



# City of Bristol, Virginia

City Manager's Recommended

FY 19-20 Budget

Randall Eads, City Manager



- § 15.2-2503. Budgets.
  - *The governing body shall prepare and approve a budget for **informative and fiscal planning purposes only, containing a complete itemized and classified plan of all contemplated expenditures and all estimated revenues and borrowings for the locality for the ensuing fiscal year.***
  - The budget remains a working document throughout the process, based on historical data, trends, and projections.



# FY19: A Recap

- Implemented critical financial policies and developed capital funding plan
- Landfill Analysis
- Judicial Alternative Sentencing Program
  - Drug Court: 2,380 participant supervision days
  - Work Re-Entry: 1,083 participant supervision days
  - Cost avoidance of \$134,000 in inmate housing expense
- Ambulance Service began August 2018; more than 1,000 EMS calls\*
- State Street and Comprehensive Plan Awards
- Animal Shelter open as of April 2019

\*through February 2019





# Budget Goals- Council

Maintain reserve funds

Structurally balanced budget

Jail annex renovations

Self sustaining SWDF

Maintain unassigned fund balance

Adequate funding for CVB

Investments in employees

Full staffing for police and fire departments

Provide support to school system

Economic development financial tools

Top line revenue growth

Long term reserve funds, establishing and funding



# Building the Budget: A framework

Structurally balanced,  
financially sound  
budget

Maintains and invests  
in important assets

Promotes the self-  
sufficiency of the Solid  
Waste Disposal Fund



# Summary, All Funds



Total Revenues, All Funds: \$72,092,096

Total Expenses, All Funds: \$72,092,096

**General Fund: 75%**

Revenues \$53,930,744

Expenses \$53,930,744

