercial	Agriculture	
2002	91.8%	1.4%	6.6%	0.2%	100.0%
2003	91.8%	1.4%	6.6%	0.2%	100.0%
2004	92.0%	1.2%	6.6%	0.2%	100.0%
2005	91.9%	1.2%	6.7%	0.2%	100.0%
2006	92.6%	0.6%	6.6%	0.2%	100.0%
2007	94.1%	0.7%	5.0%	0.2%	100.0%
2008	93.3%	0.7%	5.8%	0.2%	100.0%
2009	93.6%	0.9%	5.3%	0.2%	100.0%
2010	92.9%	0.9%	5.0%	0.2%	100.0%
2011	93.6%	0.9%	5.3%	0.2%	100.0%

Source: Assessment data furnished by the Commissioner of the Revenue and City Assessor.

APPENDIX

Analysis of real estate revenue must consider the percentage of taxes actually collected by the Treasurer. Poquoson's record is as follows:

Uncollected Current Property Taxes as a Percent of Net Levy as of June 30, 2011

Year	Percent
2002	0.05%
2003	0.04%
2004	0.05%
2005	0.02%
2006	0.05%
2007	0.07%
2008	0.09%
2009	0.22%
2010	0.68%
2011	2.15%

Source: *Annual CAFR* City of Poquoson

Bond rating firms consider that a municipality will normally be unable to collect about two or three percent of its current and back property taxes each year. If uncollected property taxes rise to more than five to eight percent, rating firms consider this a negative factor because it signals potential problems in the stability of the property tax base. Rating firms also consider it a negative factor if the rate of delinquency significantly rises for two consecutive years.

APPENDIX

PERSONAL PROPERTY TAX REVENUE

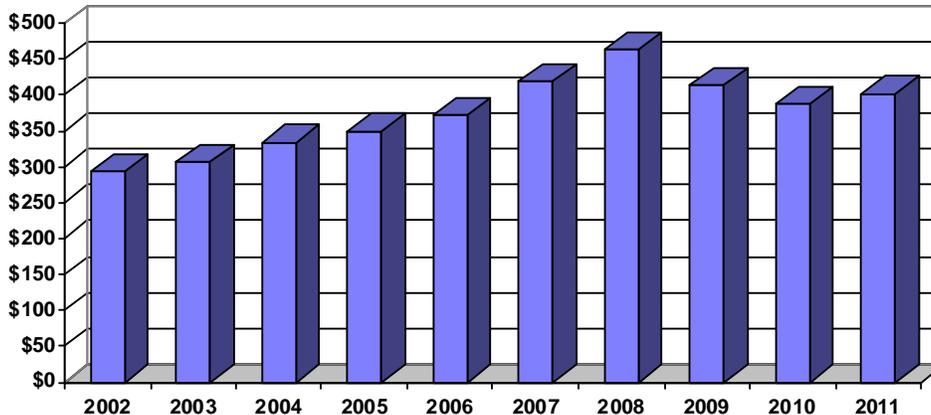
In 1999, the State implemented the Personal Property Tax Relief Act (PPTRA), where the State reduced the percentage of personal property tax the citizen paid on vehicles. The State reimbursed localities for the reduced personal property taxes. Due to the soaring costs associated with PPTRA, the General Assembly made significant changes to PPTRA. The changes included converting the program from an entitlement program to a block grant formula that caps statewide relief to local governments. The cap for Poquoson as identified by the State Auditor of Public Accounts is \$1,923,430.

