

1. City Council Agenda April 12, 2021

Documents:

[COUNCIL REGULAR SESSION AGENDA 4-12-21.PDF](#)  
[PUBLIC HEARING ON RECOMMENDED CONSTRAINED CAPITAL  
IMPROVEMENT PLAN.PDF](#)  
[PUBLIC HEARING ON AMENDMENT OF THE FY 2021 BUDGET FOR 2021  
BOND SALES.PDF](#)  
[REGULAR SESSION MINUTES 3-22-21.PDF](#)  
[FISCAL YEAR 2022 CITY MANAGER RECOMMENDED ANNUAL FINANCIAL  
PLAN.PDF](#)  
[BUDGET LINK.PDF](#)

2. FY 2022 Recommended Budget

[FY 2022 CITY OF POQUOSON RECOMMENDED BUDGET](#)

**POQUOSON CITY COUNCIL  
REGULAR SESSION MEETING  
MONDAY, APRIL 12, 2021, 7:00 P.M.**

**A. MEETING CALLED TO ORDER**

**B. INVOCATION AND PLEDGE OF ALLEGIANCE – Councilwoman Andrews**

**C. PUBLIC HEARINGS**

- 1. Recommended Constrained Capital Improvement Plan for Fiscal Years 2022-2026 and Beyond**
- 2. Amendment of the FY2021 Budget for 2021 Bond Sales**

**D. AUDIENCE FOR VISITORS**

**E. APPROVAL OF THE MINUTES**

- (a) Regular Session March 22, 2021**

**F. NEW BUSINESS**

- 1. Fiscal Year 2022 City Manager Recommended Annual Financial Plan**

**G. COMMENTS OF THE CITY MANAGER**

**H. COUNCIL DIRECTIVES**

**I. ADJOURNMENT**



# CITY OF POQUOSON

FINANCE DEPARTMENT

500 CITY HALL AVENUE, POQUOSON, VIRGINIA 23662-1996

April 12, 2021

**TO:** City Council

**THROUGH:** Randy Wheeler, City Manager

**FROM:** Tonya O'Connell, Finance Director

**SUBJECT:** Public Hearing on Recommended Constrained Capital Improvement Plan for Fiscal Years 2022-2026 and Beyond

A public hearing has been advertised for this meeting on the recommended Constrained Capital Improvements Plan (CCIP) for Fiscal Years 2022-2026 and Beyond. The CCIP, a multi-year planning document, provides input to the development of the annual budget for Fiscal Year 2022. The recommended plan presented to you for consideration is fiscally constrained by projected revenue which includes planned and potential debt financing. The CCIP was approved by the Planning Commission by a vote of 6-0 on March 22, 2021.

In the upcoming annual budget, we have included three projects that were established in the Master Infrastructure Plan (MIP). As you recall from the prior year, City Council established the MIP as a strategic priority which was completed on December 3, 2020. The first project at the direction of City Council is the Poquoson Middle School Turf Field Replacement. The second project is an inspection program by a marine structural engineer to assess access point conditions and provide recommended maintenance on the water access locations that contain boat ramps and launches. The final project is the move and upgrade to the Firth Field Fence which will improve service areas and ditch drainage for the facility overall.

The Poquoson Middle School Turf Field Replacement will be funded by debt service which was included in the second borrowing that was finalized on March 18, 2021. The new debt will cover \$2.9 Million needed to finalize the Poquoson Middle School Renovation and \$.4 Million for Poquoson Middle School Turf Field Replacement.

The engineering inspection and Firth Field Fence will be funded by available cash flow from the refinancing of part of the 2012 General Obligation Bond and the entire 2013 General Obligation Bond in July 2020. Additionally the available cash flow has funded the construction-related expenditures associated with the second phase of the sidewalk project that is fully funded by the City.

