

CITY OF
Poquoson
VIRGINIA

**Adopted Annual
Financial Plan**

Fiscal Year July 1, 2016 – June 30, 2017

**CITY OF POQUOSON, VIRGINIA
ADOPTED ANNUAL FINANCIAL PLAN
FISCAL YEAR 2017**

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The Government Finance Officers Association of the United States and Canada (GFOA) presented the City of Poquoson an Award for Distinguished Budget Presentation for the Fiscal Year beginning July 1, 2015. 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

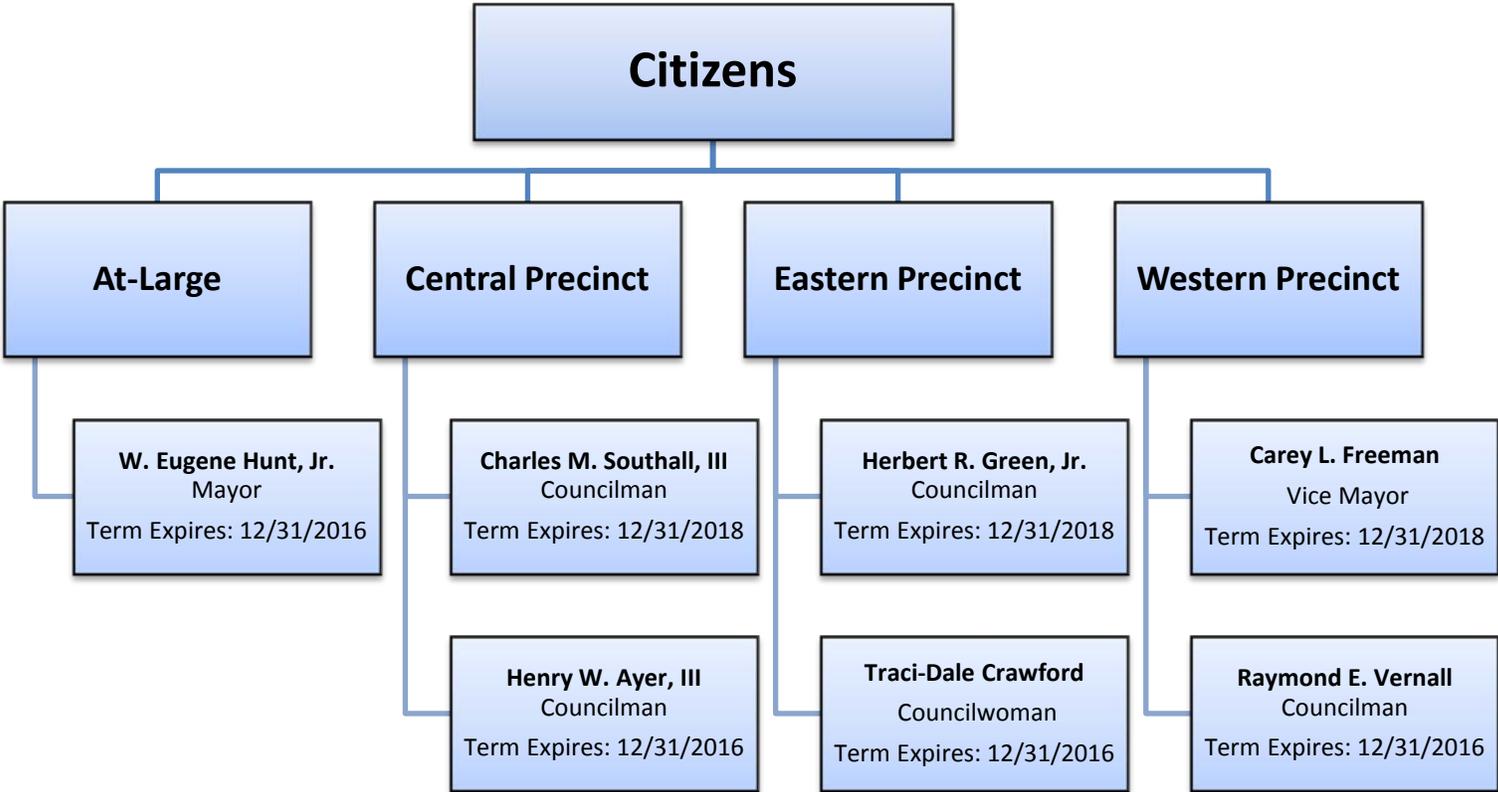
**City of Poquoson
Virginia**

For the Fiscal Year Beginning

July 1, 2015

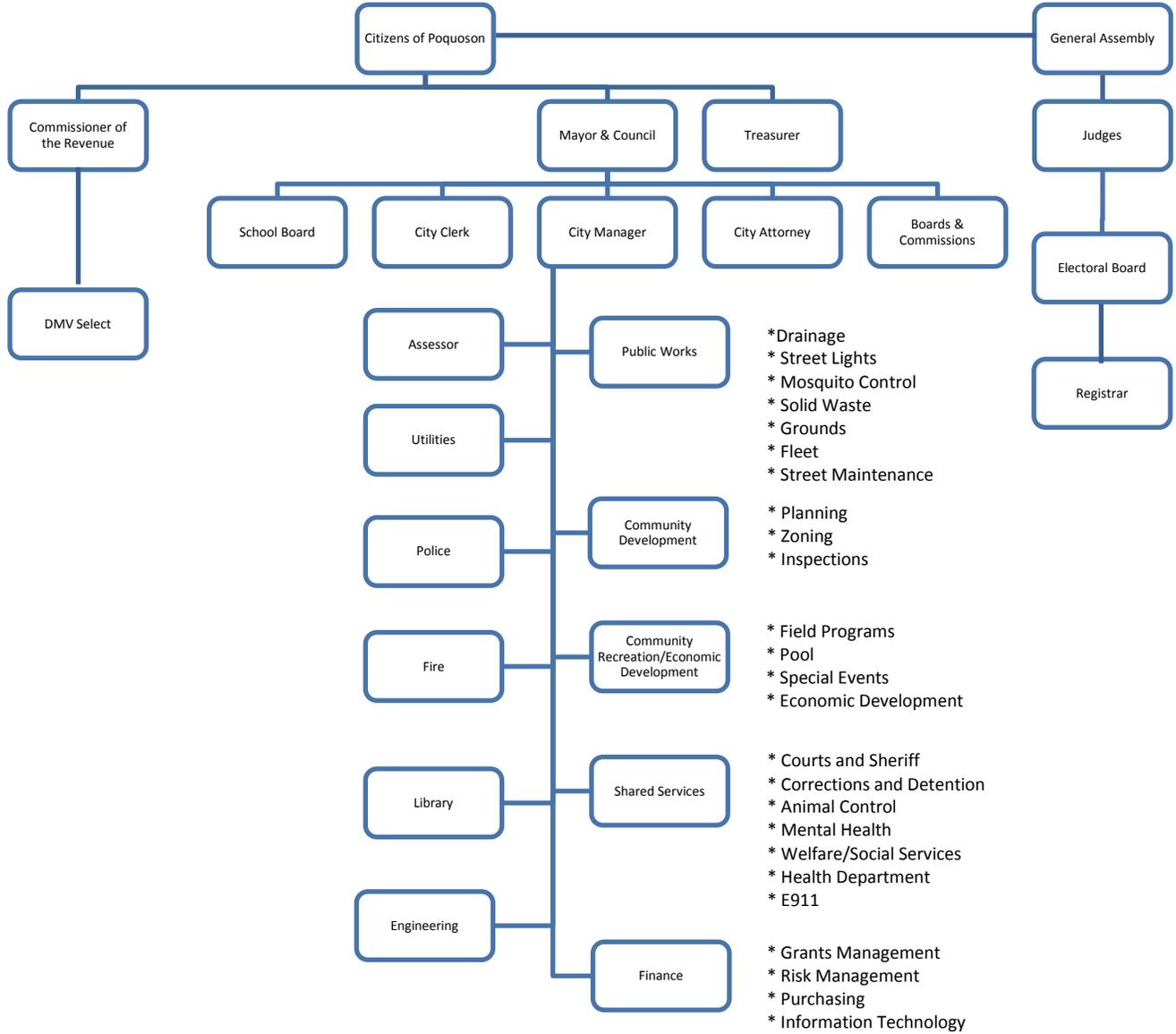
Executive Director

POQUOSON CITY COUNCIL



CITY OF POQUOSON, VIRGINIA

CITY GOVERNMENT ORGANIZATION CHART



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The Executive Summary includes the City Manager's budget message and a general overview of the Annual Financial Plan for Fiscal Year 2017 for the City of Poquoson. The summary provides a quick overview of the fiscal plans of the City for the upcoming fiscal year. It highlights some of the more significant items in the City's budget and addresses some of City Council's goals. The information following the Executive Summary has a considerable amount of detail for those who desire a more thorough review of the budget document.

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

In addition, budgets have been prepared for the Debt Service Fund, the Capital Projects Fund, the Solid Waste Enterprise Fund, the Utilities Enterprise Fund, the Fleet Management Internal Service Fund, and the Special Revenue 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 Proposed Budget in Brief**
 - **General Fund**
 - **Debt Service Fund**
 - **Capital Projects Fund**
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Executive Summary

Fiscal Year July 1, 2016 to June 30, 2017

Budget Message

April 11, 2016

Honorable Mayor and Members of City Council
Poquoson, Virginia:

Thank you for the opportunity to present the City Manager's Proposed Budget of FY 2017, submitted in accordance with Article V of the Poquoson City Charter.

Introduction:

The upcoming fiscal year (FY 2017) represents the City's second post-recessionary budget. As we prepare this budget for your consideration, I am pleased to report that at a little more than halfway through this current fiscal year our financial situation remains on a strong, solid foundation. Our reserves meet or exceed established guidelines, General Fund revenues overall are tracking as projected and all of our enterprise funds are healthy. As we look forward to next year, this budget continues to incorporate the guiding principles of the present budget: stable tax rates, strict adherence to the City Council's adopted financial guidelines, constrained new expenditures to stay within projected revenues, and relying on ongoing revenues to support ongoing expenses.

To assist me in developing the Recommended Budget I sought assistance from the City Department Heads and Constitutional Officers. In early December 2015, I facilitated a budget retreat with the staff leadership team. During this session the staff identified nineteen strategic budget priorities. In recognition of the fact that given our constrained resources funding the entire list would not be possible, the group worked together to identify its nine highest priority budget items. I used these nine strategic budget priority areas (unranked) along with the guiding principles outlined above to develop the Proposed FY 2017 Budget. For your reference the nine strategic budget priorities developed by the staff leadership team are:

- | | | |
|----------------------------|--------------------------------------|-------------------------|
| * City Base Budget | * School Base Budget | * Competitive Pay Scale |
| * Capital Maintenance | * TMDL (Federal Clean Water Mandate) | * Existing Needs |
| * Cost of Living Increases | * Capital Equipment Replacement | * Emerging Needs |

The City Manager's Proposed Budget Overview:

The proposed budget reflects all four of the guiding principles. The budget is constrained to stay within our projected revenue while maintaining stable tax rates. The budget was developed in accordance with all adopted financial policies. General Fund revenues are projected to increase in the coming fiscal year as a result of an improving economy and increased development.

Budget Message (Continued)

Strategic Budget Priority – City Base Budget: As part of the development process each base budget submission is carefully reviewed. Adjustments are made to specific line items to ensure that departments are able to continue to meet their respective departmental missions. Budgetary line items such as VRS, health insurance and changing utility costs are included in the base budget review. New initiatives and major new expenditure requests are reviewed separately and on a case-by-case basis. In most instances, due to our budgetary constraints, new initiatives are not included in the Proposed Budget.

Strategic Budget Priority – School Base Budget: As the Council is aware, decisions regarding specific line items and spending priorities of the School Division are the responsibility of the Superintendent and School Board. The School Division, like the City Government, must contend with base budget increases such as health insurance, VRS and utilities, the impacts of new State and Federal mandates, and the need for competitive pay scales for instructional and non-instructional staff in addition to other increases in certain specific line items to support the continued delivery of high quality education in Poquoson. To assist the School Division in meeting these needs this budget recommends increasing local support for the School Division's operating budget by \$175,000. This proposed funding, along with projected increased State and Federal funding, will allow the School Division to meet its base budget needs and to implement the first phase of its compensation plan next year which is consistent with the requested local support for the School Division in the Superintendent's Recommended Budget. The amount of local increase contained within the Recommended Budget is \$35,000 more, in terms of increase, than the current budget year's increase amount.

Strategic Budget Priorities – Cost-of-Living Adjustment and Competitive Pay Scale: There are three separate initiatives within the Proposed Budget that begin to address these priorities. The first is a recommended 2% cost-of-living Increase for all permanent full-time and part-time employees effective July 1st. The second initiative, which is related to the first, is a proposal for an additional 1% pay scale adjustment, also proposed to be effective July 1st. As the Council is aware, Poquoson's pay scales have traditionally been lower than most of the localities in Hampton Roads. This adjustment, though not enough to fully address the difficulties we have experienced with recruitment and retention, is a first step towards addressing this issue. More competitive pay scales will help us address the problems we are experiencing in hiring particularly in the areas of Police, Fire and Rescue and Public Works (our three largest departments) and will better position us for the significant turnover we expect in the next few years due to retirement.

The final initiative which also relates to making our pay structure more competitive and assisting us with retention is a proposed merit increase of 1% effective mid-year for all employees receiving a satisfactory or better performance rating. Like the scale adjustment, this initiative should be viewed as a first step. As the Council is aware most employees are hired at or near entry level. Absent a mechanism to advance them through the pay range, employees pool at the entry level of the pay scale such that an employee that was hired some years ago is paid at the same rate as a new hire. This compaction contributes to a significant morale problem which in turn contributes to our employee retention problems. Other local governments that we compete with for employees typically provide regular opportunities to move through their respective pay ranges during the course of their career.

Strategic Budget Priority – Capital Maintenance (and Replacement): Over the past few years we have begun the process of restoring the routine maintenance budget for City facilities. The Proposed Budget takes the next step in dealing with capital maintenance by incorporating three FY 2017 capital maintenance/replacement projects. These three projects are included in the recently adopted Capital Improvements Plan (CIP) and are recommended to be debt financed, with ongoing funding for debt service to be allocated through a dedication of a portion of the projected General Fund revenue increase. The three projects are HVAC improvements/repairs at the High School and Primary School and the replacement of the existing asphalt track at Poquoson High School. It is worth noting that all three projects have been part of the CIP for years, but due to recessionary pressures we have not been able to fund them.

Strategic Budget Priority – TMDL: The recommended budget, when combined with funds already appropriated for this Federal mandate, is sufficient to meet our projected requirements for FY 2017.

Budget Message (Continued)

Strategic Budget Priority – Existing Needs: There are three important new priorities proposed with this budget. The first is a Federal grant funded initiative to add two additional firefighter/medic positions. These two positions, in addition to the position added by the Council this fiscal year, will complete one year early the planned three year initiative to add one additional position to each fire and rescue shift. The purpose of this initiative was and is to help the City better meet the NFPA guidelines for fire response and to effectively increase minimum staffing per shift by one. The second existing need initiative is funding for the construction of a small public beach at Messick Point. This project like the three previously mentioned CIP projects is recommended for debt financing. The final initiative in this area is an increase in the financial support for PAWS. This increase is in recognition of the important and increasing role that PAWS is performing in assisting our community.

Strategic Budget Priority – Capital Equipment Replacement: This budget continues the practice of allocating one-time funds to help support the City's vehicle replacement program. Included in the budget is a recommendation to use the General Fund Balance for the replacement of a school bus and police car. Also, following the completion of the annual audit and the mid-year budget review, it is my intention to revisit the other FY 2017 vehicle replacement approved in FY 2017 in the CIP to determine if sufficient funding exists to allow us to replace one or more pieces of equipment for Public Works. Finally, this budget includes the addition of ongoing replacement funding for smaller equipment in the Public Works Department.

Strategic Budget Priority – Emerging Needs: Necessarily, making progress in the aforementioned priorities has come at the expense of new initiatives to address emerging issues or to fund new programs. In fact, the only true emerging issue priority funded by local tax dollars is an allocation to support the Poquoson Museum. In addition, this budget does recommend the mid-year addition of a fee-supported Building Inspector position. The exact timing of the proposed hiring will be dependent upon the anticipated construction projects that it will support. Council Members may recall the City reduced the Building Inspections staff at the onset of the recession due in part to a reduction in new construction.

General Observations and Conclusion: The FY 2017 budget development process has been unlike any other that I have been a part of in my time in Poquoson. Our focus has turned from reductions and recession to one of investment and priority. While the amount of new revenue growth could still be classified as modest, it is sufficient to begin to help us address longstanding challenges. The focus is on investing in our existing employees and those things that support them as well as investing in our School System rather than adding new services or programs at the expense of leaving existing needs and issues unaddressed.

As we look forward to FY 2018 and beyond I am encouraged. We have many challenges and opportunities ahead of us, few of which we will be able to fully address in any one year, but I believe that working together we will be able to make steady progress in those areas that are most important.

I look forward to working with the City Council as you begin your deliberations of the FY 2017 Proposed Budget. I would like to express my thanks to the members of my staff who have worked with me to prepare this budget proposal and to the Superintendent of Schools who has worked closely with me throughout this process. Last, but certainly not least, I would like to thank all the City and School staff for all that they do to support our community each and every day.

Respectfully,



James R. Wheeler
City Manager

The Adopted Budget in Brief

The total revenue budgeted for FY 2017 by fund is as follows:

General Operating Fund	\$27,076,188
Use of Fund Balance	<u>162,230</u>
General Operating Fund	27,238,418
Debt Service Fund	2,888,155
Use of Fund Balance	<u>101,336</u>
Debt Service Fund	2,989,491
Capital Projects Fund	1,498,520
Solid Waste Fund	843,338
Utilities Fund	2,130,430
Fleet Fund	725,758
Special Revenue Fund	<u>2,541,960</u>
Revenues & Transfers In	37,967,915
Less Interfund Transfers:	
Utilities Fund	(150,000)
Debt Service Fund	(2,888,155)
Capital Projects Fund	(173,000)
Solid Waste Fund	(50,000)
Total Revenues	<u>\$34,706,760</u>

The total expenditures budgeted for FY 2017 by fund is as follows:

General Operating Fund	\$27,238,418
Less Interfund transfers:	
Debt Service	(2,888,155)
Capital Projects	<u>(173,000)</u>
	(3,061,155)
Debt Service Fund	2,989,491
Capital Projects	1,498,520
Solid Waste Fund	843,338
Less Interfund transfers	
General Fund	(50,000)
Utilities Fund	2,130,430
Less Interfund transfers	
General Fund	(150,000)
Fleet Management Fund	725,758
Special Revenue Fund	<u>2,541,960</u>
Total Expenditures	<u>\$34,706,760</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 \$15,890,000 in real estate tax revenue in FY 2017. Real estate taxes are projected to increase \$190,000 or 1.2%. The following factors make up the change in real estate:

- Growth projections for FY 2017 are based on new homes and other improvements to be built throughout the year, or \$19,300,000 in new assessments. Growth will bring approximately \$111,500 of additional tax revenue during FY 2017.
- Fiscal year 2017 is not a reassessment year. The proposed real estate tax rate remains \$1.07 per \$100 of assessed value.

General Fund (Continued)

Revenues by Category: (Continued)

Public services corporation taxes are expected to be \$216,140 an increase of \$16,140.

Personal property taxes and the State Personal Property Tax Relief Act (PPTRA) are projected to be \$4,320,960, a \$47,525 increase from the FY 2016 estimate. PPTRA established a statewide program by which the Commonwealth of Virginia was to provide relief for owners of personal use motor vehicles from personal property taxation. Due to soaring costs associated with PPTRA, the 2004 and 2005 General Assembly sessions made significant changes to PPTRA. The changes include converting the program from an entitlement program to a block grant formula that caps statewide relief to local governments at \$950 million annually. The cap for Poquoson as identified by the State Auditor of Public Accounts for Personal Property Tax Relief is \$1,923,435.

The City adopted the “specific relief” method of computing and reflecting tax relief. The “specific relief” method allows a set single tax rate and applies tax relief at a specific percentage to each qualifying vehicle. One hundred percent of the personal property tax will continue to qualify for tax relief for qualifying personal use vehicles used for non-business purposes with a value of one thousand dollars (\$1,000) or less. Tax relief percentage will be at 55% for calendar year 2017.

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 2017. FY 2017 budget for local tax is \$2,397,525 and State non-categorical aid remains level at \$1,923,435.

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

The General Fund also realizes revenue from a variety of smaller local taxes such as local sales tax, communication sales and use tax, meals tax, consumer utility tax, and business licenses. The total of \$2,952,750 other local taxes accounts for 11% of total General Fund revenues and is expected to increase by \$82,750 or 2.9% from the FY 2016 budget. The proposed meals tax rate is 6%. The proposed cigarette tax rate is 20 cents.

Other local revenue totals \$502,000 and includes permits; licenses and fees; fines and forfeitures; interest on investments; rental of property; potential sale of property; and miscellaneous revenue.

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

General Fund (Continued)

The EMS Fee rate will remain the same as FY 2016. Revenue for EMS fees is expected to be \$255,000.

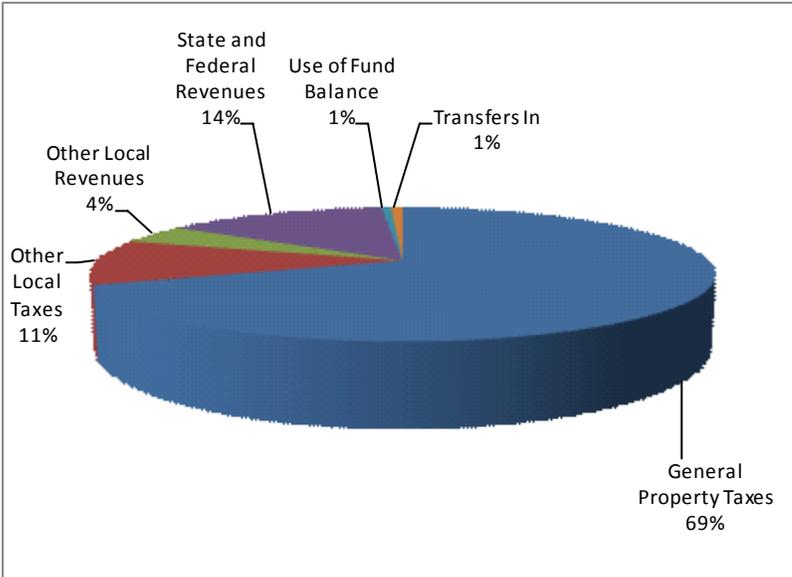
In FY 2017, revenue from parks and recreation programs is expected to be \$131,600. The pool revenue is expected to be \$71,250. The special events revenue is expected to be \$132,140, and \$10,800 in revenue is projected for the workboat race.

The total of all local revenue of taxes, licenses and fees is \$22,995,775.

State and Federal revenue is expected to be \$3,880,413 in FY 2017, a \$89,270 increase from the FY 2016 revised budget.

Transfers include \$150,000 from the Utilities Fund and \$50,000 from the Solid Waste Fund. These Funds reimburse the General Fund for services that are provided by the staff of the Engineering, Public Works, Treasurer and Finance Departments.

The FY 2017 budget uses \$19,230 from the General Fund restricted fund balance for 1/10 forgiveness of the Museum Deed of Trust note. Also \$20,000 for debt forgiveness for the relocation of a business to the City. The business must meet certain requirements before the debt is forgiven. If requirements are not met, the business is required to pay \$20,000 to reduce the debt. The remaining \$123,000 of unassigned fund balance is transfer to the Capital Projects fund for one time capital expenditures.



GENERAL FUND SOURCES OF REVENUE	
General Property Taxes	\$18,817,835
Other Local Taxes	2,952,750
Other Local Revenues	1,225,190
State and Federal Revenues	3,880,413
Use of Fund Balance	162,230
Transfers In	<u>200,000</u>
Total Revenues	<u>\$27,238,418</u>

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

General Fund (Continued)

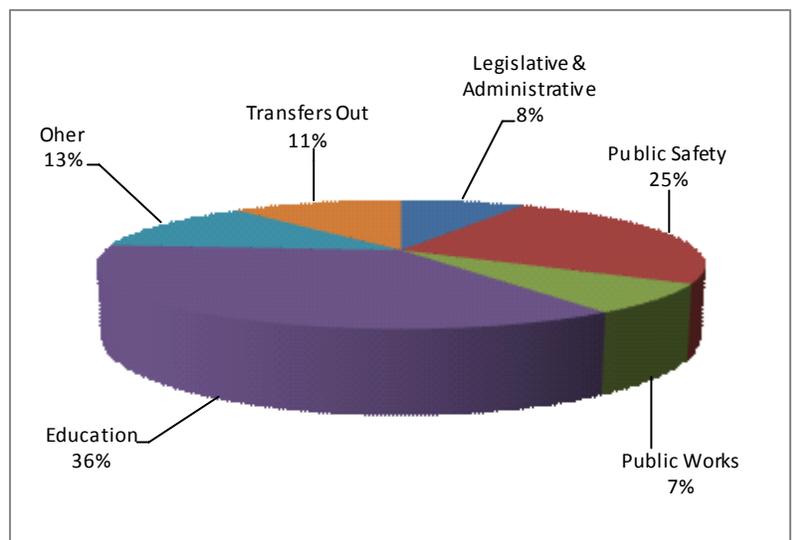
Expenditures By Category:

School Expenditures: The contribution to Schools accounts for 36% of the total General Fund budget. The FY 2017 budget includes an increase of \$175,000 to Schools, which fully funds the Superintendent’s FY 2017 request from the City. The School’s budget is based on an average daily membership of 2,014 students for the FY 2017 school year.

In the past the School Division has had unexpended transfers at the end of the year which was returned to the City. At the end of FY 2015, there was \$27,886 in unexpended transfers. These funds were reappropriated to the School Division in FY 2016. If there are unexpended transfers at the end of FY 2016, they may be reappropriated in FY 2017.

City Personnel Services: Employee salaries, overtime, and benefits account for personnel services. City personnel services are \$9,419,854 in FY 2017, a \$180,547 or 2.0% increase. Employee benefits account for 29% of personnel services. Health insurance premiums increased 7.6%.

GENERAL FUND EXPENDITURE USES	
Legislative & Administrative	\$2,231,051
Public Safety	6,792,344
Public Works	2,005,354
Education	9,740,403
Other	3,408,111
Transfers Out	<u>3,061,155</u>
Total Expenditures	<u>\$27,238,418</u>



General Fund Expenditure Uses

Uses	FY 2016	FY 2017	\$ Inc/(Dec)	% Inc/(Dec)
School	\$ 9,593,289	\$ 9,740,403	\$ 147,114	1.5%
City	18,449,800	17,498,015	(951,785)	(5.2%)
Total	\$ 28,043,089	\$ 27,238,418	\$ (804,671)	(2.9%)

General Fund Contribution to Schools

Category	FY 2016	FY 2017	\$ Inc/(Dec)	% Inc/(Dec)
School Contribution	\$ 9,565,403	\$ 9,740,403	\$ 175,000	1.8%
Reappropriation	27,886	-	(27,886)	(100%)
Total	\$ 9,593,289	\$ 9,740,403	\$ 147,114	1.5%

General Fund City Expenditures by Category

Category	FY 2016	FY 2017	\$ Inc/(Dec)	% Inc/(Dec)
Personnel Services	\$ 9,239,307	\$ 9,419,854	\$ 180,547	2.0%
Operations/Transfers	5,783,588	4,848,030	(935,558)	(16.2%)
Debt Service	3,095,610	2,888,155	(207,455)	(6.7%)
Capital Outlay	331,295	341,976	10,681	3.2%
Total	\$ 18,449,800	\$17,498,015	\$ (951,785)	(5.2%)

Expenditures By Category: (Continued)

City Operations/Transfers: The City's operational costs are \$4,675,030 and transfers are \$173,000 for a total of \$4,842,320 in FY 2017, a \$935,558 or 16.2% decrease.

Debt Service: In FY 2017, the City will transfer \$2,888,105 to the Debt Service Fund a decrease of \$207,455. The transfer is explained in the Debt Service Fund section.

Capital Outlay: The City's capital outlay for FY 2017 is \$341,976, a \$10,681 or 3.2% increase from FY 2016. This category consists of smaller capital outlay in various departments, including library books, computers, equipment, tools, fire hose, and vehicle.

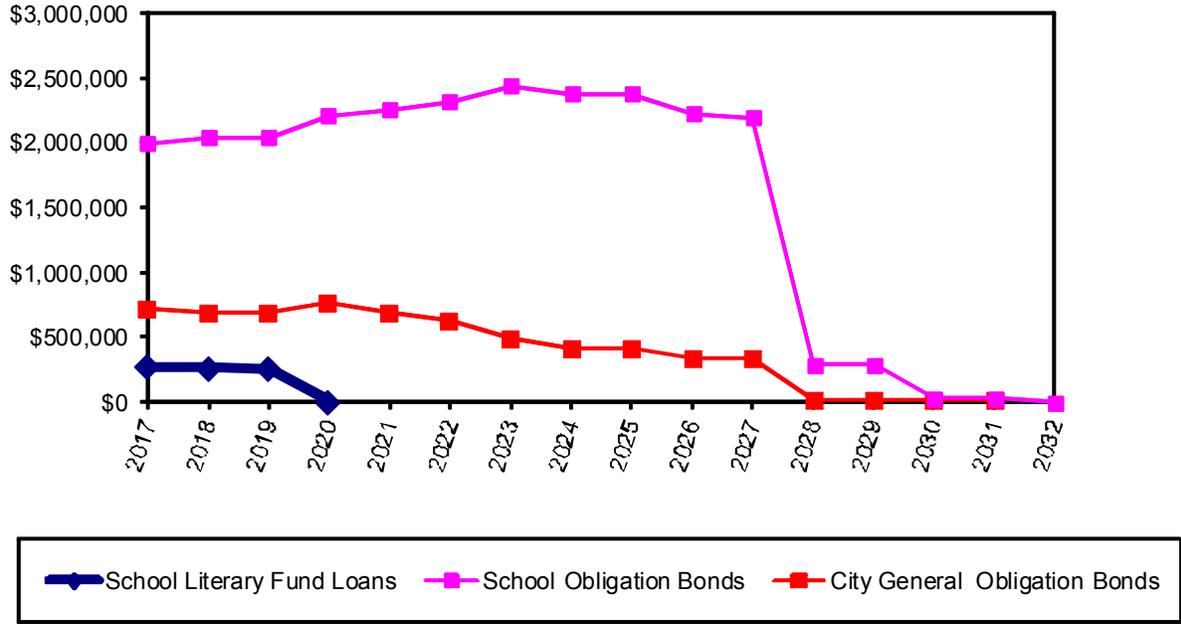
Expenditures By Category: (Continued)**Debt Service Fund**

DEBT SERVICE FUND USES	
School Debt	\$2,261,721
City Debt	<u>727,770</u>
Total	<u>\$2,989,491</u>

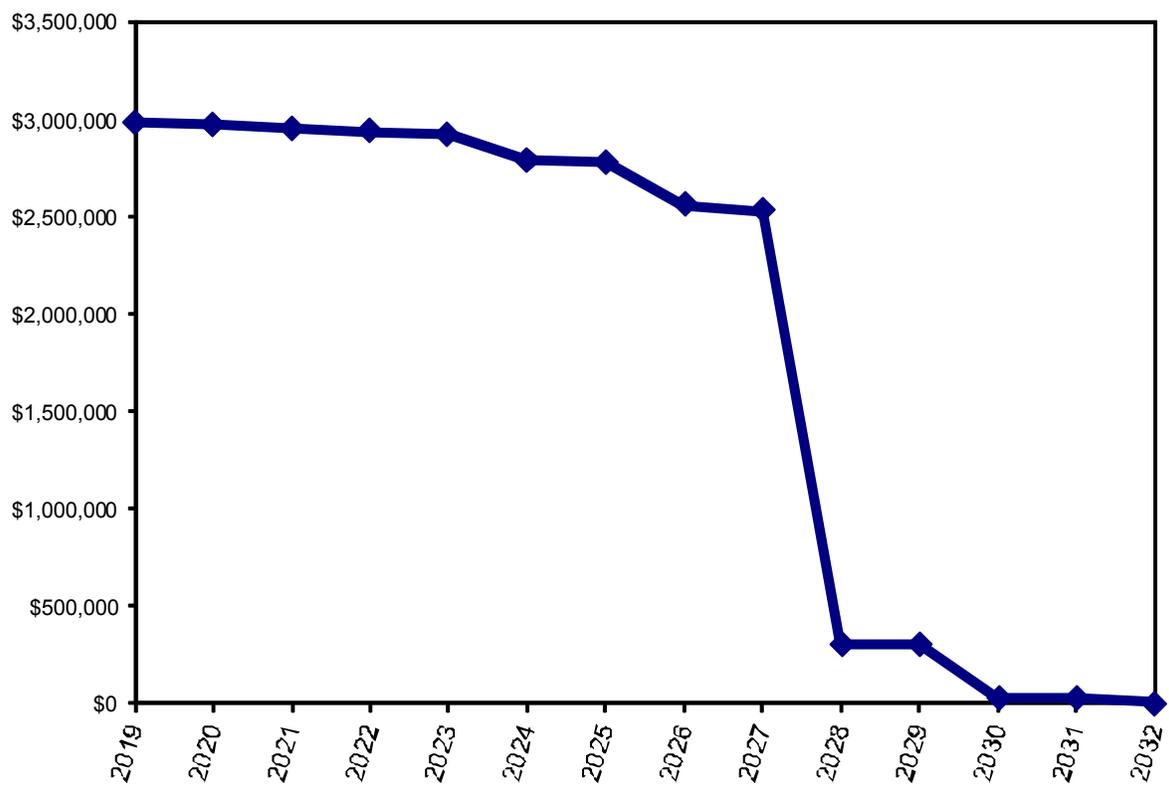
Debt Service Fund projected expenditures in FY 2017 are \$2,989,491 of which \$2,888,155 is transferred from the General Fund and the remaining \$101,336 is a planned use of the debt service reserves.

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

Debt Service By Type



Total Debt Service Fund



Capital Projects Fund

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

Capital Project revenues include \$565,520 in State Highway Funds for street and drainage improvements, Bond proceeds of \$760,000 and a transfer of \$173,000 from the General Fund. The FY 2017 - Beyond FY 2021 Capital Improvements Plan (CIP) prepared by staff was presented to the Poquoson Planning Commission on February 18, 2016 and the Commission recommended its adoption. City Council adopted the CIP on February 22, 2016.

Total FY 2017 year expenditures for the Capital Projects Fund are \$1,498,520. Unspent funds from FY 2016 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	\$565,520
Transfer from the General Fund	173,000
Bond proceeds	<u>760,000</u>
Total	<u>\$1,498,520</u>

CAPITAL PROJECTS FUND EXPENDITURE USES	
Street Paving	\$379,900
Drainage Projects	65,000
TMDL/Stormwater	50,000
Ditch Piping	120,620
Police Vehicles	38,000
School Projects	670,000
Messick Point Beach	125,000
Cost of Issuance	<u>50,000</u>
Total	<u>\$1,498,520</u>

Solid Waste Fund

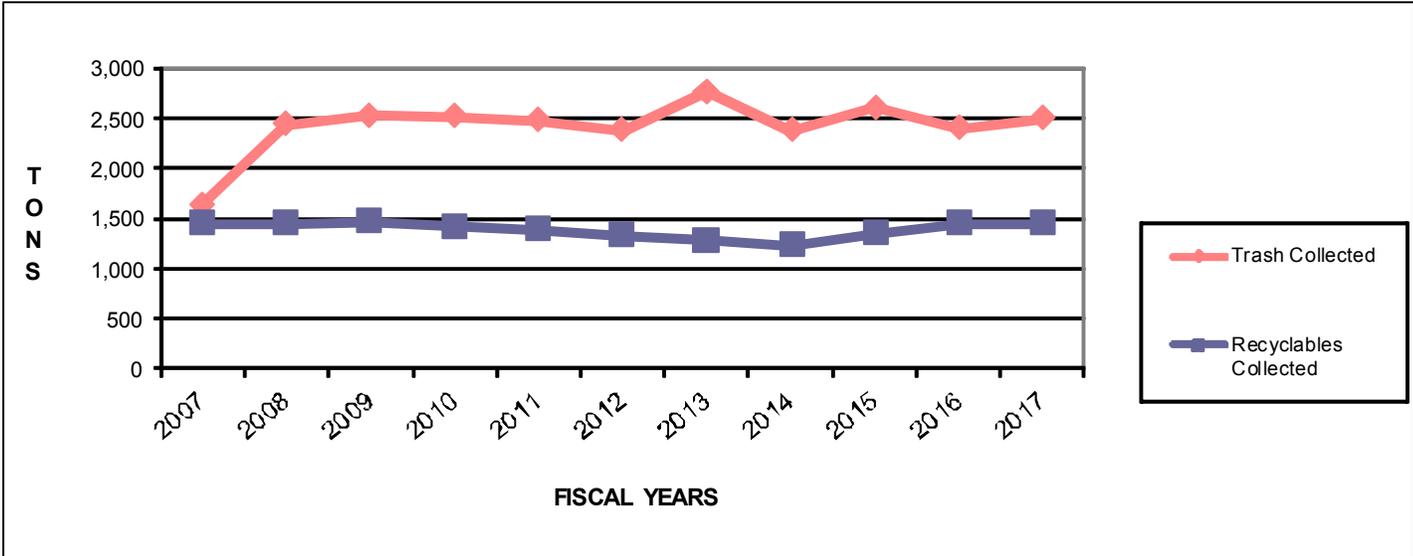
The Solid Waste Fund is an enterprise fund which accounts for the collection, disposal, and recycling of household and municipal solid waste, residential hazardous materials, bulky items, and landscaping debris. The projected revenues for FY 2017 are \$843,338. The proposed budget does not propose a change in the fee structure.

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

The City provides curbside pickup services for woody waste at a rate of \$60 per pickup and bulky waste item pickup at a rate of \$63. Each household gets one free bulk item or landscape curbside pickup each year. The fee is intended to cover a small portion of the cost incurred in picking up landscaping debris and bulky items, not to cover the cost of the programs. Residents may also take their landscaping debris to the VPPSA regional composting facility located at the York County landfill at no charge to the resident. The City is estimated to pay VPPSA \$34,700 to operate the composting/disposal facility in FY 2017.

In FY 2011, the City began a program whereby residents of the City may drop off their bulky and landscaping debris at a temporary convenience site on two Saturdays a month. There is no charge for this service. Also in FY 2011, the City began a leaf pickup program. During the months of November through February, residents may put their leaves at curbside to be picked up by the City as long as the requirements of packing the leaves are met.

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



Solid Waste Fund (continued)

SOLID WASTE

SOURCES OF REVENUE

Solid Waste Fees	\$811,338
Bag Fees	23,000
Landscaping & Bulky Item Charges	<u>9,000</u>
Total	<u>\$843,338</u>

SOLID WASTE

EXPENDITURE USES

Personnel Services	\$ 93,775
Garbage Disposal	391,000
Recycling	93,172
Bulky Item/Landscaping	104,700
Hazardous Material	23,000
Other Costs	87,691
Transfer to General Fund	<u>50,000</u>
Total	<u>\$843,338</u>

Utilities Fund

The Utilities Fund is operated as an enterprise fund and provides for the maintenance of sewer lines and pump stations. The FY 2017 budget is \$2,130,430, which is \$237,030 or 12.5% more than the FY 2016 budget.

Each household that is available to sewer, pays a fee whether connected to the system or not unless a waiver is granted by City Council. The proposed sewer service fee remains at \$62 bi-monthly for FY 2017. The proposed 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 33% of the expenditures in the Utilities Fund covers debt service on various improvements and extension of the sewer system. \$691,441 is for maintenance and capital needs. Personnel services accounts for 15% of expenditures and includes salaries and benefits for 4 full time employees for FY 2017.

