CITY OF BRISTOL, VIRGINIA
FY 2018-2019
CITY MANAGER’S PROPOSED BUDGET
Our Budget Goals

Budget revenues conservatively and expenditures realistically
Continue to evaluate line item expenditures to eliminate any unnecessary spending
Increase unassigned fund balance
Fund capital items with equity, not debt
Review capital plan to ensure needed capital purchases are included in the budget
Increase Solid Waste Disposal Fund revenues to cover expenditures
Evaluate compensation increase for all full-time City employees
Evaluate benefit package for all full-time City employees
Process for Developing the Proposed Budget

- Set budget goals
- Department meetings
- Revenue data

- Receive feedback from City Council

- Revise and evaluate against goals
# Budget Summary

<table>
<thead>
<tr>
<th>Fund</th>
<th>Item</th>
<th>Budgeted Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>Revenue</td>
<td>51,594,173</td>
</tr>
<tr>
<td></td>
<td>Expenses</td>
<td>51,594,173</td>
</tr>
<tr>
<td>Solid Waste Disposal Fund</td>
<td>Revenue</td>
<td>5,555,975</td>
</tr>
<tr>
<td></td>
<td>Expenses</td>
<td>5,555,975</td>
</tr>
<tr>
<td>Capital Projects</td>
<td>Revenue</td>
<td>11,673,839</td>
</tr>
<tr>
<td></td>
<td>Expenses</td>
<td>11,673,839</td>
</tr>
<tr>
<td>Total</td>
<td>Revenue</td>
<td>68,823,987</td>
</tr>
<tr>
<td></td>
<td>Expenses</td>
<td>68,823,987</td>
</tr>
</tbody>
</table>
Fund Summary

- General Fund: 51,594,173 (75%)
- Solid Waste Fund: 5,555,975 (8%)
- Capital Project Fund: 11,673,839 (17%)
Revenue Sources

- Revenue from Local Sources: 33,899,460 (49%)
- Revenue from Commonwealth of Virginia: 20,698,539 (30%)
- Revenue from Solid Waste: 5,555,975 (8%)
- Other Financing Sources: 1,300,700 (2%)
- Revenue from Federal Government: 7,369,313 (11%)
Expenditures by Category

- **Public Safety**: 15,205,013 (22%)
- **Public Works**: 5,111,927 (8%)
- **Health & Welfare, & Social Services**: 8,290,567 (12%)
- **Education**: 6,719,770 (10%)
- **Parks & Recreation**: 3,006,405 (4%)
- **Community Development**: 832,659 (1%)
- **Debt**: 4,076,657 (6%)
- **Transfers**: 2,946,015 (4%)
- **Solid Waste Disposal/Collections**: 5,555,975 (8%)
- **Capital Projects**: 11,673,639 (17%)
- **Governmental Administration**: 2,707,580 (4%)
- **Judicial Administration**: 1,416,856 (2%)
General Fund Revenue Summary

Revenue from Local Sources
$33,899,460
66%

Revenue from Commonwealth of Virginia
$14,257,821
28%

Revenue from Federal Government
$3,386,892
6%

Other Financing Sources
$50,000
0%
General Fund Expenditures by Category

- **Government Administration**: $2,707,580 (5%)
- **Judicial Administration**: $1,416,856 (3%)
- **Public Safety**: $15,205,013 (29%)
- **Public Works**: $5,111,927 (10%)
- **Education**: $6,719,770 (13%)
- **Health, Welfare & Social Services**: $8,290,567 (16%)
- **Parks, Recreation & Cultural**: $3,006,405 (6%)
- **Community Development**: $832,659 (2%)
- **Non-Departmental**: $1,280,724 (2%)
- **Debt**: $4,076,657 (8%)
- **Transfers**: $2,946,015 (6%)
- **Judicial Administration**: $1,416,856 (3%)

Total Expenditures: $41,073,757
What Changes: Revenue

Property taxes and other local taxes based on actuals

Reclassification of court fines, forfeiture, and traffic fines

Included ambulance charges

Removed parking fees at Sugar Hollow

Removed BVU payment no longer received

Removed lease income for school building

Reduced payment in lieu of taxes

Included fuel income

Increased state and federal revenue for Social Services
What Changes: Expenditures

IT: Kronos and supplies
Police: Reduced FTE
Fire Dept: Reduced two FTE
Sheriff’s Dept: Inmate housing
Animal control: 1.5 FTE and shelter costs
Streets and Engineering: 4 FTEs to contract labor
Reduced local funding for schools and social services

Eliminates 3 Parks and Rec FTEs
Includes director salary for Economic Development
Removed A Corridor payroll
Debt service: includes payments and refinance savings
Transfer to solid waste fund reduced by collection increase
Debt

• The FY19 budget does not include any additional long-term borrowing.