Tonight City Council has the option of approving the CCIP as approved by the Planning Commission or if additional information is required, staff can present the CCIP during work session at the next meeting.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE APPROVING THE CONSTRAINED CAPITAL IMPROVEMENTS PLAN (CCIP) FOR FISCAL YEARS 2022 – 2026 BEYOND**

**WHEREAS**, the proposed Constrained Capital Improvements Plan (CCIP) for Fiscal Years 2022-2026 Beyond has been presented; and

**WHEREAS**, a public hearing to receive public comments and review the CCIP was held before the Planning Commission on March 22, 2021 and City Council on April 12, 2021 ; and

**WHEREAS**, careful and thorough consideration was given to the CCIP.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Poquoson, Virginia:

**Section 1:** That the proposed CCIP for Fiscal Years 2022-2026 Beyond is hereby approved.

**Section 2:** That this ordinance shall become effective immediately upon adoption.

**ADOPTED:** \_\_\_\_\_

**TESTE:** \_\_\_\_\_

**City Clerk**



# CITY OF POQUOSON

FINANCE DEPARTMENT

500 CITY HALL AVENUE, POQUOSON, VIRGINIA 23662-1996

April 12, 2021

**TO:** City Council

**THROUGH:** Randy Wheeler, City Manager

**FROM:** Tonya O'Connell, Finance Director

**SUBJECT:** Public Hearing on Amendment of the FY 2021 Budget for 2021 Bond Sales

A public hearing has been advertised for this meeting on the amendment of the current City budget for Fiscal Year 2021. On February 22, 2021, the authorization was provided through Ordinance 1671 for the sale of bonds up to \$3.6 Million ("2021 Bonds") to cover the approved School projects as defined by the Constrained Capital Improvement Plan and refunding of part of the 2012 General Obligation Bonds in the amount of \$3.8 Million along with any associated cost of issuing the bonds. The City successfully priced the 2021 Bonds through competitive sale on February 8, 2021.

The new money issued was for the second phase of a two-phase borrowing plan for Schools. The 2021 Bond sale produced total proceeds of \$3,522,000. The proceeds that will be received from the sale consist of the principal amount of the bonds, which will be added to debt. The sale provided positive outcomes for the City which includes the principal amount of the 2021 Bonds is less than what was authorized by City Council and the sale provided a fixed interest rate of 1.15% over the life of the bond.

The refinancing bonds were from the 2012 General Obligation Bonds under the Sewer Fund. In order to pay off the 2012 Bonds in full which included principal and accrued interest, the 2021 Bond was \$3,983,000. This amount is larger than the principal portion of the bonds paid off by \$153,000. The proceeds that were received were deposited into a U. S. Treasury State and Local Government Series securities to provide for interest payment on the portion of the refinanced 2012 Bonds. The refinancing has a taxable rate of 1.49% convert to a tax-exempt rate of 1.18% on November 17, 2021. Overall the refinancing provided for a net savings of \$158,664.

Enclosed is the Ordinance appropriating the bond proceeds from the 2021 Bond sale to Debt Service Fund, Capital Projects Fund and the Sewer Fund.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING THE FISCAL YEAR 2021 BUDGET FOR 2021 BOND SALES

WHEREAS, the City has completed phase two of the two-phase process for Schools in which the City has borrowed \$3,522,000 for capital funding, and

WHEREAS, the City has the ability to refinance/refund part of the 2012 General Obligation Bonds held by the Sewer Fund, and

WHEREAS, the City on February 8, 2021 successfully priced the 2021 Bonds through competitive sale, and

WHEREAS, on February 22, 2021 City Council authorized through Ordinance #1671 the sale of 2021 Bonds.

NOW, THEREFORE, BE IT ORDAINED, by the Council of the City of Poquoson, Virginia:

**Section 1:** That an additional revenue of \$171,829 in the Debt Service Fund, \$3,350,171 in the Capital Project Fund and \$153,000 in the Sewer Fund be and the same hereby are appropriated within the Fiscal Year 2021 Budget as follows:

**DEBT SERVICE FUND**

**Revenues:**

Other Finance Sources – Bond Issue \$171,829

**TOTAL** **\$171,829**

**Expenditures:**

Other Financing Uses – Cost of Issuance \$171,829

**TOTAL** **\$171,829**

**CAPITAL PROJECTS FUND**

**Revenues:**

Other Finance Sources – Bond Issue \$3,350,171

**TOTAL** **\$3,350,171**

**Expenditures:**

Middle School Renovation \$2,930,900

Middle School Turf Field 412,500

Undesignated – Restricted 6,771

**TOTAL** **\$3,350,171**

**SEWER FUND**

**Revenues:**

Other Finance Sources – Bond Issue \$153,000

**TOTAL** **\$153,000**

**Expenditures:**

Interest Expense \$112,770

Other Financing Uses – Cost of Issuance \$40,230

**TOTAL** **\$153,000**

Section 2: That the second reading of this ordinance is hereby dispensed with and the provisions contained herein shall become effective immediately upon adoption.