- ◆ 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	\$1,860,430
Sewer Availability Fee	210,000
Other	<u>30,000</u>
Total	<u>\$2,130,430</u>

UTILITIES EXPENDITURE USES	
Personnel Services	\$ 314,047
Operating Expenses	267,871
Debt Service	707,071
Capital Outlay	691,441
Transfer to General Fund	<u>150,000</u>
Total	<u>\$2,130,430</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 \$725,758 in FY 2017, a \$30,758 decrease from the FY 2016 budget. Decreases are expected in fuel costs.

FLEET MANAGEMENT SOURCES OF REVENUE

Parts and Contracted Services	\$210,510
Garage Labor and Overhead	227,497
Gas and Oil Revenues	<u>287,751</u>
Total	<u>\$725,758</u>

FLEET MANAGEMENT EXPENSE USES

Personnel Services	\$262,069
Fuel and Lubricants	227,497
Parts and Contractors	162,510
Other	<u>73,682</u>
Total	<u>\$725,758</u>

Special Revenue Fund

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

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

SPECIAL REVENUE FUND SOURCES OF REVENUE

Federal Grants	\$2,016,040
State Grants	420,736
Grant Local Match	<u>105,184</u>
Total	<u>\$2,541,960</u>

SPECIAL REVENUE FUND EXPENSE USES

HMGP #4042	\$1,138,240
HMGP #4072	965,441
FMA 2014-001	<u>438,279</u>
Total	<u>\$2,541,960</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 two additional have been proposed and are funded in anticipation of receiving a grant, the City is still well below National Fire Protection Association recommendations for staffing of firefighter/paramedics. There is also a need for a human resources manager. This position is not funded in the budget. Staffing may not be adequate in Public Works and Mosquito Control for drainage and street repair. There is additional funding for a 3% increase in employee salaries. While this gets the salaries closer to the area pay scales, it does not adequately address compensation. Lastly, should development activity increase in the future, the City will need to reassess its staffing to meet increased service requirements.

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 subscriptions. While this budget has addressed some replacements of capital equipment, vehicles and small computer equipment it still does not fund these capital outlays to the extent needed by the departments. A maintenance program for existing aging facilities has not been budgeted to the extent necessary. This budget does use ongoing revenue to fund debt supported capital projects, but it still uses a small portion of fund balance to fund some smaller projects.

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, 2015. 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 sixth 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 2017 Annual Financial Plan to the GFOA to determine eligibility for another award.

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THE BUDGET PROCESS IN POQUOSON

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

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

Departmental budget and agency requests are submitted to the Finance Department in mid-January. The Finance Department reviews the budget with the Departments. Every line item in a departmental budget must be fully justified.

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

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

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

BUDGET POLICIES

The following brief summary of financial and budgetary principles and policies serve to guide the City in developing the Annual Financial Plan. The major components are as follows:

Financial Planning Policies

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

Long-Range Planning: Budgets will be adopted annually, taking into consideration input from all organizational levels of the City. The Planning Commission recommends the Capital Improvement Plan (CIP); the document then goes to City Council for approval. Approved capital projects are included in the annual budget document to the extent funds are available. The long-term revenue, expenditure, and service

THE BUDGET PROCESS IN POQUOSON

implications of continuing or ending existing programs or adding new programs, services, and debt will be considered while formulating budgets annually. The City will assess the condition of all major capital assets, including buildings, roads, sewer lines, vehicles, and equipment annually.

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

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

Revenue Policies

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

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

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

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

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

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

Expenditure Policies

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

THE BUDGET PROCESS IN POQUOSON

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

Fund Balance Reserve

Fund Balance reflects the accumulation of excess revenues over expenditures. The City adopted the current fund balance policy in FY 2010. The Unassigned General Fund balance at the close of the fiscal year shall be no less than 12% - 15% of the total General Fund expenditures. The City will also begin to build a fiscal stability reserve of at least \$1 million. This unobligated portion of fund balance provides sufficient working capital for the City and serves as a "rainy day" fund for emergencies or unforeseen circumstances.

Debt Policy

The objective of the City's debt policy is to maintain the City's ability to incur present and future debt at the lowest interest rates in amounts needed for financing the adopted Capital Improvement Program without adversely affecting the City's ability to finance essential City services. During FY 2010, the City adopted three debt policies to help ensure and promote long term financial stability. The City's tax supported debt service as a percentage of General government expenditures should not exceed 10%, the tax supported debt of the City shall not exceed 3% of the total assessed value and the City shall retire at least 50% of the principle amount of the City's tax supported debt within 10 years. The City does not issue long-term debt to finance current operations.

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

Investment Policy

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

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

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

THE BUDGET PROCESS IN POQUOSON

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

BUDGET AMENDMENT PROCESS

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

ORGANIZATION OF BUDGET

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

Governmental Funds

- * **General Fund:** Used to account for all revenues and expenditures applicable to the general operations of the City, which are not accounted for in other funds.
- * **Debt Service Fund:** Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- * **Capital Projects Fund:** Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary funds.)
- * **Special Revenue Fund:** 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 tax rates.

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

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

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 a five-year period. The plan is reviewed and updated annually. Early in the budget process, the plan is reviewed by the Poquoson Planning Commission. Once the CIP is adopted by the Planning Commission, the document then goes to City Council for approval. Projects in the CIP are incorporated into the Annual Financial Plan to the extent funds are available.

The FY 2017 – Beyond FY 2021 CIP was prepared by staff and presented to the Poquoson Planning Commission on February 18, 2016. The Planning Commission held a Public Hearing on the Plan and recommended its adoption. The Plan was submitted to City Council on February 22, 2016 and after conducting a public hearing the plan was adopted by City Council.

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

OPERATIONS/ACCOUNTING STRUCTURE

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

FY 2017 BUDGET CALENDAR

DECEMBER 2015

- 9 Wednesday Budget letter request mailed to Outside Agencies.
- 9 Wednesday Budget preparation instructions distributed to Department Heads Including FY 2014 and FY 2015 Actual Expenses, FY 2016 Revised Budget and FY 2017 Request Departmental Budgets.
- 9 Wednesday Department Head Budget Retreat.

JANUARY 2016

- 11 Monday FY 2017 Departmental Expenditure Budget Requests due to Finance.
- 11 Monday FY 2017 Outside Agency budget requests due.
- 11 Monday Finance begins review of Departmental Budget Requests.
- 14 Thursday Advertise Pre-Budget Public Hearing on January 25, 2016.
- 25 Monday FY 2017 Pre-Budget work session and Public Hearing.
- 27 Wednesday Departmental Budget meetings with City Manager and Finance Director begins.

FEBRUARY 2016

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

MARCH 2016

- 7 Monday Final adjustments by Finance Department and City Manager to FY 2017 Proposed Revenue and Expenditures.
- 15 Tuesday School Board work session in which Superintendent's proposed budget is presented if not presented in February.
- 31 Thursday School Board approved budget forwarded to City Council.

APRIL 2016

- 7 Thursday Proposed Budget FY 2017 Budget distributed to City Council Members.
- 11 Monday Presentation to City Council and public of proposed real estate and personal property tax rate and fees for FY 2017.
- 14 Thursday Publish notice of April 18, 2016 Budget Public Hearing and proposed tax rates and fees.

FY 2017 BUDGET CALENDAR

25 Monday Public Hearing on Budget at City Council Meeting. Budget Work Session prior to Council Meeting. Joint work session with Schools.

MAY 2016

9 Monday Adoption of FY 2017 Budget at City Council meeting.

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SUMMARY OF TAX RATES AND FEES

	FY 2014 Approved	FY 2015 Approved	FY 2016 Approved	FY 2017 Approved
General Fund Taxes and Fees				
Real Estate Tax	\$0.97/\$100 AV	\$1.07/\$100 AV	\$1.07/\$100 AV	\$1.07/\$100 AV
Public Service Corporation	\$0.97/\$100 AV	\$1.07/\$100 AV	\$1.07/\$100 AV	\$1.07/\$100 AV
Personal Property Tax				
Automobile	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV
Boat	\$.75/\$100 AV 1st half	\$.00001/\$100 AV 1st half	\$.00001/\$100 AV 1st half	\$.00001/\$100 AV 1st half
Boat	\$.00001/\$100 AV 2nd half			
Trailer (Utility, Boat, etc.)	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV	\$4.15/\$100 AV
Recreation Vehicle	\$1.50/\$100 AV	\$1.50/\$100 AV	\$1.50/\$100 AV	\$1.50/\$100 AV
Mobile Home	\$0.92/\$100 AV 1st Half	\$0.92/\$100 AV 1st Half	\$1.07/\$100 AV 1st Half	\$1.07/\$100 AV 1st Half
Mobile Home	\$0.97/\$100 AV 2nd Half	\$1.07/\$100 AV 2nd Half	\$1.07/\$100 AV 2nd Half	\$1.07/\$100 AV 2nd Half
Local Sales Tax	6.0%	6.0%	6.0%	6.0%
Meals Tax (food and beverage)	6.0%	6.0%	6.0%	6.0%
Consumer Utility Tax				
Commercial	\$10	\$10	\$10	\$10
Residential	\$3	\$3	\$3	\$3
Cigarette Tax	\$.20 per pack	\$.20 per pack	\$.20 per pack	\$.20 per pack
Recovery (EMS) Fees:				
BLS	\$430	\$430	\$430	\$430
ALS	\$525	\$525	\$525	\$525
ALS-2	\$750	\$750	\$750	\$750
Mileage	\$9.00	\$9.00	\$9.00	\$9.00
Parks & Recreation Fees:**				
Youth Athletics	\$60 - \$65	\$60 - \$65	\$60 - \$65	\$65 - \$70
Adult Athletics	\$220 - \$600/team	\$220 - \$600/team	\$220 - \$400/team	\$235 - \$400/team
Camps	\$65 - \$120	\$75 - \$120	\$75 - \$120	\$75 - \$225
Exercise Classes	\$48 - \$65	\$48 - \$65	\$48 - \$65	\$48 - \$65
Pool Admission	\$1 - \$5	\$1 - \$5	\$1 - \$5	\$3 - \$5
Swimming Lessons	\$25- 55	\$25 - \$55	\$25 - \$55	\$30 - \$60
Swim Team - Summer	\$160	\$160	\$160	\$165
Swim Team - Winter	\$160 - \$390	\$160 - \$390	\$160 - \$390	\$200 - \$400
Pool Passes	\$30 - \$55	\$30 - \$55	\$30 - \$55	\$35 - \$55

**Additional Non-Resident Fees Apply

SUMMARY OF TAX RATES AND FEES

	FY 2014 Approved	FY 2015 Approved	FY 2016 Approved	FY 2017 Approved
Facility Use Fees:				
Community Designated	\$10 resident	\$10 resident	\$10 resident	\$10 resident
Groups per member	\$20 non-resident	\$20 non-resident	\$20 non-resident	\$20 non-resident
Non-Community Groups (based on field location/lights/time)	\$20 - \$110 per hour			
DMV Commission				
1st \$500,000 of gross collection	4.5%	4.5%	4.5%	4.5%
over \$500,000 of gross collection	5.0%	5.0%	5.0%	5.0%
<u>Solid Waste Fund Fees</u>				
Bag Fees	\$1.75 per bag	\$1.75 per bag	\$1.75 per bag	\$1.75 per bag
Container/Cart--monthly fee	Fee based on Size			
Landscaping Debris Charges	\$60 per pickup	\$60 per pickup	**\$60 per pickup	**\$60 per pickup
Bulky Item Pickup	1 free/yr; then \$63 ea	1 free/yr; then \$63 ea	**\$63 per pickup	**\$63 per pickup
Drop-Off of Debris or Bulky	Free	Free	Free	Free
<u>Utilities Fund Fees</u>				
Sewer Service Fees				
Commercial	\$62 bi-monthly plus \$1.75/hcf	\$62 bi-monthly plus \$1.75/hcf	\$62 bi-monthly plus \$1.75/hcf	\$62 bi-monthly plus \$1.75/hcf
Residential	\$62 bi-monthly	\$62 bi-monthly	\$62 bi-monthly	\$62 bi-monthly
Sewer Availability Fees	\$6,000 per vacant lot	\$6,000 per vacant lot	\$6,000 per vacant lot	\$6,000 per vacant lot

Note: The Personal Property tax is billed at calendar year rate.

***Rate changes are shown in bold.**

** Homeowner receives one free pickup per year, either Landscaping Debris or Bulky Item

AV = Assessed Valuation

SC = Service Charge

hcf = 100 cubic feet

PERSONNEL POSITIONS

Departments and Funds	FY 2014 Authorized FTE	FY 2015 Authorized FTE	FY 2016 Authorized FTE	FY 2017 Dept Head Request FTE	FY 2017 City Council Authorized FTE
City Council	0.40	0.40	0.40	0.40	0.40
City Manager	3.80	3.80	3.80	4.80	4.80
Commissioner of the Revenue	4.00	4.00	4.00	4.00	4.00
Assessor	2.00	2.00	2.00	2.00	2.00
Treasurer	4.00	4.00	4.00	4.00	4.00
Finance	4.00	4.00	4.00	4.00	4.00
Registrar	2.10	2.10	2.10	2.10	2.10
Police -- Sworn Officers	23.50	23.50	24.50	24.50	24.50
Police -- Civilian	1.00	1.00	1.50	1.50	1.50
Fire	30.00	30.00	31.00	33.00	33.00
Inspections	3.75	3.75	3.75	4.75	4.75
Engineering	1.00	1.00	2.00	2.00	2.00
Public Works	17.10	17.50	17.50	17.50	17.50
Mosquito Control	2.00	2.00	2.00	2.00	2.00
Parks and Recreation Programs	3.80	3.80	3.80	3.80	3.80
Parks and Recreation Pool	5.00	5.00	5.00	5.00	5.00
Parks and Recreation Special Event:	1.00	1.00	1.00	1.00	1.00
Library	11.95	11.95	11.95	12.95	12.95
Planning	4.00	4.00	4.00	4.75	4.00
Economic Development	1.00	1.00	1.00	1.00	1.00
DMV Select	2.00	2.00	2.00	2.00	2.00
Total General Fund	127.40	127.80	131.30	137.05	136.30
Solid Waste	1.00	1.00	1.00	1.00	1.00
Utilities	4.00	4.00	4.00	4.00	4.00
Fleet Management	3.50	3.50	3.50	3.50	3.50
Total Departments and Funds	135.90	136.30	139.80	145.55	144.80

SUMMARY OF REVENUES AND TRANSFERS IN BY FUND

Fund	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Revised Budget	FY 2017 Dept Head Requested Budget	FY 2017 City Council Adopted Budget
General Fund	\$ 25,017,664	\$ 26,934,313	\$ 26,832,705	\$ 28,043,089	\$ 28,011,954	\$ 27,238,418
Debt Service	2,075,858	2,800,575	2,910,512	3,205,547	2,989,491	2,989,491
Capital Projects	756,368	1,352,725	880,000	3,090,072	1,498,520	1,498,520
Special Revenue	46,518	10,743	2,300,636	2,799,419	2,541,960	2,541,960
Solid Waste Enterprise	752,535	796,972	831,825	831,825	843,338	843,338
Utilities Enterprise	1,925,558	1,903,615	1,893,400	1,893,400	2,130,430	2,130,430
Fleet Management Internal Service	783,144	699,207	756,516	756,516	725,758	725,758
TOTAL REVENUE AND TRANSFERS	31,357,645	34,498,150	36,405,594	40,619,868	38,741,451	37,967,915
Less: Interfund Transfers	2,324,958	3,795,075	3,365,575	4,203,485	3,334,614	3,261,155
TOTAL REVENUE	\$ 29,032,687	\$ 30,703,075	\$ 33,040,019	\$ 36,416,383	\$ 35,406,837	\$ 34,706,760

SUMMARY OF EXPENDITURES AND TRANSFERS OUT BY FUND

Fund	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Revised Budget	FY 2017 Dept Head Requested Budget	FY 2017 City Council Adopted Budget
General Fund	\$ 24,657,226	\$ 26,943,876	\$ 26,832,705	\$ 28,043,089	\$ 28,011,954	\$ 27,238,418
Debt Service	2,077,458	2,627,062	2,910,512	3,205,547	2,989,491	2,989,491
Capital Projects	991,003	822,462	880,000	3,090,072	1,498,520	1,498,520
Special Revenue	46,641	13,677	2,300,636	2,799,419	2,541,960	2,541,960
Solid Waste Enterprise	891,826	746,243	831,825	831,825	843,338	843,338
Utilities Enterprise	1,733,592	1,670,881	1,893,400	1,893,400	2,130,430	2,130,430
Fleet Management Internal Service	925,309	721,696	756,516	756,516	725,758	725,758
TOTAL EXPENDITURES AND TRANSFERS	31,323,055	33,545,897	36,405,594	40,619,868	38,741,451	37,967,915
Less: Interfund Transfers	2,324,958	3,795,075	3,365,575	4,203,485	3,334,614	3,261,155
TOTAL EXPENDITURES	\$ 28,998,097	\$ 29,750,822	\$ 33,040,019	\$ 36,416,383	\$ 35,406,837	\$ 34,706,760

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY

Revenues		Expenditures	
General Fund			
General Property Taxes	\$ 18,817,835	Personnel Services	\$ 6,679,810
Other Local Taxes	2,952,750	Employee Benefits	2,740,044
Permits Licenses & Fees	196,700	Purchased Services	1,088,328
Fines & Forfeitures	57,500	Internal Services	425,976
Use of Money & Property	186,800	Other Charges	1,403,480
Charges for Services	723,190	Contributions to Agencies	136,923
Miscellaneous Revenue	61,000	Materials & Supplies	191,822
State Non-Categorical Aid	2,056,435	Payment to Joint Operations	1,428,501
State Categorical Aid	233,455	Capital Outlay	341,976
State Other Categorical Aid	1,485,023	Transfer to Debt Service Fund	2,888,155
Federal Revenue	105,500	Transfer to Capital Projects Fund	173,000
Transfer from Sewer Fund	150,000	School Contribution	<u>9,740,403</u>
Transfer from Solid Waste Fund	50,000		
Transfer from Fund Balance	<u>162,230</u>		
Total	<u>\$ 27,238,418</u>	Total	<u>\$ 27,238,418</u>
Debt Service Fund			
Transfer from General Fund	\$ 2,888,155	City Debt Service	\$ 727,770
Use of Reserve	<u>101,336</u>	School Debt Service	<u>2,261,721</u>
Total	<u>\$ 2,989,491</u>	Total	<u>\$ 2,989,491</u>
Capital Projects Fund			
State Revenue	\$ 565,520	City Capital Outlay	\$ 828,520
Bond Proceeds	760,000	School Projects	<u>670,000</u>
Transfer from General Fund	<u>173,000</u>		
Total	<u>\$ 1,498,520</u>	Total	<u>\$ 1,498,520</u>
Special Revenue Fund			
HMGP Federal Grants	\$ 2,016,040	Other Charges	\$ 2,541,960
HMGP State Grants	420,736		
HMGP Grant Local Match	105,184		
Total	<u>\$ 2,541,960</u>	Total	<u>\$ 2,541,960</u>
Solid Waste Fund			
Charges for Services - Solid Waste Fees	\$ 811,338	Personnel Services	\$ 60,462
Charges for Services - Other	<u>32,000</u>	Employee Benefits	33,313
		Purchased Services	479,800
		Internal Services	46,546
		Other Charges	13,650
		Materials & Supplies	8,695
		Payment to Joint Operations	150,872
		Transfer to General Fund	<u>50,000</u>
Total	<u>\$ 843,338</u>	Total	<u>\$ 843,338</u>

SUMMARY OF REVENUES AND EXPENDITURES BY CATEGORY

Revenues		Expenditures	
Utilities Fund			
Charges for Services - Sewer Service Fees	\$ 1,860,430	Personnel Services	\$ 210,148
Sewer Availability Fees	240,000	Employee Benefits	103,899
Late Payment Fees	<u>30,000</u>	Purchased Services	107,650
		Internal Services	36,571
		Other Charges	113,450
		Materials & Supplies	10,200
		Debt Service	691,441
		Transfer to General Fund	150,000
		Capital Outlay	<u>707,071</u>
Total	<u>\$ 2,130,430</u>	Total	<u>\$ 2,130,430</u>

Fleet Fund			
Internal Service Revenue - City	\$ 510,090	Personnel Services	\$ 163,214
Internal Service Revenue - Schools	<u>215,668</u>	Employee Benefits	98,855
		Purchased Services	53,580
		Other Charges	12,502
		Materials & Supplies	392,107
		Capital Outlay	<u>5,500</u>
Total	<u>\$ 725,758</u>	Total	<u>\$ 725,758</u>

SUMMARY OF FUND BALANCE OR NET ASSETS BY FUND

	General Fund	Debt Service	Capital Projects Fund	Solid Waste Fund	Utilities Fund	Fleet Management Fund	Special Revenue Fund
Beginning Fund Balance - 7/1/2013	\$ 7,241,333	\$ 245,937	\$ 1,051,780	\$ 375,346	\$ 5,489,058	\$ 17,517	\$ 94,197
Actual FY 2014 Revenues	25,017,664	2,075,858	756,368	752,535	1,925,558	783,144	46,518
Actual FY 2014 Expenditures	(24,657,226)	(2,077,458)	(991,003)	(891,826)	(1,733,592)	(925,309)	(46,641)
Ending Fund Balance - 6/30/2014	\$ 7,601,771	\$ 244,337	\$ 817,145	\$ 236,055	\$ 5,681,024	\$ (124,648)	\$ 94,074
Beginning Fund Balance - 7/1/2014	7,601,771	244,337	817,145	236,055	5,681,024	(124,648)	94,074
Actual FY 2015 Revenues	26,934,313	2,800,575	1,352,725	796,972	1,903,615	699,207	10,743
Actual FY 2015 Expenditures	(26,843,876)	(2,627,062)	(822,462)	(746,243)	(1,670,881)	(721,696)	(13,677)
Ending Fund Balance - 6/30/2015	\$ 7,692,208	\$ 417,850	\$ 1,347,408	\$ 286,784	\$ 5,913,758	\$ (147,137)	\$ 91,140
Beginning Fund Balance - 7/1/2015	7,692,208	417,850	1,347,408	286,784	5,913,758	(147,137)	91,140
Estimated FY 2016 Revenues	26,669,207	3,095,610	1,747,716	831,825	1,893,400	756,516	257,460
Estimated FY 2016 Expenditures	(28,043,089)	(3,205,547)	(2,209,888)	(831,825)	(1,893,400)	(756,516)	(257,460)
Projected Fund Balance - 6/30/2016	\$ 6,318,326	\$ 307,913	\$ 885,236	\$ 286,784	\$ 5,913,758	\$ (147,137)	\$ 91,140
Beginning Fund Balance - 7/1/2016	6,318,326	307,913	885,236	286,784	5,913,758	(147,137)	91,140
Estimated FY 2017 Revenues	27,076,188	2,888,155	1,498,520	843,338	2,130,430	725,758	2,541,960
Estimated FY 2017 Expenditures	(27,238,418)	(2,989,491)	(2,377,123)	(843,338)	(2,130,430)	(725,758)	(2,541,960)
Projected Fund Balance - 6/30/2017	\$ 6,156,096	\$ 206,577	\$ 6,633	\$ 286,784	\$ 5,913,758	\$ (147,137)	\$ 91,140

Note: Included in the General Fund projected fund balance is a note receivable from the Poquoson Economic Development Authority with a projected balance of \$1,684,587 at 6/30/17.

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.

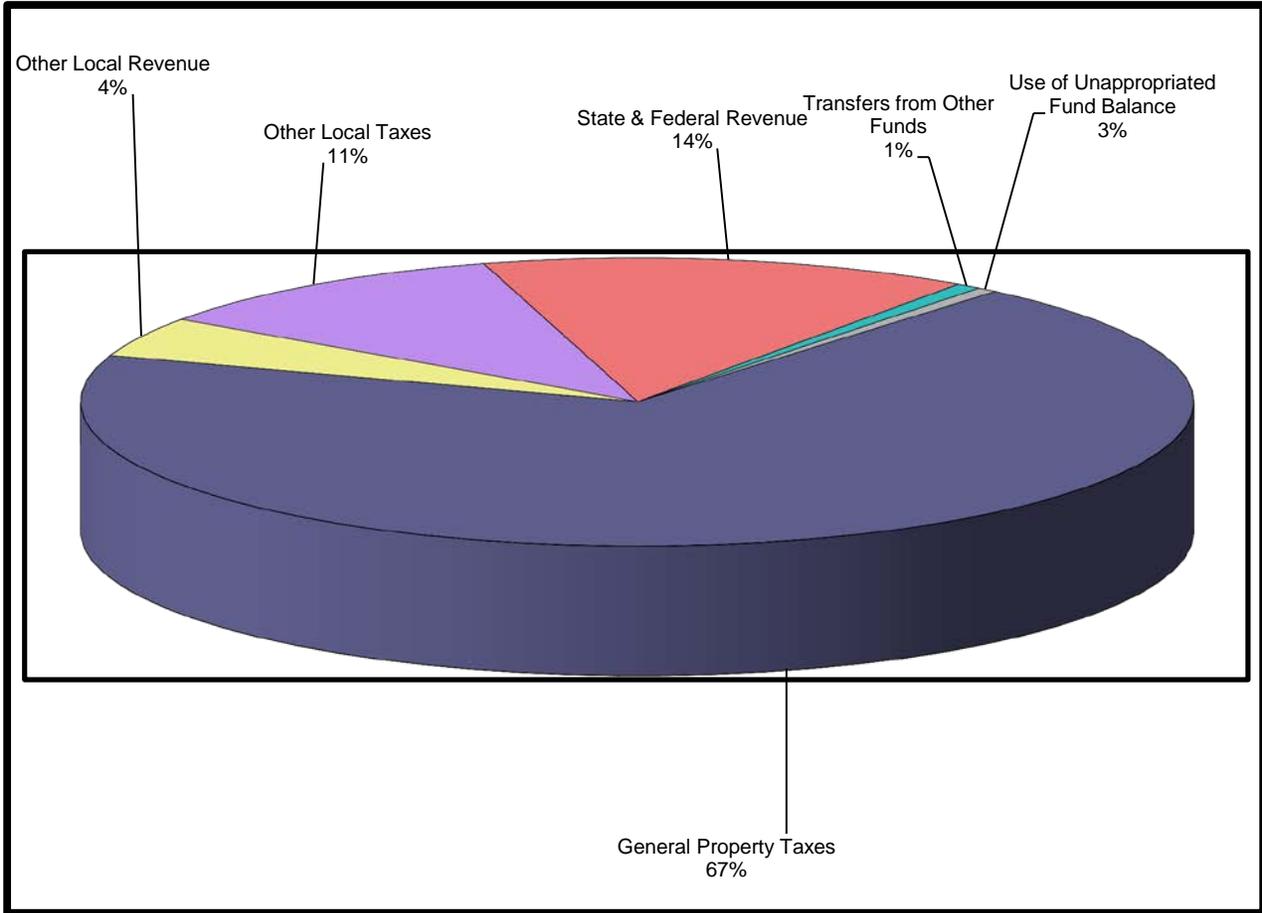
General Fund Projection of Fund Balance (Budgetary Basis)

Beginning Fund Balance - 6/30/2013		\$ 7,241,333
Actual FY 2014 Revenues	\$ 25,017,664	
Actual FY 2014 Expenditures	<u>(24,657,226)</u>	<u>360,438</u>
Fund Balance - 6/30/2014		\$ 7,601,771
Actual FY 2015 Revenues	\$ 26,934,313	
Actual FY 2015 Expenditures	<u>(26,843,876)</u>	<u>90,437</u>
Fund Balance - 6/30/2015		\$ 7,692,208
Estimated FY 2016 Revenues	\$ 26,669,207	
Estimated FY 2016 Expenditures	<u>(28,043,089)</u>	<u>(1,373,882)</u>
Estimated Fund Balance - 6/30/2016		\$ 6,318,326
Estimated FY 2017 Revenues	\$ 27,076,188	
Estimated FY 2017 Expenditures	<u>(27,238,418)</u>	<u>(162,230)</u>
Projected Fund Balance - 6/30/2017		<u><u>\$ 6,156,096</u></u>

Note: The estimated fund balance at 6/30/17 includes a note receivable estimated to be \$1,684,587 from the Poquoson Economic Development Authority.

GENERAL FUND - SUMMARY

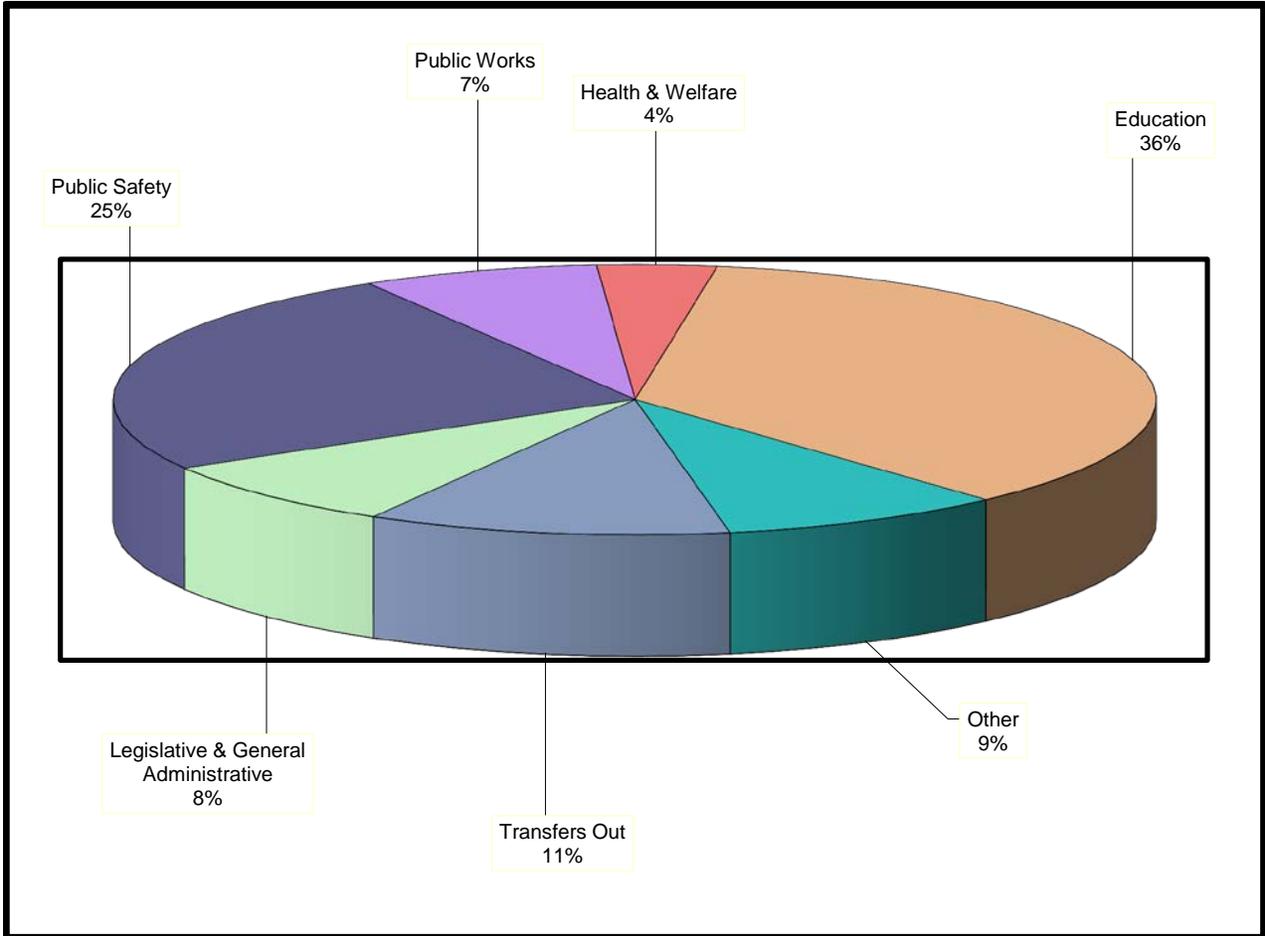
General Fund Revenue



<u>General Fund Revenue</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
General Property Taxes	\$ 18,515,000	\$ 18,817,835
Other Local Revenue	1,343,067	1,225,190
Other Local Taxes	2,870,000	2,952,750
State & Federal Revenue	3,791,140	3,880,413
Transfers from Other Funds	150,000	200,000
Use of Unappropriated Fund Balance	1,373,882	162,230
TOTAL	<u>\$ 28,043,089</u>	<u>\$ 27,238,418</u>

GENERAL FUND - SUMMARY

General Fund Expenditures



<u>General Fund Expenditures</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Legislative & General Administrative	\$ 2,259,611	\$ 2,231,051
Public Safety	6,793,610	6,792,344
Public Works	1,942,334	2,005,354
Health & Welfare	1,005,968	1,007,561
Education	9,593,289	9,740,403
Other	2,394,792	2,400,550
Transfers Out	4,053,485	3,061,155
TOTAL	\$ 28,043,089	\$ 27,238,418

GENERAL FUND REVENUE SUMMARY

General Fund Revenues Summary								\$	%
	FY 2014	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	Change	From
Account Title	Actual	Actual	Original	Revised	Estimated	Department	City Council	From 2016	2016
			Adopted	Budget	Revenue	Requested	Adopted	Revised	Revised
			Budget	Budget		Budget	Budget	Budget	Budget
LOCAL REVENUE:									
<u>GENERAL PROPERTY TAXES</u>									
Real Estate-Current Tax	\$ 14,119,106	\$ 15,631,222	\$ 15,700,000	\$ 15,700,000	\$ 15,700,000	\$ 15,890,000	\$ 15,890,000	\$190,000	1.2%
Delinquent Real Estate Taxes	146,439	96,501	90,000	90,000	90,000	90,000	90,000	\$0	0.0%
Public Service Corp.	194,774	199,633	200,000	200,000	200,000	216,140	216,140	16,140	8.1%
Personal Property-Current Tax	2,302,517	2,324,790	2,350,000	2,350,000	2,350,000	2,397,525	2,397,525	47,525	2.0%
Delinquent Personal Property Taxes	37,702	50,344	40,000	40,000	40,000	40,000	40,000	-	0.0%
Penalties and Interest	158,886	123,100	135,000	135,000	135,000	184,170	184,170	49,170	36.4%
TOTAL GENERAL PROPERTY TAXES	16,959,424	18,425,590	18,515,000	18,515,000	18,515,000	18,817,835	18,817,835	302,835	1.6%
<u>OTHER LOCAL TAXES</u>									
Local Sales Tax	587,316	606,763	610,000	610,000	610,000	637,480	637,480	27,480	4.5%
Communications Sales & Use Tax	414,082	413,456	420,000	420,000	420,000	415,000	415,000	(5,000)	-1.2%
Meals Tax	728,757	747,032	730,000	730,000	730,000	769,410	769,410	39,410	5.4%
Consumer Utility Tax	290,806	293,721	288,000	288,000	288,000	299,600	299,600	11,600	4.0%
Consumption Tax	42,035	43,028	41,000	41,000	41,000	44,440	44,440	3,440	8.4%
Business License Tax	414,043	430,219	419,000	419,000	419,000	427,380	427,380	8,380	2.0%
Cigarette Tax	115,793	100,873	95,000	95,000	95,000	95,000	95,000	-	0.0%
Other Local Taxes	211,929	271,196	267,000	267,000	267,000	264,440	264,440	(2,560)	-1.0%
TOTAL OTHER LOCAL TAXES	2,804,761	2,906,288	2,870,000	2,870,000	2,870,000	2,952,750	2,952,750	82,750	2.9%
TOTAL PERMITS, LICENSES & FEES	89,911	168,314	78,900	78,900	78,900	196,700	196,700	117,800	149.3%
TOTAL FINES & FORFEITURES	73,024	44,898	56,500	56,500	56,500	57,500	57,500	1,000	1.8%
<u>USE OF MONEY & PROPERTY</u>									
Interest on Investments	10,130	11,989	10,000	10,000	10,000	10,000	10,000	-	0.0%
Rental of Property	178,463	188,762	168,800	168,800	168,000	176,800	176,800	8,000	4.7%
TOTAL USE OF MONEY & PROPERTY	188,593	200,751	178,800	178,800	178,800	186,800	186,800	8,000	4.5%
<u>CHARGES FOR SERVICES</u>									
Other Charges for Services	348,146	389,214	371,200	371,200	371,200	377,400	377,400	6,200	1.7%
Parks & Recreation Programs	131,976	128,449	134,500	134,500	134,500	131,600	131,600	(2,900)	-2.2%
Parks & Recreation Pool Programs	68,834	73,230	74,050	74,050	74,050	71,250	71,250	(2,800)	-3.8%
Parks & Recreation Special Events	111,235	123,266	117,190	117,190	117,190	132,140	132,140	14,950	12.8%
Workboat Race	17,773	16,115	16,115	16,115	16,115	10,800	10,800	(5,315)	-33.0%
TOTAL CHARGES FOR SERVICES	677,964	730,274	713,055	713,055	713,055	723,190	723,190	10,135	1.4%
TOTAL MISCELLANEOUS REVENUE	133,949	187,212	310,000	315,812	315,812	61,000	61,000	(254,812)	-80.7%
TOTAL LOCAL REVENUE	\$ 20,927,626	\$ 22,663,327	\$ 22,722,255	\$ 22,728,067	\$ 22,728,067	\$ 22,995,775	\$ 22,995,775	\$ 267,708	1.2%

GENERAL FUND REVENUE SUMMARY

General Fund Revenues Summary								\$	%
	FY 2014	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	Change	From
Account Title	Actual	Actual	Original	Revised	Estimated	Department	City Council	From 2016	2016
			Adopted	Budget	Revenue	Requested	Adopted	Revised	Revised
			Budget	Budget		Budget	Budget	Budget	Budget
STATE REVENUE:									
<u>NON-CATEGORICAL AID</u>									
PPTRA AID	\$ 1,923,431	\$ 1,923,431	\$ 1,923,435	\$ 1,923,435	\$ 1,923,435	\$ 1,923,435	\$ 1,923,435	\$ -	0.0%
DMV Commission	123,533	111,635	120,000	120,000	120,000	121,000	121,000	1,000	0.8%
Reimbursement to Commonwealth	-	(18,828)	-	-	-	-	-	-	n/a
Mobile Home Titling	36,080	17,264	10,000	10,000	10,000	10,000	12,000	2,000	20.0%
TOTAL NON-CATEGORICAL AID	2,083,044	2,033,502	2,053,435	2,053,435	2,053,435	2,054,435	2,056,435	3,000	0.1%
<u>CATEGORICAL AID</u>									
TOTAL SHARED EXPENSES	227,638	228,453	228,250	228,250	228,250	233,455	233,455	5,205	2.3%
<u>OTHER CATEGORICAL AID:</u>									
State 599 Funds (Police)	233,204	233,204	233,207	233,207	233,207	235,000	240,710	7,503	3.2%
Street & Highway Maintenance	840,000	880,000	880,000	880,000	880,000	880,000	880,000	-	0.0%
Library Aid	140,376	142,089	140,734	140,734	140,734	140,429	144,998	4,264	3.0%
Children's Services Act	167,827	222,957	172,500	172,500	172,500	172,500	172,500	-	0.0%
Police Grants	10,390	3,645	-	2,440	2,440	-	-	(2,440)	-100.0%
Fire and EMS Grants	49,939	50,652	45,294	45,294	45,294	46,815	46,815	1,521	3.4%
Other State Revenue	15,387	5,417	-	6,427	6,427	-	-	(6,427)	-100.0%
TOTAL OTHER CATEGORICAL AID	1,457,123	1,537,964	1,471,735	1,480,602	1,480,602	1,474,744	1,485,023	4,421	0.3%
TOTAL CATEGORICAL AID	1,684,761	1,766,417	1,699,985	1,708,852	1,708,852	1,708,199	1,718,478	9,626	0.6%
TOTAL STATE REVENUE	3,767,805	3,799,919	3,753,420	3,762,287	3,762,287	3,762,634	3,774,913	12,626	0.3%
FEDERAL REVENUE:									
Police Grants	104,951	10,571	-	18,553	18,553	-	-	(18,553)	-100.0%
Plum Tree Island Refuge	2,769	2,592	2,500	2,500	2,500	2,500	2,500	-	0.0%
Fire Grants	-	-	-	-	-	51,350	102,700	102,700	100.0%
DHS and Citizen Corps Grants	83,680	15,706	-	7,500	7,500	-	-	(7,500)	-100.0%
Other Federal Revenue	833	141	300	300	300	300	300	0	0.0%
TOTAL FEDERAL REVENUE	192,233	29,010	2,800	28,853	28,853	54,150	105,500	76,647	265.6%
TOTAL GENERAL FUND REVENUE	24,887,664	26,492,256	26,478,475	26,519,207	26,519,207	26,812,559	26,876,188	356,981	1.3%
TRANSFERS IN:									
Transfer from Sewer Fund	130,000	150,000	150,000	150,000	150,000	150,000	150,000	-	0.0%
Transfer from Solid Waste	-	-	-	-	-	50,000	50,000	50,000	100.0%
Sale of Bonds	-	292,057	-	-	-	-	-	-	n/a
Transfer from Revenue Stabilization	-	-	-	295,035	295,035	-	-	(295,035)	-100.0%
Transfer from Fund Balance	-	-	204,230	1,078,847	1,078,847	999,395	162,230	(916,617)	-85.0%
TOTAL TRANSFERS IN	130,000	442,057	354,230	1,523,882	1,523,882	1,199,395	362,230	(1,161,652)	-76.2%
TOTAL REVENUE & TRANSFERS IN	\$ 25,017,664	\$ 26,934,313	\$ 26,832,705	\$ 28,043,089	\$ 28,043,089	\$ 28,011,954	\$ 27,238,418	\$ (804,671)	-2.9%

REVENUE DETAIL

LOCAL REVENUE

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

REAL ESTATE TAX:

The real estate property tax on residential, commercial land and buildings in the City is proposed at a rate of \$1.07 per \$100 of assessed value. Each cent of tax brings approximately \$151,000 of revenue to the City.