• Recognition of bond proceeds from previous fiscal years is included for capital items.

• Budget invests savings from debt refinancing into reserve fund. As debt service increases in FY20, those savings will no longer be available.
“Reserve Cash Account” Initiative

In August 2014, a proposal was adopted to build the cash reserves of the City over an 8-year period. The proposal included a real estate tax increase of $0.05 and would be increased by an additional $0.02 in the following fiscal years until the 5-year mark.

The FY19 proposed budget does not incorporate an additional $0.02 increase in real estate tax. However, the total General Fund amount toward the reserve in this budget is $1,000,000 plus refinancing savings.

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Solid Waste Disposal Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Buildup</td>
<td>Liner Accrual</td>
</tr>
<tr>
<td></td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Debt Refinancing savings</td>
<td>Debt Refinancing</td>
</tr>
<tr>
<td></td>
<td>$187,032</td>
</tr>
<tr>
<td><strong>Total General Fund:</strong></td>
<td><strong>Total SWDF:</strong></td>
</tr>
<tr>
<td></td>
<td><strong>$1,187,032</strong></td>
</tr>
<tr>
<td></td>
<td><strong>$457,324</strong></td>
</tr>
</tbody>
</table>

**Total for Debt Refinance:** $532,130
Capital Projects

- **Total Expenditures:** $11,673,839
  - Police: Dispatch Consoles
  - Fire: 6 AED Monitors/Defibrillators
  - Fire: 5 Sets of Personal Protective Equipment
  - Fire: Replacement Rescue Pumper on Engine 3
  - Fire: Ambulance
  - Sheriff: 2nd Payment for Southern Software
  - Public Works: Zero Turn Mower
  - Transit: Bus Purchase
  - Capital: Falls Development
- Capital: Lee Highway Exit 5 Phase 1a
- Capital: Lee Highway Exit 5 Phase 1b
- Capital: Lee Highway Widening Phase 2
- Capital: Drainage Improvements
- Capital: Piedmont Ave & State Street Pedestrian Signal
- Capital: Shared Use/Sidewalk-Paulena Drive/Bonham Rd
- Capital: Fairview Street Bridge Rehab
Funding for Capital

Revenues $11,673,839
Federal $3,982,421
State $6,440,718
Local $301,000
Bond proceeds- Falls $441,000
Bond proceeds- other $508,700
<table>
<thead>
<tr>
<th>Description</th>
<th>Code</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Property 2 &amp; 3</td>
<td>11010-0501</td>
<td>$66,000</td>
</tr>
<tr>
<td>Personal Property 2 &amp; 3</td>
<td>11030-0501</td>
<td>$10,000</td>
</tr>
<tr>
<td>Local Sales &amp; Use 2 &amp; 3</td>
<td>12010-0504</td>
<td>$36,000</td>
</tr>
<tr>
<td>Restaurant Meal 2 &amp; 3</td>
<td>12010-0506</td>
<td>$224,000</td>
</tr>
<tr>
<td>Business License Tax 2 &amp; 3</td>
<td>12010-0507</td>
<td>$9,500</td>
</tr>
<tr>
<td>Rent of Property</td>
<td>15020-0009</td>
<td>$25,200</td>
</tr>
<tr>
<td>State Sales Tax 2 &amp; 3</td>
<td>24010-0501</td>
<td>$100,000</td>
</tr>
<tr>
<td>Total Revenue</td>
<td></td>
<td>$470,700</td>
</tr>
<tr>
<td>Amount Allocated to Falls Development</td>
<td></td>
<td>$1,766,255</td>
</tr>
<tr>
<td>Revenue Sharing Agreement</td>
<td></td>
<td>$350,000</td>
</tr>
<tr>
<td>Deficit</td>
<td></td>
<td>$(1,645,555)</td>
</tr>
</tbody>
</table>
Looking Ahead: Planning for Future Needs
Future Revenues