**ADOPTED:** \_\_\_\_\_

**TESTE:** \_\_\_\_\_  
**City Clerk**

**MINUTES OF THE CITY COUNCIL MEETING**

**March 22, 2021 7:00 P.M.**

**REGULAR SESSION**

**PRESENT:** The Honorable Gordon C. Helsel, Jr., Mayor  
The Honorable Herbert R. Green, Jr.  
The Honorable David A. Hux  
The Honorable Charles M. Southall III  
The Honorable Thomas J. Cannella II  
The Honorable Jana D. Andrews

J. Randall Wheeler, City Manager  
Kimberly Healy, City Clerk  
D. Wayne Moore, City Attorney

**ABSENT:** None

**VIA TELECOM:** The Honorable Carey L. Freeman, Vice Mayor

**MEETING CALLED TO ORDER:**

Mayor Helsel called the meeting to order at approximately 7:00 p.m.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Councilman Green rendered the invocation and led the audience in the Pledge of Allegiance.

**SPECIAL PRESENTATION**

- Proclamation Recognizing Child Abuse Prevention Month

Councilman Green presented the Proclamation Recognizing Child Abuse Prevention Month to members of the Exchange Club who were present.

**AUDIENCE FOR VISITORS:**

None

**APPROVAL OF THE MINUTES:**

Councilman Green moved, seconded by Councilman Southall, to adopt the minutes of the regular session held on March 8, 2021 as submitted. Recorded vote on the motion:

**YES:** Councilmembers Cannella, Andrews, Green, Southall, Hux, Vice Mayor Freeman and Mayor Helsel

**NO:** None



**NEW BUSINESS:**

**1. Ordinance to Transfer Funds to Capital Project Fund from Debt Service Fund for Fiscal Year 2021**

Finance Director, Tonya O’Connell, presented the Ordinance to Transfer \$160,000 from Debt Service to Capital Project Fund to provide funding for land and/or easement acquisition and construction-related expenses for the second phase of the sidewalk project. The Ordinance authorizes the City Manager to do all things necessary to enter into contract for land/or easement to begin the second phase. The transfer is possible by the refinance/restructure of part of the 2012 General Obligation Bond and the entire 2013 General Obligation Bond in July 2020. The refinance/restructure of the debt provided for lower interest rates and available cash flow.

Councilman Green moved, seconded by Councilman Cannella, to approve the Ordinance to Transfer Funds to Capital Project Fund from Debt Service Fund for Fiscal Year 2021. Recorded vote on the motion:

**YES:** Councilmembers Andrews, Southall, Cannella, Hux, Green, Vice Mayor Freeman and Mayor Helsel

**NO:** None

**2. Ordinance Authorizing the City Manager to Enter Into Contract – Poquoson Avenue Sidewalk and Crosswalk Construction Project**

Finance Director, Tonya O’Connell, presented an Ordinance authorizing the City Manager to enter into contract for Phase 1 of the sidewalk and crosswalk construction project once VDOT and Engineering have approved all documents. Mrs. O’Connell presented bid information received from the sole bidder, M.K. Taylor Jr. Contractors, Inc. totaling \$228,176.60 for the sidewalk project, which is being reviewed by the Engineering Department and VDOT teams.

Councilman Green moved, seconded by Councilman Southall, to adopt an Ordinance Authorizing the City Manager to Enter into Contract – Poquoson Avenue Sidewalk and Crosswalk Construction Project. Recorded vote on the motion:

**YES:** Councilmembers Green, Hux, Cannella, Southall, Andrews, Vice Mayor Freeman and Mayor Helsel

**NO:** None

**3. Resolution Making Appointments to Economic Development Authority**

Councilman Green moved, seconded by Vice Mayor Freeman, to adopt a Resolution re-appointing Kathleen Feigh and Raymond Yannello to the Economic Development Authority, with terms expiring March 31, 2025. Recorded vote on the motion:

**YES:** Councilmembers Hux, Southall, Green, Andrews, Cannella, Vice Mayor Freeman and Mayor Helsel

**NO:** None

**COMMENTS OF THE CITY MANAGER:**

City Manager, Randy Wheeler, shared with Council the passing of Ms. Margaret Connell from the Treasurer's Office over the weekend and stated she will be missed. Mr. Wheeler expressed his appreciation to staff members, Mike Bryant, Dave Callis, Gretchen Gochenour and Robert Holloway who have played an essential role in the support of the joint Hampton-Poquoson vaccination clinics. He also stated that by mid-April our area should move from Phase 1b to Phase 1c and sometime in May it should be open to the general public. It is important to make sure citizens are registered through the VDH website so they can get an appointment.