Total Personal Property Tax Revenue Per Household

Year	<i>Revenue in Current Dollars</i>	<i>Revenue Per Household</i>	<i>Revenue in 2002 Dollars</i>	<i>Revenue Per Household</i>
2002	\$1,271,261	\$294	\$1,251,261	\$294
2003	\$1,367,354	\$313	\$1,335,307	\$306
2004	\$1,538,520	\$349	\$1,474,446	\$334
2005	\$1,682,524	\$377	\$1,560,942	\$350
2006	\$1,888,246	\$415	\$1,694,196	\$372
2007	\$2,210,975	\$477	\$1,935,374	\$418
2008	\$2,581,520	\$551	\$2,170,730	\$463
2009	\$2,335,554	\$493	\$1,961,942	\$414
2010	\$2,251,205	\$473	\$1,841,369	\$387
2011	\$2,357,359	\$499	\$1,899,702	\$402
% CHANGE	85.4%	69.7%	49.4%	36.7%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

Personal Property Tax Revenue Per Household in 2002 Dollars



APPENDIX

OTHER LOCAL SALES TAX REVENUE

Other Local Tax Revenue consists of revenue received from three general sources: revenue received from the local sales tax of 1% on taxable retail sales, revenue received from the Consumer Utility Tax imposed on electrical, gas and telephone bills, and revenue from other local taxes such as meals tax, business licenses, communication sales tax, taxes on recordations and wills, etc.

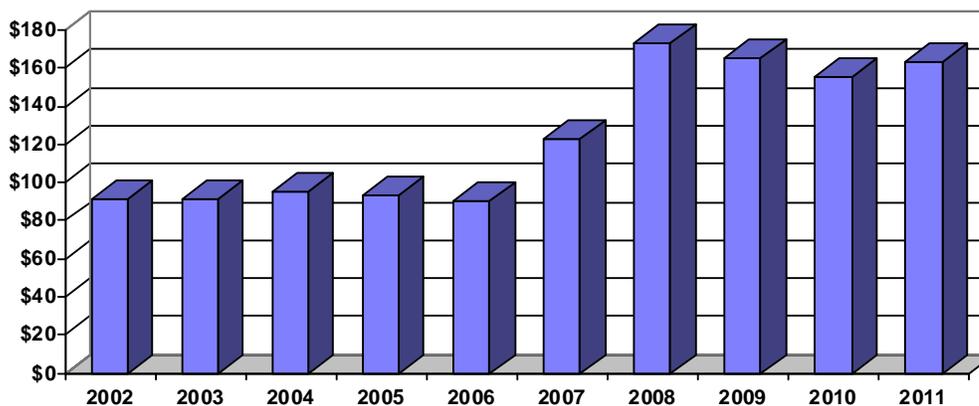
In current dollar terms, revenue received from the local 1% sales tax has increased by 141.6% since 2002. However, when viewed on a per household basis and after adjustment for inflation, revenue has increased by 78.2%. This increase is mainly due to the restructuring of local consumer taxes. A new 5% communication and sales and use tax imposed by the state was paid by customers of landline and wireless phones, satellite and radio services and other communication services and is now included in local sales tax revenue instead of Consumer Utility Tax revenue. This particular source of revenue, like personal property tax revenue, tends to follow general economic conditions.

Local Sales Tax Revenue Per Household

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2002 Dollars	Revenue Per Household
2002	\$395,630	\$91	\$395,630	\$91
2003	\$407,006	\$93	\$397,467	\$91
2004	\$435,253	\$99	\$417,126	\$95
2005	\$446,435	\$100	\$414,175	\$93
2006	\$458,238	\$101	\$411,146	\$90
2007	\$653,112	\$141	\$571,701	\$123
2008	\$962,735	\$205	\$809,538	\$173
2009	\$929,900	\$196	\$781,147	\$165
2010	\$902,127	\$190	\$737,893	\$155
2011	\$955,937	\$202	\$770,352	\$163
% CHANGE	141.6%	121.1%	94.7%	78.2%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

Local Sales Tax Revenue Per Household in 2002 Dollars



APPENDIX

Revenue from the Consumer Utility Tax has declined when viewed on a per household basis in 2002 dollars. This is due to the restructuring of the local consumer taxes, which took effect on January 1, 2007. Part of this local Consumer Utility Tax is now a 5% Communication Sales and Use Tax and is included in local sales tax revenues.