Includes local, state, federal revenue sources less any temporary bonds issued

<table>
<thead>
<tr>
<th></th>
<th>FY 16 Actual</th>
<th>FY 17 Actual</th>
<th>FY 18 Amended Budget</th>
<th>FY 19 Budget</th>
<th>FY 20 (Projection)</th>
<th>FY 21 (Projection)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$ 59,478,135</td>
<td>$ 53,208,707</td>
<td>$ 52,813,495</td>
<td>$ 51,594,173</td>
<td>$ 51,594,173</td>
<td>$ 51,594,173</td>
</tr>
<tr>
<td>Change in Dollars ($)</td>
<td></td>
<td>$ (6,269,428)</td>
<td>$ (395,212)</td>
<td>$ (1,219,322)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Change in Percent (%)</td>
<td></td>
<td>-11%</td>
<td>-0.74%</td>
<td>-2.31%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total Local Revenue</td>
<td>$ 34,115,354</td>
<td>$ 33,727,830</td>
<td>$ 34,609,059</td>
<td>$ 33,899,460</td>
<td>$ 33,899,460</td>
<td>$ 33,899,460</td>
</tr>
<tr>
<td>Total State Revenue</td>
<td>$ 22,352,414</td>
<td>$ 16,464,242</td>
<td>$ 14,190,334</td>
<td>$ 14,257,821</td>
<td>$ 14,257,821</td>
<td>$ 14,257,821</td>
</tr>
<tr>
<td>Total Federal Revenue</td>
<td>$ 3,010,367</td>
<td>$ 2,967,727</td>
<td>$ 3,889,102</td>
<td>$ 3,386,892</td>
<td>$ 3,386,892</td>
<td>$ 3,386,892</td>
</tr>
</tbody>
</table>
## Future Expenses

Expenditures Projected with 1% increase

<table>
<thead>
<tr>
<th></th>
<th>FY 16 Actual</th>
<th>FY 17 Actual</th>
<th>FY 18 Amended Budget</th>
<th>FY 19 Budget</th>
<th>FY 20 (Projection)</th>
<th>FY 21 (Projection)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operating Expenses</td>
<td>$59,478,135</td>
<td>$55,600,816</td>
<td>$53,579,652</td>
<td>$51,594,173</td>
<td>$52,110,115</td>
<td>$52,631,216</td>
</tr>
<tr>
<td>Change in Dollars ($)</td>
<td></td>
<td>(3,877,319)</td>
<td>(2,021,164)</td>
<td>(1,985,479)</td>
<td>515,942</td>
<td>521,101</td>
</tr>
<tr>
<td>Change in Percent (%)</td>
<td></td>
<td>-7%</td>
<td>-3.64%</td>
<td>-3.71%</td>
<td>1.00%</td>
<td>1.00%</td>
</tr>
<tr>
<td>Total Reserve Funds</td>
<td>$905,373</td>
<td>$1,395,784</td>
<td>$1,116,616</td>
<td>$1,187,032</td>
<td>$1,187,032</td>
<td>$1,187,032</td>
</tr>
<tr>
<td>Change in Dollars ($)</td>
<td>$490,411</td>
<td>(279,168)</td>
<td>70,416</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Change in Percent (%)</td>
<td>54%</td>
<td>-25.00%</td>
<td>6%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
## Future Needs

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>Direction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Fund</td>
<td>$1,116,616</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$</td>
<td>↑</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$5,389,762</td>
<td>$5,389,762</td>
<td>$5,971,667</td>
<td>$6,223,833</td>
<td>↑</td>
</tr>
<tr>
<td>Capital Plan</td>
<td>$301,000</td>
<td>$301,000</td>
<td>$301,000</td>
<td>$301,000</td>
<td>Flat- local contribution only</td>
</tr>
</tbody>
</table>
Budget Timeline

Public Hearing: Tuesday, May 8\textsuperscript{th}, 6pm

Budget Workshop: Saturday, May 12\textsuperscript{nd}, 9am

First Reading Budget Ordinance: Tuesday, May 22\textsuperscript{nd}, 6pm

Second Reading Budget Ordinance: Tuesday, June 12, 6pm