**Capital Projects  
Fund: 13%**

Revenues \$9,171,588

Expenses \$9,171,588

**Solid Waste Disposal  
Fund: 11%**

Revenues \$7,889,222

Expenses \$7,889,222

**Community Development  
Block Grant Fund: 1%**

Revenues \$529,935

Expenses \$529,935

**Transit Fund: <1%**

Revenues \$468,607

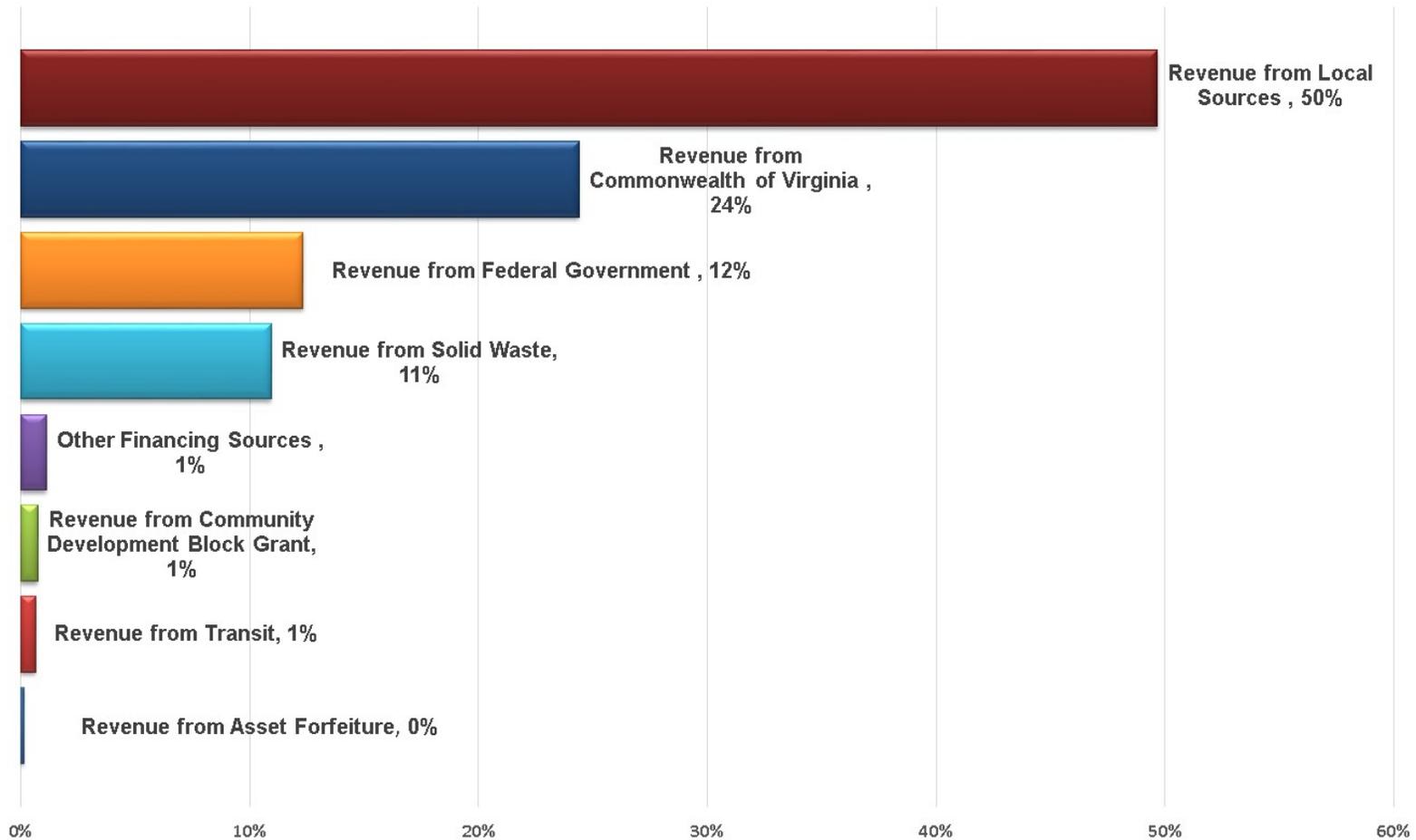
Expenses \$468,607

**Asset Forfeiture Fund:  
<1%**

Revenues \$102,000

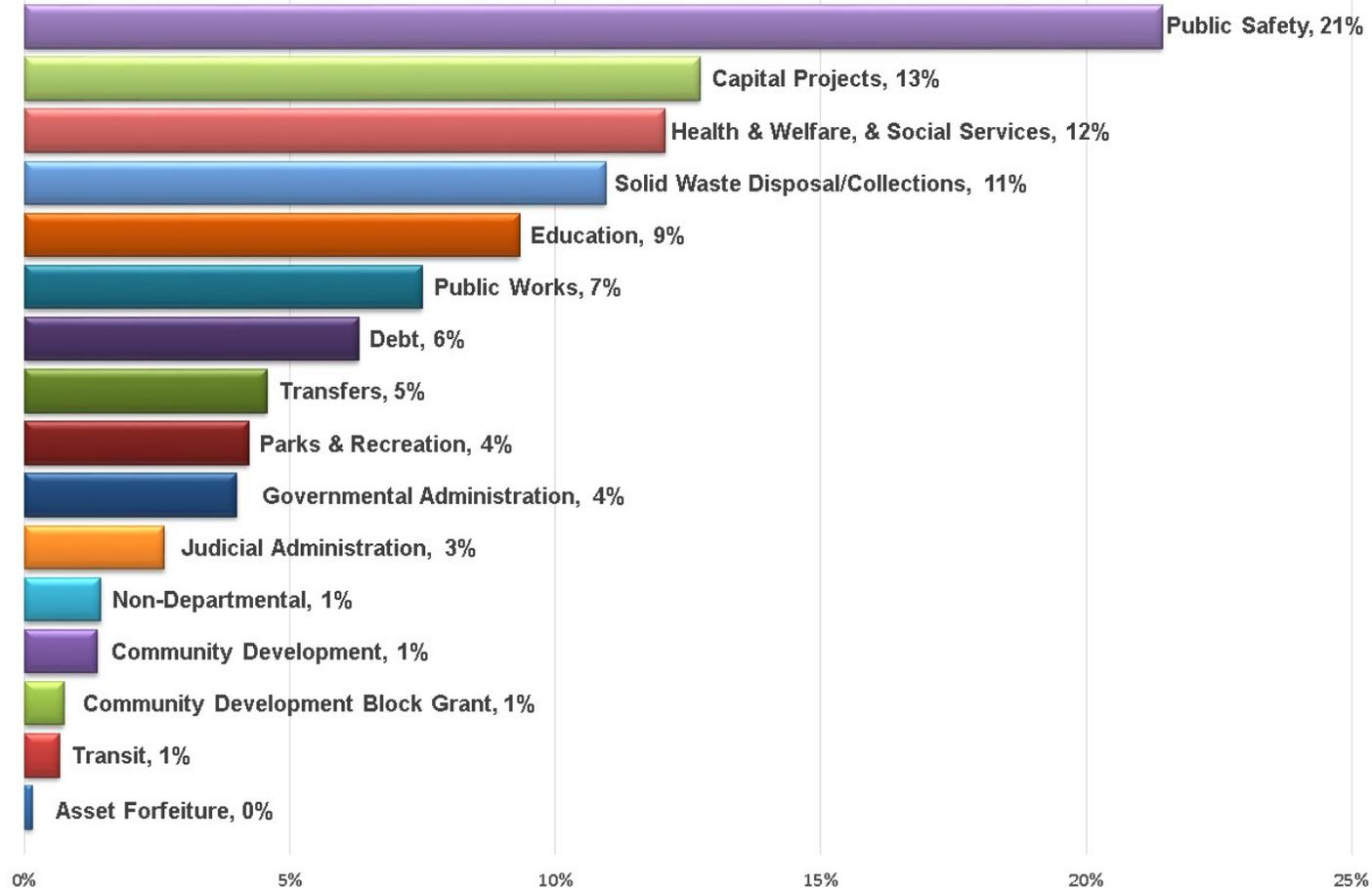
Expenses \$102,000

# Revenues by Source- All Funds





# Expenditures by Category- All Funds





# Budget Comparison: FY 19 and FY 20

Year	General Fund	Increase	%
FY 19 Original	\$51,594,173		
FY 20	\$53,930,744	\$2,336,571	4.5%

- Major driver of the increase is costs associated with budget goals:
  - Employee Compensation (\$345,539)
  - General Fund Transfer to Capital Fund (\$625,427)
  - Critical IT needs (\$178,000)
- Majority of the remainder has associated revenue offsets