The tax rate is applied to the assessed value of individual property, as determined by the Real Estate Assessor during the assessment. The Commonwealth of Virginia requires localities to assess real property at 100% of fair market value. FY 2017 is not a reassessment year. Tax rate and value are effective July 1, 2016.

Residential growth projections in FY 2017 are based on new houses and other residential improvements and commercial improvements estimated in value at \$19,300,000, to be built throughout the year. This will bring approximately \$236,225 in additional tax revenue during FY 2017.

FY 2017 Real Estate Revised Budget Estimate	\$16,078,484
Tax Relief and Deferral	(300,000)
FY 2017 Residential growth on new assessments of new homes and other improvements	<u>111,516</u>
FY 2017 Real Estate Budget	<u>\$15,890,000</u>

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

PUBLIC SERVICE CORPORATION TAXES:

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

Public service corporations are taxed at the same rate as real estate. The State Corporation Commission assesses public service corporations and the city estimates that assessments will be \$19,600,000 in FY 2017.

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 2017 budget, the adopted tax rate for automobiles is based on a \$4.15 tax rate per \$100 of assessed value; for recreational vehicles a \$1.50 tax rate per \$100 of assessed value and \$0.00001 for boats. Mobile homes are assessed as personal property on a calendar year basis, and taxed at the proposed real estate rate of \$1.07 per \$100 of assessed value. The low value in the ABOS book is used to determine the assessment for boats.

The FY 2017 personal property tax revenue is \$4,320,960 a \$47,525 increase over the FY 2016 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 2016.

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 2017. The break out between local taxes and state aid is as follows for FY 2017 Personal Property tax revenue.

<u>Local Taxes</u>	<u>State Aid</u>	<u>Total</u>
\$ 2,397,525	\$ 1,923,435	\$ 4,320,960

REVENUE DETAIL

LOCAL SALES TAX:

The general Virginia State Sales Tax rate is 5.3% and an additional 0.7% imposed in localities that make up the Northern Virginia and Hampton Roads areas. Poquoson is one of the Hampton Roads localities. The State returns to the City 1% of the sales tax collected within the City of Poquoson. In FY 2017, it is expected to be \$637,480 or an increase of \$27,480 from FY 2016. This projection is based on commercial retail sales in the City.

MEALS TAX:

The meals tax rate for FY 2017 is 6%. This tax has been imposed on all prepared food and beverages sold in the City since FY 2002. In FY 2017, revenue is expected to increase from the FY 2016 budget by \$39,410 for a total of \$769,410.

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 2017, it is expected to decrease by \$5,000 to \$415,000.

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 \$299,600 for FY 2017.

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 \$44,440 for FY 2017.

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 2017 is expected to increase by \$8,380, to \$427,380.

CIGARETTE TAX:

This tax is based on a rate of 20 cents per pack. This tax went into effect October 1, 2001. The amount budgeted for FY 2017 is expected to be \$95,000.

REVENUE DETAIL

OTHER LOCAL TAXES:

Included in this category are:

Bank Franchise Tax	\$ 38,000
Recordation Tax	193,800
Deed of Conveyance	<u>32,640</u>
	<u>\$264,440</u>

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

Recordation Tax represents fees paid to record any document with the Circuit Court. The Deed of Conveyance is a fee that is charged by the Clerk of the York/Poquoson Circuit Court for recording land transfers.

PERMITS, LICENSES, AND FEES:

Included in this category of revenue are:

Dog Licenses	\$ 5,200
Subdivision Plan Review Fees	18,000
Zoning Advertising Fees	2,000
Building Permits	40,000
Electrical Permits	12,000
Plumbing Permits	10,000
Mechanical Permits	15,000
Erosion and Sediment Fees	50,000
Right-of-Way Permits	2,500
Drainage Pipe Permits	1,000
Other Fees	<u>41,000</u>
	<u>\$ 196,700</u>

In FY 2017, this represents an increase of \$117,800 from the FY 2016 budget due to expected new developments.

FINES AND FORFEITURES:

This represents fines for violation of local ordinances upon conviction. The amount budgeted for FY 2017 is \$57,500, a slight increase of \$1,000.

INTEREST ON INVESTMENTS:

For FY 2017 revenue of \$10,000 is anticipated to remain level from the FY 2016 budget.

REVENUE DETAIL

RENTAL OF PROPERTY:

The City rents property to the School Board for administrative office space in City Hall. In FY 2017, 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 \$145,000 for tower rental for communications companies to place their towers on City property. The rental of the Odd Road Community Center is expected to remain level at \$2,500. Messick Point pier rental is expected to be \$3,000 for FY 2017.

CHARGES FOR SERVICES:

Included in this category of revenue are:

EMS Fees	\$255,000
Library Fees/Test Proctor	21,400
Passport Processing	50,000
School Maintenance	45,000
Copying Charges	<u>6,000</u>
	<u>\$377,400</u>

EMS fees are charges for ambulance services. The City began charging for ambulance services in October 2009. The rates charged in FY 2017 is the same as FY 2016 and are similar to rates charged by some of the surrounding localities. The FY 2017 revenue is expected to remain level at \$255,000.

Library fees are book fines, etc. that are charged to patrons for returning items late and Test Proctor fees are to administer on-line tests to patrons. Locally, the Library issues Passports and the Passport Processing fees are expected to increase in FY 2017 to \$50,000 for the service.

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

CHARGES FOR SERVICES – PARKS AND RECREATION:

Parks & Recreation Programs	\$131,600
Pool Programs	71,250
Special Events	132,140
Workboat Race	<u>10,800</u>
	<u>\$345,790</u>

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

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

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

REVENUE DETAIL

MISCELLANEOUS REVENUE:

Miscellaneous Revenue includes:

CSA Reimbursement	\$ 5,000
Sale of Real Property	50,000
Miscellaneous	<u>6,000</u>
	<u>\$ 61,000</u>

Sale of Real Property in the amount of \$50,000 is for the portion of the sale of the Big Woods property, expected to take place in FY 2017.

Miscellaneous revenue in prior years included donations and insurance recoveries.

STATE REVENUE

NON-CATEGORICAL AID:

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

Personal Property Tax Relief Act	\$1,923,435
Mobile Home Titling	12,000
DMV Reimbursement	<u>121,000</u>
	<u>\$2,056,435</u>

Total personal property in FY 2017 is \$4,320,960. Of this amount, \$2,397,525 is recorded as general property taxes and \$1,923,435 is recorded as State Non-Categorical Aid. Personal Property is expected to increase by \$47,525; however, the revenue from the State will remain level.

The City opened a Department of Motor Vehicles – Select office (DMV) on January 2, 2002. As part of the City's agreement with DMV, the City receives a commission of 4.5% of the first \$500,000 of gross collections and 5% on gross collection over \$500,000. It is projected the City will receive \$121,000 for FY 2017. The office staff salaries and the majority of office expenses are paid by the City. The total DMV Select expenditure budget is \$104,670.

REVENUE DETAIL

CATEGORICAL AID - SHARED EXPENSES:

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

The FY 2017 budget of \$228,250 is expected to increase from FY 2016 budget based on estimated information received from the State Compensation Board.

The revenues are:

Commissioner of the Revenue	\$ 104,225
Treasurer	94,230
Registrar	<u>35,000</u>
	<u>\$233,455</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 2017 is anticipated to be \$240,710, a slight increase of \$7,503.

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 \$1,445,520 in FY 2017 for Street and Highway Maintenance funding, which is approximately the same as FY 2016. In the General Fund, \$880,000 is budgeted for Public Works and Mosquito Control departments and \$565,520 is budgeted in the Capital Projects Fund to be used for paving and drainage projects.

Library Aid is provided on a per capita basis for the operation of the public library. State money must be expended either for book purchases or partial funding of Library professional employees' salaries. The amount the City estimates in FY 2017 is \$144,998.

Children's Services Act (CSA, formerly known as Comprehensive Services Act) funds are provided to partially fund mandated foster care and special education expenses. The State contribution is expected to be \$172,500 and a local cost of \$57,500 for a total of \$230,000 for CSA expenditures.

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

FEDERAL REVENUE

CATEGORICAL AID:

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

REVENUE DETAIL

TRANSFERS IN

The Utilities Fund reimburses the General Fund for expenses incurred in the overall administration of the sewer system. In FY 2017 \$150,000 will be transferred for this purpose. The Solid Waste Fund reimburses the General Fund for expenses incurred for administration of the City's solid waste programs offered in the amount of \$50,000.

A total use of Fund Balance in the amount of \$162,230 has been budgeted for \$123,000 of one time capital expenditures in the Capital Projects Fund. The use of the Non Spendable Fund Balance in the amount of \$19,230 is the fifth year of a 10 year forgiveness of the Poquoson Museum debt as well as \$20,000 decrease in a deed of trust note used to relocate a business to the City provided the business meets certain goals.

GENERAL FUND EXPENDITURES SUMMARY

General Fund Expenditures Summary

Account Title	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$	%
							Change From 2016 Revised Budget	Change From 2016 Revised Budget
LEGISLATIVE								
City Council	\$ 65,461	\$ 64,253	\$ 65,444	\$ 65,444	\$ 67,710	\$ 66,990	\$ 1,546	2.4%
GENERAL ADMINISTRATION								
City Manager	414,968	440,833	432,345	432,345	504,224	458,920	26,575	6.1%
Legal Services	118,036	114,731	108,754	108,754	118,285	118,285	9,531	8.8%
Independent Auditor	32,110	39,252	45,900	45,900	49,000	49,000	3,100	6.8%
Commissioner of the Revenue	293,935	302,733	306,337	306,337	317,494	296,140	(10,197)	-3.3%
Assessor/Equalization Board	175,024	184,243	188,452	188,452	198,701	192,596	4,144	2.2%
Treasurer	312,227	315,209	321,748	321,748	339,678	327,676	5,928	1.8%
Finance	356,940	380,850	392,296	392,296	416,415	407,302	15,006	3.8%
Technology	68,860	124,108	75,200	75,200	95,200	95,200	20,000	26.6%
Risk Management	148,570	66,431	53,039	165,121	55,762	55,760	(109,361)	-66.2%
TOTAL ADMINISTRATION	1,920,670	1,968,390	1,924,071	2,036,153	2,094,759	2,000,879	(35,274)	-1.7%
ELECTIONS								
Registrar/Electoral Board	143,612	150,641	158,014	158,014	169,825	163,182	5,168	3.3%
PUBLIC SAFETY								
Courts and Sheriff	438,790	442,334	467,753	467,753	464,652	464,652	(3,101)	-0.7%
Police	2,722,090	2,561,452	2,678,485	2,710,474	2,776,582	2,646,789	(63,685)	-2.3%
Fire	2,496,027	2,675,424	2,686,239	2,847,410	2,993,484	2,905,078	57,668	2.0%
Corrections & Detention	321,787	373,297	395,240	395,240	372,662	372,662	(22,578)	-5.7%
Inspections	278,786	270,481	266,102	266,102	332,951	299,063	32,961	12.4%
Animal Control	115,865	113,175	106,631	106,631	124,000	104,100	(2,531)	-2.4%
TOTAL PUBLIC SAFETY	6,373,345	6,436,163	6,600,450	6,793,610	7,064,331	6,792,344	(1,266)	0.0%
PUBLIC WORKS								
Engineering	110,717	115,284	207,813	207,813	231,248	196,940	(10,873)	-5.2%
Public Works	1,389,455	1,442,187	1,460,470	1,460,470	1,595,923	1,535,895	75,425	5.2%
Street Lights	81,656	79,914	81,000	81,000	82,000	82,000	1,000	1.2%
Facilities	146,018	193,015	193,051	193,051	196,419	190,519	(2,532)	-1.3%
TOTAL PUBLIC WORKS	1,727,846	1,830,400	1,942,334	1,942,334	2,105,590	2,005,354	63,020	3.2%
HEALTH & WELFARE								
Health Department	36,891	35,781	35,761	35,761	36,831	36,831	1,070	3.0%
Mosquito Control	241,643	218,809	248,403	248,403	250,039	231,701	(16,702)	-6.7%
Mental Health	201,320	218,497	223,982	223,982	231,159	231,159	7,177	3.2%
Welfare/Social Services	457,998	560,048	497,822	497,822	507,870	507,870	10,048	2.0%
TOTAL HEALTH & WELFARE	\$ 937,852	\$ 1,033,135	\$ 1,005,968	\$ 1,005,968	\$ 1,025,899	\$ 1,007,561	\$ 1,593	0.2%

GENERAL FUND EXPENDITURES SUMMARY

General Fund Expenditures Summary

Account Title	FY 2014 Actual	FY 2015 Actual	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
			Original Adopted Budget	Revised Budget	Department Request Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
EDUCATION								
School Contribution	\$ 8,950,159	\$ 9,397,518	\$ 9,565,403	\$ 9,565,403	\$ 9,765,403	\$ 9,740,403	\$ 175,000	1.8%
Reappropriation	41,254	25,245	-	27,886	-	-	(27,886)	-100.0%
TOTAL EDUCATION	8,991,413	9,422,763	9,565,403	9,593,289	9,765,403	9,740,403	147,114	1.5%
PARKS, RECREATION & CULTURAL								
Parks & Recreation Programs	388,412	406,536	433,801	433,801	467,756	447,270	13,469	3.1%
Parks & Recreation Pool	109,943	123,072	123,368	123,368	137,505	126,800	3,432	2.8%
Parks & Recreation Special Events	208,936	219,645	222,464	222,464	229,062	210,468	(11,996)	-5.4%
Library	835,134	855,887	868,860	882,243	869,630	855,198	(27,045)	-3.1%
TOTAL PARKS, REC & CULTURAL	1,542,425	1,605,140	1,648,493	1,661,876	1,703,953	1,639,736	(22,140)	-1.3%
COMMUNITY DEVELOPMENT								
Planning	305,770	317,514	324,936	324,936	352,052	341,650	16,714	5.1%
Planning/BZA/Wetlands/ARB	6,402	3,791	6,200	6,200	8,700	8,700	2,500	40.3%
Economic Development	123,724	117,027	133,492	133,492	188,690	146,281	12,789	9.6%
Community Development	127,173	128,391	125,422	151,385	173,369	136,923	(14,462)	-9.6%
TOTAL COMMUNITY DEVELOPMENT	563,069	566,723	590,050	616,013	722,811	633,554	17,541	2.8%
NON-DEPARTMENTAL								
Non-Departmental	17,513	15,232	9,758	9,758	50,000	22,590	12,832	131.5%
DMV Select	102,649	105,961	107,145	107,145	107,059	104,670	(2,475)	-2.3%
TOTAL NON-DEPARTMENTAL	120,162	121,193	116,903	116,903	157,059	127,260	10,357	8.9%
TRANSFERS OUT								
Debt Service Fund	2,075,858	2,800,575	2,800,575	3,095,610	2,961,614	2,888,155	(207,455)	-6.7%
Capital Projects Fund	101,100	844,500	415,000	957,875	173,000	173,000	(784,875)	-81.9%
Economic Development Authority	74,413	-	-	-	-	-	-	n/a
Special Revenue Fund	15,000	-	-	-	-	-	-	n/a
Utilities Fund	2,000	-	-	-	-	-	-	n/a
Fleet Fund	3,000	-	-	-	-	-	-	n/a
TOTAL TRANSFERS OUT	2,271,371	3,645,075	3,215,575	4,053,485	3,134,614	3,061,155	(992,330)	-24.5%
TOTAL GENERAL FUND	\$ 24,657,226	\$ 26,843,876	\$ 26,832,705	\$ 28,043,089	\$ 28,011,954	\$ 27,238,418	\$ (804,671)	-2.9%

CITY COUNCIL

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 49,671	\$ 51,035	\$ 51,277	\$ 51,277	\$ 52,910	\$ 52,190	\$ 913	1.8%
Operating Expenses	15,790	13,218	14,167	14,167	14,800	14,800	633	4.5%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 65,461	\$ 64,253	\$ 65,444	\$ 65,444	\$ 67,710	\$ 66,990	\$ 1,546	2.4%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
City Clerk	0.4	0.4	0.4	0.4	0.4
Totals	0.4	0.4	0.4	0.4	0.4

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



Goals and Objectives

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

CITY COUNCIL

Major Departmental Functions

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

Performance Measures

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Regular Meetings	18	18	18	18
Work Sessions	8	10	10	10
Special Sessions	0	2	0	0

Significant Budget Items

- * Slight increase in operating expenses.

CITY MANAGER

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 392,471	\$ 410,223	\$ 412,495	\$ 412,495	\$ 482,824	\$ 437,520	\$ 25,025	6.1%
Operating Expenses	22,373	29,683	19,850	19,850	21,400	21,400	1,550	7.8%
Capital Outlay	124	927	-	-	-	-	-	n/a
Totals	\$ 414,968	\$ 440,833	\$ 432,345	\$ 432,345	\$ 504,224	\$ 458,920	\$ 26,575	6.1%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
City Manager	1	1	1	1	1
Assistant City Manager	0.6	0.6	0.6	0.6	0.6
Assistant to the City Manager	1	1	1	1	1
Executive Assistant	1	1	1	1	1
Intern	0	0	0	1	1
Part-time (FTE)	0.2	0.2	0.2	0.2	0.2
Totals	3.8	3.8	3.8	4.8	4.8



Goals and Objectives

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

CITY MANAGER

Major Departmental Functions

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



Significant Budget Items

- * Additional expenses in personnel services for a Graduate Management Assistant to work on various projects in the City Manager's Office.

LEGAL SERVICES

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	n/a
Operating Expenses	115,491	112,196	106,554	106,554	116,085	116,085	9,531	8.8%
Capital Outlay	2,545	2,535	2,200	2,200	2,200	2,200	-	0.0%
Totals	\$ 118,036	\$ 114,731	\$ 108,754	\$ 108,754	\$ 118,285	\$ 118,285	\$ 9,531	8.8%

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

- * Increase in operating expenses is due to a 3.5% increase in the yearly City Attorney payment and additional anticipated outside legal services.

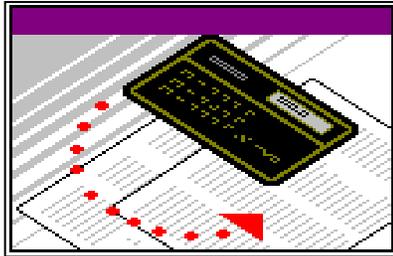
INDEPENDENT AUDITOR

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	32,110	39,252	45,900	45,900	49,000	49,000	3,100	6.8%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	<u>\$ 32,110</u>	<u>\$ 39,252</u>	<u>\$ 45,900</u>	<u>\$ 45,900</u>	<u>\$ 49,000</u>	<u>\$ 49,000</u>	<u>\$ 3,100</u>	<u>6.8%</u>

Personnel Summary

N/A



Goals and Objectives

- * Provide City Council and City administration analysis, recommendations, counsel and information concerning financial related activities of the City in accordance with generally accepted government auditing standards promulgated by the Comptroller General of the United States and the Auditor of Public Accounts of the Commonwealth of Virginia.
- * Perform FY 2016 audits of the City, School Board, School Activity Funds and Economic Development Authority (EDA) and draft the Comprehensive Annual Financial Report (CAFR) by November 30, 2016.
- * 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

	<u>FY 2014</u> Actual	<u>FY 2015</u> Actual	<u>FY 2016</u> Estimated	<u>FY 2017</u> Estimated
Auditing Hours	525	525	525	525

Significant Budget Items

* The increase in the budget is due to a planned increase in fees in accordance with the contract.

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 2015.

COMMISSIONER OF THE REVENUE

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
			Original Adopted Budget	Revised Adopted Budget	Department Request Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
Personnel Services	\$ 280,752	\$ 292,157	\$ 295,087	\$ 295,087	\$ 290,644	\$ 284,290	\$ (10,797)	-3.7%
Operating Expenses	9,949	10,271	11,250	11,250	26,850	11,850	600	5.3%
Capital Outlay	3,234	305	-	-	-	-	-	n/a
Totals	\$ 293,935	\$ 302,733	\$ 306,337	\$ 306,337	\$ 317,494	\$ 296,140	\$ (10,197)	-3.3%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department Request Positions	City Council Authorized Positions
Commissioner of the Revenue	1	1	1	1	1
Deputy Commissioner II	1	1	1	1	1
Deputy Commissioner I	1	1	1	1	1
Assessment Technician/DMV Clerk	1	1	1	1	1
Totals	4	4	4	4	4

Goals and Objectives

- * 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 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Business License	822	824	825	825
Meals Tax	48	48	50	50
Personal Property Abatements	3,238	3,614	3,500	3,500
Personal Property Assessments	20,748	21,413	21,000	21,000
Property Transfers	393	418	425	425
Public Service Corporations	13	11	11	11
Real Estate Abatements	19	33	40	40
Real Estate Parcels	5,281	5,291	5,300	5,350
State Estimated Returns	269	265	270	270
State Tax Returns Audited	1,326	1,111	1,100	1,100
State Tax Refunds Processed Online	551	447	450	450
Tax Exemption & Deferral Applications	160	157	160	160

Significant Budget Items

- * In FY 2017, the City expects to receive \$104,225 in State Categorical Aid towards expenses of this office.
- * Decrease in health insurance enrollment.

Program Accomplishments

- * Received approval for 447 State Income Tax Refunds online with the Department of Taxation, resulting in citizens receiving \$194,000 of refunds within 3-5 days.
- * Continue providing efficiency and stability to the DMV Select office by cross training employees in the Commissioner's office.

ASSESSOR / EQUALIZATION BOARD

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
			Original Adopted Budget	FY 2016 Revised Budget	Department Request Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
Personnel Services	\$ 167,233	\$ 175,512	\$ 177,456	\$ 177,456	\$ 186,475	\$ 181,370	\$ 3,914	2.2%
Operating Expenses	6,957	8,355	10,096	10,096	10,526	10,526	430	4.3%
Capital Outlay	834	376	900	900	1,700	700	(200)	-22.2%
Totals	\$ 175,024	\$ 184,243	\$ 188,452	\$ 188,452	\$ 198,701	\$ 192,596	\$ 4,144	2.2%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department Request Positions	City Council Authorized Positions
City Real Estate Assessor	1	1	1	1	1
Assessor Technician	1	1	1	1	1
Totals	2	2	2	2	2

Ratio of property sales during time period

	6/13-12/13	6/14-12/14	6/15-12/15
Sold 41% or more over Assessed Value	0	0	0
Sold 31% -- 40% over Assessed Value	0	1	0
Sold 11% -- 30% over Assessed Value	10	11	14
Sold 1% -- 10% over Assessed Value	24	32	20
Sold at Assessed Value	5	3	4
Sold 1% -- 10% under Assessed Value	20	20	19
Sold 11% -- 30% under Assessed Value	12	17	16
Sold 31% -- 40% under Assessed Value	2	2	2
Sold 41% or more under Assessed Value	0	2	2

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 property tax maps and the Geographic Information System (GIS).
- * Continue to maintain and provide real estate sales information for the City web site.
- * Continue to modernize the office and the services that are provided to the public.
- * Continue to maintain one of the highest Assessment Ratios among all of the localities in the State of Virginia.
- * Research new reassessment software.
- * Balance database with the Commissioner of the Revenue and print the land book in accordance with State Code.

ASSESSOR / EQUALIZATION BOARD

Major Departmental Functions

- * Conduct the biennial 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 perform periodic ratio studies.
- * Inspect and value all new construction. Make scaled drawing and photograph each main improvement.
- * Assist GIS vendor with maintenance of City property tax maps and property information website.
- * Liaison between city departments, various groups with GIS needs and GIS vendor.

<u>Performance Measures</u>	<u>**FY 2014 Actual</u>	<u>FY 2015 Actual</u>	<u>**FY 2016 Estimated</u>	<u>FY 2017 Estimated</u>
Assessor				
Real Estate Parcels	5,323	5,330	5,337	5375
Total Assessed Value	\$1,493,024,330	\$1,500,055,080	\$1,504,974,300	\$1,579,366,582
Property Transfers	396	400	449	400
Abatement & Supplements	102	125	70	100
Assessed Value - Abate./Sup.	\$5,641,750	*\$6,000,000	\$4,190,700	\$19,300,000
**reassessment year				
*estimated	<u>FY 2014 Actual</u>	<u>FY 2015 Actual</u>	<u>FY 2016 Actual</u>	<u>FY 2017 Estimate</u>
Equalization Board				
# of Property Owners Appealing	4	n/a	3	n/a
# of Parcels Reviewed	4	n/a	10	n/a
# of Parcels Increased	1	n/a	0	n/a
Value of Increases	\$23,000	n/a	\$0	n/a
# of Assessments Decreased	2	n/a	10	n/a
Value of Decreases	\$39,700	n/a	\$278,500	n/a

Significant Budget Items

- * Minimal increase in personnel services for FY 2017 for pay increases.

Program Accomplishments

- * Completed FY 2016 Reassessment.
- * Balanced Assessor's database with Commissioner of the Revenue's database for printing of land book in August 2015.
- * Assessed value of new construction at percentage complete as of July 2015 and August 2015.
- * Continued to maintain one of the best assessment ratios in the State, per the Virginia Department of Taxation.

TREASURER

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 266,574	\$ 283,115	\$ 285,115	\$ 285,115	\$ 302,542	\$ 294,540	\$ 9,425	3.3%
Operating Expenses	44,117	32,094	36,633	36,633	37,136	33,136	(3,497)	-9.5%
Capital Outlay	1,536	-	-	-	-	-	-	n/a
Totals	\$ 312,227	\$ 315,209	\$ 321,748	\$ 321,748	\$ 339,678	\$ 327,676	\$ 5,928	1.8%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
Treasurer	1	1	1	1	1
Deputy Treasurer	1	1	1	1	1
Accounting Technician	1	1	1	1	1
Account Clerk	1	1	1	1	1
Totals	4	4	4	4	4



Goals and Objectives

- * Maintain high collection rates and customer service.
- * Continue to grow the monthly automatic debit program for the payment of personal property and real estate taxes.
- * Continue training/certification program for Treasurer and employees. The Treasurer and one deputy will maintain their certification from the Treasurer's Association and a second deputy will continue training toward that goal.
- * Pursue collections of delinquent accounts through use of DMV stops, debt setoff programs, liens and warrants.
- * Maintain State office accreditation which was received in 2014.

TREASURER

Major Departmental Functions

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

Performance Measures

	<u>FY 2014</u> <u>Actual</u>	<u>FY 2015</u> <u>Actual</u>	<u>FY 2016</u> <u>Estimated</u>	<u>FY 2017</u> <u>Estimated</u>
First Year Personal Property Collection Rate	91.54%	91.61%	91.50%	91.50%
First Year Real Estate Collection Rate	98.49%	98.40%	98.00%	98.00%
Business Licenses Processed	884	872	890	890
Dog Tags Processed	1,539	1,562	1,580	1,580
Estimated Tax Payments	783	750	755	755
Meals Tax Payments Processed	357	365	375	375
Personal Property Tax Tickets Processed	38,874	39,693	39,700	39,750
Real Estate Tax Tickets Processed	11,483	11,555	11,600	11,600
Utility Account Payments Processed	26,932	26,572	26,600	26,650

Significant Budget Items

- * In FY 2017, the City expects to receive \$94,230 in State Categorical Aid towards expenses of this office.
- * Increase in personnel services due to salary adjustments.

Program Accomplishments

- * Treasurer's Office collected taxes on a timely basis. As of December 31, 2015, the collection rate for 2015 personal property was 91.61%. The collection rate for the 2015 first half of real estate was 98.4%.
- * One employee maintained certification with the Treasurers Association of Virginia (TAV).
- * There are currently 342 participants in the automatic debit program which is an increase of 43 from the prior year.
- * Continued to grow a monthly auto debit program for the pre-payment of taxes. There are currently 66 participants accounting for approximately \$17,300 per month.
- * Filed 55 liens in calendar year 2015 for the benefit of collecting \$12,357 in delinquent taxes, fees and library fines.
- * Office maintained State Accreditation from the Treasurer's Association of Virginia.
- * Office became an authorized license vendor for the Virginia Marine Resource Commission.

FINANCE

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016		FY 2017	FY 2017	\$	%
			Original	FY 2016	Department	City Council	Change	Change
			Adopted	Revised	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
			Budget	Budget	Budget	Budget	Budget	Budget
Personnel Services	\$ 314,259	\$ 327,213	\$ 333,346	\$ 333,346	\$ 352,913	\$ 343,800	\$ 10,454	3.1%
Operating Expenses	42,681	53,637	58,950	58,950	63,502	63,502	4,552	7.7%
Capital Outlay	-	-	-	-	-	-	-	n/a
Totals	\$ 356,940	\$ 380,850	\$ 392,296	\$ 392,296	\$ 416,415	\$ 407,302	\$ 15,006	3.8%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017	FY 2017
				Department Request Positions	City Council Authorized Positions
Director of Finance	1	1	1	1	1
Accountant/Assistant Finance Director	1	1	1	1	1
Account Analyst	1	1	1	1	1
Finance Specialist	1	1	1	1	1
Totals	4	4	4	4	4



Goals and Objectives

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

FINANCE

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Accounts Payable Checks Issued	3,605	3,507	3,900	3,900
Payment Vouchers	6,200	4,500	5,500	5,500
Payroll Checks Issued	803	676	680	680
Payroll Direct Deposits	3,471	3,297	3,475	3,475
Deposits to Different Financial Institutions	22	24	24	24
Utility Bills Printed	26,970	26,440	26,136	26,136
Utility Customers	4,856	4,872	4,872	4,932
Utility Customers with Special Rates	133	131	135	144

Significant Budget Items

- * Increase in operating expenses due to outsourcing part of payroll processing.
- * Increase in personnel services due to pay adjustments.

Program Accomplishments

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

TECHNOLOGY

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original	Revised	Department	City Council	Change	Change
			Adopted	Budget	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
							Budget	Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	49,371	77,653	55,200	55,200	55,200	55,200	-	0.0%
Capital Outlay	19,489	46,455	20,000	20,000	40,000	40,000	20,000	100.0%
Totals	\$ 68,860	\$ 124,108	\$ 75,200	\$ 75,200	\$ 95,200	\$ 95,200	\$ 20,000	26.6%

Personnel Summary

N/A

Goals and Objectives

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

*Begin a City wide replacement plan for technology equipment.

TECHNOLOGY

Major Departmental Functions

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

Significant Budget Items

- * Includes the City's contract for GIS maintenance and technical support with contractor.
- * Includes support provided by the School Division's Information Technology Department.
- * Increase in capital is due to replacement of aging equipment and to begin a City wide replacement plan of technology equipment.

Program Accomplishments

- * Increased server redundancy to prevent downtime in case of a failure.
- * Continued to centralize technology purchasing, therefore reducing costs.

RISK MANAGEMENT

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 126,770	\$ 33,522	\$ 13,211	\$ 125,293	\$ 13,212	\$ 13,210	\$ (112,083)	-89.5%
Operating Expenses	21,800	32,909	39,828	39,828	42,550	42,550	2,722	6.8%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 148,570	\$ 66,431	\$ 53,039	\$ 165,121	\$ 55,762	\$ 55,760	\$ (109,361)	-66.2%

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

	<u>Year 2014</u> <u>Actual</u>	<u>Year 2015</u> <u>Actual</u>	<u>Year 2016</u> <u>Estimated</u>	<u>Year 2017</u> <u>Estimated</u>
<u>Worker's Compensation</u>				
Claims Filed	11	10	8	7
Loss Ratio	3.9%	3.0%	2.5%	2.0%
<u>Line of Duty</u>				
Claims Filed	0	0	0	0
Loss Ratio	0.0%	0.0%	0.0%	0.0%
<u>General Liability</u>				
Claims Filed	2	0	0	0
Loss Ratio	0.0%	0.0%	0.0%	0.0%
<u>Auto Liability</u>				
Claims Filed	3	3	2	1
Loss Ratio	12.0%	3.0%	0.0%	0.0%
<u>Property</u>				
Claims Filed	1	1	0	0
Loss Ratio	0.0%	0.0%	0.0%	0.0%
<u>Inland Marine</u>				
Claims Filed	0	0	0	0
Loss Ratio	0.0%	0.0%	0.0%	0.0%

Significant Budget Items

- * Cost of premiums for property and automobile insurance coverage is allocated to the respective City departments.
- * Decrease in budget due to one time payment of retirement liability.

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 2014 Actual	FY 2015 Actual	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
			Original Adopted Budget	Revised Budget	Department Request Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
Personnel Services	\$ 127,633	\$ 134,334	\$ 133,072	\$ 133,072	\$ 142,773	\$ 137,930	\$ 4,858	3.7%
Operating Expenses	15,979	16,307	24,942	24,942	27,052	25,252	310	1.2%
Capital Outlay	-	-	-	-	-	-	-	n/a
Totals	\$ 143,612	\$ 150,641	\$ 158,014	\$ 158,014	\$ 169,825	\$ 163,182	\$ 5,168	3.3%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department Request Positions	City Council Authorized Positions
Registrar	1	1	1	1	1
Assistant Registrar	1	1	1	1	1
Part Time (FTE)	0.1	0.1	0.1	0.1	0.1
Totals	2.1	2.1	2.1	2.1	2.1



Goals and Objectives

- * Assist citizens in understanding requirements for voter registration, provide citizens with information and referral for services and inform citizens about absentee voting and photo identification requirements.
- * Protect the integrity of the electoral process and efficiently conduct the elections in FY 2017 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 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Changes in Address	179	175	200	175
Deletions	442	609	540	507
New Registrants	156	206	250	242
Other Changes	150	124	205	160
Registered Voters	8,751	8,554	8,804	8,980
Transferred In	190	199	200	260

Significant Budget Items

- * In FY 2017, the City expects to receive \$35,000 in State Categorical Aid for the Registrar and board members' salaries.
- * Increase in operating expenses due to November 2016 Presidential election.
- * In Personnel Services, a minimal amount is budgeted as a stipend to the three Electoral Board members in the amount of \$6,194.
- * Increase in Personnel Services due to salary adjustments for employees.

Program Accomplishments

- * Successfully conducted the June Primary.
- * Successfully conducted the November General Election.
- * Successfully conducted the March Dual Presidential Primary.
- * Trained new election officials on the touch screen and optical scan voting machines.
- * 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.
- * Trained election officials on the electronic poll books.

COURTS AND SHERIFF

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	438,790	442,334	467,753	467,753	464,652	464,652	(3,101)	-0.7%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 438,790	\$ 442,334	\$ 467,753	\$ 467,753	\$ 464,652	\$ 464,652	\$ (3,101)	-0.7%

Personnel Summary

N/A



COURTS AND SHERIFF

Major Departmental Functions

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



Significant Budget Items

- * York County sets the Poquoson Courts and Sheriff budgets, and by legislation Poquoson pays 19.9% of the total budget of \$2,259,020 with \$449,545 as Poquoson's FY 2017 share, an increase of \$2,541 from FY 2016.

Budget Detail

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 City Council Adopted Budget
York/Poquoson Courthouse	\$231,174	\$233,031	\$ 238,011	\$ 238,011	\$ 232,514
Sheriff	190,364	192,430	208,993	208,993	217,031
9th District Court	9,506	9,127	10,500	10,500	6,225
Colonial Community Corrections	7,746	7,746	10,249	10,249	8,882
Totals	\$438,790	\$442,334	\$ 467,753	\$ 467,753	\$ 464,652

POLICE

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016		FY 2017		\$	%
			Original Adopted Budget	FY 2016 Revised Budget	Department Request Budget	FY 2017 City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
Personnel Services	\$ 1,860,241	\$ 1,915,230	\$ 2,048,503	\$ 2,067,056	\$ 2,146,413	\$ 2,035,120	\$ (31,936)	-1.5%
Operating Expenses	764,596	592,176	628,982	642,418	628,669	610,169	(32,249)	-5.0%
Capital Outlay	97,253	54,046	1,000	1,000	1,500	1,500	500	50.0%
Totals	\$ 2,722,090	\$ 2,561,452	\$ 2,678,485	\$ 2,710,474	\$ 2,776,582	\$ 2,646,789	\$ (63,685)	-2.3%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017	FY 2017
				Department Request Positions	City Council Authorized Positions
Police Chief	1	1	1	1	1
Captain/Assistant Police Chief	1	1	1	1	1
Lieutenant	1	1	1	1	1
Planning and Administration Sergeant	1	1	1	1	1
Investigations Sergeant	1	1	1	1	1
Patrol Sergeant	4	4	4	4	4
Detective	2	2	3	3	3
Corporal	4	4	4	4	4
Patrolman	8	8	8	8	8
Records Administrator	1	1	1	1	1
Part Time Clerical (FTE)	0	0	0.5	0.5	0.5
Part Time Police (FTE)	0.5	0.5	0.5	0.5	0.5
Totals	24.5	24.5	26	26	26

Goals and Objectives

- * 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.
- * Continue to provide opportunities for leadership development.
- * Implement a replacement program for aging body armor and personal protective equipment for all sworn members.
- * Continue to expand the "Holiday Patrol Program".
- * Continue to make crime prevention a priority while focusing on alcohol and drug violations, larceny, and vandalism.
- * Expand crime prevention programs and opportunities for community outreach through participation in community events, information sharing and involvement in Hampton Roads Crime Line.