Consumer Utility Tax Revenue Per Household

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2001 Dollars	Revenue Per Household
2002	\$419,694	\$97	\$419,694	\$97
2003	\$440,543	\$101	\$430,218	\$98
2004	\$439,998	\$100	\$421,674	\$96
2005	\$447,622	\$100	\$415,276	\$93
2006	\$440,102	\$97	\$394,874	\$87
2007	\$354,783	\$77	\$310,559	\$67
2008	\$282,436	\$60	\$237,493	\$51
2009	\$285,776	\$60	\$240,061	\$51
2010	\$276,745	\$58	\$226,363	\$48
2011	\$291,323	\$62	\$234,766	\$50
% CHANGE	-30.6%	-36.1%	-44.1%	-48.8%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

APPENDIX

When viewed on a per household basis after adjusting for inflation, Other Local Tax Revenue has kept pace with residential development. In 2002, meals tax rate increased from 4.0% to 5.5% and a 10 cent cigarette tax was instituted.

Other Local Tax Revenue

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2002 Dollars	Revenue Per Household
2002	\$1,587,462	\$367	\$1,587,462	\$367
2003	\$1,594,936	\$365	\$1,557,555	\$356
2004	\$1,649,713	\$374	\$1,581,009	\$358
2005	\$1,741,665	\$390	\$1,615,810	\$362
2006	\$1,894,252	\$416	\$1,699,584	\$373
2007	\$1,533,294	\$331	\$1,342,167	\$290
2008	\$1,368,024	\$292	\$1,150,334	\$245
2009	\$1,321,878	\$279	\$1,110,421	\$234
2010	\$1,273,060	\$268	\$1,041,297	\$219
2011	\$1,216,963	\$258	\$980,702	\$208
% CHANGE	-23.3%	-29.9%	-38.2%	-43.5%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

APPENDIX

EXPENDITURES

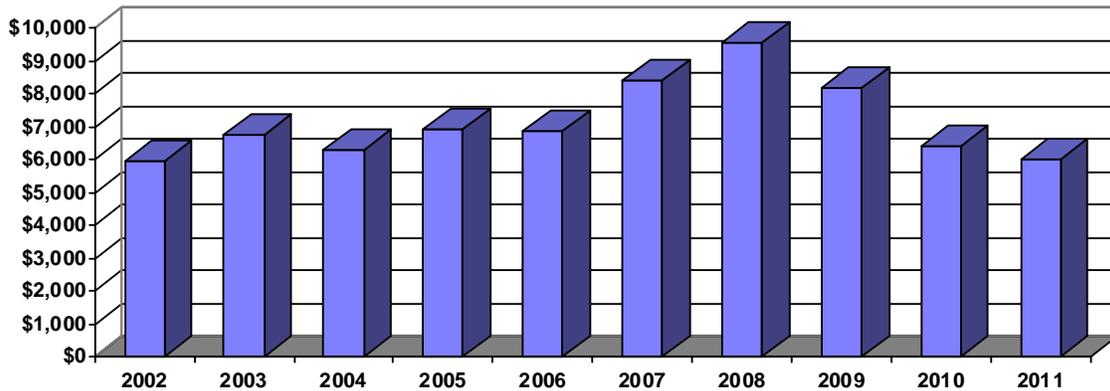
Total expenditures supported by Local, Federal and State funding, in current dollar terms, have grown from \$27.2 million in 2002 to over \$35.4 million in 2011, an increase of 37.8%. However, after adjustment for inflation and growth in households, the increase has been approximately 1.1% per year.

Total Expenditures Per Household

Year	Expenditures in Current Dollars	Expenditures per Household	Expenditures in 2002 Dollars	Expenditures per Household
2002	\$25,665,657	\$5,936	\$25,665,657	\$5,936
2003	\$30,218,734	\$6,915	\$29,510,482	\$6,753
2004	\$29,050,658	\$6,581	\$27,840,808	\$6,307
2005	\$33,424,763	\$7,488	\$31,009,437	\$6,947
2006	\$34,896,340	\$7,663	\$31,310,131	\$6,875
2007	\$44,573,665	\$9,617	\$39,017,504	\$8,418
2008	\$53,225,297	\$11,354	\$44,755,715	\$9,547
2009	\$46,323,837	\$9,779	\$38,913,550	\$8,215
2010	\$37,244,395	\$7,833	\$30,463,992	\$6,407
2011	\$35,355,172	\$7,481	\$28,491,335	\$6,029
% CHANGE	37.8%	26.0%	11.0%	1.6%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*, includes General, Special Revenue, Debt Service and Capital Projects Funds and Component Unit (School Board).