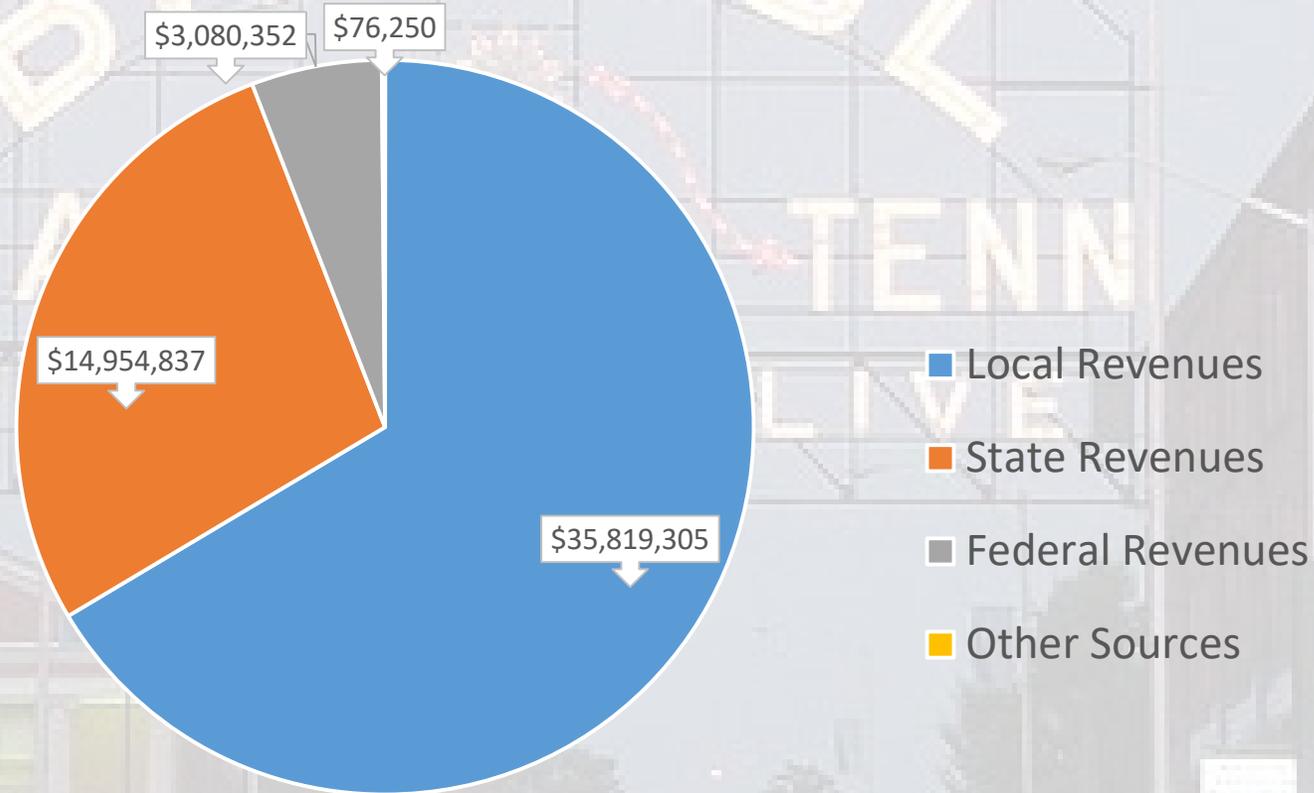


# General Fund





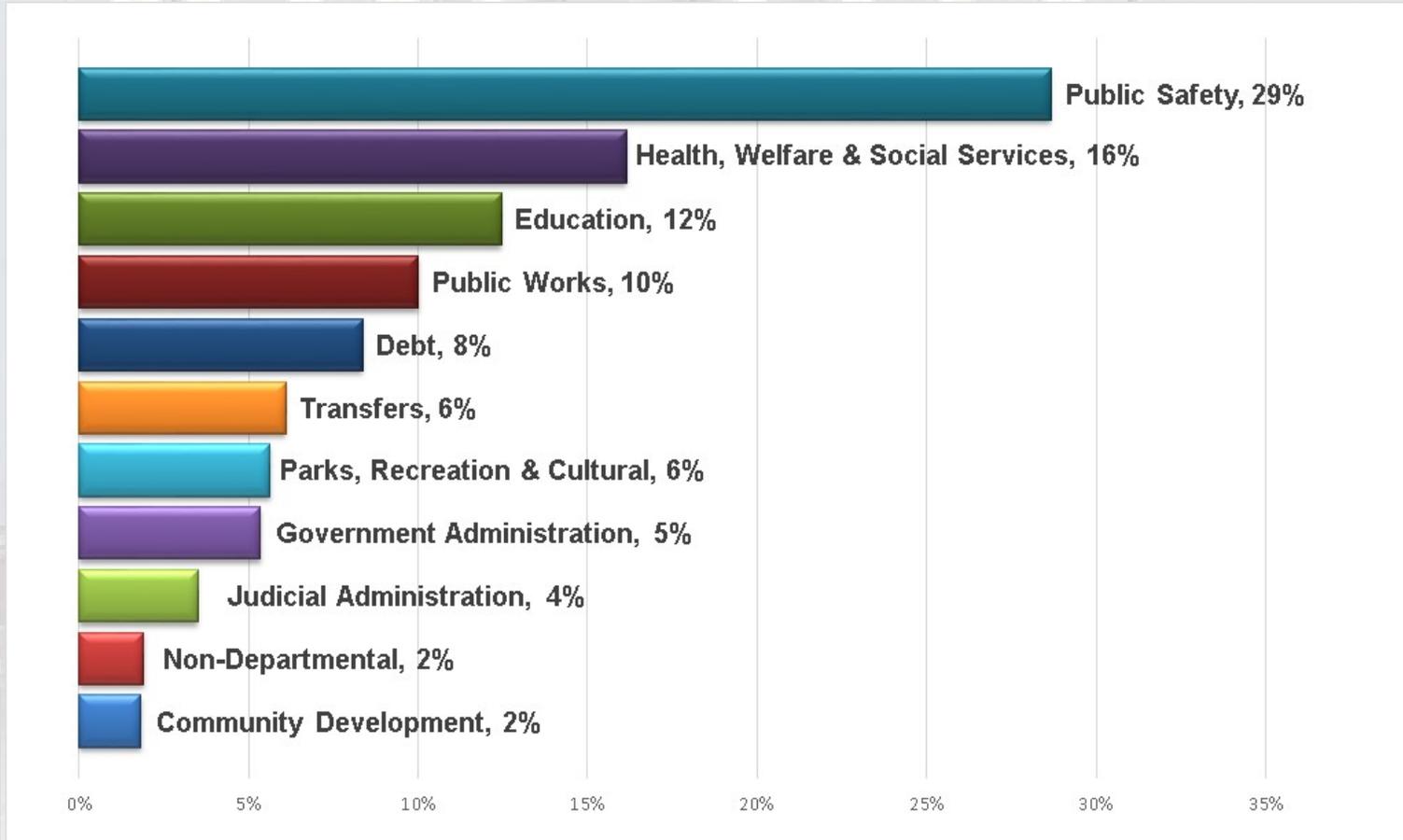
# Revenue Sources- General Fund



Randall Eads, City Manager



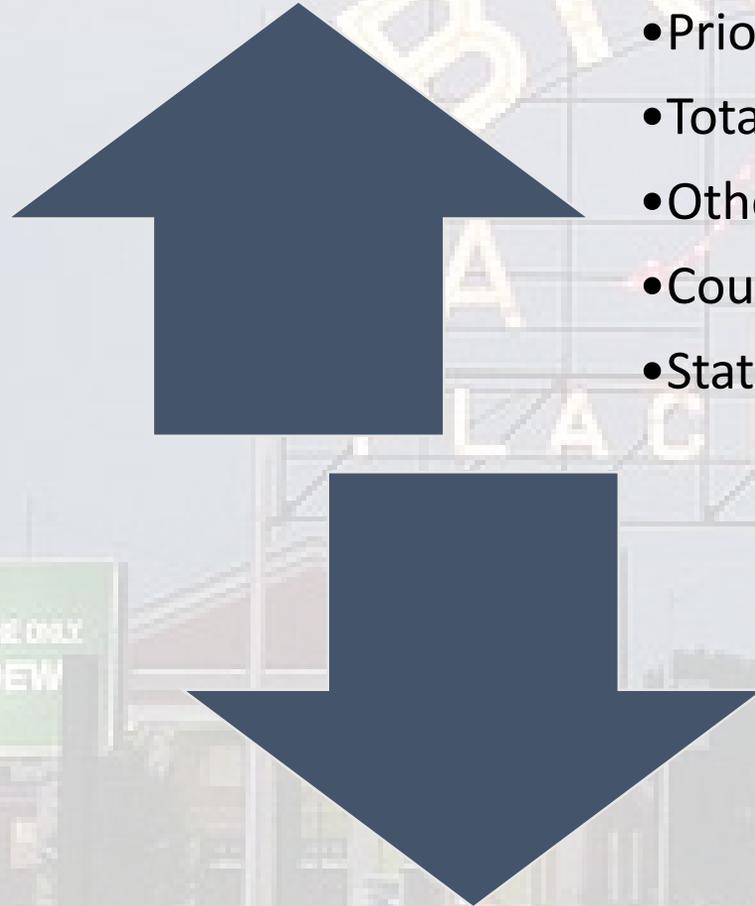
# General Fund Expenditure Summary



Randall Eads, City Manager

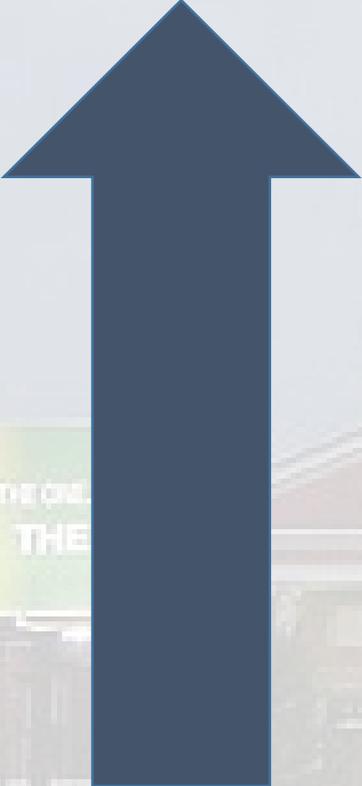


# Changes in Revenue



- Prior Debt Savings \$437,324
- Total General Property \$591,565
- Other Local Taxes \$700,201
- Court Costs \$128,400
- State revenue \$679,016
- Federal revenue (\$306,540)
- Misc revenue (\$74,744)
- Permits/privilege fees (\$24,550)

# Changes in Expenditures



Judicial Alternative Sentencing Program	\$526,346 (\$399,611 net increase to local funding)
Social Services Increase	\$403,477 (\$34,542 net increase to local funding )
3% Salary + Scale Placement Increase	\$345,539
3% Comp Board Increase	\$97,124 (majority offset by state funding)
FTE Increase	\$80,800
Economic Development Incentives	\$66,500