POLICE

Major Departmental Functions

- * Enforce the laws of the Commonwealth of Virginia and the ordinances of the City of Poquoson.
- * Prevent and deter crime so as to provide for the 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

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Accidents	135	132	141	150
Arrests/Charges/Apprehensions	453	350	259	300
Calls for Service	14,030	15,537	15,600	16,000
First Responder Calls	300	352	399	450
Traffic Tickets	1,184	749	714	750
Training Man-hours	2,030	2,569	2,485	2,250

Significant Budget Items

- * Decrease in operating expenses due to DEA drug seizure money and grants not appropriated until received.
- * Decrease in personnel services due to health insurance coverage changes.

Program Accomplishments

- * Assisted the Poquoson Public schools in improving its emergency communications and upgrading the radio communications systems at 4 schools. Continued focus on communication and interaction between school staff, students, and police officers.
- * Enhanced the quality and frequency of departmental personnel training, including but not limited to Active Shooters, Critical Incident Management, Advanced Supervision and Management, Defensive Tactics, Basic Crash Investigations, death Investigations, Cultural Diversity, Blood Borne Pathogens, Crisis Intervention Team, Firearms Training, Media Relations, Driving Under the Influence of Alcohol, First Responder Training and legal updates.
- * Received grant from Virginia Department of Motor Vehicles for DUI checkpoints. Attended annual DUI Conference.
- * Participated in the 911 Fitness Challenge.
- * Partnered with the DEA and Poquoson Pharmacy for the National Drug Take Back events and collected over 3 pounds of discarded prescription drugs.
- * 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.
- * Continue to focus on dangerous drugs and narcotics violations by assigning a new detective position to focus on drug interdiction and arrests in the City.
- * Partnered with the Poquoson City Public Schools to assist with updating crisis management plans and emergency response policies.

FIRE

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 2,048,322	\$ 2,227,932	\$ 2,276,729	\$ 2,276,729	\$ 2,563,980	\$ 2,476,274	\$ 199,545	8.8%
Operating Expenses	402,714	378,471	401,432	562,603	421,426	420,726	(141,877)	-25.2%
Capital Outlay	44,991	69,021	8,078	8,078	8,078	8,078	-	0.0%
Totals	\$ 2,496,027	\$ 2,675,424	\$ 2,686,239	\$ 2,847,410	\$ 2,993,484	\$ 2,905,078	\$ 57,668	2.0%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
Fire Chief/Fire Official	1	1	1	1	1
Deputy Fire Chief/Emergency Mgt Coordinator	1	1	1	1	1
Battalion Chief	3	3	3	3	3
Fire Lieutenant	3	3	3	3	3
Firefighter/Paramedic	21	13	13	13	13
Fire Fighter/Enhanced	0	2	2	2	2
Fire Fighter/EMT	0	6	7	9	9
Office Manager	1	1	1	1	1
Totals	30	30	31	33	33



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.
- * Cooperative effort between the Tidewater Regional Fire Academy and the City of Poquoson to conduct a Firefighter I and II class/EMT Intermediate.
- * Finalize Automatic Mutual Aid with York County and City of Hampton.
- * To further develop our Marine Program.
- * Seek out and apply for various grants to assist with training, equipment or programs enhancing the department.
- * Work with Department of Fire Programs and other agencies to develop a Drone Program.

FIRE

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Average Fire/EMT calls per month	157	174	166	175
Training hours	6,973	7,466	7,500	7,560
Fire Calls:				
Structure Fire	26	24	21	22
Brush Fire	39	33	32	34
Miscellaneous Fire	757	805	715	751
Ambulance Calls:				
Advanced Life Support	490	599	539	566
Basic Life Support	265	275	263	277
Miscellaneous	306	354	425	446

Significant Budget Items

- * Increase in personnel services due to addition of two full time grant funded Firefighters.
- * Decrease in operating expenses due to a reduction of carryover Fire Grant Funding in FY 2017



Program Accomplishments

- * One step closer to automatic mutual aid with the addition of the City of Hampton radio channels.
- * Began implementing the program of installing computers in all responding units tied to dispatch/CAD system. This program will provide real time information concerning the call.

CORRECTIONS AND DETENTIONS

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	321,787	373,297	395,240	395,240	372,662	372,662	(22,578)	-5.7%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 321,787	\$ 373,297	\$ 395,240	\$ 395,240	\$ 372,662	\$ 372,662	\$ (22,578)	-5.7%

Personnel Summary

N/A

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget
Adult Detention	\$ 257,609	\$ 301,407	\$ 316,394	\$ 316,394	\$ 296,199	\$ 296,199
Juvenile Services						
Juvenile Detention	59,781	66,402	72,100	72,100	69,650	69,650
Project Insight	4,397	5,488	6,746	6,746	6,813	6,813
Totals	\$ 321,787	\$ 373,297	\$ 395,240	\$ 395,240	\$ 372,662	\$ 372,662

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 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Adult Detention:				
Average Daily Population	15.6	14.0	unavailable	unavailable
Percentage of Use	3.6%	3.4%	4.7%	4.4%
Juvenile Services:				
Juvenile Detention (Days)	305	357	350	350
Per Diem Rate	\$176.00	\$186.00	\$199.00	\$199.00

Significant Budget Items

- * Minimal decrease in juvenile detention.
- * Decrease in adult detention due to a decrease of percentage use by the City.

INSPECTIONS

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 258,668	\$ 259,150	\$ 250,858	\$ 250,858	\$ 314,858	\$ 282,820	\$ 31,962	12.7%
Operating Expenses	20,118	11,331	15,244	15,244	18,093	16,243	999	6.6%
Capital Outlay	-	-	-	-	-	-	-	n/a
Totals	\$ 278,786	\$ 270,481	\$ 266,102	\$ 266,102	\$ 332,951	\$ 299,063	\$ 32,961	12.4%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
Building Official	1	1	1	1	1
Senior Building Inspector	1	1	1	1	1
Inspector	0	0	0	1	1
Administrative Assistant	1	1	1	1	1
Part Time (FTE)	0.75	0.75	0.75	0.75	0.75
Totals	3.75	3.75	3.75	4.75	4.75



Goals and Objectives

- * Continue staff education in various building related trades.
- * Provide the citizens and contractors the most updated information on codes and ordinances.
- * Continue to improve the methods used to obtain compliance with zoning, property maintenance and building codes.
- * Work toward Class 7 Community Rating Service rate.
- * Develop and implement an electronic method of field inspections.
- * Continue to build a database of permit information.
- * Facilitate an update of the GIS to include flood zone information and elevation certificates.

INSPECTIONS

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Building Permits Issued	238	250	200	200
Certificate of Occupancies Issued	29	35	75	75
Code Violations Cited & Enforced	435	450	450	450
Inspections Performed	1,200	1,500	1,800	1,800
Meetings	375	350	350	350
Plans Reviewed	600	650	250	250
Other Permits (Elect, Plumbing, Mech, etc.)	500	500	500	500

Significant Budget Items

- * Increase in personnel services for the addition of an Inspector position funded for six months.
- * Increase in operating expenses to upgrade the building permitting program software to include an addition of a planning and zoning system.

Program Accomplishments

- * Continued the development of efficient methods of notifying violators of areas to be corrected.
- * Continue to update/maintain a database of all elevation certificates currently on file with the department.
- * Continue working on getting elevation certificates available online through the City's GIS program.
- * Maintained CRS Class 8 Program rating.
- * Continued education of staff in related building trades.
- * Completed adoption of the FEMA/NFIP revised flood maps.
- * Communicated with the community and contractors on the most updated information in regard to codes and ordinances.
- * Hosted Regional VAZO and CRS meetings.
- * Expanded the usage of the Civicgov permit program.

ANIMAL CONTROL

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	115,865	113,175	106,631	106,631	124,000	107,100	469	0.4%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 115,865	\$ 113,175	\$ 106,631	\$ 106,631	\$ 124,000	\$ 107,100	\$ 469	0.4%

Personnel Summary

N/A



Goals and Objectives

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

ANIMAL CONTROL

Major Departmental Functions

* Animal Control is handled by Newport News Animal Control. The fully certified officers pick up stray animals, nuisance wildlife, deceased animals on public roadways, and investigate cruelty complaints.

Budget Detail

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget
SPCA	\$ 57,220	\$ 21,230	\$ -	\$ -	\$ -	\$ -
Newport News Animal Control	38,084	41,448	45,000	45,000	46,000	46,000
Regional Animal Shelter	20,562	50,497	61,631	61,631	78,000	61,100
Totals	\$ 115,866	\$ 113,175	\$ 106,631	\$ 106,631	\$ 124,000	\$ 107,100

Significant Budget Items

* Minimal increase in expenses.

	Year 2014 Actual	Year 2015 Actual	Year 2016 Estimated	Year 2017 Estimated
Calls for Service	231	194	189	205
Written Warnings	28	33	26	29
Summons Issued	2	9	10	10
Calls for Stray Animals	90	79	78	82
Calls for Animal Bites	18	22	15	18
Calls for Sick/Injured Animal	58	14	37	36
Calls for Nuisance Wildlife	31	58	25	32
Other Calls	1	20	12	11
Dogs Impounded	35	41	35	37
Cats Impounded	12	10	16	13
Wildlife Impounded	16	27	24	22
Cruelty	36	20	24	27

ENGINEERING

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 107,029	\$ 109,893	\$ 164,082	\$ 164,082	\$ 178,898	\$ 174,990	\$ 10,908	6.6%
Operating Expenses	3,688	5,391	18,731	18,731	40,850	21,950	3,219	17.2%
Capital Outlay	-	-	25,000	25,000	11,500	-	(25,000)	n/a
Totals	\$ 110,717	\$ 115,284	\$ 207,813	\$ 207,813	\$ 231,248	\$ 196,940	\$ (10,873)	-5.2%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
City Engineer	1	1	1	1	1
Engineer I	0	0	1	1	1
Totals	1	1	2	2	2

Goals and Objectives

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

ENGINEERING

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Right of Way Permits Issued	39	40	81	75
Major Capital Projects	1	2	4	5
Citywide Permits Reissued/Maintained	2	2	2	2
Request for Engineering Information	300	300	300	300

Significant Budget Items

- * Increase in personnel services due to salary adjustments.

Program Accomplishments

- * Construction is underway on two stormwater system retrofits required to meet City's Chesapeake Bay TMDL requirements. Work on this project included developing RFP and gaining State approval for plans and specifications. These projects are partially funded by a \$131,000 grant.
- * Developed and received Virginia DEQ approval for the City's Chesapeake Bay TMDL Action Plan through FY 2018.
- * Worked with Hampton, VDOT and other partners to keep Wythe Creek Road on schedule and within budget.
- * Wrote and submitted annual report for MS4 permit.
- * Developed RFPs for Messick Point Breakwater project, which is now under construction. This project is partially funded by a grant.
- * Developed a RFP for a floating dock at the City's pumpout pier on Rens Road.
- * Continued to respond to citizen complaints; staff and City Council technical inquiries.
- * Assisted with house elevation projects.
- * Reviewed subdivision plans; construction cost estimates.

PUBLIC WORKS

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016		FY 2017	FY 2017	\$	%
			Original	FY 2016	Department	City Council	Change	Change
			Adopted	Revised	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
			Budget	Budget	Budget	Budget	Budget	Budget
Personnel Services	\$ 924,895	\$ 988,345	\$ 1,004,028	\$ 1,004,028	\$ 1,088,548	\$ 1,043,720	\$ 39,692	4.0%
Operating Expenses	390,928	356,001	368,942	368,942	394,875	\$ 380,175	11,233	3.0%
Capital Outlay	73,632	97,841	87,500	87,500	112,500	112,000	24,500	28.0%
Totals	\$ 1,389,455	\$ 1,442,187	\$ 1,460,470	\$ 1,460,470	\$ 1,595,923	\$ 1,535,895	\$ 75,425	5.2%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department Request Positions	City Council Authorized Positions
Director of Public Works	1	1	1	1	1
Construction Inspector	1	1	1	1	1
Street Maintenance Supervisor	1	1	1	1	1
Crewleader	2	2	2	2	2
Equipment Operator II	1	1	1	1	1
Equipment Operator I	2	2	2	2	2
Maintenance Worker IV	1	1	1	1	1
Maintenance Worker III	2	2	2	2	2
Maintenance Worker II	1	1	1	1	1
Maintenance Worker I	2	2	2	2	2
Parks Maintenance Supervisor	1	1	1	1	1
Parks Maintenance Worker	1	2	2	2	2
Part Time (FTE)	0.6	0	0	0	0
Office Manager	0.5	0.5	0.5	0.5	0.5
Totals	<u>17.1</u>	<u>17.5</u>	<u>17.5</u>	<u>17.5</u>	<u>17.5</u>

Goals and Objectives

- * Oversee construction and maintenance of all City streets in accordance with Virginia Department of Transportation standards to ensure safe vehicle operation for all motorists.
- * Maintain all City public right-of-ways to create a positive City image and promote safety and environmental quality throughout the City. Maintenance includes cleaning streets twice a year, mowing grass and medians during normal growing season, beautification and maintenance of landscaped areas.
- * Schedule at least one in-house training session per month. Sessions train employees for more versatility in infrastructure maintenance; "on and off the job" safety issues, and teaches correct procedures for performance of specific tasks.
- * Continue to complete 100% of all work orders within the same week of receipt of request.
- * Train employees in the proper ways to complete jobs in a safe and efficient manner.
- * Complete second half of mulch at Kids Island.
- * Replace sections of concrete containment system for stone, select fill etc. in compound.

PUBLIC WORKS

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Street Maintenance:				
Asphalt Material Used for Patching (tons)	46	66	50	48
Asphalt Paving Material Applied (tons)	4,107	1,939	4,000	5,000
Delivery of cases of Green Bags	89	71	90	80
Installation of New Drainage Pipe (feet)	108	196	150	100
Regrading of Roadside Ditches (feet)	4,991	10,508	9,000	7,000
Stone Used for Street Maintenance (tons)	85	102	250	200
Work Orders Completed	39	40	50	50
Construction Inspections Performed:				
Driveways	34	27	40	40
Erosion & Sediment Control	99	54	100	50
Sewer	0	2	2	2
Curb & Gutter (feet)	474	3,725	30,000	6,000
Sanitary Sewer Pipeline (feet)	135	425	500	500
Storm Pipe & Drainage Ditches (feet)	3,291	6,359	5,000	6,500
New Street Construction (feet)	29,211	3,035	30,000	5,000

Significant Budget Items

- * Increase in capital outlay is due to replacement of a departmental vehicle.
- * Increase in personnel services due to salary adjustments.

Program Accomplishments

- * Installed new water fountain and playground equipment at Kids Island.
- * Assisted Solid Waste Department for the convenience site drop-off program for citizens.
- * Installed vinyl chain link fence at South Lawson Park and along Odd Road between Kids Island to PPS
- * Installed new steel building in Public Works Compound replacing older and unsafe building.
- * Removed trees along Wythe Creek Road, Victory Boulevard and Little Florida Road for Commercial District enhancement and tree replacement project.
- * Paved South Lawson Park parking lot.
- * Repaired (8) sinkholes over drainage pipes for safety.
- * Paved Wythe Creek Road intersection.

STREET LIGHTS

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original	Revised	Department	City Council	Change	Change
			Adopted	Budget	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
							Budget	Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	n/a
Operating Expenses	81,656	79,914	81,000	81,000	82,000	82,000	1,000	1.2%
Capital Outlay	-	-	-	-	-	-	-	n/a
Totals	\$ 81,656	\$ 79,914	\$ 81,000	\$ 81,000	\$ 82,000	\$ 82,000	\$ 1,000	1.2%

Personnel Summary

N/A

Goals and Objectives

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

STREET LIGHTS

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Number of Street Lights	580	586	593	593
New Lights Installed:				
City Installed	1	0	0	2
Developer Installed	0	6	7	40

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 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2016 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Operating Expenses	132,476	177,263	176,051	176,051	176,419	172,519	(3,532)	-2.0%
Capital Outlay	13,542	15,752	17,000	17,000	20,000	18,000	1,000	5.9%
Totals	\$ 146,018	\$ 193,015	\$ 193,051	\$ 193,051	\$ 196,419	\$ 190,519	\$ (2,532)	-1.3%

Personnel Summary

n/a

Goals and Objectives

- * Maintenance of all facilities used by the staff and citizens of the City of Poquoson.
- * Update and improve facilities as approved or requested by City Manager and Council.
- * Control and improve costs of building operations.
- * Update lighting for buildings as well as streets with more eco friendly and cost effective LED lighting.
- * Paint interior at both Fire Station #1 and Fire Station #2 as well as exterior painting of Fire Station #2.
- * Clean carpeting in City Hall main hallway.
- * Selective painting of office areas.

FACILITIES

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Facilities Maintained	7	7	7	7

Significant Budget Items

- * In FY 2017 the HVAC service costs are expected to decrease due to new contract pricing.

HEALTH DEPARTMENT

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	36,891	35,781	35,761	35,761	36,831	36,831	1,070	3.0%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 36,891	\$ 35,781	\$ 35,761	\$ 35,761	\$ 36,831	\$ 36,831	\$ 1,070	3.0%

Personnel Summary

N/A

Goals and Objectives

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



HEALTH DEPARTMENT

Major Departmental Functions

- * Provide for the City's contribution to the Poquoson Health Department, which is an organizational unit of the Peninsula Health District. The Peninsula Health District is funded through a cooperative agreement between its five local governments and the Commonwealth of Virginia. The City's minimum "match" requirement is 32.545% of the City's portion of the total Peninsula Health District budget. The total Health Department budget for Poquoson is \$113,169 net of estimated revenues. The total Health District's budget for FY 2017 is \$6,583,701 net of estimated revenues.
- * The Health Department offers a wide range of preventative, diagnostic and rehabilitative medical and health services to City residents. Clinics are held regularly for family planning, immunization, pediatrics, and senior citizen medical exams, among others. Nurses provide home care for homebound patients. Sanitarians inspect all eating establishments, train food handlers, supervise the installation and proper operation of septic tanks, inspect housing, and provide rabies surveillance for all animal bites.

Significant Budget Items

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

MOSQUITO AND DRAINAGE

Expenditures Summary

	FY 2014 Actual	FY2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Received Budget
Personnel Services	\$ 148,685	\$ 154,255	\$ 156,069	\$ 156,069	\$ 163,468	\$ 149,630	\$ (6,439)	-4.1%
Operating Expenses	91,385	63,559	90,534	90,534	84,771	80,271	(10,263)	-11.3%
Capital Outlay	1,573	995	1,800	1,800	1,800	1,800	-	0.0%
Totals	<u>\$ 241,643</u>	<u>\$ 218,809</u>	<u>\$ 248,403</u>	<u>\$ 248,403</u>	<u>\$ 250,039</u>	<u>\$ 231,701</u>	<u>\$ (16,702)</u>	<u>-6.7%</u>

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
PW Manager/Mosq & Drainage Coordinator	1	1	1	1	1
Crew leader	1	1	1	1	1
Totals	<u>2.0</u>	<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.
- * Clean the outfall ditches throughout the City on a preventative maintenance schedule.
- * Work with the City Engineer on drainage projects.
- * Pipe in outfall ditches necessary to improve drainage maintenance.
- * Line 210' of concrete drainage pipe at 236 to 238 Cedar Road due to continued maintenance and deterioration of drainage system.
- * Line 150' of concrete drainage pipe at 8 to 10 Cedar Road due to continued maintenance and deterioration of drainage system.



MOSQUITO AND DRAINAGE

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.
- * Maintain 26.22 miles of outfall ditches and cement swales as part of regular maintenance of storm system.

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Cleaning Outfall Ditches by Hand (Feet)	113,550	99,480	111,600	113,000
Cleaning Outfall Ditches with Equip (Feet)	1,300	0	1,300	1,300
Drainage Pipe Installed (Feet)	280	196	200	250
Drainage Structures Maintained	820	825	825	835
Larvicide for Mosquito Control (Pounds)	50	20	50	50
Mosquito Spray Applied (Gallons)	25	30	75	80
Weed Killer Applied (Gallons)	25	35	55	65

Significant Budget Items

- * Decrease in operating expense due to equipment repairs in FY 2016.

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.
- * Moved forward with drainage projects per Engineer's plan to include Wainwright Drive inlet upgrade.
- * Completed and submitted our application to the Pentagon for continued aerial spraying in our jurisdiction.
- * Re-instated the City's blanket permit from the Army Corps of Engineers so the cleaning of outfall ditches in tidal areas can be accomplished.



MENTAL HEALTH

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	201,320	218,497	223,982	223,982	231,159	231,159	7,177	3.2%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 201,320	\$ 218,497	\$ 223,982	\$ 223,982	\$ 231,159	\$ 231,159	\$ 7,177	3.2%

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 \$16,270,000 with the local share of \$2,560,000. Poquoson's share is 8% or \$190,000; James City County's share is 50% or \$1,290,000; York County's share is 32% or \$825,000 and Williamsburg's share is 10% or \$255,000.
- * Provide services for outreach detention, community supervision and Crossroads Teen House.

MENTAL HEALTH

Major Departmental Functions

- * Provide the City's contribution to Colonial Behavioral Health, a regional agency that provides overall administration and coordination of mental health, mental retardation and substance abuse programs for Poquoson, Williamsburg, York County and James City County. Services include psychiatric evaluation and treatment, individual and group counseling, drug and alcohol abuse treatment, vocational workshops for the developmentally disabled, special education and rehabilitation programs for handicapped children. Local funding is shared according to a predetermined formula. Funding for administrative expenses is based on 20% of the City's population and 80% of current utilization figures. The headquarters for Colonial Behavioral Health is located in Williamsburg.
- * Provide for City contribution to the Crossroads Teen House, located in Williamsburg, which serves youth who are removed from a home setting but for whom traditional institutional care would not be appropriate.

Budget Detail

	FY 2014	FY 2015	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 City Council Adopted Budget
	Actual	Actual	Budget	Budget	Budget
Colonial Behavioral Health	\$151,732	\$170,000	\$180,000	\$180,000	\$190,000
Crossroads Programs	49,588	48,497	43,982	43,982	41,159
Totals	\$201,320	\$218,497	\$223,982	\$223,982	\$231,159

Significant Budget Items

- * Colonial Behavioral Health's FY 2017 budget includes an overall increase to assist with cost of new positions, and a net increase of miscellaneous costs.

WELFARE / SOCIAL SERVICES

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original	Revised	Department	City Council	Change	Change
			Adopted	Budget	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
							Budget	Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	457,998	560,048	497,822	497,822	507,870	507,870	10,048	2.0%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 457,998	\$ 560,048	\$ 497,822	\$ 497,822	\$ 507,870	\$ 507,870	\$ 10,048	2.0%

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 Children's Services Act (CSA).

<u>Budget Detail</u>	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Budget	FY 2016 Revised Budget	FY 2017 City Council Adopted Budget
Children's Services Act	\$ 229,108	\$ 317,618	\$ 230,000	\$ 230,000	\$ 230,000
Peninsula Agency on Aging	2,734	11,696	2,822	2,822	2,870
Social Services	226,156	230,734	265,000	265,000	275,000
Totals	<u>\$ 457,998</u>	<u>\$ 560,048</u>	<u>\$ 497,822</u>	<u>\$ 497,822</u>	<u>\$ 507,870</u>

Significant Budget Items

* Cost of Social Services is for actual services utilized by the citizens of Poquoson.
 * Children's Services costs can fluctuate depending on the number of cases and type of treatment. Projections indicate that this will be \$230,000 in FY 2017.

SCHOOL CONTRIBUTION

Expenditures Summary

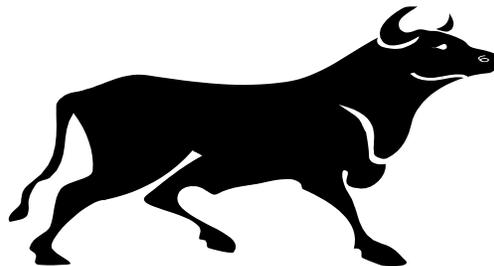
	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 School Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Operation Transfer	\$ 8,950,159	\$ 9,397,518	\$ 9,565,403	\$ 9,565,403	\$ 9,765,403	\$ 9,740,403	\$ 175,000	1.8%
Reappropriation	41,254	25,245	-	27,886	-	-	(27,886)	n/a
Totals	\$ 8,991,413	\$ 9,422,763	\$ 9,565,403	\$ 9,593,289	\$ 9,765,403	\$ 9,740,403	\$ 147,114	1.5%

Personnel Summary

N/A

Goals and Objectives

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



Poquoson High School Mascot

SCHOOL CONTRIBUTION

Major Departmental Functions

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

Performance Measures

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

Significant Budget Items

- * The FY 2017 operation funding for the Poquoson City School system is \$9,740,403 which is an increase of \$147,114 net of reappropriated 2015 unexpended transfers.
- * Unexpended transfers from one fiscal year may be reappropriated to the current fiscal year.
- * The School's budget is based on an average daily membership of 2,014 for the FY 2016-2017 school year.
- * The School's total budget of \$21,677,750 is an increase of 4.43% from FY 2016. This budget is a reflection of the increased cost of operations, special education service and increased health, dental and VRS rates.
- * The schools budget includes a 2.75% pay increase for non-teaching positions and the first phase of a new step pay plan for teachers.

Program Accomplishments

- * SAT scores above State and National average in reading, math and writing.
- * On-time graduation rate is 94.8%.
- * Poquoson City Schools received 357 Career and Technical Education credentials (industry certification state license, etc.).
- * Poquoson High School had 74.7% of the students score above 3 on Advanced Placement Tests, resulting in these students earning college credit.
- * Poquoson Schools continued implementation of unique programs such as international partnerships and a partnership with ECPI College of Technology.
- * Poquoson City Schools continued to provide programs that prepare students for careers and college coursework in the area of STEM, receiving a five year competitive grant from the Defense Educational Activity.
- * Poquoson Schools continue to enhance its instructional technology program.

PARKS & RECREATION PROGRAMS

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
			Original Adopted Budget	Revised Budget	Department Request Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
Personnel Services	\$ 241,962	\$ 256,056	\$ 268,529	\$ 268,529	\$ 285,476	\$ 278,220	\$ 9,691	3.6%
Operating Expenses	143,481	148,435	163,572	163,572	180,080	167,850	4,278	2.6%
Capital Outlay	2,969	2,045	1,700	1,700	2,200	1,200	(500)	-29.4%
Totals	\$ 388,412	\$ 406,536	\$ 433,801	\$ 433,801	\$ 467,756	\$ 447,270	\$ 13,469	3.1%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department Request Positions	City Council Authorized Positions
Director of Economic Dev/Community Rec	1	1	1	1	1
Assistant Director of Community Rec	0.5	0.5	0.5	0.5	0.5
Program Support Technician	1	1	1	1	1
Administrative Support Technician	1	1	1	1	1
Part-time (FTE)	0.3	0.3	0.3	0.3	0.3
Totals	3.8	3.8	3.8	3.8	3.8

Goals and Objectives

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

PARKS & RECREATION PROGRAMS

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Participants in:				
Adult Athletic Leagues	548	550	550	550
Adult Instructional Classes	175	140	140	140
Senior Center (Mature Adults)	825	725	750	750
Trips -- Youth/Adult	195	190	190	190
Youth Athletic Leagues	975	1,571	1,500	1,500
Youth Instructional Classes	465	425	425	425

Significant Budget Items

- * Increase in personnel service is due to salary increase.

Program Accomplishments

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

PARKS & RECREATION POOL

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original	Revised	Department	City Council	Change	Change
			Adopted	Budget	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
							Budget	Budget
Personnel Services	\$ 73,823	\$ 77,646	\$ 77,316	\$ 77,316	\$ 80,855	\$ 79,650	\$ 2,334	3.0%
Operating Expenses	31,009	43,011	41,052	41,052	51,650	45,150	4,098	10.0%
Capital Outlay	5,111	2,415	5,000	5,000	5,000	2,000	(3,000)	-60.0%
Totals	\$ 109,943	\$ 123,072	\$ 123,368	\$ 123,368	\$ 137,505	\$ 126,800	\$ 3,432	2.8%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department	City Council
				Request	Authorized
				Positions	Positions
Assistant Director of Community Recreation	0	0.5	0.5	0.5	0.5
Athletic/Aquatic Coordinator	0.5	0	0	0	0
Part Time (FTE)	4.5	4.5	4.5	4.5	4.5
Totals	5.0	5.0	5.0	5.0	5.0



Goals and Objectives

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

PARKS & RECREATION POOL

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Daily Gate Admissions	2,340	3,850	3,850	3,750
*Season Pass Admissions	230	213	225	225
Swimming Lessons	315	298	300	300
Swim Teams-- combined	175	140	125	130

* one pass for each swim team participant

Significant Budget Items

- * Increase in operating expenses due to increased maintenance costs.

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

PARKS & RECREATION SPECIAL EVENTS

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original Adopted Budget	Revised Budget	Department Request Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
Personnel Services	\$ 78,889	\$ 82,884	\$ 87,470	\$ 87,470	\$ 101,214	\$ 94,470	\$ 7,000	8.0%
Operating Expenses	130,047	136,761	134,994	134,994	127,848	115,998	(18,996)	-14.1%
Capital Outlay	-	-	-	-	-	-	-	n/a
Totals	\$ 208,936	\$ 219,645	\$ 222,464	\$ 222,464	\$ 229,062	\$ 210,468	\$ (11,996)	-5.4%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department Request Positions	City Council Authorized Positions
Community Events Coordinator	1	1	1	1	1
Totals	1	1	1	1	1

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

Goals and Objectives

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

PARKS & RECREATION SPECIAL EVENTS

Major Departmental Functions

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

<u>Performance Measures</u>	<u>FY 2014 Actual</u>	<u>FY 2015 Actual</u>	<u>FY 2016 Estimated</u>	<u>FY 2017 Estimated</u>
Poquoson Seafood Festival:				
Arts & Crafts Vendors	155	167	165	165
Exhibitors	50	40	40	40
Food Vendors	26	22	22	23
Attendance	40,000	45,000	45,000	45,000
Fishing Tournament	16	32	30	0
Workboat Race Entries	20	60	60	35
Days of Programming	16	16	16	16

Significant Budget Items

- * In FY 2017, the planned festivals include the 36th Anniversary Poquoson Seafood Festival Weekend on October 14-16, 2016 and the Poquoson Holiday Parade on December 2, 2016.
- * Operating expenses include \$5,000 in prize money for a total of \$15,800 to support the annual workboat race.

Program Accomplishments

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

LIBRARY

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original	Revised	Department	City Council	Change	Change
			Adopted	Budget	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
							Budget	Budget
Personnel Services	\$ 549,512	\$ 571,731	\$ 600,422	\$ 600,422	\$ 587,901	\$ 577,000	\$ (23,422)	-3.9%
Operating Expenses	118,122	111,118	120,704	120,704	127,300	124,700	3,996	3.3%
Capital Outlay	167,500	173,038	147,734	161,117	154,429	153,498	(7,619)	-4.7%
Totals	\$ 835,134	\$ 855,887	\$ 868,860	\$ 882,243	\$ 869,630	\$ 855,198	\$ (27,045)	-3.1%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department	City Council
				Request	Authorized
				Positions	Positions
Library Director	1	1	1	1	1
Adult Services Librarian	0	0	1	1	1
Reference Librarian	1	1	0	1	1
Senior Library Associate/System Admin	1	1	0	0	0
Youth Services Librarian	0	0	0	0	1
Technical Services Librarian	0	0	1	1	1
Library Associate	1	1	1	1	0
Administrative Services Coordinator	1	1	1	1	1
Library Associate (FTE)	1.25	1.25	1.25	1.25	2.65
Senior Library Associate (FTE)	1.40	1.40	1.40	1.40	0
Library Assistant (FTE)	3.80	3.80	3.80	3.80	3.80
Library Page (FTE)	0.50	0.50	0.50	0.50	0.50
Totals	11.95	11.95	11.95	12.95	12.95



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 to make the library a one stop source for information and learning, and function as a technical training resource center by offering classes and help with computer basics, social media tips and job writing skills.
- * Continue to work with the Library Advisory Board, the Friends of the Public Library, and service groups as well as social media to promote the Library as a focal point in the community.
- * Continue to enhance the Library's website by developing it into a "virtual branch" with resources available to the community 24/7.
- * Explore grant opportunities and community partner collaborations to enhance library services.

LIBRARY

Major Departmental Functions

- * Operate as a free public lending facility with reading materials for all ages, in all media.
- * Serve as a community center where exhibits, workshops, book talks, story times, poetry readings, musical performances, reading clubs and other programs and activities for all ages are offered.
- * Provide meeting facilities and information on community issues and services.
- * Work with the Library Advisory Board, Friends of the Library, Library volunteers, and local business partners to encourage Library usage, endowments and bequests in the community.
- * Encourage pre-schoolers to develop an interest in reading and learning through services for children and for parents and children together.
- * Support students in their educational needs with the various public library/school cooperative programs.
- * Provide the public with free notary public service and serve as a passport acceptance agency for the U.S. State Department.
- * Promote lifelong learning through classes, seminars and hands on workshops.

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Active Library Members	13,096	12,726	12,400	12,400
Attendance at Library Programs	9,500	10,778	10,600	10,600
Circulation	207,338	199,695	190,000	190,000
Documents Notarized	929	924	900	900
Interlibrary Loans	100	81	60	60
Internet, MS Office, etc. usage	13,192	12,570	13,500	13,500
Items Purged	6,014	6,189	6,500	6,500
Library Visits	119,586	115,999	113,000	113,000
Meeting Room Usage	1,710	1,676	1,700	1,700
New Items added to Collection	7,189	8,255	7,500	7,500
Overdue Items Retrieved	948	922	900	900
Passport Applications Processed	1,959	2,071	2,000	2,000
Reading Material Reserves	13,001	12,885	12,000	12,000
Web Page Hits	119,162	54,695	40,000	40,000

Significant Budget Items

- * Minimal increase in operating expenses.
- * Personnel services decrease due to retirement of a long time employee.

Program Accomplishments

- * Offered 420 educational and cultural programs attended by 10,778 people.
- * Offered training on basic computer skills which included Word, Excel, E-Mail, iPad, Internet, and Digital Books.
- * Hosted 1,676 meetings for 69 civic organizations and library programs in the meeting rooms.
- * The Library was rated as the highest in visits per capita among the 15 public libraries in the Tidewater area and 4th among the 91 public libraries in Virginia.
- * Received the 2015 Outstanding Program for Children Award from the Virginia Public Library Directors' Association.
- * Awarded a grant from the Virginia Foundation for the Humanities and hosted a series of book discussions for veterans and their families.
- * Registered 1,576 new readers, bringing active cardholders to 12,726.

PLANNING

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 286,286	\$ 300,240	\$ 301,625	\$ 301,625	\$ 319,922	\$ 311,520	\$ 9,895	3.3%
Operating Expenses	18,885	17,223	23,311	23,311	32,130	30,130	6,819	29.3%
Capital Outlay	599	51	-	-	-	-	-	n/a
Totals	\$ 305,770	\$ 317,514	\$ 324,936	\$ 324,936	\$ 352,052	\$ 341,650	\$ 16,714	5.1%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
Director of Community Development Planner	1	1	1	1	1
Environmental Compliance Officer	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Part Time (FTE)	0	0	0	0.75	0
Totals	4	4	4	4.75	4

Goals and Objectives

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

PLANNING

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Citizen requests for information	1,600	1,600	1,600	2,000
City Council/Board/Comm Agenda Items	15	15	15	15
Erosion and Sediment Applications Processed	21	27	27	21
Farm Animal Permits Processed	39	43	48	48
Major subdivision plans reviewed	2	2	2	2
Minor subdivision plans reviewed	4	4	4	4
Sign Permit Applications	20	20	20	20
Site Plans reviewed	25	25	25	25
Special Projects (non Planning)	15	15	17	17
State Stormwater Permits Processed	0	0	10	10
Zoning Ordinance/City Code Amendments	12	12	12	12

Significant Budget Items

- * Increase in personnel service due to a slight increase in salaries.
- * Increase in operating expenses due to increased equipment maintenance cost and other minor cost increases.

Program Accomplishments

- * Continued working with the Department of Conservation and Recreation program requirements including the administration of the storm water Program.
- * 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.
- * Processed 74 land use applications.
- * Monitored state highway, environmental and storm water regulations.
- * Actively participated in regional planning meetings.
- * Continued to updated the City's official zoning map for adoption by City Council.
- * Facilitated the compliance of outstanding non-conforming uses.

PLANNING / BZA / WETLANDS / ARB

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original Adopted Budget	Revised Budget	Department Request Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
Personnel Services	-	-	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	6,402	3,791	6,200	6,200	8,700	8,700	2,500	40.3%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 6,402	\$ 3,791	\$ 6,200	\$ 6,200	\$ 8,700	\$ 8,700	\$ 2,500	40.3%

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.
- * Continue education and certification of Board Members through the Certified Professional Education Association of Virginia

Planning Commission

- * Provide competent, expedient and professional advice and technical support to City Council pertaining to land use and development issues facing Poquoson.
- * Expand staff's knowledge and technical abilities of planning, land use, development, and zoning issues.
- * Assist in guiding development of a revised Comprehensive Plan and in conjunction facilitate a public outreach program for the formulation of the revised plan.
- * Assist in guiding development in a fashion compatible with the City's adopted Comprehensive Plan.

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.
- * Review permit applications for projects proposing impact to wetlands per State guidance and regulations.
- * Monitor progress of permitted projects.
- * Expand Board and staff knowledge pertaining to the use and protection of wetlands.

Environmental Development Plan Review Committee

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

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 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Architectural Review Applications	1	7	7	7
Board of Zoning Appeals - Ches Bay Exceptions	1	2	2	10
Board of Zoning Applications	8	6	6	11
*EDPRC Chesapeake Bay Waivers	9	13	13	10
Ordinance Amendments	12	12	12	12
Wetland Board Applications	4	2	2	5

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

Significant Budget Items

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

Program Accomplishments

- * Accurately processed a variety of land use applications to include the Legacy of Poquoson mixed-use development.
- * Accurately processed 9 residential developments; 2 commercial site improvements plans and 74 Erosion and Sediment plans.
- * Performed inspections.
- * Issued 45 Farm Animal permits.
- * Issued 12 sign permits.
- * Continued to advance education opportunities and obtain certifications.

ECONOMIC DEVELOPMENT

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 70,884	\$ 67,767	\$ 68,561	\$ 68,561	\$ 72,675	\$ 70,770	\$ 2,209	3.2%
Operating Expenses	52,840	49,260	64,931	64,931	114,515	75,511	10,580	16.3%
Capital Outlay	-	-	-	-	1,500	-	n/a	n/a
Totals	<u>\$ 123,724</u>	<u>\$ 117,027</u>	<u>\$ 133,492</u>	<u>\$ 133,492</u>	<u>\$ 188,690</u>	<u>\$ 146,281</u>	<u>\$ 12,789</u>	<u>9.6%</u>

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
Economic Development Coordinator	1	1	1	1	1
Totals	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Goals and Objectives

- * Strengthen the employment and tax base of the community through economic development activities.
- * Continue to assist in the marketing of the Big Woods, Messick Point and other Poquoson properties with potential for commercial development.
- * Explore Poquoson's potential for aquaculture by education of our staff by attending meetings, making connections with practitioners and industry regulators as well as inviting experts in the field to visit and advise.
- * 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.
- * Coordinate efforts to seek grant support and jointly market marine and waterbased businesses for tourism and patronage opportunities.
- * Digital Media focus on high impact, low cost sources to increase awareness and utilization of existing digital sites.
- * Work with multiple developers on the Big Woods project to facilitate, plan and achieve a ground breaking event.
- * Seek new opportunities to attract complimentary retail business to augment and support existing businesses.

ECONOMIC DEVELOPMENT

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Ribbon cutting ceremony	10	13	3	5
Sponsor Economic Development Events	9	10	9	9

Significant Budget Items

- * Increase in FY 2017 operating expense due to expanded media marketing plans.