Total Expenditures Per Household in 2002 Dollars



APPENDIX

The operating budget, which funds recurring expenses, has shown a slight increase as new services have been added to meet the needs of a growing community and existing services have been improved. However, this increase has been extremely small at an average of .5% per household per year after adjusting for inflation.

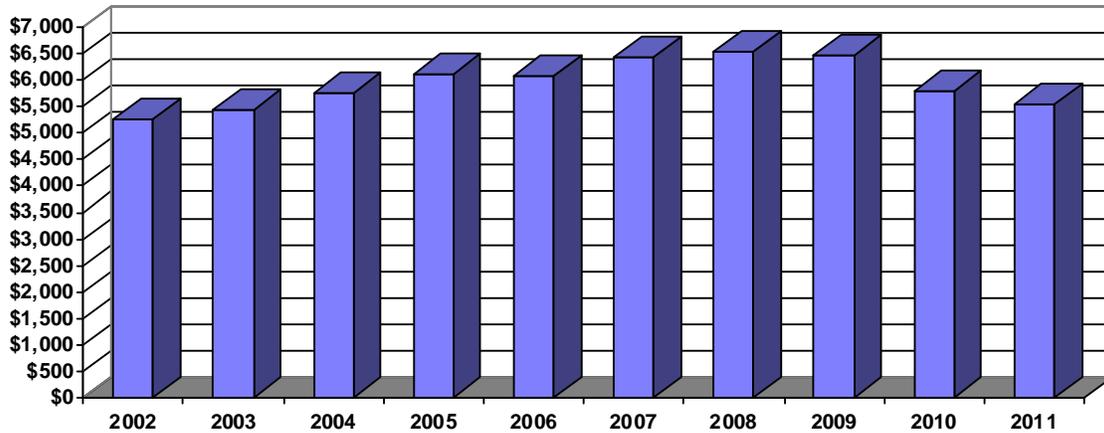
Total Operating Expenditures Per Household

Year	Expenditures in Current Dollars	Expenditures per Household	Expenditures in 2002 Dollars	Expenditures per Household
2002	\$22,785,888	\$5,270	\$22,785,888	\$5,270
2003	\$24,262,997	\$5,552	\$23,694,333	\$5,422
2004	\$26,555,078	\$6,016	\$25,449,159	\$5,766
2005	\$29,401,819	\$6,586	\$27,277,197	\$6,110
2006	\$30,927,269	\$6,791	\$27,748,951	\$6,093
2007	\$33,982,445	\$7,332	\$29,746,492	\$6,418
2008	\$36,435,827	\$7,772	\$30,637,903	\$6,535
2009	\$36,440,375	\$7,693	\$30,611,116	\$6,462
2010	\$33,612,873	\$7,069	\$27,493,594	\$5,782
2011	\$32,463,405	\$6,869	\$26,160,974	\$5,536
% CHANGE	42.5%	30.4%	14.8%	5.0%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