IT equipment	\$50,751
Discover Bristol	\$50,000

Randall Eads, City Manager

# Changes in Expenditures



Contingency	\$26,596
Maintenance of Building and Property	\$25,000
Clear Creek Capital Offset	\$25,000
City-wide copying/printing lease consolidation	\$22,800
Software for public safety	\$22,000
EMS supplies- Fire Dept	\$21,000
Registrar operating increase	\$19,050
Foreign Trade Zone fees	\$17,500

Randall Eads, City Manager



# Bristol Virginia Public Schools

	FY 19 Budget	FY 20 Requested	FY20Budget
Schools Transfer- Operating	\$6,686,010	\$7,072,010	\$6,686,010
Schools Transfer- Capital	\$-	\$14,413,243	\$-

Randall Eads, City Manager



# The Falls (Phase 2 and 3): Revenue Update

	FY 19 Budget	FY20Budget
Total Falls Revenue	\$470,700	\$826,700
Total Debt Allocated to the Falls	\$1,804,863	\$2,043,241
Revenue Sharing Agreement	\$350,000	\$350,000
Deficit/Revenue Shortfall	\$(1,684,163)	\$(1,566,541)
FY 20 Reduction of Deficit		\$117,622

Randall Eads, City Manager



# Debt Service Reserve Account: Update

	FY 19 Budget	FY20 Budget
Debt Service Reserve	\$1,187,032	\$1,033,637

Randall Eads, City Manager



# City-Wide Debt Service: A Reminder

	Original	Actual	Excess/		Current	Current	Funding	Incremental
	Debt Service	Debt Service	(Shortfall)	Savings Used	Reserve Budget	Revenue Sharing	Needed	Change
				Net Payment				
FY 19	5,389,762	4,857,631	532,131	N/A				
FY 20	5,389,762	5,971,667	-581,905	581,905	0			
FY 21	5,389,762	6,223,833	-834,071	794,676	-39,395		-39,395	
FY 22	5,389,762	6,720,700	-1,330,938	0	-1,330,938	1,000,000	-330,938	-291,543
FY 23	5,389,762	7,224,716	-1,834,954	0	-1,834,954	1,000,000	-834,954	-504,016
FY 24	5,389,762	7,724,982	-2,335,220	0	-2,335,220	1,000,000	350,000	-985,220
FY 25	5,389,762	7,722,607	-2,332,845	0	-2,332,845	1,000,000	350,000	-982,845
								2,375

\$322,500 is included for School Debt, paid for from their appropriation. That debt pays off in 2027.