Program Accomplishments

- * Planned activities targeting potential companies and economic development presentations to Council and outside organizations.
- * Property improvement grant program providing matching funds to business owners to improve the facade of their businesses.
- * Continued marketing and public relations campaign "Poquoson is the Place" with a focus on tourism.
- * Continued coordinating events including Developer Event, Residential Real Estate event, Business Appreciation evening, Mayor's Breakfasts, Big Woods landowner meetings, and participated in and supported Poquoson Business Alliance events including Community Day and others.
- * Successfully applied for and received a Virginia Port Authority Aid to Ports Grant for a breakwater to protect the marina docks at Messick Point.

COMMUNITY DEVELOPMENT

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	Original FY 2016 Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	127,173	128,391	125,422	151,385	161,923	136,923	(14,462)	-9.6%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 127,173	\$ 128,391	\$ 125,422	\$ 151,385	\$ 161,923	\$ 136,923	\$ (14,462)	-9.6%

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 2014 Actual	FY 2015 Actual	FY 2016 Revised Budget	FY 2017 Requested Budget	FY 2017 Adopted Budget
Litter Control Grant	\$ 6,366	\$ 6,067	\$ 6,427	\$ -	\$ -
Contributions to Agencies:					
CASA	500	500	500	500	500
Children's Hospital of the King's Daughters	-	-	-	10,000	-
Commission on Homelessness	2,781	2,781	2,781	2,781	2,781
Disabilities Transportation	3,800	3,800	3,800	3,800	3,800
Green Jobs Alliance	-	1,229	-	-	-
Hampton Roads Economic Development	11,400	11,492	11,499	11,446	-
Hampton Roads Planning District Comm (HRPDC)	9,792	9,833	9,661	9,770	9,770
HR Military/Federal Facilities Alliance	6,075	6,145	6,038	6,106	6,106
HRPDC Municipal Construction Standards	424	675	479	479	479
HRPDC Other Projects	4,502	3,343	5,562	5,154	5,154
HRPDC Regional Groundwater Mitigation	2,665	4,127	2,450	2,350	2,350
HRPDC Stormwater Management Program	6,519	6,577	1,781	5,120	5,120
Langley Civic Leaders Association	-	-	-	1,000	-
NASA Aeronautics Support Team (NAST)	6,000	6,000	6,000	20,000	6,000
Poquoson Animal Welfare Sanctuary (PAWS)	2,500	-	2,500	5,000	5,000
Peninsula Chamber of Commerce	1,750	1,750	1,750	1,750	1,750
Peninsula Council for Workforce Development	5,847	5,847	5,847	5,847	5,847
Peninsula Emergency Medical Services	1,215	1,229	1,208	1,259	1,259
Poquoson Historical Commission	500	500	500	500	500
Poquoson Museum Foundation	26,779	26,779	24,920	34,920	34,920
Regional Air Service Enhancement Fund (RAISE)	4,860	4,860	4,860	4,860	4,860
Retired Senior Volunteer Program	2,750	-	-	-	-
Small Business Development Center	5,850	3,000	3,000	3,000	3,000
The Healing Place	-	-	7,407	-	-
Thomas Nelson Community College	12,635	13,100	13,134	27,727	27,727
Transitions Family Violence Services	1,663	1,745	1,745	2,000	2,000
Waterman's Memorial	-	-	19,536	-	-
York/Poquoson Extension Service	-	7,012	8,000	8,000	8,000
Totals	\$ 127,173	\$ 128,391	\$ 151,385	\$ 173,369	\$ 136,923

Significant Budget Items

- * Hampton Roads Planning District Commission provides oversight for various projects, total requested funding for HRPDC is \$22,873 for FY 2017.
- * Poquoson Museum Foundation requested funding in the amount of \$34,920 for FY 2017 which is a forgiveness of 10th of the deed of trust note with the City as well as the interest relating to that note. This is for year number 5 of 10.
An additional \$10,000, will be used to help operate and maintain the museum.
- * Thomas Nelson Community College requested \$27,727 for lease payments and capital improvements.
- * Regional economic development funding has been allocated to the Economic Development Department for reinvestment in local economic development.

NON-DEPARTMENTAL

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Original	Revised	Department	City Council	Change	Change
			Adopted	Budget	Request	Adopted	From 2016	From 2016
			Budget	Budget	Budget	Budget	Revised	Revised
							Budget	Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Operating Expenses	17,513	15,232	9,758	9,758	50,000	22,590	12,832	131.5%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 17,513	\$ 15,232	\$ 9,758	\$ 9,758	\$ 50,000	\$ 22,590	\$ 12,832	131.5%

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.

Budget Detail

	FY 2014 Actual	FY 2015 Actual	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Refunds	179	(50)	-	-	-
Treasurer Cash Overages/Shortages	(42)	18	-	-	-
Contingencies	17,376	15,263	9,758	50,000	22,590
Totals	<u>\$ 17,513</u>	<u>\$ 15,231</u>	<u>\$ 9,758</u>	<u>\$ 50,000</u>	<u>\$ 22,590</u>

Significant Budget Items

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

DMV SELECT

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change FY 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 98,311	\$ 102,829	\$ 103,421	\$ 103,421	\$ 103,209	\$ 100,820	\$ (2,601)	-2.5%
Operating Expenses	3,112	2,942	3,724	3,724	3,850	3,850	126	3.4%
Capital Outlay	1,226	190	-	-	-	-	-	n/a
Totals	\$ 102,649	\$ 105,961	\$ 107,145	\$ 107,145	\$ 107,059	\$ 104,670	\$ (2,475)	-2.3%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
Senior DMV Service Clerk	0	1	1	1	1
DMV Service Clerk	2	1	1	1	1
Totals	2	2	2	2	2

Goals and Objectives

* Continue to provide excellent customer service to all DMV customers.

* Advertise and promote new services offered (boat registrations, hunting and fishing licenses) as a result of the new relationship established with the Department of Game and Inland Fisheries (DGIF).

DMV SELECT

Major Departmental Functions

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

Performance Measures

	<u>FY 2014</u> Actual	<u>FY 2015</u> Actual	<u>FY 2016</u> Estimated	<u>FY 2017</u> Estimated
Total DMV Transactions	39,852	39,481	38,000	38,000
Car Dealers Served	24	20	17	17

Significant Budget Items

- * In FY 2017, it is estimated that the DMV operations will generate \$121,000 in commission to the City.
- * Rate of compensation for DMV services is 4.5% of the first \$500,000 of gross collections and 5% of gross collections over \$500,000.

Program Accomplishments

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

TRANSFER TO OTHER FUNDS

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	n/a
Operating Expenses	2,271,371	3,645,075	3,215,575	4,053,485	3,134,614	3,061,155	(992,330)	-24.5%
Capital Outlay	-	-	-	-	-	-	n/a	n/a
Totals	\$ 2,271,371	\$ 3,645,075	\$ 3,215,575	\$ 4,053,485	\$ 3,134,614	\$ 3,061,155	\$ (992,330)	-24.5%

Personnel Summary

N/A

TRANSFERS

Goals and Objectives

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

TRANSFER TO OTHER FUNDS

Major Departmental Functions

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

Budget Detail

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget
Transfer to Debt Service	\$ 2,075,858	\$ 2,800,575	\$ 2,800,575	\$3,095,610	\$ 2,961,614	\$ 2,888,155
Transfer to Capital Projects	101,100	844,500	415,000	957,875	173,000	173,000
Transfer to Special Revenue	15,000	-	-	-	-	-
Transfer to Utilities	2,000	-	-	-	-	-
Transfer to Fleet	3,000	-	-	-	-	-
Transfer to Economic Development Authority	74,413	-	-	-	-	-
Totals	\$ 2,271,371	\$ 3,645,075	\$ 3,215,575	\$4,053,485	\$ 3,134,614	\$ 3,061,155

Significant Budget Items

- * The transfer to Debt Service of \$2,888,155 for City and School debt.
- * Transfer of \$173,000 to the Capital Projects fund for a school bus, police car and TMDL projects.

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DEBT SERVICE FUND - SUMMARY

Debt Service Fund Description

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

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

The rating agencies of Standard & Poor and Moody's have given the City initial standalone ratings of Aa3 and AA+ respectively. On May 19, 2014 Standard & Poor raised the long-term rating for the City to AAA.

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

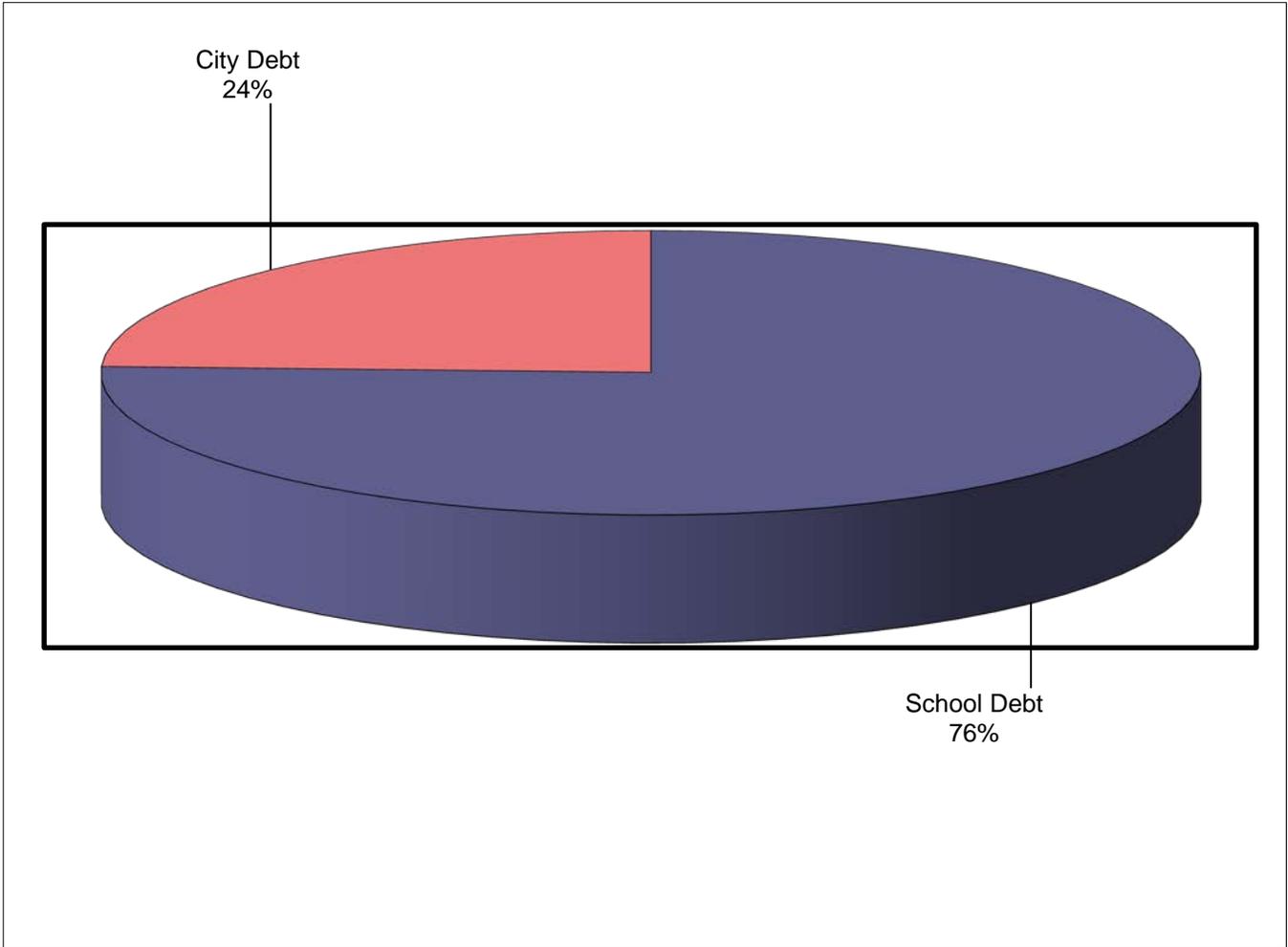
Projected fund balance is to be used to offset debt service costs in future years.

Debt Service Projection of Fund Balance

Beginning Fund Balance - 6/30/2013		\$	245,937
Actual FY 2014 Revenues	\$ 2,075,858		
Actual FY 2014 Expenditures	<u>(2,077,458)</u>		<u>(1,600)</u>
Fund Balance - 6/30/2014		\$	244,337
Actual FY 2015 Revenues	\$ 2,800,575		
Actual FY 2015 Expenditures	<u>(2,627,062)</u>		<u>173,513</u>
Fund Balance - 6/30/2014		\$	417,850
Estimated FY 2016 Revenues	\$ 3,095,610		
Estimated FY 2016 Expenditures	<u>(3,205,547)</u>		<u>(109,937)</u>
Projected Fund Balance - 6/30/2016		\$	307,913
Estimated FY 2017 Revenues	\$ 2,888,155		
Estimated FY 2017 Expenditures	<u>(2,989,491)</u>		<u>(101,336)</u>
Projected Fund Balance - 6/30/2017		\$	<u><u>206,577</u></u>

DEBT SERVICE FUND - SUMMARY

Debt Service Expenditures



<u>Debt Service Expenditures</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
School Debt	\$ 2,010,862	\$ 2,261,721
City Debt	<u>1,194,685</u>	<u>727,770</u>
TOTAL	<u>\$ 3,205,547</u>	<u>\$ 2,989,491</u>

DEBT SERVICE FUND - REVENUE

Debt Service Revenue

Account Title	FY 2014 Actual	FY 2015 Actual	FY 2016 Revised Budget	FY 2016 Estimated Revenue	FY 2017 City Council Adopted Revenue	\$ Change From 2016 Budget	% Change From 2016 Budget
Transfer from General Fund	\$ 2,075,858	\$ 2,800,575	\$ 3,095,610	\$ 3,095,610	\$ 2,888,155	\$ (207,455)	-6.7%
Use of Reserve	1,600	-	109,937	109,937	101,336	(8,601)	-7.8%
TOTAL TRANSFERS IN	\$ 2,077,458	\$ 2,800,575	\$ 3,205,547	\$ 3,205,547	\$ 2,989,491	\$ (216,056)	-6.7%

Revenue Explanations

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

Use of Reserve: In FY 2013, the City established a debt reserve to set aside funds for future debt service. The estimated balance of the reserve at 6/30/16 is \$307,913.

Computation of Estimated Legal Debt Margins for FY 2017

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 7/1/2016, is shown below. A further discussion of the City's debt service can be found in the Appendix section of this document.

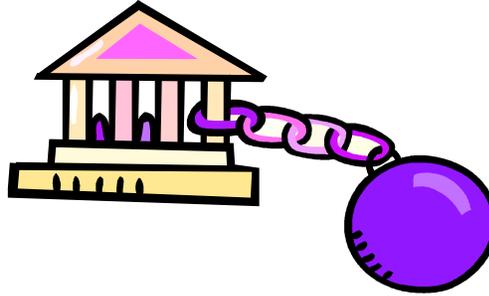
Estimated Assessed Value of Real Estate as of 7/1/2016

General	\$1,519,366,582
Public Service Corporation	19,600,000
Total	<u>\$1,538,966,582</u>
Total Bonding Limit (10% of total assessed value)	\$153,896,658
General Obligation Bonds, other than those authorized for a specific revenue producing project	\$25,346,587
State Literary Fund Loans	750,000
Sewer Bonds	<u>6,855,000</u>
Net Bonded indebtedness subject to limit	\$32,951,587
Bonded indebtedness as percent of assessed value of real estate	<u>2.14%</u>
Margin for Additional Borrowing	<u>\$120,945,071</u>

DEBT SERVICE FUND - EXPENDITURES

Debt Service Expenditures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Revised Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Budget	% Change From 2016 Budget
School Principal	\$ 655,787	\$ 1,031,367	\$ 1,132,449	\$ 1,405,216	\$ 272,767	24.1%
School Interest	926,656	904,389	878,413	856,505	(21,908)	-2.5%
City Principal	231,048	432,633	945,610	503,385	(442,225)	-46.8%
City Interest	261,817	256,523	246,675	221,985	(24,690)	-10.0%
Trustee Fees	2,150	2,150	2,400	2,400	-	0.0%
Totals	\$ 2,077,458	\$ 2,627,062	\$ 3,205,547	\$ 2,989,491	\$ (216,056)	-6.7%



Significant Budget Items

* In FY 2013, the City began funding a debt reserve to use for future debt service. This portion of the reserve is being used to fund the increase in debt service for FY 2017. In FY 2016 the City paid off a line of credit that was used to purchase property.

DEBT SERVICE FUND - EXPENDITURES

Expenditures Summary

DEBT INSTRUMENT	FY 2017 Principal	FY 2017 Interest	FY 2017 Other Fees	FY 2017 Adopted Budget
<u>Schools</u>				
<u>Bonds:</u>				
1998A VPSA PHS Addition/Renovations	\$ 30,000	\$ 3,825	\$ -	\$ 33,825
2010 Refunded 2005 PES	133,000	133,630	-	266,630
2010 Refunded 2006B PES	210,000	271,475	-	481,475
2010 Refunded 2007 PES	40,500	138,470	-	178,970
2011B Refunded 2009A Refunded 2006A PES	101,000	82,576	-	183,576
2012 Refunded 2002 Refunded 1994A (Cafeteria)	18,367	4,949	-	23,316
2012 Refunded 2009C Refunded 2001 School's VRS	-	11,250	-	11,250
2012 Refunded 2011 Refunded 2008 PMS Stadium	196,933	58,530	-	255,463
2012 Refunded 2011 Refunded 2007 Unrefunded PES	377,216	112,111	-	489,327
2017 School Projects	48,200	17,189	-	65,389
<u>Literary Loans:</u>				
1998 PHS Addition/Renovations	250,000	22,500	-	272,500
Total Schools	\$1,405,216	\$856,505	\$ -	\$2,261,721
<u>City</u>				
<u>Bonds:</u>				
2010 Refunded 2005 Fire Station #1	57,000	57,270	-	114,270
2010 Refunded 2007 Fire Station #1	9,500	32,481	-	41,981
2011 Public Works Storage	36,000	13,886	-	49,886
2012 Refunded 2002 Refunded 1994 A (City Hall)	71,633	19,301	-	90,934
2012 Refunded 2011 Refunded 2007 Unrefunded Fire Station #1	88,483	26,298	-	114,781
2012 Refunded 2011 Refunded 2009B & 1998A Refunded Court House	-	30,874	-	30,874
2012 Refunded 2011 Refunded 2009B & 2001 Fire Station #2	-	21,563	-	21,563
2012 Refunded 2011 Refunded 2009B & 2002 Fire Pumper	52,906	2,645	-	55,551
2012 Refunded 2011 Refunded 2009B & 2008 Motorola Radios	179,463	13,980	-	193,443
2017 Messick Point Beach	8,400	3,687	-	12,087
<u>Trustee Fees:</u>				
US Bank	-	-	2,400	2,400
Total City	\$503,385	\$221,985	\$2,400	\$727,770
TOTAL DEBT SERVICE FY 2017	\$1,908,601	\$1,078,490	\$2,400	\$2,989,491

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DEBT SERVICE FUND - LONG TERM DEBT OBLIGATIONS

Summary of Long Term Debt Obligations

<u>General Long Term Obligations</u>	Projected Balance 6/30/2016	Additions	Retirement	Projected Balance 6/30/2017
<u>School Bonds:</u>				
1998A VPSA PHS Addition/Renovations	\$ 90,000	\$ -	\$30,000	\$ 60,000
2010 Refunded 2005 PES	3,024,000	-	133,000	2,891,000
2010 Refunded 2006B PES	6,000,000	-	210,000	5,790,000
2010 Refunded 2007 PES	3,049,650	-	40,500	3,009,150
2011B Refunded 2009A Refunded 2006A PES	2,771,000	-	101,000	2,670,000
2012 Refunded 2002 Refunded 1994A (Cafeteria)	98,980	-	18,367	80,613
2012 Refunded 2009C Refunded 2001 School's VRS	225,000	-	-	225,000
2012 Refunded 2011 Refunded 2008 PMS Stadium	1,219,004	-	196,933	1,022,071
2012 Refunded 2011 Refunded 2007 Unrefunded PES	2,334,945	-	377,216	1,957,729
2017 School Projects	-	585,000	48,200	536,800
	\$ 18,812,579	\$ 585,000	\$ 1,155,216	\$ 18,242,363
<u>School Literary Loans:</u>				
1998 PHS Addition/Renovations	750,000	-	250,000	500,000
	\$ 750,000	\$ -	\$ 250,000	\$ 500,000

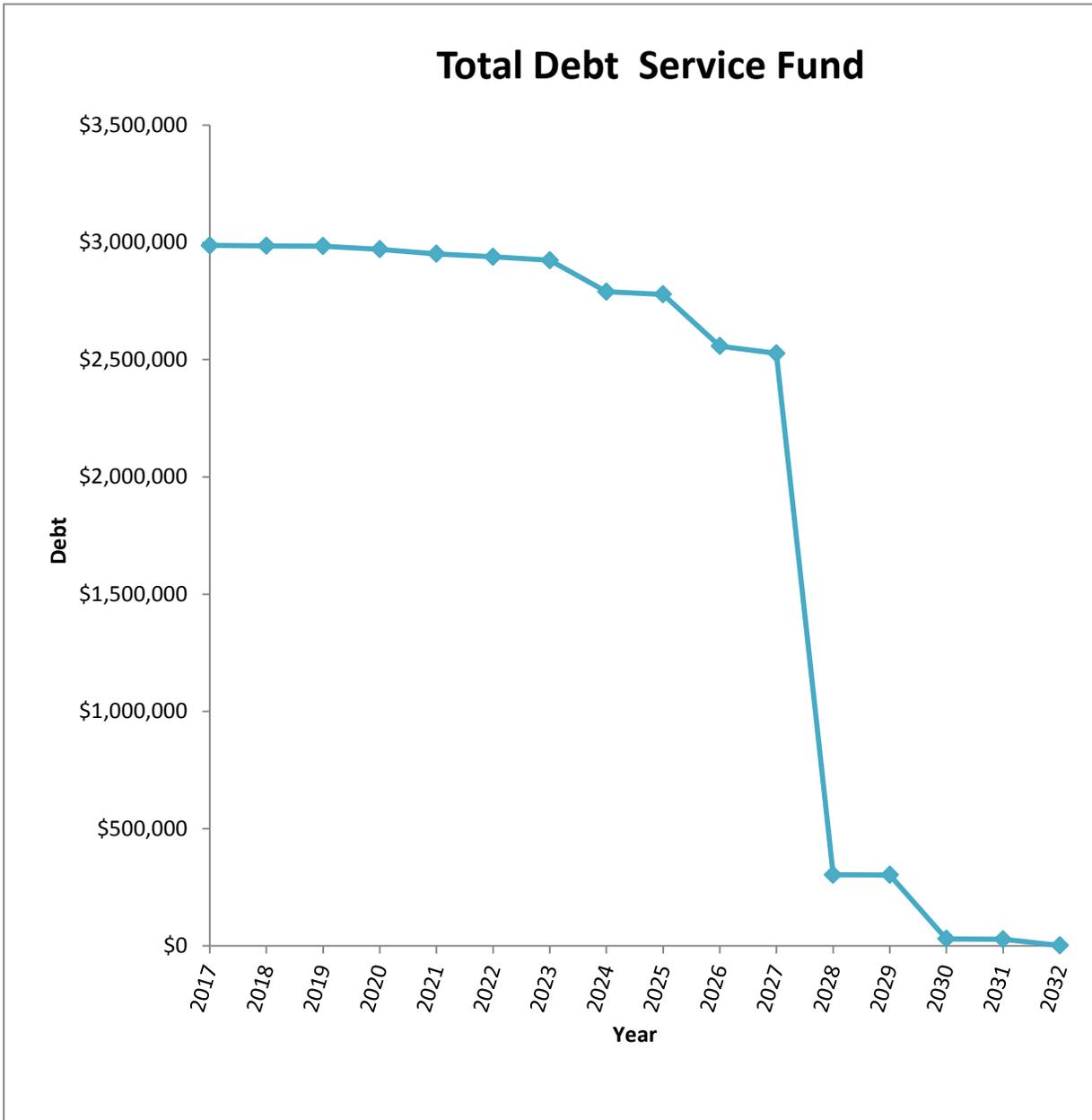
City Bonds:

2010 Refunded 2005 Fire Station #1	1,296,000	-	57,000	1,239,000
2010 Refunded 2007 Fire Station #1	715,350	-	9,500	705,850
2011 Public Works Storage	466,000	-	36,000	430,000
2012 Refunded 2002 Refunded 1994 A (City Hall)	386,020	-	71,633	314,387
2012 Refunded 2011 Refunded 2009B & 1998A Refunded Court House	547,702	-	88,483	459,219
2012 Refunded 2011 Refunded 2007 Unrefunded Fire Station	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	52,906	-	52,906	-
2012 Refunded 2011 Refunded 2009B & 2008 Motorola Radios	279,592	-	179,463	100,129
2017 Messick Point Beach	-	125,000	8,400	116,600
	\$ 4,849,421	\$ 125,000	\$ 503,385	\$ 4,471,036
Total General Long Term Obligations	\$ 24,412,000	\$ 710,000	\$ 1,908,601	\$ 23,213,399

Sewer Fund Obligations

<u>Sewer Bonds:</u>				
2010 VRA Refunded 2002 Bond	440,000	-	65,000	375,000
2012 Refunded 2011 Refunded 2009B & 1998B Bond	1,807,564	-	53,284	1,754,280
2012 Refunded 2011 Refunded 2009B & 2003B Bond	397,436	-	11,716	385,720
2012 Refunded 2000 DEQ Loan	1,240,000	-	30,000	1,210,000
2012 Refunded 2000 DEQ Loan	2,970,000	-	285,000	2,685,000
Total Sewer Obligations	\$ 6,855,000	\$ -	\$ 445,000	\$ 6,410,000

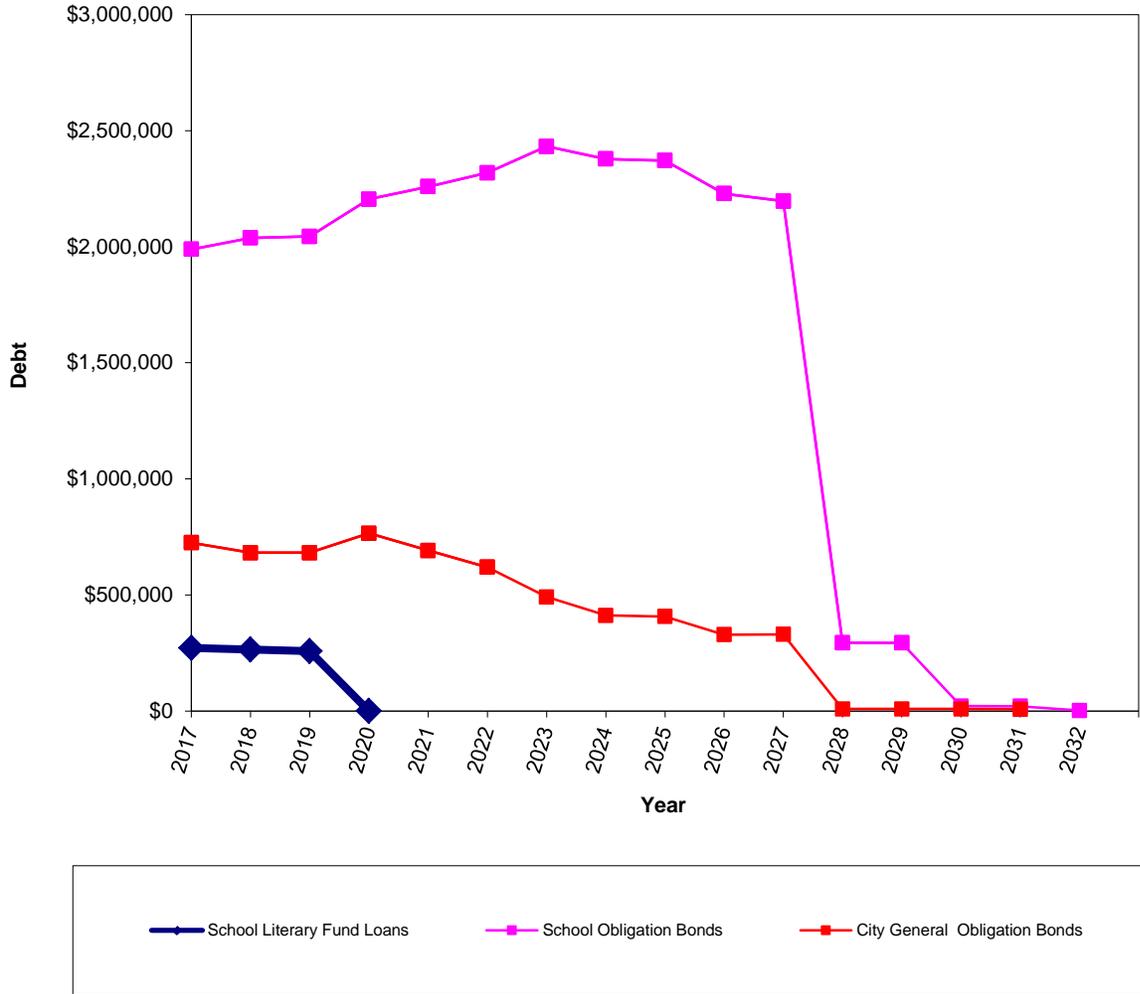
DEBT SERVICE FUND



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		City General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	250,000	22,500	1,155,216	834,005	503,385	221,985
2018	250,000	15,000	1,251,501	786,888	483,099	199,041
2019	250,000	7,500	1,308,577	735,887	505,023	177,090
2020			1,522,562	682,219	612,039	153,928
2021			1,644,869	614,337	566,731	125,172
2022			1,773,226	545,324	520,374	99,337
2023			1,960,009	472,067	415,591	76,237
2024			1,995,778	382,123	353,822	57,963
2025			2,082,028	288,994	365,572	41,960
2026			2,019,778	209,139	300,822	28,194
2027			2,081,235	115,302	315,363	14,880
2028			276,200	17,829	8,400	915
2029			284,200	9,595	8,400	663
2030			20,200	1,121	8,400	411
2031			20,200	515	7,400	144
2032			2,000	30		
TOTAL	\$ 750,000	\$ 45,000	\$ 19,397,579	\$ 5,695,375	\$ 4,974,421	\$ 1,197,920

DEBT SERVICE FUND--AMORTIZATION OF LONG TERM DEBT

Amortization of Long Term Debt

Year Ending June 30	Total Debt		Total Debt Service		Total Sewer Fund	
	Service Fund		Fund Principal &	Sewer Fund Bonds/Notes		Principal &
	Principal	Interest	Interest	Principal	Interest	Interest
2017	1,908,601	1,078,490	2,987,091	445,000	262,071	707,071
2018	1,984,600	1,000,929	2,985,529	470,000	240,068	710,068
2019	2,063,600	920,477	2,984,077	490,000	216,628	706,628
2020	2,134,601	836,147	2,970,748	515,000	192,183	707,183
2021	2,211,600	739,509	2,951,109	540,000	166,878	706,878
2022	2,293,600	644,661	2,938,261	565,000	140,774	705,774
2023	2,375,600	548,304	2,923,904	590,000	114,900	704,900
2024	2,349,600	440,086	2,789,686	610,000	97,200	707,200
2025	2,447,600	330,954	2,778,554	630,000	78,900	708,900
2026	2,320,600	237,333	2,557,933	650,000	60,000	710,000
2027	2,396,598	130,182	2,526,780	665,000	40,500	705,500
2028	284,600	18,744	303,344	685,000	20,550	705,550
2029	292,600	10,258	302,858	-	-	-
2030	28,600	1,532	30,132	-	-	-
2031	27,600	659	28,259	-	-	-
2032	2,000	30	2,030	-	-	-
TOTAL	\$ 25,122,000	\$ 6,938,295	\$ 32,060,295	\$ 6,855,000	\$ 1,630,652	\$ 8,485,652

Note:

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

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

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CAPITAL PROJECTS FUND - SUMMARY

Capital Projects Fund Description

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

For presentation purposes, the FY 2017 through FY 2021 CIP's General Fund Projects are shown in detail found on page 117.

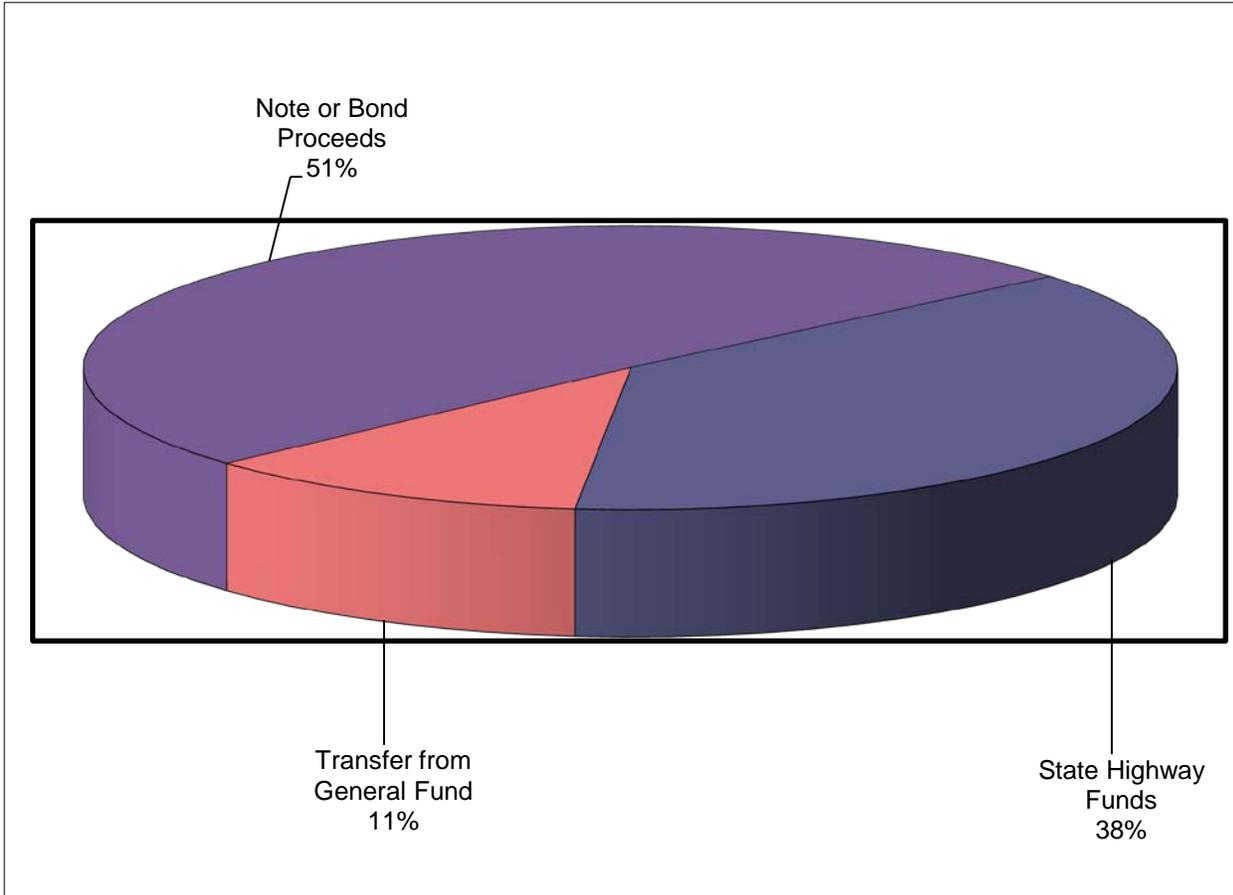
Unlike the City's General Fund in which any unexpended funds lapse at the end of the fiscal year, the monies appropriated in the Capital Fund lapse into the fund balance for future expenditures. Those unspent funds are then reappropriated to the next fiscal year provided the project is not completed.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

Capital Projects Projection of Fund Balance

Fund Balance - 6/30/2013		\$ 1,051,780
Actual FY 2014 Revenues	\$ 756,368	
Actual FY 2014 Expenditures	(991,003)	(234,635)
Fund Balance - 6/30/2014		\$ 817,145
Actual FY 2015 Revenues	\$ 1,352,725	
Actual FY 2015 Expenditures	(822,462)	530,263
Fund Balance - 6/30/2014		\$ 1,347,408
Estimated FY 2016 Revenues	\$ 1,747,716	
Estimated FY 2016 Expenditures	(2,209,888)	(462,172)
Projected Fund Balance - 6/30/2016		\$ 885,236
Estimated FY 2017 Revenues	\$ 1,498,520	
Estimated FY 2017 Expenditures	(2,377,123)	(878,603)
Projected Fund Balance - 6/30/2017		\$ 6,633

CAPITAL PROJECTS FUND - SUMMARY

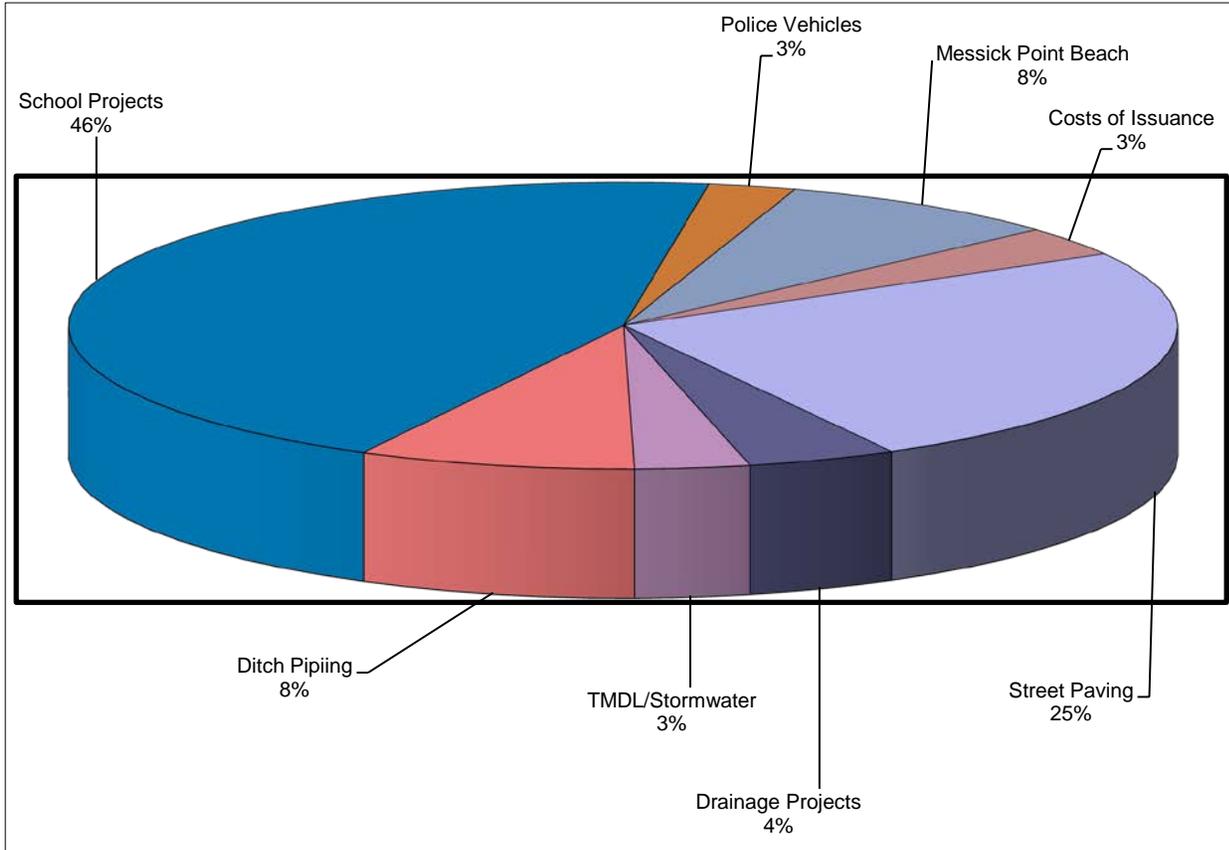
Capital Projects Revenue



<u>Capital Projects Revenue</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
State Highway Funds	\$ 465,000	\$ 565,520
Transfer from General Fund	957,875	173,000
Note or Bond Proceeds	-	760,000
Grant Funds	324,841	-
Use of Fund Balance	1,342,356	-
TOTAL	<u>\$ 3,090,072</u>	<u>\$ 1,498,520</u>

CAPITAL PROJECTS FUND - SUMMARY

Capital Projects Expenditures



<u>Capital Projects Expenditures</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Street Paving	\$ 654,900	\$ 379,900
Drainage Projects	94,384	65,000
TMDL/Stormwater	630,148	50,000
Ditch Piping	70,870	120,620
School Projects	83,991	670,000
Police Vehicles	35,000	38,000
Messick Point Beach	-	125,000
Costs of Issuance	-	50,000
Airboat	65,000	-
Street Sweeper	230,000	-
Playground	636	-
Drainage Acquisition	25,000	-
Courthouse Roof Replacement	53,975	-
Buildings and Facilities	14,984	-
Floating Dock	50,000	-
Messick Point Breakwater	201,000	-
TOTAL	<u>\$ 2,209,888</u>	<u>\$ 1,498,520</u>

CAPITAL PROJECTS FUND - REVENUE

Revenue Summary

Account Title	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Revised Budget	FY 2016 Estimated Revenue	FY 2017	FY 2017	\$	%
						Department Estimated Budget	City Council Adopted Budget	Change From 2016 Revised Budget	Change From 2016 Revised Budget
State Highway Funds	\$ 493,630	\$ 507,190	\$ 465,000	\$ 465,000	\$ 465,000	\$ 565,520	\$ 565,520	\$ 100,520	21.6%
Note or Bond Proceeds	-	-	-	-	-	760,000	760,000	760,000	100.0%
Interest -- Bond Proceeds	87	-	-	-	-	-	-	-	n/a
State Grants	79,150	-	-	259,841	259,841	-	-	(259,841)	-100.0%
Other Federal Grants	-	-	-	65,000	65,000	-	-	(65,000)	-100.0%
Donations	82,401	1,035	-	-	-	-	-	-	n/a
Reappropriation of Fund Bal	-	-	1,072,069	1,426,731	1,426,731	-	-	(1,426,731)	-100.0%
Transfer from General Fund	101,100	844,500	415,000	873,500	873,500	173,000	173,000	(700,500)	-80.2%
TOTAL REVENUE	\$ 756,368	\$ 1,352,725	\$ 1,952,069	\$ 3,090,072	\$ 3,090,072	\$ 1,498,520	\$ 1,498,520	\$ (1,591,552)	-51.5%

Revenue Explanations

State Highway Funds: Each year the City allocates a portion of the funding it receives from the Virginia Department of Transportation (VDOT) to the City for the annual paving and drainage programs ("Street Paving and Drainage" projects). The City is projected to receive a total of \$1,445,520 from the State Highway Maintenance Fund, \$565,520 is recorded in the Capital Projects Fund, and the remaining \$880,000 is recorded in the General Fund. The exact amount of revenue for FY 2017 will not be known until August 2016.