*Total Expenditures (-) minus Capital Outlay & Debt Service

Total Operating Expenditures Per Household in 2002 dollars



APPENDIX

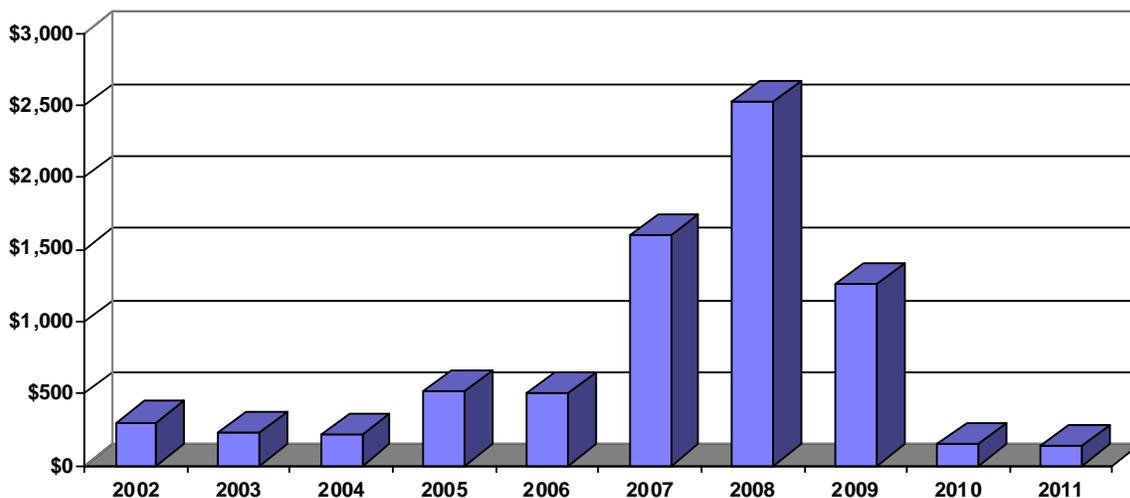
In the mid 1990's, the City started to address many long delayed capital projects. In 2000 to 2002, the City addressed smaller projects including renovations to Police Station and Parks and Recreation complex, replaced some larger Public Works equipment, built a second Fire Station, replaced a fire aerial/pumper truck, and dredged Messick Point area. In late 2004, the City began several projects located at Messick Point. The first two projects, a pier and boat ramp, were completed in 2005. In 2005, the City began the design phase of a new Elementary School and Fire Station which suffered extensive damage caused by Hurricane Isabel in 2003. In 2007 and 2008 the City issued additional debt for the construction of the Elementary School and Fire Station and construction began on these two projects. They were complete in 2009.

Total Capital Expenditures Per Household

Year	Expenditures in Current Dollars	Expenditures per Household	Expenditures in 2002 Dollars	Expenditures per Household
2002	\$1,282,450	\$297	\$1,282,450	\$297
2003	\$1,021,949	\$234	\$997,997	\$228
2004	\$987,539	\$224	\$946,412	\$214
2005	\$2,457,918	\$551	\$2,280,305	\$511
2006	\$2,544,998	\$559	\$2,283,455	\$501
2007	\$8,476,933	\$1,829	\$7,420,273	\$1,601
2008	\$14,078,149	\$3,003	\$11,837,935	\$2,525
2009	\$7,085,050	\$1,496	\$5,951,676	\$1,256
2010	\$838,069	\$176	\$685,497	\$144
2011	\$814,871	\$172	\$656,672	\$139
% CHANGE	-36.5%	-41.9%	-48.8%	-53.2%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

Total Capital Expenditures Per Household in 2002 dollars



APPENDIX

Operating Expenditures By Function in 2002 Dollars

The table below depicts the growth in operating expenditures by function of government, after adjustment for inflation.

<i>Year</i>	<i>Education</i>	<i>Public Safety</i>	<i>Public Works</i>	<i>Parks, Recreation and Culture</i>
2002	\$15,559,173	\$3,284,029	\$1,025,194	\$720,466
2003	\$15,923,626	\$3,686,216	\$ 989,338	\$745,963
2004	\$17,177,903	\$3,841,029	\$1,081,848	\$731,877
2005	\$18,358,636	\$4,119,465	\$1,191,316	\$770,762
2006	\$18,319,111	\$4,358,004	\$1,105,509	\$839,400
2007	\$18,960,243	\$4,583,132	\$1,250,334	\$905,379
2008	\$18,640,756	\$5,005,012	\$1,264,016	\$988,216
2009	\$19,765,310	\$4,475,878	\$1,289,796	\$982,274
2010	\$17,698,312	\$4,581,622	\$1,252,200	\$821,052
2011	\$16,891,959	\$4,715,774	\$1,240,728	\$831,808
% CHANGE	8.6%	43.6%	21.0%	15.5%