**COUNCIL DIRECTIVES:**

Councilman Southall thanked the Exchange Club for their service in child abuse prevention and their condolences for Graham Wilson. Mr. Southall also expressed his condolences to Margaret Connell's family.

Councilwoman Andrews concurred with Councilman Southall.

Councilman Cannella requested that everyone keep the community in their prayers due to the effects of all the losses we have had recently. Mr. Cannella also thanked the City staff for doing an extraordinary job through the losses.

Councilman Green reminded everyone about the Food Bank on Tuesday, March 23<sup>rd</sup> from 10 a.m. to 1 p.m. hosted by the Exchange Club.

Mayor Helsel reiterated his condolences for the passing of Margaret Connell. Mayor Helsel also commended the staff that is assisting with the vaccination efforts with Hampton. He also wished Connor Phillips a speedy recovery. Mayor Helsel commended the efforts of the Food Bank and all the volunteers that provide this service every month.

**ADJOURNMENT:**

There being no further business, Councilman Green moved, seconded by Councilman Cannella to adjourn the meeting. Recorded vote on the motion:

**YES:** Councilmembers Andrews, Cannella, Southall, Hux, Green, Vice Mayor Freeman and Mayor Helsel

**NO:** None

The meeting was adjourned at approximately 7:24 p.m.



# CITY OF POQUOSON

OFFICE OF THE CITY MANAGER

500 CITY HALL AVENUE  
POQUOSON, VA 23662  
(757) 868-3000 TELEPHONE  
(757) 868-3101 FAX

April 12, 2020

**TO:** City Council

**FROM:** Randy Wheeler, City Manager

**SUBJECT:** Fiscal Year 2022 City Manager Recommended Annual Financial Plan

Thank you for allowing me to present the City Manager's Recommended Annual Financial Plan for Fiscal Year 2022 (Budget). The budget presented to you was developed with guiding principles to ensure stable tax rates, continuation of existing program and level of services, adhering to financial guidelines, reflecting updated revenue and expenditures based on the pandemic and reassessment while limiting new initiatives.

Additionally, the budget prioritizes its limited new initiatives in three of the five established strategic focus areas:

- The first strategic focus area is Public Education and continue local support. The budget includes the recommended increase of \$295,742 above last year approved budget. The increase will allow Schools to provide a 5% pay adjustment for eligible staff.
- The second strategic focus area is quality of services. The recommended budget contains the funding for the 2% pay compensation provided for during December 2020 and additional 3% pay compensation effective in July 2021. When implemented, this compensation package will provide eligible employees an overall increase of 5% similar to the School Division.
- The final strategic focus area is Public Safety. The recommended budget provides for a program jointly developed by our Police and Fire Chiefs to provide annual public safety physical examinations for each of our sworn public safety officers. This budget affords the Chiefs the ability to achieve this initiative.

The recommended budget does not have any new initiatives in the focus of quality of life. It should be noted that the City has already appropriated state and local funding for two projects. The Poquoson Sidewalk Project will connect the elementary/middle school complex with the high school/primary complex through an extension of the existing sidewalk on Poquoson Avenue. The South Lawson Park project which was brought forth by the Parks and Recreational Advisory Board will provide a shelter at the park.

I am pleased that this recommended budget was developed with the guiding principles and afforded initiatives for Public Education, Public Safety and Quantity of Service. I am especially pleased that this recommended budget reflects a tax rate decrease of one cent to \$1.13 for real estate tax.

One noted change this year is the presentation of the document for City Manager's Recommended Annual Financial Plan Fiscal Year 2022. The Finance Department has implemented the budget document within ClearGov, a cloud based software. The software will allow for City Council, citizens and departments to easily navigate through the cloud to find information about the budget.

We have a Public Hearing scheduled for April 26, 2021 on the Recommended Annual Financial Plan for Fiscal Year 2022. Staff and I are available to answer any questions you may have about the recommended budget.

<https://city-poquoson-va-budget-book.cleargov.com/recommended-budget-2022/2022/introduction/transmittal-letter>