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

Bond Proceeds: The City plans on issuing debt in FY 2017 for a High School Track project, School HVAC systems project and the Messick Point beach. The total amount of the borrowing is expected to be approximately \$760,000 which includes any cost of issuance.

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

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

CAPITAL PROJECTS FUND - EXPENDITURES

Expenditures Summary

Project	Estimated FY 2016 Expended Projects	Estimated Prior Fiscal Year's Unexpended	FY 2017 New Projects Adopted Budget	Total FY 2017 Projects
		Prior Year	Year 1	
School Projects				
School Bus	\$ 83,991	\$ 6,009	\$ 85,000	\$ 91,009
High School Track	-	\$ -	\$ 305,000	305,000
School HVAC Projects	-	-	280,000	280,000
Public Works, Transportation & Drainage Projects				
Street Paving	654,900	-	379,900	379,900
Drainage Projects	94,384	573,364	65,000	638,364
Drainage Acquisition	25,000	-	-	-
Ditch Piping	70,870	13,560	120,620	134,180
Street Sweeper	230,000	-	-	-
TMDL/Stormwater	630,148	-	50,000	50,000
Parks & Recreation Projects				
Messick Point Beach	-	-	125,000	125,000
Playground Equipment	636	-	-	-
Messick Point Breakwater	201,000	84,375	-	84,375
Floating Dock	50,000	-	-	-
Miscellaneous Projects				
Airboat	65,000	-	-	-
Engineering Services	-	70,000	-	70,000
Reassessment Software	-	125,000	-	125,000
Police Vehicles	35,000	-	38,000	38,000
Buildings and Facilities	14,984	6,295	-	6,295
York/Poquoson Courthouse Roof	53,975	-	-	-
Cost of Issuance	-	-	50,000	50,000
Totals	\$ 2,209,888	\$ 878,603	\$ 1,498,520	\$ 2,377,123

Expenditures Explanations

Funds are appropriated in the Capital Projects Fund as Year 1 projects usually with a Transfer from the General Fund. Unexpended funds at the end of Year 1 lapse into the Fund Balance of the Capital Projects fund for future expenditures. Those unspent funds are then reappropriated the next fiscal year shown above as "Prior Fiscal Year" provided the project is not completed. Completed projects with leftover funds may be transferred to the General Fund Unassigned Fund Balance.

Major Fund Functions

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

FY 2017 New Projects

Street Paving: Projects are funded through VDOT State Highway Funds for maintenance, resurfacing and improvements. Projects are at the City's discretion based on needs. The City allocated \$379,900 towards paving for FY 2017.

Drainage Projects: These projects are also funded through VDOT State Highway Funds with an allocation of \$65,000.

CAPITAL PROJECTS FUND - EXPENDITURES

Ditch Piping: These projects are also funded through VDOT State Highway Funds with an allocation of \$120,620.

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 \$50,000 as a Transfer from General Fund.

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

High School Track: This project is for the replacement of the high school track. The track is expected to meet all Virginia High School League standards necessary to sponsor high school track and field events. This project will be funded with debt proceeds.

School HVAC Projects: This project is for the replacement and renovations of the HVAC systems at the Primary School and the High School. This project will be funded with debt proceeds.

Police Vehicles: This project is for the purchase of a police car and equipment to outfit the car.

Messick Point Beach: This project establishes a small beach area at Messick Point to be used for recreational purposes. This project will be funded with debt proceeds.

CAPITAL PROJECTS FUND - CIP PLAN SUMMARY

FY 2017 Adopted Capital Projects Fund

Adopted CIP Summary FY 2017 - Beyond FY 2021

Project	FY 2017 Adopted Budget	FY 2017 Adopted Project	FY 2018 Adopted Project	FY 2019 Adopted Project	FY 2020 Adopted Project	FY 2021 Adopted Project	Beyond FY 2021 Project	Total Cost
School Projects								
High School Forum Renovation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
High School Track	302,000	302,000	-	-	-	-	-	302,000
High School Locker Room Renovation	-	-	-	-	-	-	67,000	67,000
High School HVAC	76,000	76,000	-	-	-	-	-	76,000
High School Gym HVAC	-	-	-	-	-	-	126,000	126,000
High School Roof Replacement	-	-	-	-	1,307,000	-	31,000	1,338,000
Primary School HVAC	206,000	206,000	-	-	-	-	-	206,000
Primary School Roof Replacement	-	-	-	-	831,000	-	203,000	1,034,000
Middle School Renovation	-	-	-	to be determined		-	-	-
Middle School Roof Replacement	-	-	-	342,000	-	-	603,000	945,000
Asphalt Repairs	-	-	-	-	-	-	147,000	147,000
Bus Replacement	85,000	85,000	166,000	166,000	174,000	166,000	164,000	921,000
Total School Projects	\$ 669,000	\$ 669,000	\$ 166,000	\$ 508,000	\$ 2,312,000	\$ 166,000	\$ 3,841,000	\$ 7,662,000
Transportation and Drainage Projects								
Street Paving	\$ 379,900	\$ 379,900	\$ 402,865	\$ 374,700	\$ 394,300	\$ 403,700	\$ -	\$ 1,955,465
Wythe Creek Road South	-	400,000	1,645,850	1,458,288	8,915,862	-	-	12,420,000
Drainage Projects/Engineering Services	-	-	-	-	-	-	-	-
Drainage Projects-Poquoson Shores Tidal Flooding	-	-	80,000	-	-	-	-	80,000
Drainage Projects -- City Ditch Erosion Paving	-	120,000	150,000	100,000	80,000	50,000	-	500,000
TMDL/Stormwater -- Chesapeake Bay	-	50,000	100,000	150,000	500,000	1,000,000	16,700,000	18,500,000
Piping Upgrade--Poquoson Avenue	-	-	-	-	-	-	145,000	145,000
Ditch Piping -- Little Florida Road South	-	65,000	-	-	-	-	-	65,000
Oxford Mews	-	-	-	-	-	-	130,000	130,000
ROW Acquisition, Bike Paths & Sidewalks	-	500,000	-	-	-	-	-	500,000
Victory Boulevard	-	-	-	-	-	-	21,700,000	21,700,000
Total Transportation and Drainage Projects	\$ 379,900	\$ 1,514,900	\$ 2,378,715	\$ 2,082,988	\$ 9,890,162	\$ 1,453,700	\$ 38,675,000	\$ 55,995,465
Public Safety: Fire and Police Projects								
Replacement of Engine 102	\$ -	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ -	\$ 350,000
Replacement of Medic 4	-	200,000	-	-	-	-	-	200,000
Police Vehicles	38,000	-	-	-	-	-	-	-
Public Safety Building	-	-	50,000	-	-	3,450,000	-	3,500,000
Total Public Safety: Fire and Police Projects	\$ 38,000	\$ 200,000	\$ 50,000	\$ -	\$ 350,000	\$ 3,450,000	\$ -	\$ 4,050,000
Public Works Projects								
Equipment Replacement	\$ -	\$ 170,000	\$ 330,000	\$ 745,000	\$ 794,000	\$ 165,000	\$ 130,000	\$ 2,334,000
Public Works Compound	-	-	-	-	-	-	875,200	875,200
Total Public Works Projects	\$ -	\$ 170,000	\$ 330,000	\$ 745,000	\$ 794,000	\$ 165,000	\$ 1,005,200	\$ 3,209,200

CAPITAL PROJECTS FUND - CIP PLAN SUMMARY

FY 2017 Adopted Capital Projects Fund

Adopted CIP Summary FY 2017 - Beyond FY 2021

Project	FY 2017 Adopted Budget	FY 2017 Adopted Project	FY 2018 Adopted Project	FY 2019 Adopted Project	FY 2020 Adopted Project	FY 2021 Adopted Project	Beyond FY 2021 Project	Total Cost
Parks & Recreation Projects								
Municipal Ballfield Lighting Upgrade	\$ -	\$ -	\$ 245,000	\$ -	\$ -	\$ -	\$ -	245,000
Firth Field Light Replacement	-	-	-	310,000	-	-	-	310,000
Western Precinct Park	-	-	-	-	-	-	1,000,000	1,000,000
Blue Way System	-	-	-	-	-	70,000	-	70,000
Messick Point Breakwater	-	269,500	-	-	-	-	-	269,500
Messick Point Pier & Beach	-	-	-	-	-	-	600,000	600,000
Messick Point Beach	-	125,000	-	-	-	-	-	125,000
Pool Reconstruction	-	-	-	-	-	-	3,000,000	3,000,000
Recreation Center	-	-	-	-	-	-	15,500,000	15,500,000
South Lawson Park Bike Path	-	-	-	-	-	-	195,000	195,000
South Lawson Park Upgrades	-	5,000	25,000	-	-	-	220,000	250,000
Total Parks & Recreation Projects	\$ -	\$ 399,500	\$ 270,000	\$ 310,000	\$ -	\$ 70,000	\$ 20,515,000	\$ 21,564,500
Facilities & Miscellaneous City Projects								
Financial System Upgrade	-	-	250,000	-	-	-	-	250,000
HVAC -- City Hall	-	-	350,000	-	-	-	-	350,000
HVAC -- Police Department	-	-	73,000	-	-	-	-	73,000
Total Facilities & Miscellaneous City Projects	\$ -	\$ -	\$ 673,000	\$ -	\$ -	\$ -	\$ -	\$ 673,000
Totals	\$ 1,086,900	\$ 2,953,400	\$ 3,867,715	\$ 3,645,988	\$ 13,346,162	\$ 5,304,700	\$ 64,036,200	\$ 93,154,165

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Expenditures Explanations

The FY 2017 - Beyond FY 2021 CIP prepared by staff was presented to the Poquoson Planning Commission on February 18, 2016. After reviewing the Plan, and holding a public hearing the Commission recommended its adoption to City Council. City Council adopted the Plan on February 22, 2016 after a public hearing was held.

Operational Impact

The operational impact for the next five years is limited to transfers from the General Fund to finance the projects as well as debt service of \$87,500 per year. The projects for the next five years require no new personnel or increased fixed costs.

Street and Drainage: Projects are funded through VDOT

SOLID WASTE FUND - SUMMARY

Solid Waste Fund Description

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

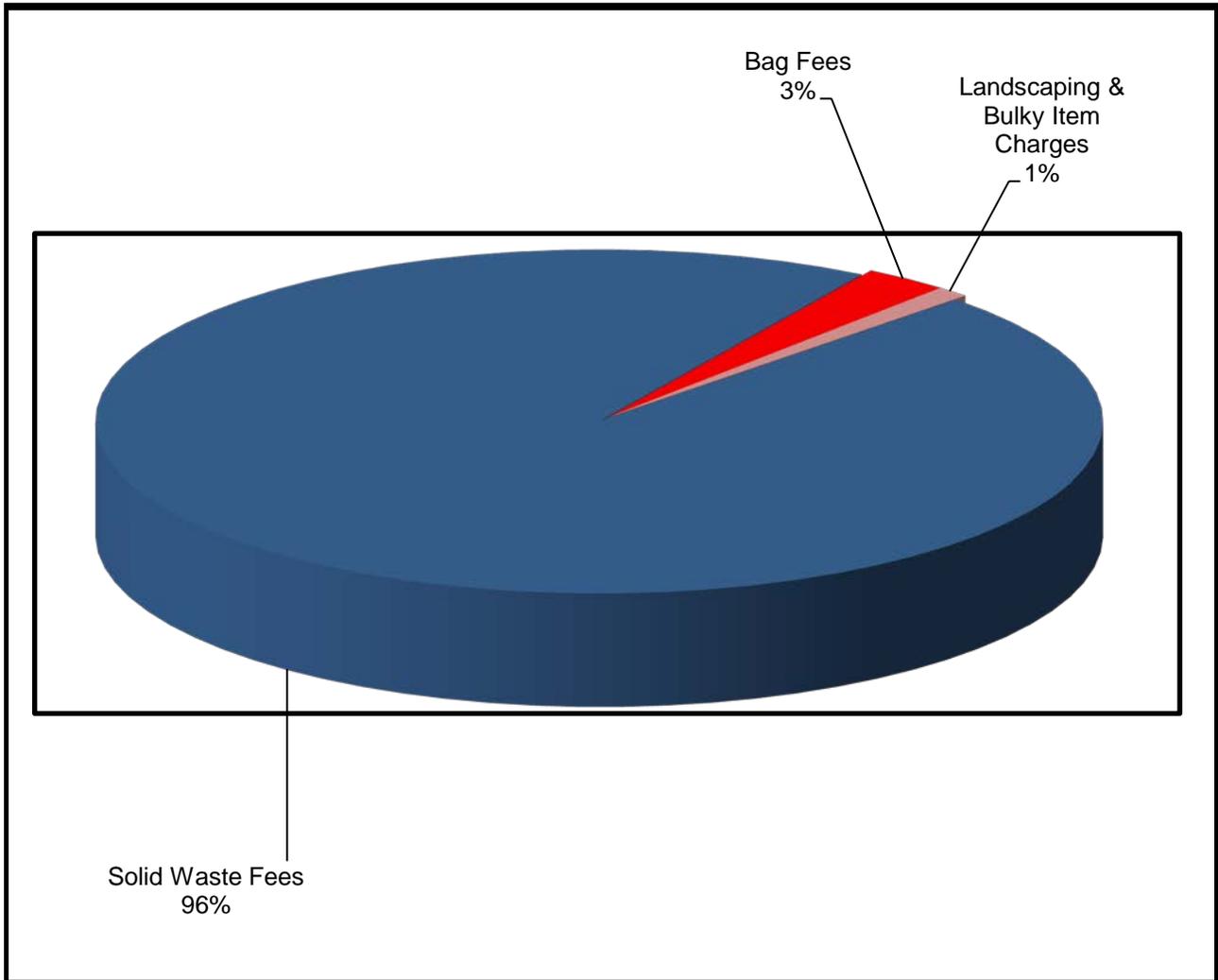
In January 2007, City Council adopted a Committee's recommendation and City staff implemented the container/cart program on October 1, 2007. This program utilizes contracted disposal of all household solid waste.

Solid Waste Projection of Net Assets

Beginning Net Assets - 6/30/2013		\$ 375,346
Actual FY 2014 Revenues	\$ 752,535	
Actual FY 2014 Expenses	<u>(891,826)</u>	<u>(139,291)</u>
Net Assets - 6/30/2014		\$ 236,055
Actual FY 2015 Revenues	\$ 796,972	
Actual FY 2015 Expenses	<u>(746,243)</u>	<u>50,729</u>
Net Assets - 6/30/2015		\$ 286,784
Estimated FY 2016 Revenues	\$ 831,825	
Estimated FY 2016 Expenses	<u>(831,825)</u>	<u>-</u>
Projected Net Assets - 6/30/2016		\$ 286,784
Estimated FY 2017 Revenues	\$ 843,338	
Estimated FY 2017 Expenses	<u>(843,338)</u>	<u>-</u>
Projected Net Assets - 6/30/2017		<u><u>\$ 286,784</u></u> *

*Includes undepreciated fixed assets and unrestricted net assets.

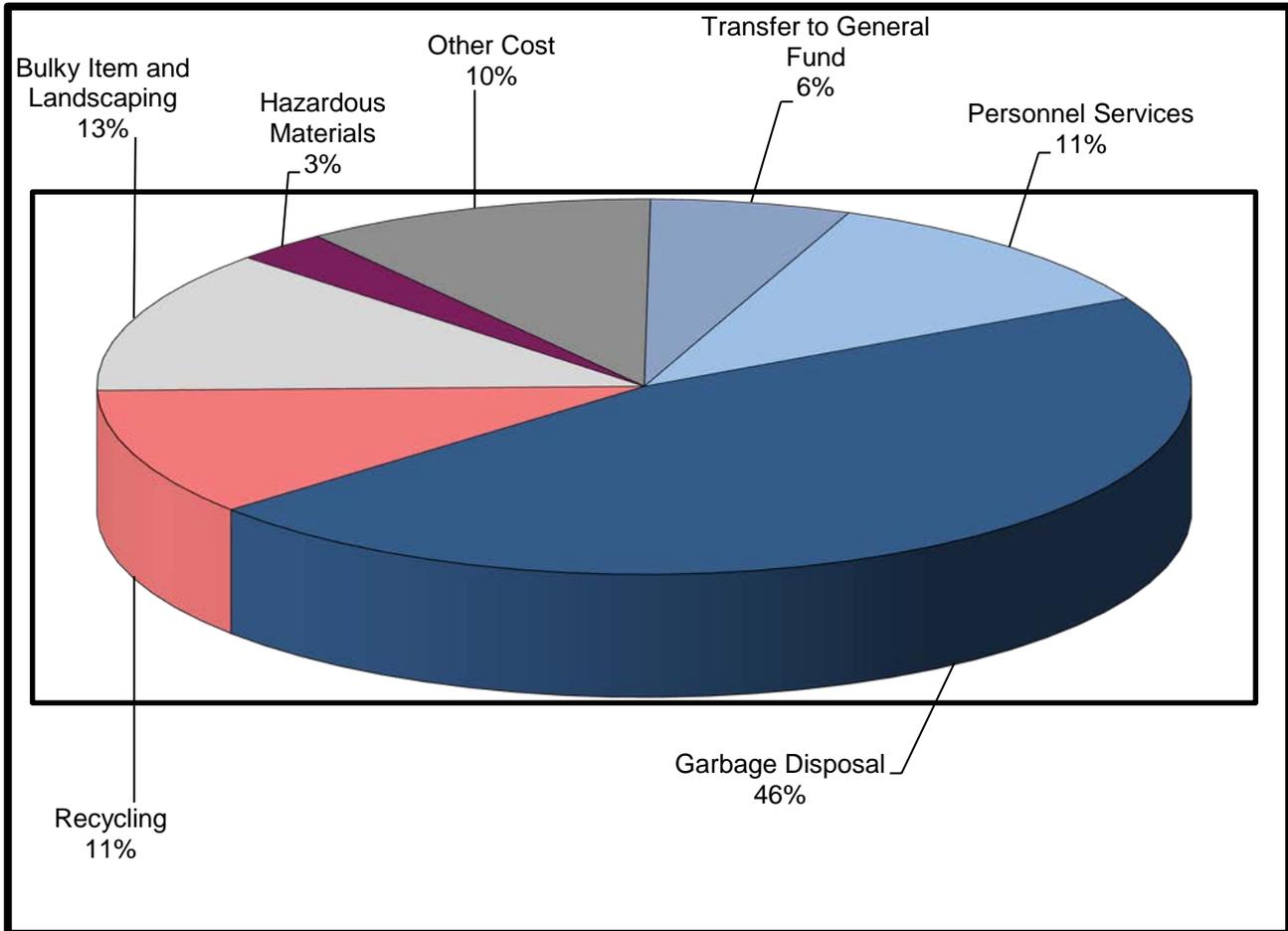
SOLID WASTE FUND - SUMMARY



<u>Solid Waste Revenue</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Solid Waste Fees	\$ 797,825	\$ 811,338
Bag Fees	20,000	23,000
Landscaping & Bulky Item Charges	<u>14,000</u>	<u>9,000</u>
TOTAL	<u>\$ 831,825</u>	<u>\$ 843,338</u>

SOLID WASTE FUND - SUMMARY

Solid Waste Expenses



<u>Solid Waste Expenses</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Personnel Services	\$ 91,202	\$ 93,775
Garbage Disposal	408,000	391,000
Recycling	91,480	93,172
Bulky Item and Landscaping	104,763	104,700
Hazardous Materials	25,053	23,000
Other Cost	111,327	87,691
Transfer to General Fund	-	50,000
TOTAL	<u>\$ 831,825</u>	<u>\$ 843,338</u>

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SOLID WASTE FUND - REVENUE

Solid Waste Revenue

Account Title			FY 2016		FY 2017				\$	%
	FY 2014	FY 2015	Original	FY 2016	FY 2016	FY 2017	FY 2017	Change	Change	
	Actual	Actual	Adopted	Revised	Estimated	Department	City Council	From 2016	From 2016	
			Budget	Budget	Revenue	Estimated	Adopted	Revised	Revised	Budget
Solid Waste Fees	\$ 718,567	\$ 767,519	\$ 797,825	\$ 797,825	\$ 797,825	\$ 811,338	\$ 811,338	13,513		1.7%
Bag Fees	21,788	21,263	20,000	20,000	20,000	23,000	23,000	3,000		15.0%
Disposal Fees	229	284	-	-	-	-	-	-		n/a
Landscaping Debris Charge	9,077	5,040	10,000	10,000	10,000	5,000	5,000	(5,000)		-50.0%
Bulky Item Charge	2,451	2,325	4,000	4,000	4,000	4,000	4,000	-		0.0%
Miscellaneous	424	542	-	-	-	-	-	-		n/a
TOTAL REVENUE & TRANSFERS	\$ 752,536	\$ 796,973	\$ 831,825	\$ 831,825	\$ 831,825	\$ 843,338	\$ 843,338	\$ 11,513		1.4%

Revenue Explanations

Solid Waste Fees: In FY 2017, the fees are based on the container/cart program implemented on October 1, 2007. Citizens have the option to choose from 3 plans, or an additional 2 plans if eligible. The Solid Waste Ordinance has a sliding scale that is offered to households who meet certain income requirements. It is estimated that \$15,075 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 33 new units will be added in FY 2017 bringing \$4,515 in revenue.

	Number of Units	FY 2016 Adopted Bi-Monthly Fees	FY 2017 Adopted Bi-Monthly Fees	FY 2017 Estimated Revenue	FY 2017 Authorized Fees Waived	FY 2017 Total Revenue
Plans:						
Plan A = 35 gallon container/cart	1,832	\$24.75	\$24.75	\$ 272,052	\$ (7,277)	\$ 264,775
Plan B = 65 gallon container/cart	1,936	41.00	41.00	\$ 484,336	(3,014)	481,322
Plan C = (2) 65 gallon container/carts	73	75.00	75.00	\$ 32,850	(900)	31,950
Plan D = 35 gallon container/cart (bi-weekly pickup)	363	15.00	15.00	\$ 32,670	(3,735)	28,935
Plan E = no container/cart (private lanes, townhomes)	91	8.25	8.25	\$ 4,505	(149)	4,356
	4,295			\$ 826,413	\$ (15,075)	\$ 811,338

Bag Fees: The fee for the green bags remains at 5 bags for \$8.75 per package (\$1.75 per bag). This fee has been the same for the previous 11 fiscal years.

Landscaping Debris Charges: The City provides curbside pickup service for woody waste. The fee for this service is \$60 per pickup. The fee is intended to cover a small portion of the cost incurred in picking up landscaping debris. The City is estimated to pay VPPSA \$34,700 to operate the composting/disposal facility in FY 2017. 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. Residents may also bring woody waste to a free designated drop off site that is provided twice a month.

Bulky Item Charge: The City also provides curbside pickup for bulky items. In FY 2017 the fee is at \$63 per pickup. The fee is intended to limit the number of bulky item pickups in a year, not to cover the cost of the operation. In 2011, the City implemented a free drop off service twice a month for residents to dispose of unwanted items instead of paying for a residential pickup.

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

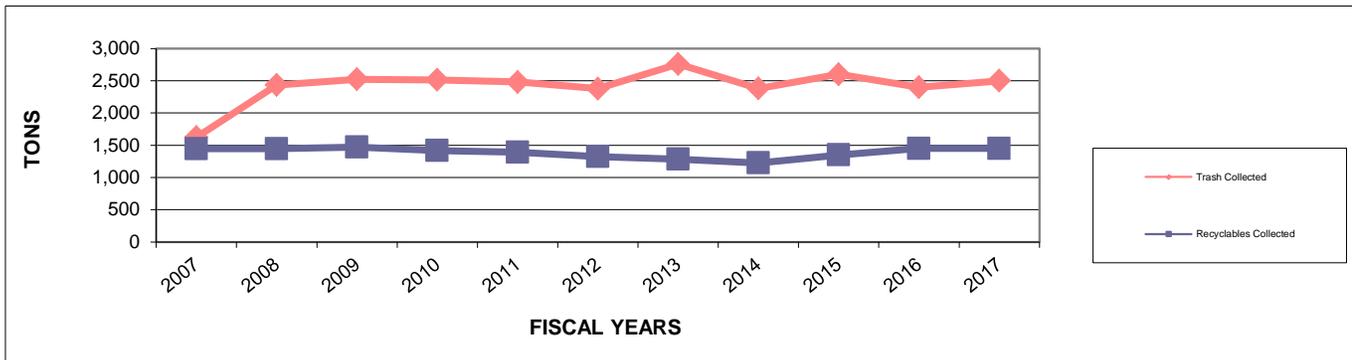
SOLID WASTE FUND - GARBAGE AND RECYCLING

Expenditures Summary

	FY 2014	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Actual	Adopted	Revised	Estimated	Department	City Council	Change	Change
			Budget	Budget	Expenses	Request	Adopted	From 2016	From 2016
						Budget	Budget	Budget	Budget
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Operating Expenses	592,067	469,111	555,021	555,021	555,021	531,845	563,522	8,501	-8.5%
Capital Outlay	-	-	-	-	-	-	-	-	n/a
Totals	\$ 592,067	\$ 469,111	\$ 555,021	\$ 555,021	\$ 555,021	\$ 531,845	\$ 563,522	\$ 8,501	n/a

Personnel Summary

N/A



Goals and Objectives

- * Oversee the trash collection program that began on October 1, 2007.
- * Continue collecting all City trash routes within three days using a contractor.
- * Oversee curbside recycling to continue to make the transition effortless.

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

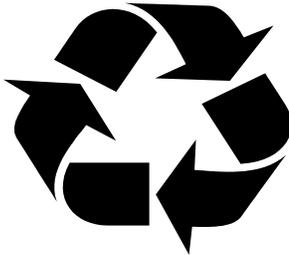
	<u>Actual</u> <u>FY 2014</u>	<u>Actual</u> <u>FY 2015</u>	<u>Estimated</u> <u>FY 2016</u>	<u>Estimated</u> <u>FY 2017</u>
Trash Collected (Tons)	2,380	2,338	2,400	2,500
Recyclables Collected by Contractor (Tons)	1,227	1,045	1,450	1,450

Significant Budget Items

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

Program Accomplishments

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



SOLID WASTE FUND - BULKY ITEM AND LANDSCAPING

Expenditures Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
			Adopted Budget	Revised Budget	Estimated Expenses	Department Request Budget	City Council Adopted Budget	Change From 2016 Budget	Change From 2016 Budget
Personnel Services	\$ 109,287	\$ 83,795	\$ 91,201	\$ 91,201	\$ 91,201	\$ 93,775	\$ 93,775	\$ 2,574	2.8%
Operating Expenses	158,247	167,444	185,603	185,603	185,603	176,447	186,041	438	0.2%
Capital Outlay	32,225	25,893	-	-	-	-	-	-	n/a
Totals	\$ 299,759	\$ 277,132	\$ 276,804	\$ 276,804	\$ 276,804	\$ 270,222	\$ 279,816	\$ 3,012	1.1%

Personnel Summary

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2017
	Authorized	Authorized	Authorized	Department Request Positions	City Council Authorized
Equipment Operator II	1	1	1	1	1
Totals	1	1	1	1	1

Goals and Objectives

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

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 2014	Actual FY 2015	Estimated FY 2016	Estimated FY 2017
Waste Oil Collected for Recycling (gallons)	2,412	2,080	2,700	2,300
Bulky Item Debris Collected for Disposal*	1,218	1,041	1,400	1,400
Landscape Debris Collected for Recycling*	1,162	1,136	1,300	1,200
Convenience site visitors	5,819	6,137	6,500	6,500
Used Tires Collected for Recycling	407	294	500	400

* Amounts given in tons

Significant Budget Items

- * Minimal increase in personnel costs for FY 2017

Program Accomplishments

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

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UTILITIES FUND - SUMMARY

Utilities Fund Description

The Utilities Fund is operated as an Enterprise Fund which is used to account for sewer operations that function as though they were a private-sector entity. An Enterprise Fund is expected to cover its costs through user charges. The Utilities Fund provides for the maintenance of sewer lines and pump stations and the debt service incurred in having the sewer originally extended and renovated. The Department provides 24 hour service for the 29 pump stations, 51.3 miles of gravity sewer lines and 18 miles of sewer force mains, installation of sewer taps, replacement or repair of broken or misaligned lines.

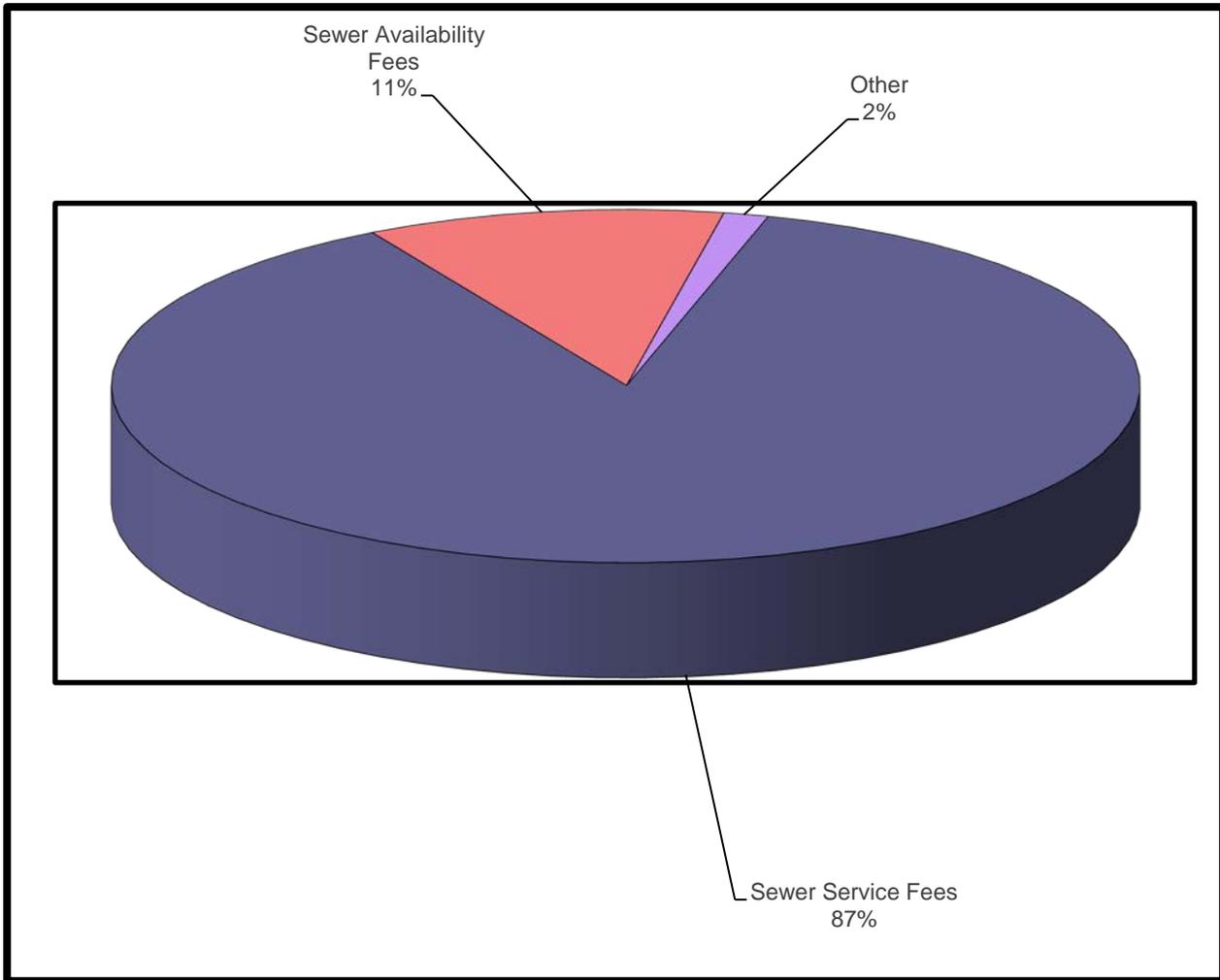
Utilities Fund Projection of Net Assets

Beginning Net Assets - 7/1/2013		\$ 5,489,058
Actual FY 2014 Revenues	\$ 1,925,558	
Actual FY 2014 Expenses	<u>(1,733,592)</u>	<u>191,966</u>
Net Assets - 6/30/2014		\$ 5,681,024
Actual FY 2015 Revenues	\$ 1,903,615	
Actual FY 2015 Expenses	<u>(1,670,881)</u>	<u>232,734</u>
Net Assets - 6/30/2015		\$ 5,913,758
Estimated FY 2016 Revenues	\$ 1,893,400	
Estimated FY 2016 Expenses	<u>(1,893,400)</u>	<u>-</u>
Projected Net Assets - 6/30/2016		\$ 5,913,758
Estimated FY 2017 Revenues	\$ 2,130,430	
Estimated FY 2017 Expenses	<u>(2,130,430)</u>	<u>-</u>
Projected Net Assets - 6/30/2016		<u><u>\$ 5,913,758</u></u> *

*Includes undepreciated fixed assets and unrestricted net assets.

UTILITIES FUND - SUMMARY

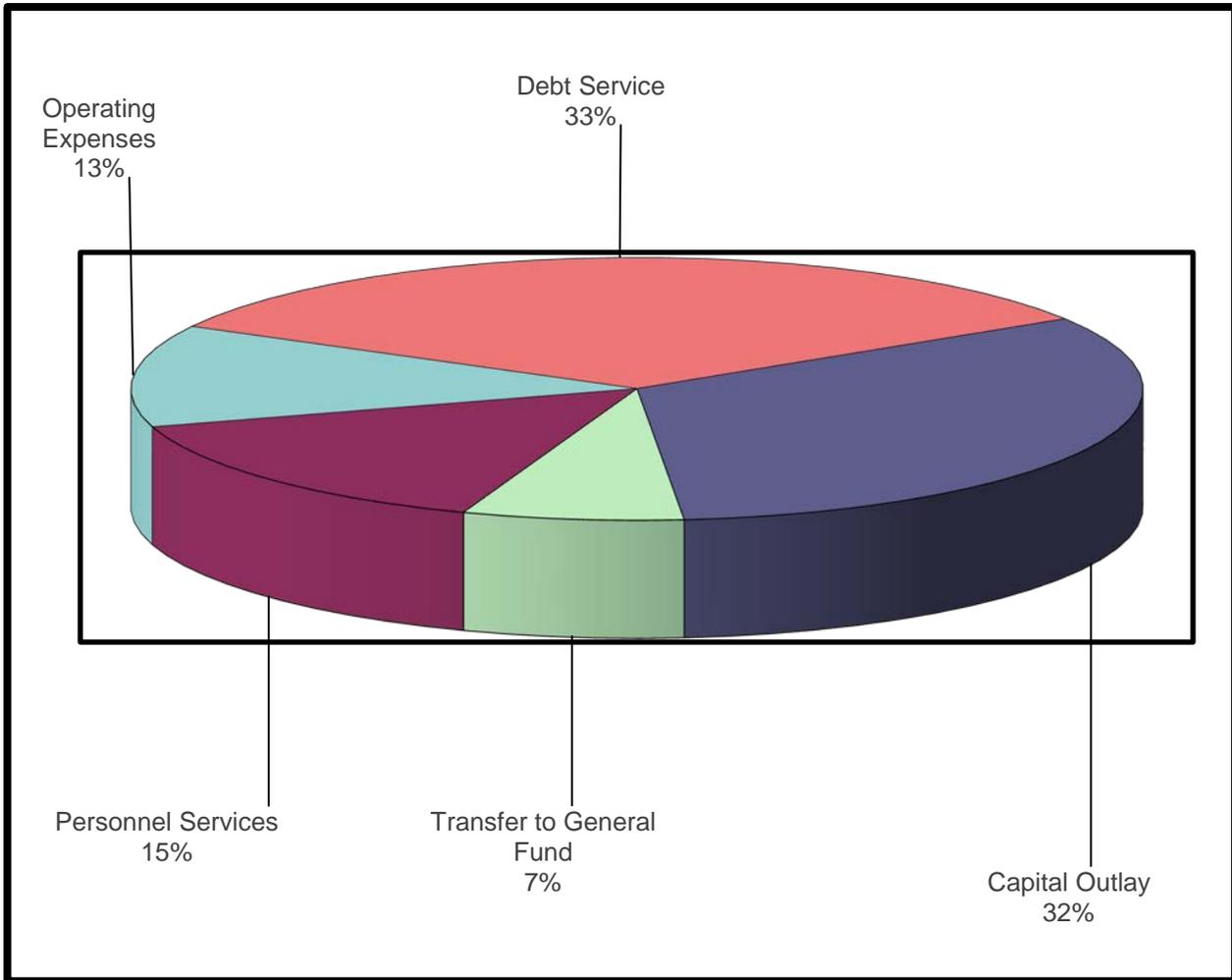
Utilities Fund Revenue



<u>Utilities Fund Revenue</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Sewer Service Fees	\$1,833,400	\$1,860,430
Sewer Availability Fees	30,000	240,000
Other	30,000	30,000
TOTAL	<u><u>\$1,893,400</u></u>	<u><u>\$2,130,430</u></u>

UTILITIES FUND - SUMMARY

Utilities Fund Expenditures



<u>Utilities Fund Expenditures</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Personnel Services	\$320,549	\$314,047
Operating Expenses	230,716	267,872
Debt Service	641,816	707,071
Capital Outlay	550,319	691,440
Transfer to General Fund	150,000	150,000
TOTAL	<u><u>\$1,893,400</u></u>	<u><u>\$2,130,430</u></u>

UTILITIES FUND - REVENUE

Utilities Revenue

Account Title	FY 2014 Actual	FY 2015 Actual	FY 2016 Revised Budget	FY 2016 Estimated Revenue	FY 2017	FY 2017	\$	%
					Department Request Revenue	City Council Adopted Revenue	Change From 2016 Budget	Change From 2016 Budget
Sewer Service Fees	\$ 1,812,502	\$ 1,815,011	\$ 1,833,400	\$ 1,833,400	\$ 1,860,430	\$ 1,860,430	\$ 27,030	1.5%
Sewer Availability Fees	75,000	51,000	30,000	30,000	240,000	240,000	210,000	700.0%
Notes Receivable - Interest	248	272	-	-	-	-	-	0.0%
Miscellaneous Revenue	587	4,247	-	-	-	-	-	0.0%
Late Payment Fees	34,872	33,006	30,000	30,000	30,000	30,000	-	0.0%
Interest Income	349	79	-	-	-	-	-	0.0%
Transfer from General Fund	2,000	-	-	-	-	-	-	0.0%
TOTAL REVENUE & TRANSFERS IN	\$ 1,925,558	\$ 1,903,615	\$ 1,893,400	\$ 1,893,400	\$ 2,130,430	\$ 2,130,430	237,030	12.5%

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 2017, the Sewer Service fee is proposed at \$62 bi-monthly.