<i>Year</i>	<i>General Administration</i>	<i>Debt Service</i>	<i>All Other</i>	<i>Total</i>
2002	\$1,257,684	\$1,597,319	\$ 939,342	\$24,383,207
2003	\$1,243,810	\$1,495,284	\$4,428,249	\$28,512,485
2004	\$1,277,781	\$1,445,237	\$1,338,722	\$26,894,396
2005	\$1,432,363	\$1,451,935	\$1,404,655	\$28,729,132
2006	\$1,573,946	\$1,365,117	\$1,552,982	\$29,114,068
2007	\$1,696,633	\$1,865,299	\$2,350,772	\$31,611,791
2008	\$1,697,448	\$2,315,493	\$3,042,454	\$32,953,396
2009	\$1,952,783	\$2,386,844	\$2,291,137	\$33,144,022
2010	\$1,574,126	\$2,284,900	\$1,566,282	\$29,778,494
2011	\$1,722,772	\$1,698,794	\$1,150,349	\$28,252,184
% CHANGE	37.0%	6.4%	22.5%	15.9%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

APPENDIX

While public safety, public works and judicial administration categories have increased since 2002, total expenditures are still about 14 % under the average level of expenditures incurred by other Virginia localities, as shown on the following table. Poquoson residents fund their school system at 106.1% of the average local expenditures, while other areas of government are generally under the average expenditures level prevailing throughout the State.

Operating Expenditures City of Poquoson Compared to All Others by Per-Capita Expenditures

	2002			2011		
	<i>Poquoson</i>	<i>All Cities</i>	<i>% of Avg.</i>	<i>Poquoson</i>	<i>All Cities</i>	<i>% of Avg.</i>
Education	\$1,344.69	\$1,044.87	128.69%	\$1,702.85	\$1,604.98	106.10%
Public Safety	\$252.54	\$367.95	68.63%	\$470.38	\$634.66	74.12%
Public Works	\$122.82	\$193.59	63.44%	\$288.16	\$296.43	97.21%
Parks, Recreation and Cultural	\$107.88	\$93.03	115.96%	\$119.72	\$147.98	80.90%
General Administration	\$112.44	\$88.37	127.24%	\$158.72	\$146.05	108.68%
Judicial Administration	\$13.34	\$38.60	34.56%	\$30.16	\$65.50	46.05%
Health & Welfare	\$92.86	\$253.14	36.68%	\$149.16	\$430.30	34.66%
Community Development	\$41.65	\$69.32	60.08%	\$40.53	\$136.42	29.71%
TOTAL	\$2,088.22	\$2,148.87	97.18%	\$2,959.68	\$3,462.32	85.48%

Source: Comparative Report of Local Government Revenues and Expenditures, Auditor of Public Accounts, Commonwealth of Virginia

APPENDIX

DEBT SERVICE

Debt Service is defined as the amount of interest and principal that must be paid on long-term debt. As the amount decreases, it lessens obligations and increases expenditure flexibility. The City's debt policy requires that the City's tax supported debt service as a percent of general government expenditures shall not exceed 10%. Credit industry standards provide for a 20% ratio of total operating expenditures before debt service is considered to be a potential problem.