# Financial Reporting

- General Obligation Debt as a Percentage of Assessed Value

Policy Goal	FY17 Actual	FY18 Actual	FY19 Projected	FY20 Projected
5%	8.37%	8.38%	8.34%	8.07%

- Debt as a Percentage of Operating Expenditures per Fund

	Policy Goal	FY 17 Actual	FY18 Actual	FY19 Projected	FY20 Projected
Operating Fund	8%	5.7%	3.93%	6.38%	7.48%
SWDF	8%	25.54%	33.91%	35.60%	29.51%

- Unassigned Fund Balance

Policy Goal	FY17 Actual	FY18 Actual	FY19 Projected	FY20 Projected
18%	13.37%	24.3%	26.81%	26.93%



# Solid Waste Disposal Fund

Randall Eads, City Manager



# Landfill- Total Cost to City

Outstanding  
general  
obligation  
debt:  
\$34,792,270



Transfers from  
the general  
fund (written  
off in 2016):  
\$22,159,717



Net position  
as of 6/30/18:  
\$-(20,307,459)



Total Cost:  
**\$77,259,446**

# FY 20 Budget: \$33.00 Monthly Rate Residential Customers



## FY 20 Revenue/Expenses

Disposal Revenue	\$3,330,000
Collection Revenue	\$2,700,160
Non-Operating Revenue	\$1,859,062
<b>Total Revenue</b>	<b>\$7,889,222</b>
Disposal Expenses	\$4,577,704
Collection Expenses	\$931,331
Non-Operating Expenses	\$2,380,187
<b>Total Expenses</b>	<b>\$7,889,222</b>

## Liner/Closure Costs

	Option 4
19-20 Liner	\$1,852,000
19-20 Postclosure/Closure	\$200,000
Future (20-21) Liner Accrual	\$600,000
Future Closure (20-21) Accrual	\$305,000
<b>Cash Carryover for 19-20</b>	<b>\$300,000</b>



# Capital Projects Fund

Randall Eads, City Manager



# Capital Projects Fund: Sources



# Capital Projects Fund: Detail



Information Technology: Mobile Data Terminals and Dock Vehicle	\$99,050	
	<b>Debt Capital \$99,050</b>	<b>Total Information Technology \$99,050</b>
Police: Fleet Rotation	\$226,000	
Police: Radio Repeater	\$9,887	
	<b>Local \$235,887</b>	<b>Total Police \$235,887</b>
Fire: Heart Monitors/Defibrillators	\$172,723	
Fire: Radio System	\$358,047	
Fire: Fire Hose	\$85,000	
Fire: Mobile Data Terminal	\$44,576	
	<b>Local \$320,201 Federal \$340,145</b>	<b>Total Fire \$660,346</b>



# Capital Projects Fund: Detail

Capital: Lee Highway Phase 1B	\$5,150,000
Capital: Shared Use Path, Overhill to Clover	\$195,600
Capital: Goodson Street Bridge Rehab	\$375,000
Capital: Kings Mill Pike	\$401,000
Capital: Shared Use Path, Bonham Road	\$885,507
Capital: Euclid-Bob Morrison Signal	\$424,198
Capital: MLK Bridge Rehab	\$185,000
Capital: Fairview Street Bridge Rehab	\$280,000
Capital: Lee Highway-Old Airport Intersection	\$280,000
<b>Local \$69,339    State \$2,639,677    Federal \$5,467,289</b>	<b>Total Capital \$8,176,305</b>



# What's Next

- April 16<sup>th</sup> Called City Council Meeting, **Public hearing** collection fees ordinance
- April 23<sup>rd</sup> Regular City Council meeting, **Public hearing** appropriation ordinance; **1<sup>st</sup> reading** collection fees ordinance
- April 30<sup>th</sup> Called City Council Meeting, **2<sup>nd</sup> reading** collection fees ordinance
- May 14<sup>th</sup> Regular City Council meeting, **1st reading** appropriation ordinance
- May 28<sup>th</sup> Regular City Council meeting, **2nd reading** appropriation ordinance