The Sewer Ordinance has a sliding scale that is offered to households that meet certain income requirements. It is estimated that \$41,850 of sewer fees is waived due to the scale. Revenues from reduced fee accounts are estimated to be \$11,718.

Sliding Scale Sewer Service Fees:

Combined Income	FY 2016 Adopted Bi-Monthly Fees	FY 2017 Bi-Monthly Adopted Fees	Projected Number of Accounts	FY 2017 Revenue	FY 2017 Estimated Loss Revenue
\$25,000 or less	\$0	\$0	72	\$ -	\$ 26,784
25,001 - 33,000	15.50	15.50	31	2,883	8,649
33,001 - 40,000	31.00	31.00	28	5,208	5,208
40,001 - 47,000	46.50	46.50	13	3,627	1,209
over 47,001	62.00	62.00	4,788	1,781,136	-
			4,932	\$ 1,792,854	\$ 41,850

In FY 2017, there are an estimated 4,932 users of sewer for total revenues of \$1,792,854. It is also estimated that 60 new homes will connect to sewer and pay bi-monthly fees totaling \$10,354 in additional revenue.

Commercial users are charged the flat sewer service fee plus a fee based on water consumption. In FY 2017, the commercial fee is proposed at \$1.75 for every 100 cubic feet of water consumed. In FY 2017, it is estimated that \$57,222 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 2017, it is estimated that new properties will generate \$240,000 in revenue.

The Sewer Availability Fee is as follows:

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

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

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

UTILITIES FUND - EXPENDITURES

Expenditures Summary

			FY 2016		FY 2017		\$	%
	FY 2014	FY 2015	Original	FY 2016	Department	FY 2017	Change	Change
	Actual	Actual	Adopted	Revised	Request	City Council	From 2016	From 2016
			Budget	Budget	Budget	Adopted	Revised	Revised
						Budget	Budget	Budget
Personnel Services	\$ 428,731	\$ 300,699	\$ 320,549	\$ 320,549	\$ 314,047	\$ 314,047	\$ (6,502)	-2.0%
Operating Expenses	186,574	222,884	230,716	230,716	267,871	267,871	37,155	16.1%
Depreciation & Amortization	656,235	628,175	-	-	-	-	-	n/a
Debt Service	293,324	278,343	641,816	641,816	707,071	707,071	65,255	10.2%
Transfer to General Fund	130,000	150,000	150,000	150,000	150,000	150,000	-	0.0%
Capital Outlay*	38,728	90,780	550,319	550,319	691,441	691,441	141,122	25.6%
Totals	\$ 1,733,592	\$ 1,670,881	\$ 1,893,400	\$ 1,893,400	\$ 2,130,430	\$ 2,130,430	\$ 237,030	12.5%

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

Personnel Summary

			FY 2016		FY 2017	FY 2017
	FY 2014	FY 2015	FY 2016	Department	City Council	
	Authorized	Authorized	Authorized	Request	Authorized	
				Positions	Positions	
Superintendent of Utilities	1	1	1	1	1	1
Utilities Foreman	1	1	1	1	1	1
Utilities Technician	1	1	1	1	1	1
Utilities Worker	1	1	1	1	1	1
Totals	4	4	4	4	4	4

Goals and Objectives

- * Maintain current level of system reliability and provide 24 hour emergency service.
- * Continue to operate the sewer system in a safe and cost effective manner.
- * Develop a FOG (Fat, Oil, Grease) elimination program.
- * Replace both pumps in pump station #1.

UTILITIES FUND - EXPENDITURES

Major Departmental Functions

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

Performance Measures

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Estimated
Force Main Miles	12.1	12.1	12.4	12.4
Grinder Pump Stations	19	19	19	20
Laterals Cleaned bi-monthly	12	11	15	14
Laterals Cleaned bi-yearly	17	16	16	16
Laterals Installed	3	0	5	4
Laterals Repaired	15	12	17	15
Back-up Calls	0	0	70	70
Locations Marked for Miss Utilities	1,774	1,826	2,043	2,200
Pump Stations	29	29	29	29
Pumps Repaired	14	18	11	13
Sewer Connections	4,855	4,910	4,922	4,932
Sewer Gravity Miles	51.3	51.3	51.3	51.7
Pumps Replaced	5	5	3	4
Grinder Pumps Replaced	9	13	3	4

Significant Budget Items

- * Increase in capital projects is based on the adopted CIP project needs.

Program Accomplishments

- * Continued to maintain a high level of system reliability and service.
- * Expanded opportunity for employee training.
- * Met the requirements of the "Miss Utilities" system.
- * Worked with local jurisdictions to have the State Water Control Board Consent Order modified and approved.
- * Updated new employee training guide.
- * Refurbished boat pump out station, installed additional potable water line at Whitehouse Cove Marina pier.
- * Built & installed portable toilet enclosure at Whitehouse Cove Marina.
- * Replaced roof shingles on three pump stations.

UTILITIES FUND CAPITAL PROJECTS - CIP PLAN SUMMARY

FY 2017 Utilities Fund Capital Projects

Adopted CIP Summary FY 2017 -- Beyond FY 2021

Project	FY 2017 Adopted Budget	FY 2017 Adopted Project	FY 2018 Adopted Project	FY 2019 Adopted Project	FY 2020 Adopted Project	FY 2021 Adopted Project	Beyond FY 2021 Adopted Project	Total Cost
Facility Projects								
Pump Station Generators	\$ 79,000	\$ 79,000	\$ 79,000	\$ 79,000	\$ 79,000	\$ -	\$ -	\$ 316,000
Sewer Cleaning Truck	94,500	94,500	-	-	-	-	-	94,500
Maintenance Building Addition	68,300	68,300	-	-	-	-	-	68,300
Replacement of Power Supplies	42,000	42,000	42,000	42,000	42,000	42,000	-	210,000
Total Facility Projects	\$ 283,800	\$ 283,800	\$ 121,000	\$ 121,000	\$ 121,000	\$ 42,000	\$ -	688,800
Sanitary Sewer Evaluation Study (SSES)								
Sanitary Sewer Consent Repairs	318,841	350,000	350,000	350,000	350,000	350,000	350,000	2,100,000
Street and Drainage: Projects are funded through								
Total Utilities Projects	\$ 602,641	\$ 633,800	\$ 471,000	\$ 471,000	\$ 471,000	\$ 392,000	\$ 350,000	\$ 2,788,800

Expenditure Explanations

The FY 2017 - Beyond FY 2021 CIP prepared by staff was presented to the Poquoson Planning Commission on February 18, 2016. After reviewing the Plan and conducting a public hearing, the Commission recommended adoption to City Council. City Council adopted the Plan on February 22, 2016 after a public hearing.

FLEET MANAGEMENT FUND - SUMMARY

Fleet Management Fund Description

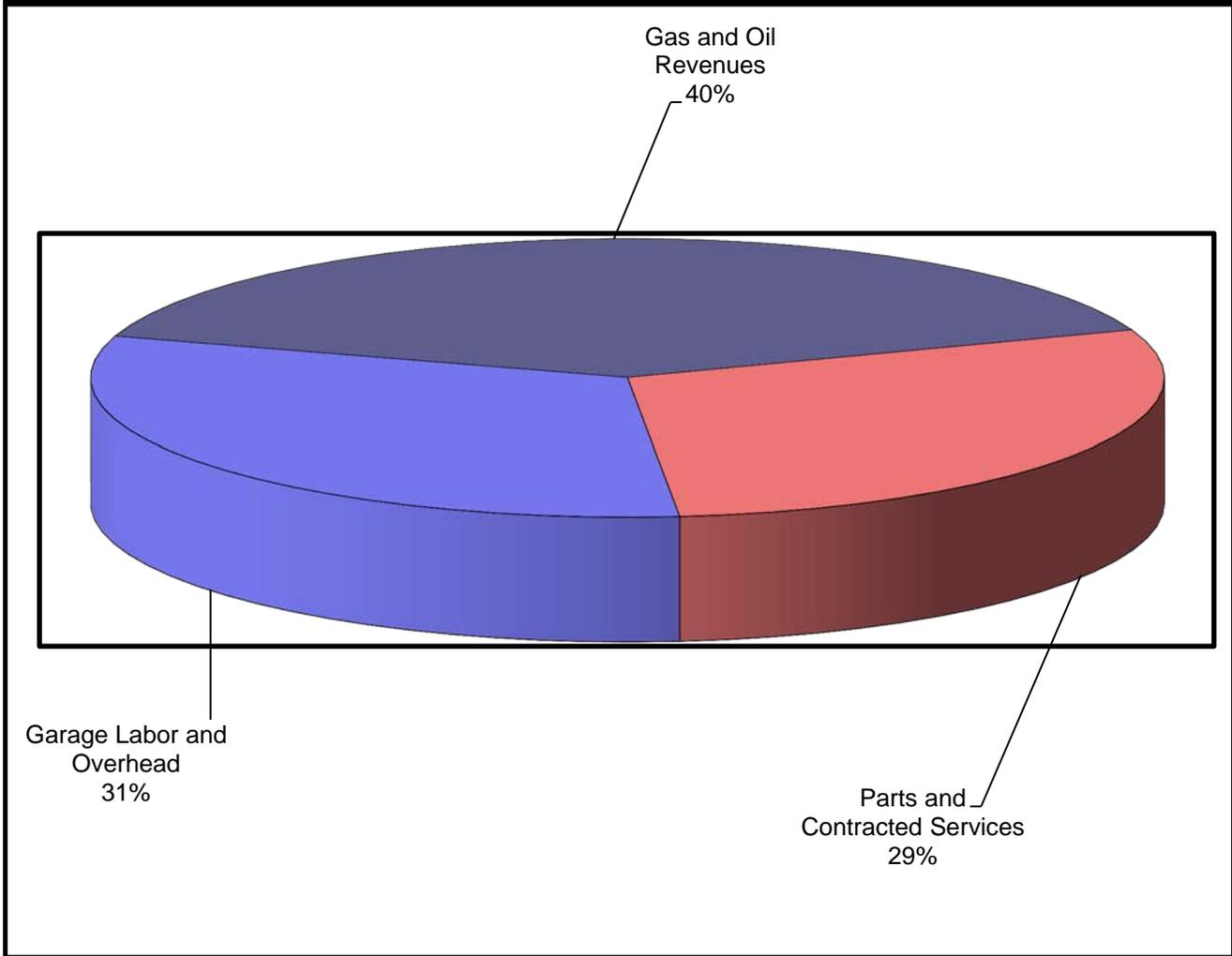
The Fleet Management Fund is operated as an Internal Service Fund. An Internal Service Fund is used to account for the financing of costs of services provided by one department to other departments or agencies of the governmental unit, or to other governmental units on a cost-reimbursement basis. Internal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

Fleet Management Projection of Net Assets

Beginning Net Assets - 6/30/2013		\$ 17,517
Actual FY 2014 Revenues	\$ 783,144	
Actual FY 2014 Expenses	<u>(925,309)</u>	<u>(142,165)</u>
Net Assets - 6/30/2014		\$ (124,648)
Actual FY 2015 Revenues	\$ 699,207	
Actual FY 2015 Expenses	<u>(721,696)</u>	<u>(22,489)</u>
Net Assets - 6/30/2015		\$ (147,137)
Estimated FY 2016 Revenues	\$ 756,516	
Estimated FY 2016 Expenses	<u>(756,516)</u>	<u>-</u>
Projected Net Assets - 6/30/2016		\$ (147,137)
Estimated FY 2017 Revenues	\$ 725,758	
Estimated FY 2017 Expenses	<u>(725,758)</u>	<u>-</u>
Projected Net Assets - 6/30/2017		<u><u>\$ (147,137)</u></u>

FLEET MANAGEMENT FUND - SUMMARY

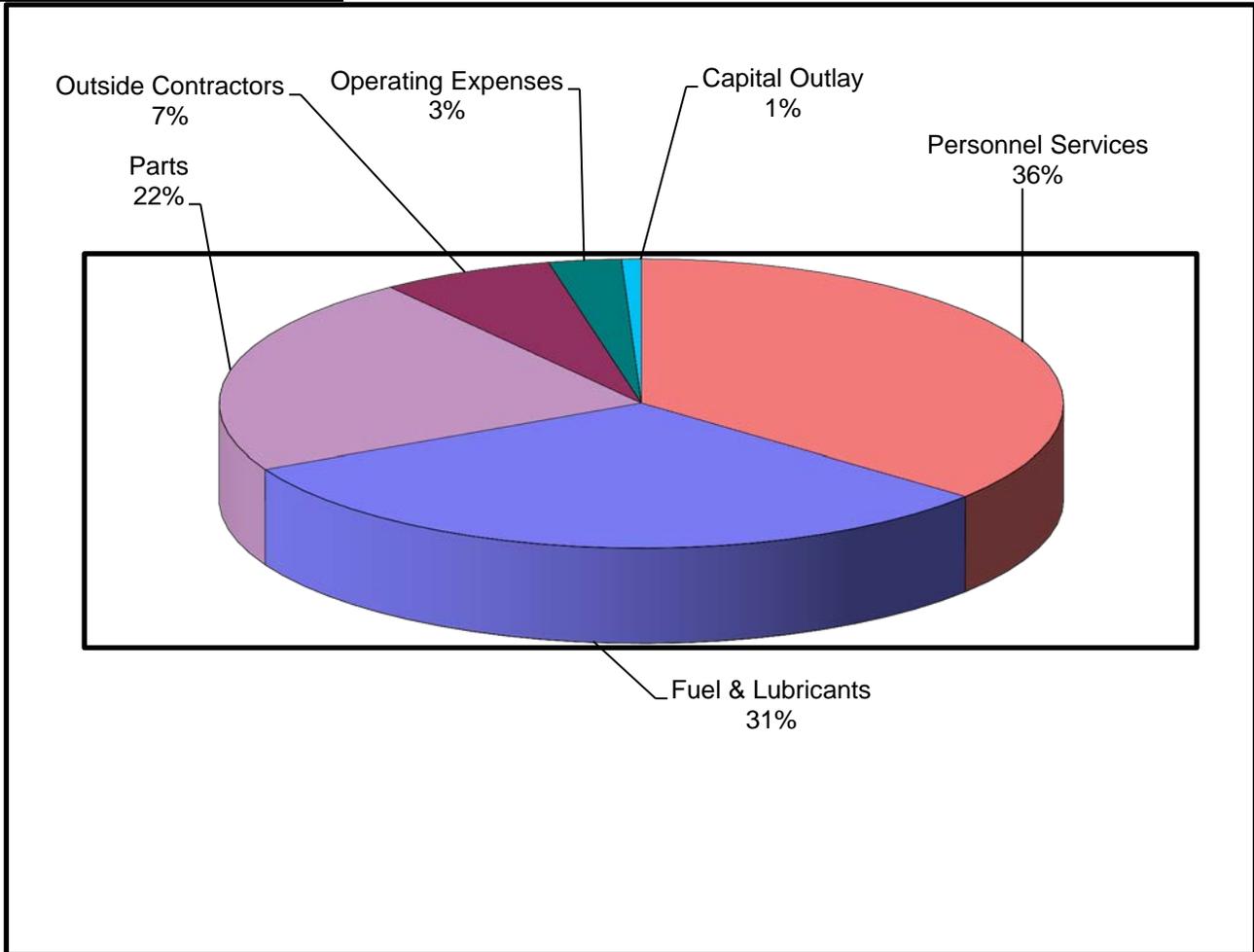
Fleet Management Revenue



<u>Fleet Management Revenue</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Parts and Contracted Services	\$ 224,115	\$ 210,510
Garage Labor and Overhead	278,322	227,497
Gas and Oil Revenues	254,079	287,751
TOTAL	<u>\$ 756,516</u>	<u>\$ 725,758</u>

FLEET MANAGEMENT FUND - SUMMARY

Fleet Management Expenses



<u>Fleet Management Expenses</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Personnel Services	\$ 251,644	\$ 262,069
Fuel & Lubricants	254,079	227,497
Parts	174,115	162,510
Outside Contractors	50,000	48,000
Operating Expenses	20,318	20,182
Capital Outlay	6,360	5,500
TOTAL	<u>\$ 756,516</u>	<u>\$ 725,758</u>

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FLEET MANAGEMENT FUND - REVENUE

Fleet Management Revenue

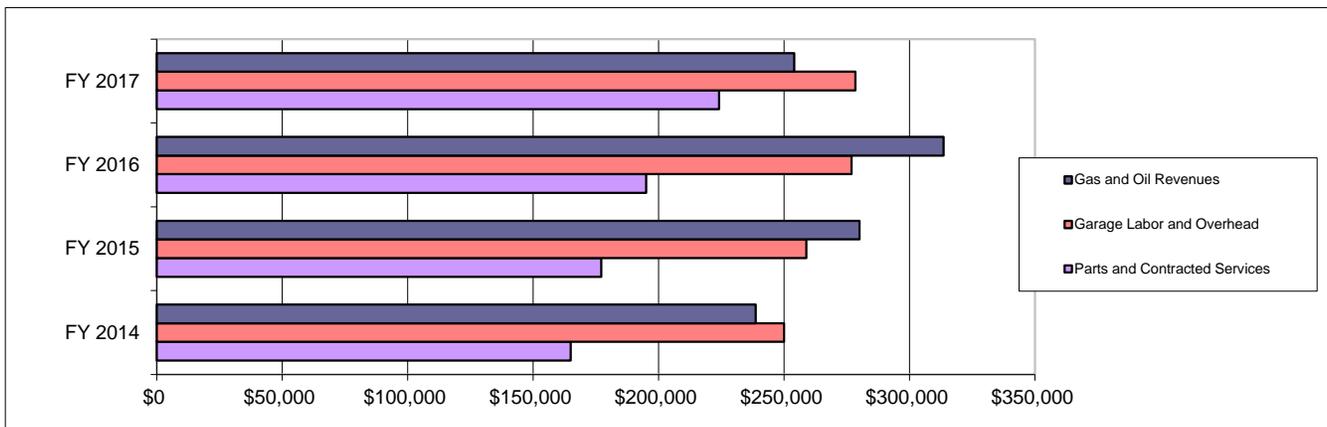
Account Title	FY 2014 Actual	FY 2015 Actual	FY 2016			FY 2017 City Council Adopted Revenue	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
			Original Adopted Budget	FY 2016 Revised Budget	FY 2016 Estimated Revenue			
Parts and Contracted Services	\$ 250,380	\$ 209,457	\$ 224,115	\$ 224,115	\$ 224,115	\$ 210,510	\$ (13,605)	-6.1%
Garage Labor and Overhead	258,900	276,804	278,322	278,322	278,322	287,751	9,429	3.4%
Gas and Oil Revenues	270,864	212,946	254,079	254,079	254,079	227,497	(26,582)	-10.5%
Transfer from General Fund	3,000	-	-	-	-	-	-	-
TOTAL REVENUE	\$ 783,144	\$ 699,207	\$ 756,516	\$ 756,516	\$ 756,516	\$ 725,758	\$ (30,758)	-4.1%

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 2017 is based on estimates from the Fleet Manager.

Garage Labor and Overhead: Fleet employee salaries, benefits, and garage charges are billed to users as labor involved with repairing and maintaining vehicles and equipment. Each department is charged a pro-rated share of the Fleet operating costs based on the anticipated time that will be spent repairing and maintaining their vehicles in FY 2017. Departments' labor line item is charged based on overall percentage of vehicles and equipment for each department.

Gas and Oil Revenues: Projected revenues from the direct billing to users of gas and oil for vehicles and equipment. Gas and oil are charged to departments based on actual costs incurred. The increase is based on an estimated cost of \$2.50 per gallon of fuel. Usage is an estimated 54,427 gallons of diesel fuel and 67,341 gallons of gasoline. Anticipated oil usage of 1,620 gallons at a cost of \$2.50 per gallon.



FLEET MANAGEMENT FUND - EXPENSES

Expense Summary

	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Adopted Budget	FY 2016 Revised Budget	FY 2017 Department Request Budget	FY 2017 City Council Adopted Budget	\$ Change From 2016 Revised Budget	% Change From 2016 Revised Budget
Personnel Services	\$ 350,175	\$ 242,961	\$ 251,644	\$ 251,644	\$ 262,945	\$ 262,069	\$ 10,425	4.1%
Operating Expenses	563,906	465,634	498,512	498,512	521,451	458,189	(40,323)	-8.1%
Capital Outlay	11,228	13,101	6,360	6,360	14,079	5,500	(860)	-13.5%
Totals	\$ 925,309	\$ 721,696	\$ 756,516	\$ 756,516	\$ 798,475	\$ 725,758	\$ (30,758)	-4.1%

Personnel Summary

	FY 2014 Authorized	FY 2015 Authorized	FY 2016 Authorized	FY 2017 Department Request Positions	FY 2017 City Council Authorized Positions
Fleet Maintenance Supervisor	1	1	1	1	1
Chief Mechanic	1	1	1	1	1
Mechanic	1	1	1	1	1
Office Manager (FTE)	0.50	0.50	0.50	0.50	0.50
Totals	3.50	3.50	3.50	3.50	3.50

Goals and Objectives

- * Maintain a safe, serviceable fleet of approximately 308 vehicles and equipment at the lowest possible costs to the individual departments. At the same time we must be cognizant of the demand and need of the equipment to the user. Every repair is balanced between need and costs, while never overlooking safety.
- * Provide vehicle users with safe and dependable vehicles.
- * Purchase vehicle and equipment parts and components from the most cost effective supplier.
- * Perform as many repairs in-house as economically and practically possible.
- * Ensure that all Vehicle Maintenance personnel are kept abreast of the many changes that occur in the various vehicles and equipment.
- * Assist departments in replacement of vehicles and equipment that are no longer economical to maintain through or monitoring of repair frequency, cost and vehicle downtime.
- * Provide a safe working environment through safety programs that identify potential hazards and train employees to identify and correct these discrepancies.
- * De-brief vehicle operators whenever possible to ensure all discrepancies are identified and corrected.
- * Coordinate repair costs with Department managers when extensive repairs are needed on their vehicles.
- * Maintain a labor rate of at least 85% of available man hours.
- * Maintain effective communication between Vehicle Maintenance and other City Departments.

FLEET MANAGEMENT FUND - EXPENSES

Major Departmental Functions

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

Performance Measures

	Actual FY 2014	Actual FY 2015	Estimated FY 2016	Estimated FY 2017
Number of Vehicles & Equipment	292	308	295	300
% of Maintenance Performed In-House	95%	98%	98%	98%
Scheduled Maintenance Work Orders	505	477	510	500
Scheduled Work %	31%	35%	35%	35%
Unscheduled Maintenance Work Orders	900	1,281	900	900
Unscheduled Work %	54%	65%	65%	65%
Direct Labor Hours	4,776	5,144	5,200	5,200
% Direct Labor Hours of Available Hours	84%	89%	85%	85%
Sublet Work Orders (Outside Repairs)	91	52	90	75
Service Calls for Repairs Out of Shop	80	69	75	70
Quality Control Inspections %	4%	4%	4%	5%
Parts Transactions	4,134	2,809	4,000	3,500

Significant Budget Items

- * Increase in personnel services due to salary adjustments.

Program Accomplishments

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

FLEET MANAGEMENT FUND - EXPENSES

FY 2017 costs charged to City Departments and Schools

	Actual FY 2014 Parts	Actual FY 2015 Parts	Budget FY 2016 Parts	Adopted Budget FY 2017 Parts	Actual FY 2014 Gas & Oil	Actual FY 2015 Gas & Oil	Budget FY 2016 Gas & Oil	Adopted Budget FY 2017 Gas & Oil	Actual FY 2014 Overhead	Actual FY 2015 Overhead	Budget FY 2016 Overhead	Adopted Budget FY 2017 Overhead
Police	\$36,686	\$27,111	\$27,800	\$28,400	\$69,927	\$52,488	\$68,934	\$54,425	\$42,720	\$45,672	\$53,436	\$53,244
Fire	32,404	31,657	39,500	38,110	23,366	17,007	18,090	\$18,073	40,908	42,900	27,828	\$35,676
Inspections	0	0	800	1,500	1,473	1,170	1,418	\$1,133	3,108	828	1,104	\$1,440
Public Works	46,560	55,789	44,100	35,250	32,977	27,868	31,530	\$28,745	44,268	48,444	54,576	\$73,680
General Properties	2,152	1,360	1,900	950	1,183	1,352	1,167	\$610	3,108	2,772	2,508	\$3,159
Mosquito	26,723	15,087	24,000	17,400	12,495	11,414	13,415	\$11,015	18,384	18,000	18,648	\$20,136
Parks	576	490	600	600	1,021	329	700	\$850	1,042	1,380	840	\$0
Events	0	0	0	0	1,416	1,713	1,000	\$1,580	0	0	0	\$0
Utilities	8,071	8,462	11,325	14,300	10,753	10,433	14,177	\$12,203	10,356	11,076	15,312	\$10,068
Solid Waste	35,177	11,215	23,000	20,000	14,012	10,612	13,374	\$13,598	12,936	12,732	12,804	\$12,948
Fleet	111	604	550	450	909	506	382	\$547	0	0	0	\$0
Total City Depts	\$188,460	\$151,775	\$173,575	\$156,960	\$169,532	\$134,892	\$164,187	\$142,779	\$176,830	\$183,804	\$187,056	\$210,351
Schools	64,529	43,240	50,540	53,550	101,349	115,066	90,332	\$84,771	76,670	93,000	91,267	\$77,347
Total Fleet	\$252,989	\$195,015	\$224,115	\$210,510	\$270,881	\$249,958	\$254,519	\$227,550	\$253,500	\$276,804	\$278,323	\$287,698

SPECIAL REVENUE FUND - SUMMARY

Special Revenue Fund Description

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

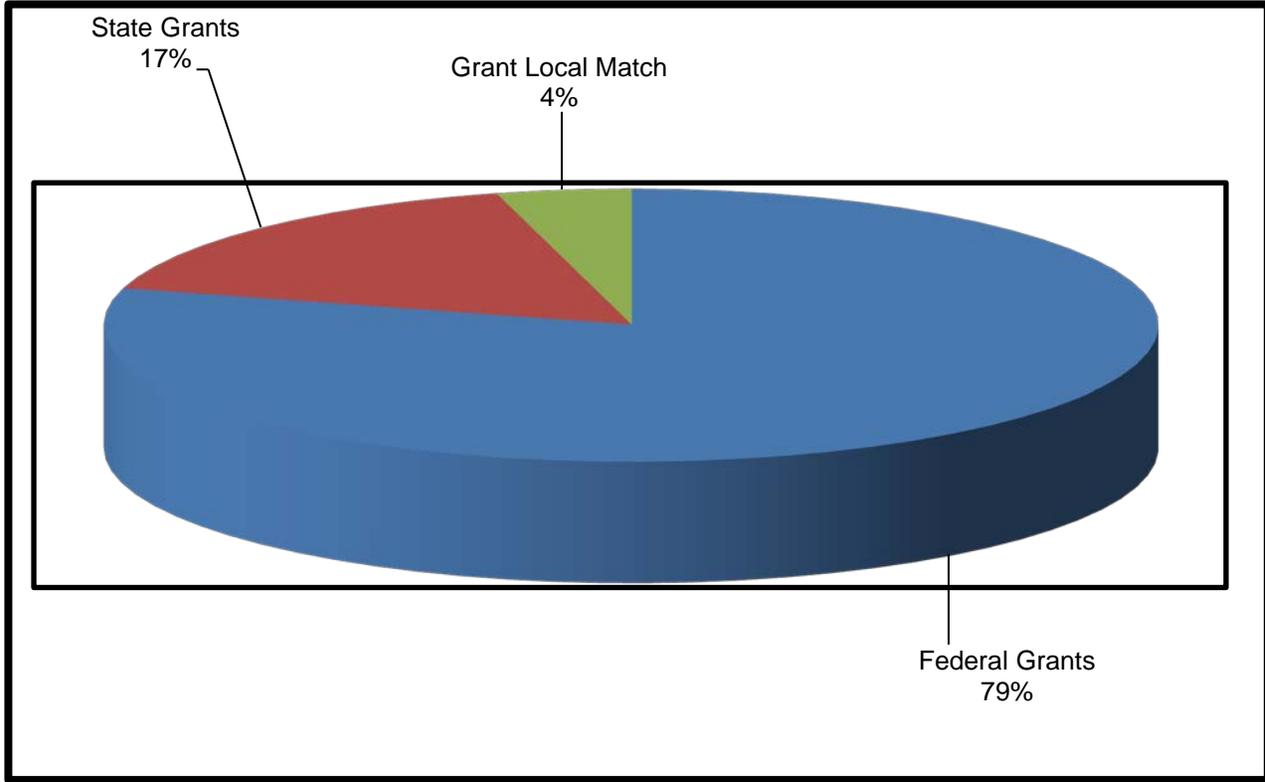
Currently, the City has four grants outstanding. They include an Enhancement Grant and three Hazard Mitigation Grants from the Federal Emergency Management Agency. All four grants are federally funded with the Hazard Mitigation grant having a State and local component. The Enhancement Grant is a pass-through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

Special Revenue Projection of Fund Balance

Fund Balance - 6/30/2013		\$ 94,197
Actual FY 2014 Revenues	\$ 46,518	
Actual FY 2014 Expenditures	<u>(46,641)</u>	<u>(123)</u>
Fund Balance - 6/30/2014		\$ 94,074
Actual FY 2015 Revenues	\$ 10,743	
Actual FY 2015 Expenditures	<u>(13,677)</u>	<u>(2,934)</u>
Fund Balance - 6/30/2015		\$ 91,140
Estimated FY 2016 Revenues	\$ 257,460	
Estimated FY 2016 Expenditures	<u>(257,460)</u>	<u>-</u>
Projected Fund Balance - 6/30/2016		\$ 91,140
Estimated FY 2017 Revenues	\$ 2,541,960	
Estimated FY 2017 Expenditures	<u>(2,541,960)</u>	<u>-</u>
Projected Fund Balance 6/30/2017		<u>\$ 91,140</u>

SPECIAL REVENUE FUND - SUMMARY

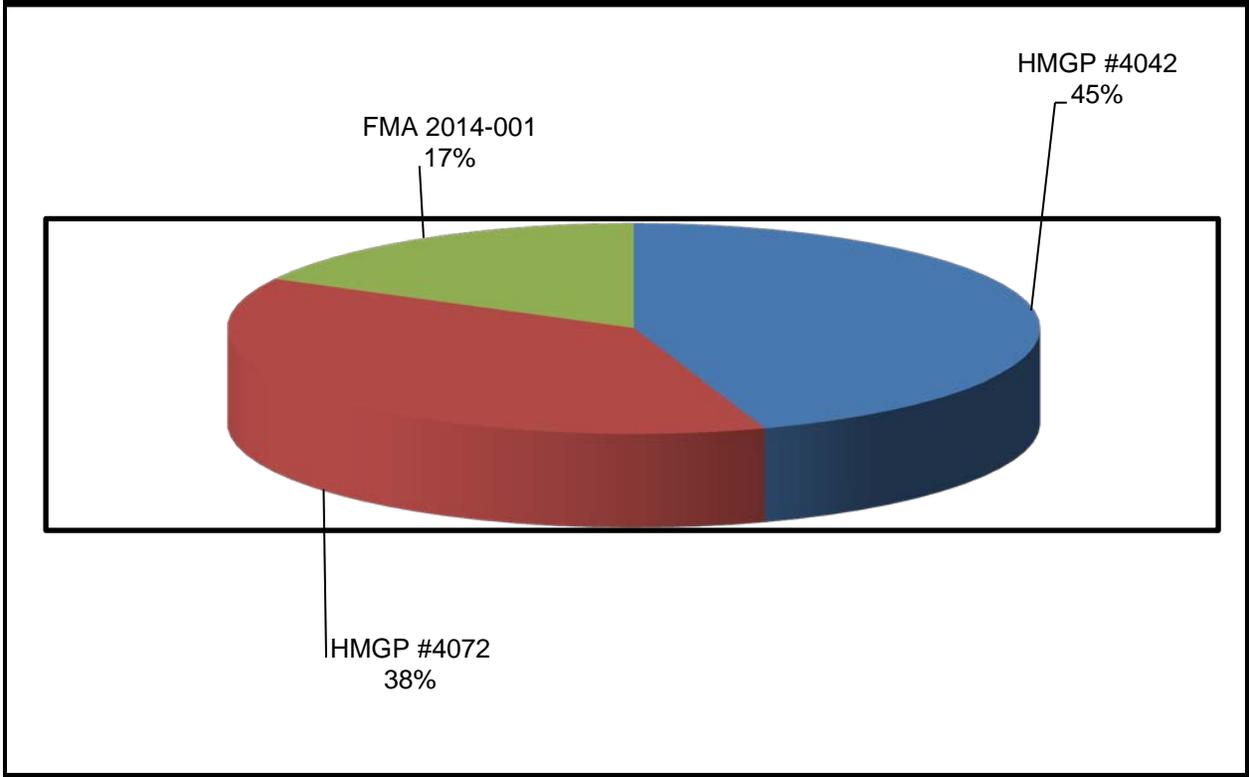
Special Revenue Fund Revenue



<u>Special Revenue Fund Revenue</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
Federal Grants	\$ 198,405	\$ 2,016,040
State Grants	47,244	420,736
Grant Local Match	<u>11,811</u>	<u>105,184</u>
TOTAL	<u>\$ 257,460</u>	<u>\$ 2,541,960</u>

SPECIAL REVENUE FUND - SUMMARY

Special Revenue Fund Expenditures



<u>Special Revenue Fund Expenditures</u>	<u>Estimated FY 2016</u>	<u>Adopted FY 2017</u>
HMGP #4042	\$ 23,874	\$ 1,138,240
HMGP #4072	212,346	965,441
FMA 2014-001	<u>21,240</u>	<u>438,279</u>
TOTAL	<u>\$ 257,460</u>	<u>\$ 2,541,960</u>

SPECIAL REVENUE FUND-REVENUE

Special Revenue Fund Revenue

Account Title	FY 2014 Actual	FY 2015 Actual	FY 2016 Original Budget	FY 2016 Revised Budget	FY 2016 Estimated Revenue	FY 2017	FY 2017	\$	%
						Department Estimated Revenue	City Council Adopted Revenue	Change From 2016 Revised Budget	Change From 2016 Revised Budget
HMGP #4042 Local Match	\$ -	\$ 127	\$ 115,031	\$ 58,106	\$ 1,193	\$ 56,912	\$ 56,912	\$ (1,194)	-2.1%
HMGP #4042 State 20%	-	510	460,128	232,423	4,775	227,648	227,648	(4,775)	-2.1%
HMGP #4042 Federal 75%	-	1,912	1,725,477	871,585	17,906	853,680	853,680	(17,905)	-2.1%
HMGP #4072 Local Match	-	409	-	58,889	10,618	48,272	48,272	(10,617)	-18.0%
HMGP #4072 State 20%	-	1,637	-	235,558	42,469	193,088	193,088	(42,470)	-18.0%
HMGP #4072 Federal 75%	-	6,140	-	883,340	159,259	724,081	724,081	(159,259)	-18.0%
FMA 2014-001 Federal 100%	-	-	-	459,519	21,240	438,279	438,279	(21,240)	-4.6%
VDOT Grant Local Match	133	-	-	-	-	-	-	-	n/a
Museum VDOT Grant	31,367	-	-	-	-	-	-	-	n/a
Interest Income	18	8	-	-	-	-	-	-	n/a
Transfer from General Fund	15,000	-	-	-	-	-	-	-	n/a
TOTAL REVENUE	\$ 46,518	\$ 10,743	\$ 2,300,636	\$ 2,799,419	\$ 257,460	\$ 2,541,960	\$ 2,541,960	\$ (257,459)	-9.2%

Revenue Explanations

HMGP:

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

Grant #4042 is for \$1,164,663 which includes a 75% Federal share, 20% State share and a 5% local share which will be paid for by the property owner.

Grant #4072 is for \$1,185,973 which includes a 75% Federal share, 20% State share and a 5% local share which will be paid for by the property owner.

FMA:

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

Museum VDOT Grant:

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

SPECIAL REVENUE FUND - EXPENDITURES

Expenditures Summary of all Grants

	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017	\$	%
	Actual	Award	Actual	Revised	Estimated	Department	City Manager	Change	Change
				Budget	Budget	Request	Proposed	From 2016	From 2016
						Budget	Budget	Budget	Revised
								Budget	Budget
HMGP #4042	\$ -	\$ 1,164,663	\$ 2,549	\$ 1,162,114	\$ 23,874	\$ 1,138,240	\$ 1,138,240	\$ 1,114,366	4667.7%
HMGP #4072	-	1,185,972	8,186	1,177,786	212,346	965,441	965,441	753,095	354.7%
FMA 2014-001	-	459,519	-	459,519	21,240	438,279	438,279	417,039	1963.5%
HMGP - Original Grant	-	-	2,934	-	-	-	-	-	n/a
CDBG Grant	15,141	-	-	-	-	-	-	-	n/a
Museum VDOT Grant	31,500	-	8	-	-	-	-	-	n/a
Totals	\$ 46,641	\$ 2,810,154	\$ 13,677	\$ 2,799,419	\$ 257,460	\$ 2,541,960	\$ 2,541,960	\$ 2,284,500	887.3%

Goals and Objectives

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

Major Fund Functions

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

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APPENDIX

A Short History of Poquoson:

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

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

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

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

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

Poquoson, which had been a part of York County for many years, became a town in 1952 and an independent city in 1975 upon referendum of the citizens. Certain municipal offices and functions continue to be shared with York County.

Form of Government:

Poquoson is organized under the Council-Manager form of government. The Poquoson City Council is composed of seven members who are elected by the voters and serve four year terms. The City is divided into three precincts. Each precinct is entitled to two representatives. One representative is elected at large and is the City Mayor. Persons elected to City Council take office on the first day of January following the election.