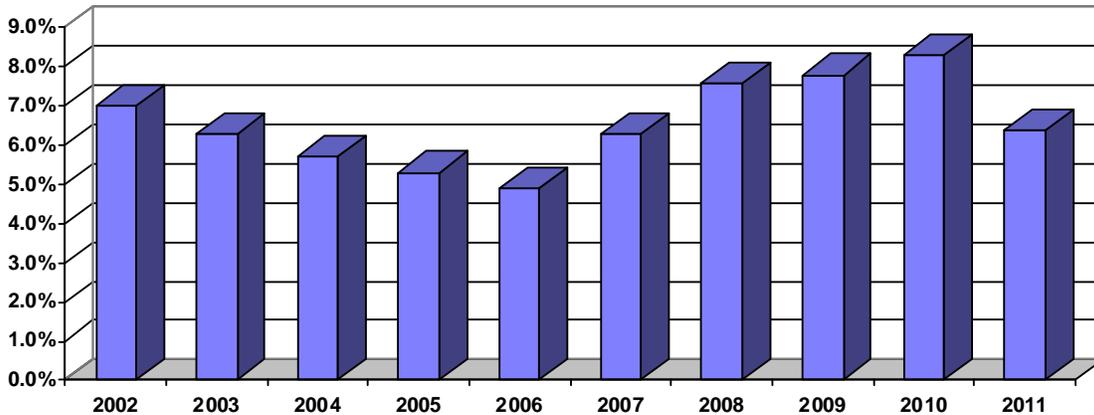
As shown in the table below, the City's 6.4% ratio of debt service to total operating expenditures is acceptable to both the City's policy and the credits industry standards.

Ratio of Debt Service to Total Operating Expenditures

Year	Debt Service	Operating Expenditures	Percent of Expenditures
2002	\$1,597,319	\$22,785,888	7.0%
2003	\$1,531,171	\$24,262,997	6.3%
2004	\$1,508,041	\$26,555,078	5.7%
2005	\$1,565,026	\$29,401,819	5.3%
2006	\$1,521,475	\$30,972,269	4.9%
2007	\$2,130,921	\$33,982,445	6.3%
2008	\$2,753,677	\$36,435,827	7.6%
2009	\$2,841,369	\$36,440,375	7.8%
2010	\$2,793,453	\$33,612,873	8.3%
2011	\$2,076,896	\$32,463,405	6.4%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*.

Ratio of Debt Service to Total Expenditures



APPENDIX

There is also a legal limit for cities in Virginia whereby the amount of bonded long-term debt cannot exceed 10% of the cities total assessed value or real property. As the table below shows, the city's ratio of bonded debt to assessed valuation amounts to 2.4%.

Capacity is therefore available should City Council decide to undertake additional long-term borrowing to fund infrastructure and capital improvements.