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

Fiscal Year:

Begins July 1 and ends the following June 30.

APPENDIX

Assessments:

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

Taxes Due:

Real estate taxes are assessed as of the first day of July. Real estate and personal property taxes are payable in two installments each year on June 5 and December 5. Past due balances paid by the end of the month the taxes are due are assessed a 2% penalty. A penalty of \$10.00 or 10% whichever is greater, is assessed on past due balances on the first day of the month following the month in which the tax is due.

Overlapping Debt:

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

Land Area:

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

Miles of Roadway:

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

Population:

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

Education:

	<u>Number of Schools</u>	<u>Actual 2015 - 2016 Enrollment</u>	<u>Projected 2016 - 2017 Enrollment</u>
Primary (PK-2)	1	416	384
Elementary (3-5)	1	462	472
Middle (6-8)	1	499	514
High (9-12)	1	<u>733</u>	<u>693</u>
Total		<u>2,110</u>	<u>2,063</u>

APPENDIX

FINANCIAL TRENDS ANALYSIS 2006 – 2015

FACTORS USED IN ANALYZING TRENDS

The *Financial Trends Analysis 2006 - 2015* is presented here to show some of the trends over time.

Much of the following data is presented in 2006 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
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%	12,240	4,726
2012	1.7%	12,291	4,731
2013	1.5%	12,076	4,591
2014	0.8%	12,212	4,627
2015	0.7%	12,359	4,627*
% Change	19.3%	4.6%	1.6%

CPI Change is December - December. 2014 change estimated by The Kiplinger Letter.

Population- University of Virginia Weldon Center for Public Service

Households- US Census Bureau Quick Facts

(*) 2015 households unavailable – 2014 housing units used.

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 2014, at \$83,460 which is 28% above the Virginia average of \$64,792.

Median Household Income

	2012	2013	2014
Poquoson	\$85,033	\$81,892	\$83,460
York County	\$82,454	\$82,073	\$80,900
James City County	\$76,767	\$76,960	\$76,705
Chesapeake	\$70,244	\$69,743	\$70,176
Virginia Beach	\$65,980	\$65,219	\$67,001
Suffolk	\$66,479	\$66,085	\$66,822
Gloucester County	\$60,752	\$60,519	\$60,980
Hampton	\$51,584	\$50,705	\$49,879
Williamsburg	\$50,865	\$48,616	\$48,057
Newport News	\$50,744	\$51,027	\$51,000
Portsmouth	\$46,269	\$46,166	\$46,239
Norfolk	\$44,164	\$44,747	\$44,150
Virginia	\$63,636	\$63,907	\$64,792

Source: U.S. Bureau of the Census Quick Facts, quickfacts.census.gov.

APPENDIX

TOTAL REVENUES

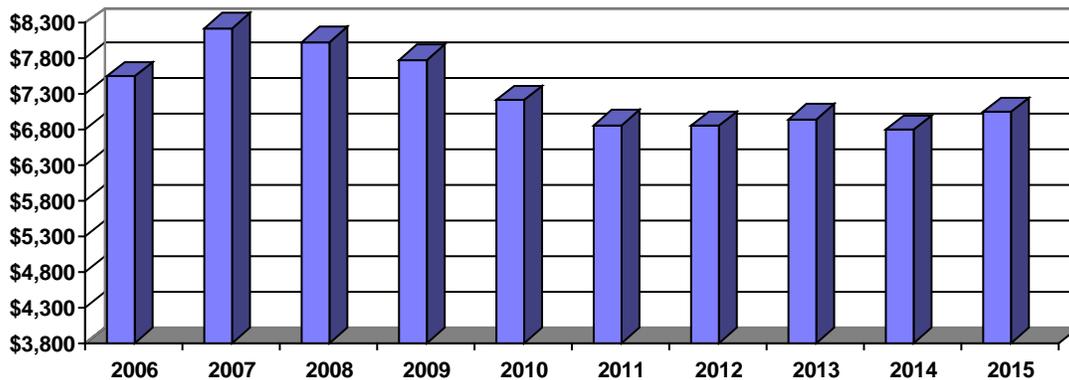
After adjusting for inflation, total revenue received per Poquoson household has decreased 6.5% since 2006, or an average of less than 1% per year.

Total Revenue Per Household

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2006 Dollars	Revenue Per Household
2006	\$34,304,554	\$7,533	\$34,304,554	\$7,533
2007	\$39,045,892	\$8,424	\$38,093,553	\$8,219
2008	\$40,147,113	\$8,564	\$37,625,279	\$8,026
2009	\$39,340,239	\$8,305	\$36,832,256	\$7,775
2010	\$37,551,873	\$7,897	\$34,233,593	\$7,199
2011	\$36,072,531	\$7,633	\$32,398,989	\$6,855
2012	\$37,112,247	\$7,844	\$32,361,964	\$6,840
2013	\$37,151,552	\$8,092	\$31,854,708	\$6,939
2014	\$37,205,734	\$8,041	\$31,429,719	\$6,793
2015	\$38,885,594	\$8,404	\$32,588,084	\$7,043
% Change	13.4%	11.6%	-5.0%	-6.5%

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 2006 Dollars



APPENDIX

The 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. In 2012, Federal revenues increased due to Hurricane Irene.

Sources of Revenue - Poquoson

Year	Local	State	Federal	Total
2006	53.6%	42.5%	3.9%	100%
2007	53.4%	41.8%	4.8%	100%
2008	54.3%	39.8%	5.9%	100%
2009	55.6%	40.6%	3.8%	100%
2010	55.8%	37.7%	6.5%	100%
2011	57.1%	39.2%	3.7%	100%
2012	56.2%	37.9%	5.9%	100%
2013	57.2%	38.3%	4.5%	100%
2014	58.8%	38.4%	2.8%	100%
2015	60.1%	37.0%	2.9%	100%

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 although the City has seen an increase in reliance of local revenue as a whole. 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
2006	57.7%	33.9%	8.4%	100%
2007	57.6%	34.6%	7.8%	100%
2008	58.3%	33.8%	7.9%	100%
2009	57.5%	34.4%	8.1%	100%
2010	56.3%	33.4%	10.4%	100%
2011	57.1%	32.8%	10.1%	100%
2012	57.3%	32.7%	10.0%	100%
2013	58.3%	33.9%	7.9%	100%
2014	59.2%	33.8%	7.0%	100%
2015	59.7%	33.3%	7.0%	100%

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

APPENDIX

It is also useful to consider the various sources from which local revenue is raised. As can be seen from the following table, 88.10% 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 81.8% and 88.1% since 2006.

Sources of Local Revenue - Poquoson

Year	General Property Taxes	Other Local Taxes	Permits & Fees	Fines	Charges For Services	Interest and Rent	Misc.
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%	10.0%
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%
2012	75.0%	9.7%	0.5%	0.2%	11.1%	0.8%	2.7%
2013	74.1%	11.0%	0.3%	0.3%	10.9%	0.9%	2.6%
2014	75.2%	10.5%	0.4%	0.3%	9.9%	0.8%	2.9%
2015	77.7%	10.4%	0.7%	0.2%	8.2%	0.8%	2.0%

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

	2006		2015	
	Poquoson	All Cities	Poquoson	All Cities
General Property Taxes	68.5%	53.0%	77.7%	56.4%
Other Local Taxes	14.6%	29.7%	10.4%	25.4%
Permits & Fees	0.9%	0.9%	0.7%	0.8%
Fines	0.2%	0.8%	0.2%	0.6%
Charges for Services	12.5%	10.1%	8.2%	13.3%
Interest and Rent	1.0%	2.4%	0.8%	1.1%
Miscellaneous	2.3%	3.1%	2.0%	2.5%

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

APPENDIX

REAL ESTATE TAX REVENUE

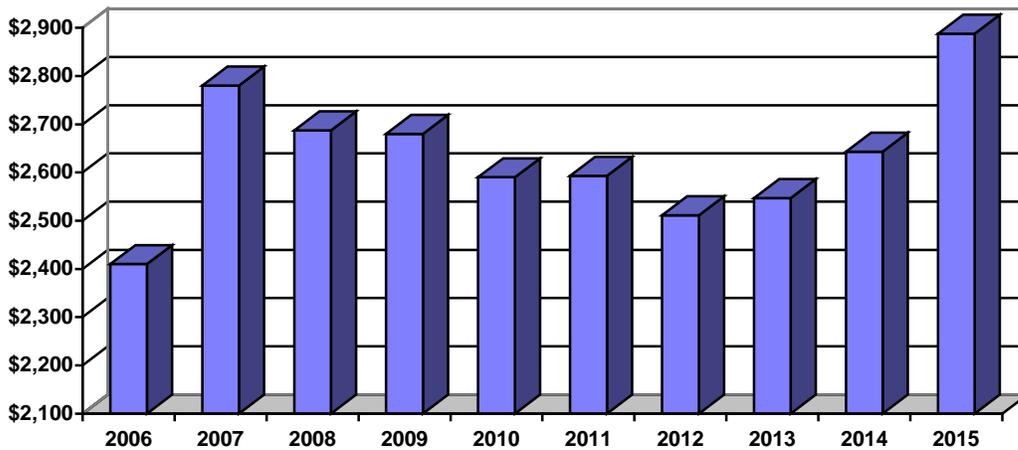
After adjusting for inflation, real estate tax revenue per Poquoson household has increased by approximately 19.8% in 2006 dollars, or an average of 1.98% per year.

Total Real Estate Property Tax Revenue Per Household

Year	Revenue In Current Dollars	Revenue Per Household	Revenue in 2006 Dollars	Revenue Per Household
2006	\$10,974,911	\$2,410	\$10,974,944	\$2,410
2007	\$13,208,997	\$2,850	\$12,886,826	\$2,780
2008	\$13,440,790	\$2,867	\$12,596,509	\$2,687
2009	\$13,560,850	\$2,863	\$12,696,331	\$2,680
2010	\$13,511,422	\$2,842	\$12,317,482	\$2,590
2011	\$13,643,196	\$2,887	\$12,253,805	\$2,593
2012	\$13,623,706	\$2,880	\$11,879,903	\$2,511
2013	\$13,639,693	\$2,971	\$11,695,028	\$2,547
2014	\$14,473,989	\$3,128	\$12,226,970	\$2,643
2015	\$15,946,247	\$3,446	\$13,363,757	\$2,888
% CHANGE	45.3%	43.0%	21.8%	19.8%

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

Real Estate Tax Revenue Per Household in 2006 Dollars



APPENDIX

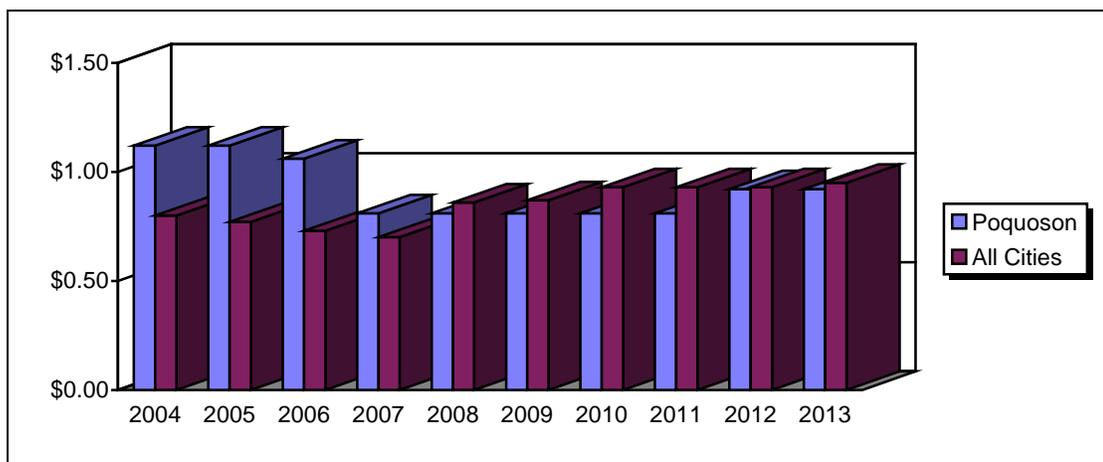
In considering Real Estate Tax Revenue, the locality's assessments must also be considered. The Assessment/Sales Ratio, computed by the State Department of Taxation, compares assessed values and selling prices of all residential property sold within a locality during a given year.

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
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%	98.1%	\$0.81	\$0.87	\$0.82	\$0.85
2010	102.8%	92.3%	\$0.81	\$0.93	\$0.83	\$0.86
2011	112.2%	94.5%	\$0.81	\$0.93	\$0.91	\$0.87
2012	102.3%	94.5%	\$0.92	\$0.93	\$0.94	\$0.87
2013	103.2%	89.5%	\$0.92	\$0.95	\$0.95	\$0.85

Source: 2013 *Virginia Assessment/Sales Ratio Study*, Virginia Department of Taxation (prepared April 2015)
2014 and 2015 information not available

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	
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%	6.0%	0.2%	100.0%
2011	93.6%	0.9%	5.3%	0.2%	100.0%
2012	92.4%	0.9%	6.5%	0.2%	100.0%
2013	92.5%	0.9%	6.3%	0.2%	100.0%
2014	92.9%	0.9%	6.1%	0.1%	100.0%
2015	92.4%	0.9%	6.6%	0.1%	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, 2015

Year	Percent
2006	0.05%
2007	0.07%
2008	0.07%
2009	0.08%
2010	0.10%
2011	0.11%
2012	0.15%
2013	0.26%
2014	0.53%
2015	1.03%

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

After adjusting for inflation, personal property tax revenue per Poquoson household has increased approximately 3.8% or an average of .38% pre year.

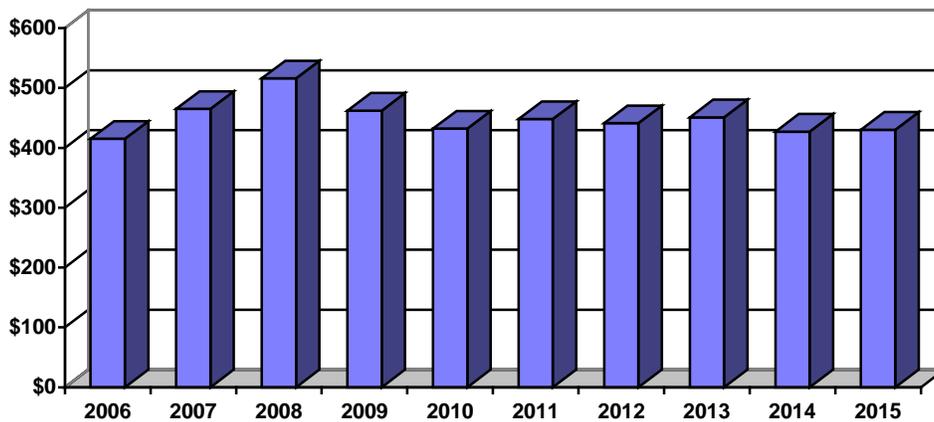
Total Personal Property Tax Revenue Per Household

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2006 Dollars	Revenue Per Household
2006	\$1,888,246	\$415	\$1,888,246	\$415
2007	\$2,210,975	\$477	\$2,157,049	\$465
2008	\$2,581,520	\$551	\$2,419,362	\$516
2009	\$2,335,554	\$493	\$2,186,660	\$462
2010	\$2,251,205	\$473	\$2,052,277	\$432
2011	\$2,357,359	\$499	\$2,117,291	\$448
2012	\$2,394,121	\$506	\$2,087,679	\$441
2013	\$2,417,444	\$527	\$2,072,779	\$451
2014	\$2,340,219	\$506	\$1,976,911	\$427
2015	\$2,375,134	\$513	\$1,990,482	\$430*
% CHANGE	25.8%	23.8%	5.4%	3.8%

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

*2015 Household number unavailable – 2014 number used

Personal Property Tax Revenue Per Household in 2006 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 recordation and wills, etc.

In current dollar terms, revenue received from the local 1% sales tax has increased by 122.8% since 2006. However, when viewed on a per household basis and after adjustment for inflation, revenue has increased by 86.7%. This increase is mainly due to the restructuring of local consumer taxes. A 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.

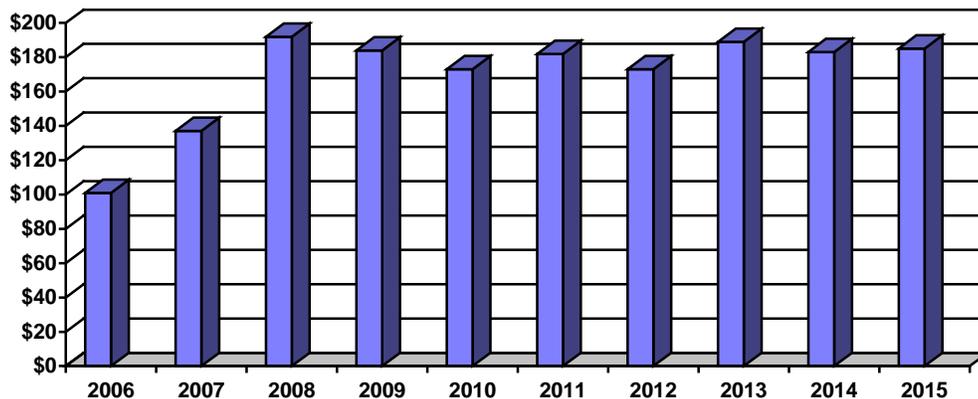
Local Sales Tax Revenue Per Household

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2006 Dollars	Revenue Per Household
2006	\$458,238	\$101	\$458,238	\$101
2007	\$653,112	\$141	\$637,182	\$137
2008	\$962,735	\$205	\$902,261	\$192
2009	\$929,900	\$196	\$870,618	\$184
2010	\$902,127	\$190	\$822,410	\$173
2011	\$955,937	\$202	\$858,587	\$182
2012	\$940,251	\$199	\$819,901	\$173
2013	\$1,011,835	\$220	\$867,574	\$189
2014	\$1,002,068	\$217	\$846,502	\$183
2015	\$1,020,961	\$221	\$855,617	\$185*
% CHANGE	122.8%	119.3%	86.7%	83.8%

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

*2015 Household number unavailable – 2014 number used

Local Sales Tax Revenue Per Household in 2006 Dollars



APPENDIX

Revenue from the Consumer Utility Tax has declined when viewed on a per household basis in 2006 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 a 5% Communication Sales and Use Tax and is included in local sales tax revenues.

Consumer Utility Tax Revenue Per Household

<i>Year</i>	<i>Revenue in Current Dollars</i>	<i>Revenue Per Household</i>	<i>Revenue in 2006 Dollars</i>	<i>Revenue Per Household</i>
2006	\$440,102	\$97	\$440,102	\$97
2007	\$354,783	\$77	\$346,130	\$75
2008	\$282,436	\$60	\$264,695	\$56
2009	\$285,776	\$60	\$267,557	\$56
2010	\$276,745	\$58	\$252,290	\$53
2011	\$291,323	\$62	\$261,655	\$55
2012	\$284,289	\$60	\$247,901	\$52
2013	\$286,753	\$62	\$245,869	\$54
2014	\$290,806	\$63	\$245,660	\$53
2015	\$293,721	\$63	\$246,153	\$53*
% CHANGE	-33.3%	-34.3%	-44.1%	-45.0%

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

*2015 Household number unavailable – 2014 number used

APPENDIX

When viewed on a per household basis after adjusting for inflation, Other Local Tax Revenue has kept pace with residential development. In 2013, meals tax rate increased from 5.5% to 6.0% and the cigarette tax was increased from 10 cent per pack to 20 cent per pack.

Other Local Tax Revenue

Year	Revenue in Current Dollars	Revenue Per Household	Revenue in 2006 Dollars	Revenue Per Household
2006	\$1,894,252	\$416	\$1,894,252	\$416
2007	\$1,533,294	\$331	\$1,495,897	\$323
2008	\$1,368,024	\$292	\$1,282,092	\$273
2009	\$1,321,878	\$279	\$1,237,607	\$261
2010	\$1,273,060	\$268	\$1,160,566	\$244
2011	\$1,216,963	\$258	\$1,093,030	\$231
2012	\$1,305,455	\$276	\$1,138,360	\$241
2013	\$1,582,709	\$345	\$1,357,056	\$296
2014	\$1,511,886	\$327	\$1,277,173	\$276
2015	\$1,591,606	\$344	\$1,333,846	\$288*
% CHANGE	-16.0%	-17.3%	-29.6%	-30.7%

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

*2015 Household number unavailable – 2014 number used

APPENDIX

EXPENDITURES

Total expenditures supported by Local, Federal and State funding, in current dollar terms, have grown from \$34.8 million in 2006 to over \$38.3 million in 2015, an increase of 9.8%. However, after adjustment for inflation and growth in households, there has been a decrease of approximately 9.4% since 2006 or an average of .94% per year.

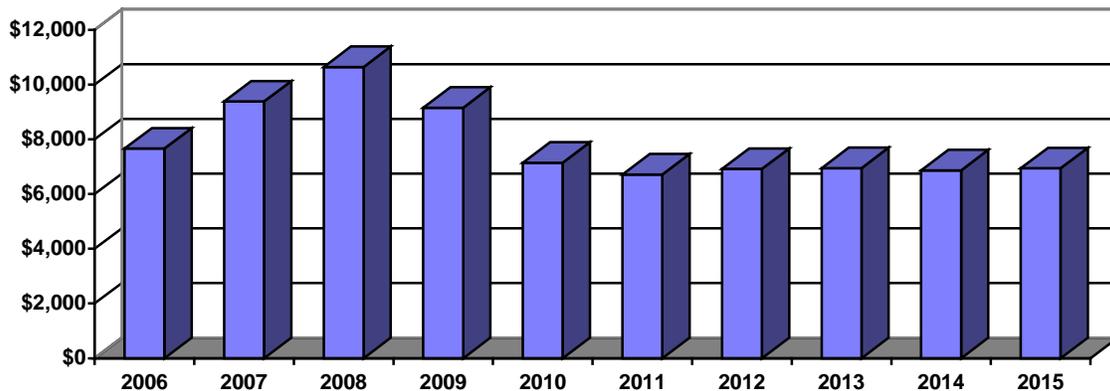
Total Expenditures Per Household

Year	Expenditures in Current Dollars	Expenditures per Household	Expenditures in 2006 Dollars	Expenditures per Household
2006	\$34,896,340	\$7,663	\$34,896,340	\$7,663
2007	\$44,573,665	\$9,617	\$43,486,502	\$9,382
2008	\$53,225,297	\$11,354	\$49,881,959	\$10,640
2009	\$46,323,837	\$9,779	\$43,370,642	\$9,156
2010	\$37,244,395	\$7,833	\$33,953,286	\$7,141
2011	\$35,355,172	\$7,481	\$31,754,684	\$6,719
2012	\$37,535,846	\$7,934	\$32,731,343	\$6,918
2013	\$37,206,074	\$8,104	\$31,901,456	\$6,949
2014	\$37,605,852	\$8,127	\$31,767,721	\$6,866
2015	\$38,322,906	\$8,282	\$32,116,523	\$6,941*
% CHANGE	9.8%	8.1%	-8.0%	-9.4%

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).

*2015 Household number unavailable – 2014 number used

Total Expenditures Per Household in 2006 Dollars



APPENDIX

The operating budget, which funds recurring expenses, has shown a slight decrease per household. However, the decrease has been extremely small at an average of .7% per household per year after adjusting for inflation.

Total Operating Expenditures Per Household

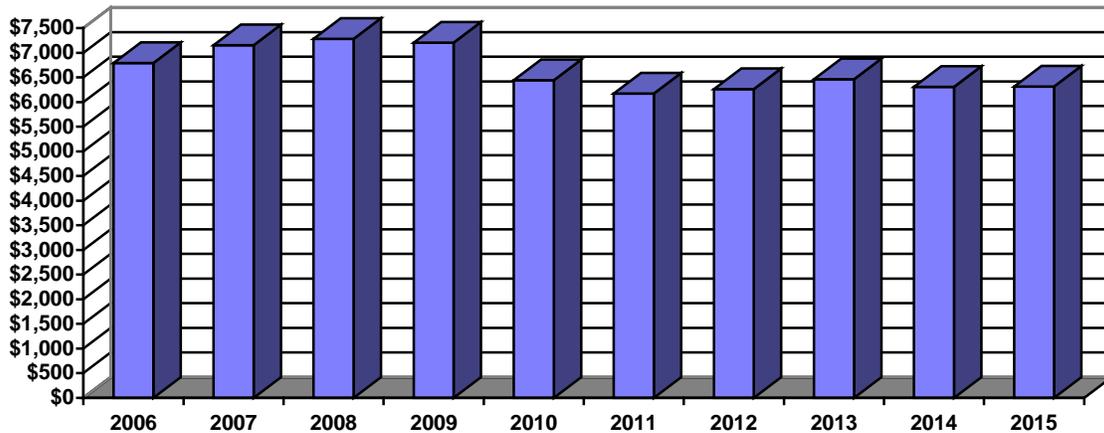
Year	Expenditures in Current Dollars	Expenditures per Household	Expenditures in 2005 Dollars	Expenditures per Household
2006	\$30,927,269	\$6,791	\$30,927,269	\$6,791
2007	\$33,982,445	\$7,332	\$33,153,605	\$7,153
2008	\$36,435,827	\$7,772	\$34,147,117	\$7,284
2009	\$36,440,375	\$7,693	\$34,117,262	\$7,202
2010	\$33,612,873	\$7,069	\$30,642,664	\$6,444
2011	\$32,463,405	\$6,869	\$29,157,408	\$6,170
2012	\$33,971,841	\$7,181	\$29,623,523	\$6,262
2013	\$34,602,365	\$7,537	\$29,668,968	\$6,462
2014	\$34,537,391	\$7,464	\$29,175,624	\$6,306
2015	\$34,873,382	\$7,537	\$29,225,649	\$6,316*
% CHANGE	12.8%	11.0%	-5.5%	-7.0%

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

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

*2015 Household number unavailable – 2014 number used

Total Operating Expenditures Per Household in 2006 dollars



APPENDIX

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. In 2012 the City began construction on a new public works storage building and an administration building. These buildings were completed in 2013.

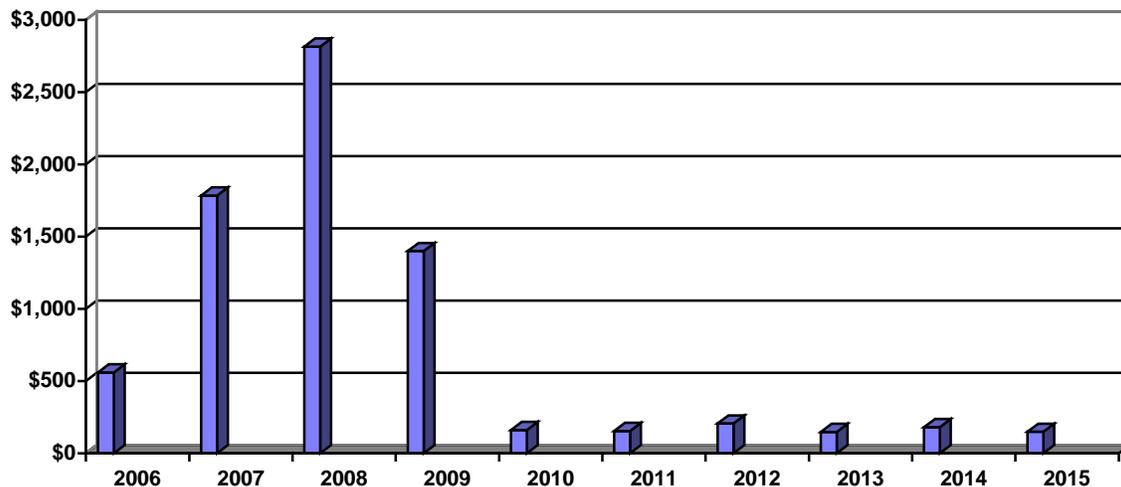
Total Capital Expenditures Per Household

Year	Expenditures in Current Dollars	Expenditures per Household	Expenditures in 2006 Dollars	Expenditures per Household
2006	\$2,544,998	\$559	\$2,544,998	\$559
2007	\$8,476,933	\$1,829	\$8,270,179	\$1,784
2008	\$14,078,149	\$3,003	\$13,193,832	\$2,814
2009	\$7,085,050	\$1,496	\$6,633,370	\$1,400
2010	\$838,069	\$176	\$764,013	\$161
2011	\$814,871	\$172	\$731,886	\$155
2012	\$1,119,347	\$237	\$976,073	\$206
2013	\$794,678	\$173	\$681,378	\$148
2014	\$991,003	\$214	\$837,154	\$181
2015	\$822,462	\$178	\$689,265	\$149*

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

*2015 Household number unavailable – 2014 number used

Total Capital Expenditures Per Household in 2006 dollars



APPENDIX

Operating Expenditures By Function in 2006 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>
2006	\$20,417,351	\$4,857,162	\$1,232,132	\$935,543
2007	\$21,131,917	\$5,108,076	\$1,393,545	\$1,009,079
2008	\$20,775,837	\$5,578,278	\$1,408,795	\$1,101,404
2009	\$22,029,195	\$4,988,537	\$1,437,527	\$1,094,782
2010	\$19,725,446	\$5,106,393	\$1,395,625	\$915,094
2011	\$18,548,507	\$5,178,237	\$1,362,403	\$913,381
2012	\$18,659,419	\$5,152,950	\$1,391,840	\$922,189
2013	\$18,316,571	\$5,357,165	\$1,360,833	\$1,325,219
2014	\$17,807,856	\$5,341,996	\$1,451,007	\$1,316,151
2015	\$17,585,779	\$5,483,816	\$1,547,191	\$1,354,704
% CHANGE	-13.9%	12.9%	25.6%	44.8%

<i>Year</i>	<i>General Administration</i>	<i>Debt Service</i>	<i>All Other</i>	<i>Total</i>
2006	\$1,754,223	\$1,521,475	\$1,730,858	\$32,448,744
2007	\$1,890,962	\$2,078,947	\$2,620,025	\$35,232,552
2008	\$1,891,871	\$2,580,705	\$3,390,932	\$36,727,822
2009	\$2,176,452	\$2,660,229	\$2,390,768	\$36,777,490
2010	\$1,754,424	\$2,546,609	\$1,745,681	\$33,189,273
2011	\$1,891,719	\$1,865,390	\$1,263,160	\$31,022,798
2012	\$1,897,358	\$2,124,024	\$1,599,767	\$31,747,547
2013	\$1,815,064	\$1,551,110	\$1,494,117	\$31,220,079
2014	\$1,816,558	\$1,754,942	\$1,442,055	\$30,930,566
2015	\$1,795,888	\$2,201,610	\$1,458,270	\$31,427,259
% CHANGE	2.4%	44.7%	-15.7%	-3.1%

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

APPENDIX

While operating expenditures per-capita have increased since 2006, total expenditures are still more than 7% under the average level of expenditures incurred by other Virginia localities, as shown on the following table. Poquoson residents fund their school system at 113.92% 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

	2006			2015		
	<i>Poquoson</i>	<i>All Cities</i>	<i>% of Avg.</i>	<i>Poquoson</i>	<i>All Cities</i>	<i>% of Avg.</i>
Education	\$1,729.23	\$1,505.16	114.89%	\$1,718.32	\$1,508.33	113.92%
Public Safety	\$415.24	\$568.08	73.10%	\$519.68	\$593.21	87.60%
Public Works	\$150.57	\$270.63	55.64%	\$211.92	\$273.31	77.54%
Parks, Recreation and Cultural	\$128.52	\$136.00	94.50%	\$132.37	\$146.62	90.28%
General Administration	\$150.97	\$143.61	105.12%	\$184.75	\$139.84	132.12%
Judicial Administration	\$20.14	\$56.27	35.79%	\$36.22	\$63.94	56.65%
Health & Welfare	\$125.12	\$379.24	32.99%	\$102.96	\$357.77	28.78%
Community Development	\$71.12	\$104.40	68.12%	\$53.22	\$107.17	49.66%
TOTAL	\$2,790.91	\$3,163.39	88.23%	\$2,190.19	\$3,190.19	92.77%

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.

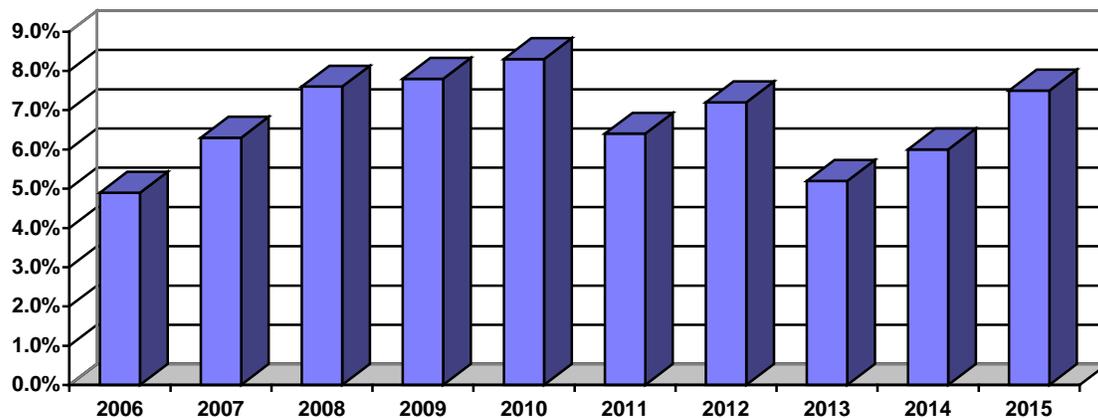
As shown in the table below, the City's 7.5% ratio of debt service to total operating expenditures is acceptable to both the City's policy and the credits industry standards.

Ratio of Debt Service to Total Operating Expenditures

Year	Debt Service	Operating Expenditures	Percent of Expenditures
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%
2012	\$2,435,801	\$33,971,841	7.2%
2013	\$1,809,031	\$34,602,365	5.2%
2014	\$2,077,458	\$34,537,391	6.0%
2015	\$2,627,062	\$34,873,382	7.5%

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 2.49%.

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

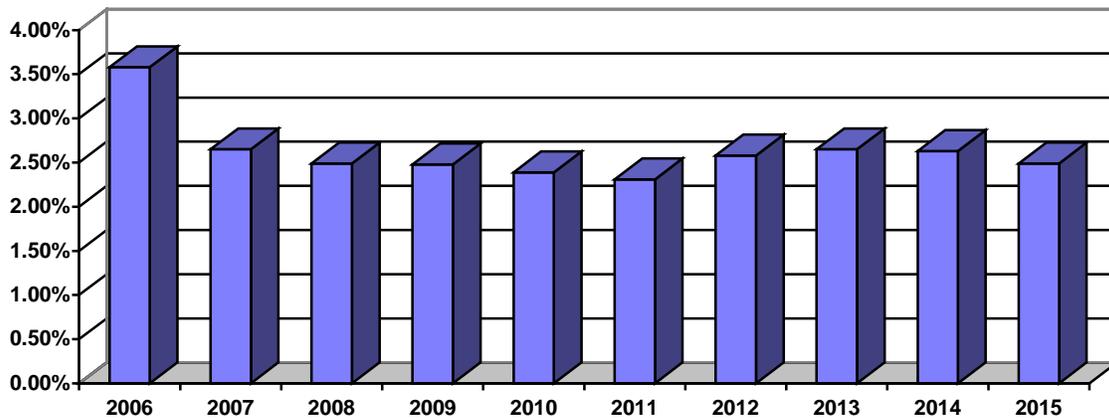
Ratio of Bonded Debt to Assessed Value

Bonded Debt

<i>Year</i>	<i>Assessed Value of Taxable Real Estate</i>	<i>General Fund Supported</i>	<i>Enterprise Funds</i>	<i>Total</i>	<i>Ratio Debt to Assessed Value</i>
2006	\$1,037,303,141	\$25,372,361	\$11,768,746	\$37,141,107	3.58%
2007	\$1,637,487,196	\$32,296,617	\$11,035,534	\$43,332,151	2.65%
2008	\$1,678,329,182	\$31,481,938	\$10,299,394	\$41,781,332	2.49%
2009	\$1,698,795,508	\$32,484,867	\$9,592,392	\$42,077,259	2.48%
2010	\$1,719,852,121	\$31,363,810	\$9,733,441	\$41,097,251	2.39%
2011	\$1,728,246,736	\$30,488,976	\$9,374,924	\$39,863,900	2.31%
2012	\$1,519,389,327	\$30,299,734	\$8,971,631	\$39,271,365	2.58%
2013	\$1,526,769,279	\$32,114,938	\$8,305,000	\$40,419,938	2.65%
2014	\$1,513,018,247	\$31,093,650	\$8,669,904	\$39,763,554	2.63%
2015	\$1,518,712,371	\$30,078,875	\$7,789,604	\$37,868,479	2.49%
% CHANGE	46.4%	18.5%	-33.8%	2.0%	-30.4%

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

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

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

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

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

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

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

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

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

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

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

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

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

GO	-	General Obligation
HAVA	-	Help America Vote Act
hcf	-	100 cubic feet
HMGP	-	Hazard Mitigation Grant Program
HRCJTA	-	Hampton Roads Criminal Justice Training Academy
HRPDC	-	Hampton Roads Planning District Commission
HRSD	-	Hampton Roads Sanitation District
HVAC	-	Heating, Ventilation, and Air Conditioning
I & I	-	Inflow and Infiltration (I/I)
ICC	-	International Code Council
LCI	-	Local Composite Index
LINX	-	Law Enforcement Information Exchange
LOC	-	Line of Credit
MPO	-	Metropolitan Planning Organization
MS4	-	Municipal Separate Storm Sewer System
NADA	-	National Automobile Dealer's Association
NASA	-	National Aeronautics and Space Administration
NAST	-	NASA Aeronautics Support Team
NFIP	-	National Flood Insurance Program
NFPA	-	National Fire Protection Association
NPDES	-	National Pollutant Discharge Elimination System
NVRA	-	National Voter Registration Act
OPEB	-	Other Post Employment Benefits
PES	-	Poquoson Elementary School
PHS	-	Poquoson High School
PMS	-	Poquoson Middle School
PPE	-	Personal Protective Equipment
PPR	-	Poquoson Parks & Recreation
PPS	-	Poquoson Primary School
PPTRA	-	Personal Property Tax Relief Act
RAISE	-	Regional Air Service Enhancement Fund
RE	-	Real Estate
RFP	-	Request for Proposal
ROW	-	Right Of Way
RPA	-	Resource Protection Area
RV	-	Recreational Vehicle
SC	-	Service Charge
SCADA	-	System & Control and Data Acquisition
SOL	-	Standards of Learning
SPCA	-	Society for the Prevention of Cruelty to Animals
SRL	-	Severe Repetitive Loss
SSES	-	Sanitary Sewer Evacuation System
SSO or SSOS	-	Sanitary Sewer Overflows
State 599	-	State 599 (Police) Funds
STEM	-	Science, Technology, Engineering, and Mathematics
TAV	-	Treasurers Association of Virginia
TMDL	-	Total Maximum Daily Load

FREQUENTLY USED ACRONYMS AND ABBREVIATIONS

TNCC	-	Thomas Nelson Community College
VAZO	-	Virginia Association of Zoning Officials
VDEM	-	Virginia Department of Emergency Management
VDOT	-	Virginia Department of Transportation
VML	-	Virginia Municipal League
VMRC	-	Virginia Marine Resources Commission
VPA	-	Virginia Port Authority
VPDES	-	Virginia Pollutant Discharge Elimination System
VPPSA	-	Virginia Peninsulas Public Service Authority
VPSA	-	Virginia Public Schools Authority
VRA	-	Virginia Resources Authority
VRS	-	Virginia Retirement System

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