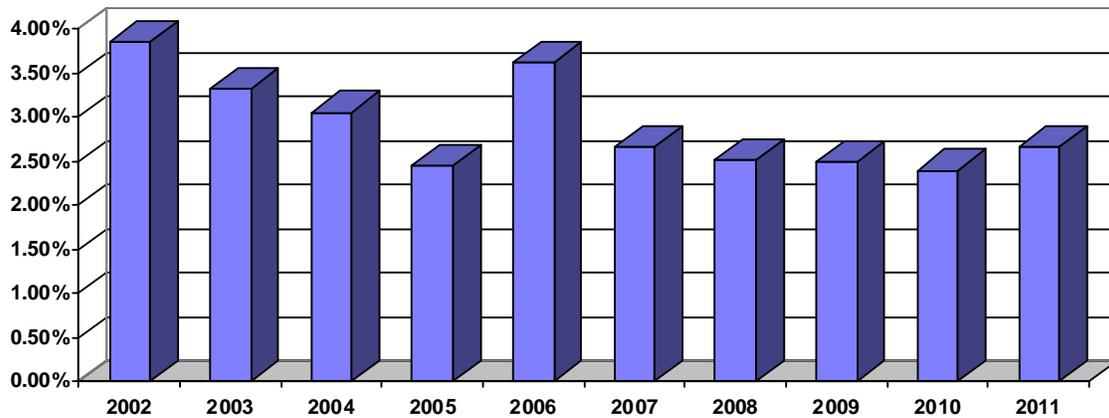
Ratio of Bonded Debt to Assessed Value

Bonded Debt

Year	Assessed Value of Taxable Real Estate	General Fund Supported	Enterprise Funds	Total	Ratio Debt to Assessed Value
2002	\$749,021,297	\$14,145,971	\$14,779,335	\$28,925,306	3.86%
2003	\$827,604,136	\$13,440,709	\$14,131,490	\$27,572,199	3.33%
2004	\$847,283,735	\$12,457,291	\$13,506,624	\$25,963,915	3.06%
2005	\$1,015,002,306	\$12,086,638	\$12,791,016	\$24,877,654	2.45%
2006	\$1,037,303,141	\$25,527,795	\$12,049,089	\$37,576,884	3.62%
2007	\$1,637,487,196	\$32,435,690	\$11,280,327	\$43,716,017	2.67%
2008	\$1,678,329,182	\$31,604,649	\$10,508,638	\$42,113,287	2.51%
2009	\$1,698,795,508	\$32,705,075	\$9,796,907	\$42,501,982	2.50%
2010	\$1,719,852,121	\$31,397,902	\$9,890,072	\$41,257,974	2.40%
2011	\$1,498,862,620	\$30,490,882	\$9,425,933	\$39,916,815	2.66%
% CHANGE	100.1%	115.5%	-36.2%	38.0%	-31.0%

Source: Annual edition of the City of Poquoson's *Comprehensive Annual Financial Report*

Ratio of Bonded Debt to Assessed Value



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 – Are 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 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 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
ACLS	-	Advance Cardiac Life Support
ACOE	-	Army Corps of Engineers
ARB	-	Architectural Review Board
ARRA	-	American Recovery and Reinvestment Act
ASFPM	-	Association of State Flood Plain Managers
AV	-	Assessed Valuation
BMP	-	Best Management Practice
BZA	-	Board of Zoning Appeals
CAD	-	Computer Aided Dispatch
CAMA	-	Computer Assisted Mass Appraisal
CBLAD	-	Chesapeake Bay Local Assistance Department
CBRN	-	Chemical, Biological, Radiological, Nuclear
CDBG	-	Community Development Block Grant
CCTV	-	Closed Circuit Television
CIP	-	Capital Improvement Plan
CMOM	-	Capacity Management Operations Maintenance
COD	-	Coefficient of Dispersion
COPS	-	Community Orientated Police Services
CPR	-	Cardiopulmonary Resuscitation
CRIMES	-	Comprehensive Regional Information Management Exchange System
CSA	-	Comprehensive Services Act
DCR	-	Department of Conservation and Recreation
DEA	-	Drug Enforcement Agency
DEQ	-	Department of Environmental Quality
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
ECG	-	Electro Cardio Gram
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
FOG	-	Fats, Oils and Grease
FTE	-	Full Time Equivalent
FY	-	Fiscal Year
GAAP	-	Generally Accepted Accounting Principles
GASB	-	Governmental Accounting Standards Board
GFOA	-	Government Finance Officers Association
GIS	-	Geographic Information System
GO	-	General Obligation
HAVA	-	Help America Vote Act

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

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
IRMS	-	Integrated Revenue Management System
LIDAR	-	Laser Imaging Detection Ranging
LINX	-	Law Enforcement Information Exchange
LOC	-	Line of Credit
MOM	-	Maintenance and Operations Manual
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
NFPA	-	National Fire Protection Association
NPDES	-	National Pollutant Discharge Elimination System
NVRA	-	National Voter Registration Act
OPEB	-	Other Post Employment Benefits
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
RE	-	Real Estate
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
SSes	-	Sanitary Sewer Evacuation System
SSO or SSOS	-	Sanitary Sewer Overflows
State 599	-	State 599 (Police) Funds
TAV	-	Treasurers Association of Virginia
TEA 21	-	TEA 21 Museum Grant
TMDL	-	Total Maximum Daily Load
TNCC	-	Thomas Nelson Community College
VAZO	-	Virginia Association of Zoning Officials
VDEM	-	Virginia Department of Emergency Management

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

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
VPSU	-	Virginia Peninsula Swimming Union
VRA	-	Virginia Resources Authority
VRS	-	Virginia Retirement System
YMCA	-	Young Men's Christian Association

THIS PAGE LEFT INTENTIONALLY BLANK