



# City of Suffolk

## Adopted FY 2012-2013 Operating & Capital Budget

### FY 13 Budget Challenges

- ◆ **5th Consecutive Year of Significant Challenges**
  - Decline in real estate values
  - Reductions in State revenue while receiving expensive State Mandates
  - Financial Policy requirements to be met
  - Service demands driven by 33% growth in the last 10 years

### FY 13 Budget Highlights

- ◆ **Balance Competing Service Demands with No Tax Increase to Citizens**
  - Citywide real estate tax rate **to remain at \$.97**, equivalent to a **\$.02** reduction
  - Continues cost reduction practices from previous years of **\$17.3M** since **2007**
  - **Reduces real estate tax rate by \$.01** in the Downtown Business and Rt. 17 Taxing Districts
- ◆ **Protect Financial Compliance Progress and “Best Management Practices”**
  - **Complies with requirements of the City’s adopted Financial Policies**
- ◆ **Fund Increased Cost of State Mandated Expenses**
  - Provides funding to address costs of the State mandated retirement system rate increase and the required **1% phase-in** of the **retirement system contribution shift to employees and 1% salary increase**
- ◆ **Maintain Critical Personnel Resources to Serve Citizens**
  - City **staff ratios are among the lowest per capita** in the region
  - **No layoffs or furloughs** are recommended
  - **Freeze of 11 positions** and **mandated 90 day vacancy** on all terminations
- ◆ **Provide New Revenue to Support Education**
  - **Provides 75% of all new revenue (totaling \$4.2M) to the School Division** for **\$3M** or **7%** local increase
  - Provides additional **\$2M** in a **“one time”** appropriation to fully fund the School Board funding request
- ◆ **Compensate Employees in Accordance with the Revised Compensation Plan**
  - Consultant report noted **Suffolk’s pay lags** in the region and significant compensation inequities
  - Provides **2% cost of living allocation** for all full-time and part-time non-probationary employees
  - Provides **one-third** of the funding required for the phased implementation of the revised Employee Compensation Plan **effective January 1, 2013**, excluding City Council appointees, whose compensation will be evaluated at the time of their annual performance evaluations
  - **Internal reductions from departmental line items** are provided to support this initiative



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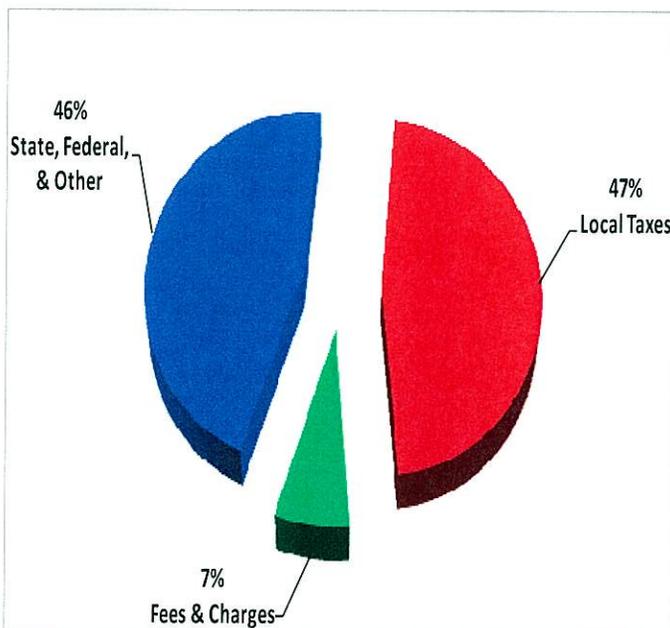
## Adopted FY 2012-2013 Operating & Capital Budget

### Operating Budget Summary - All Funds

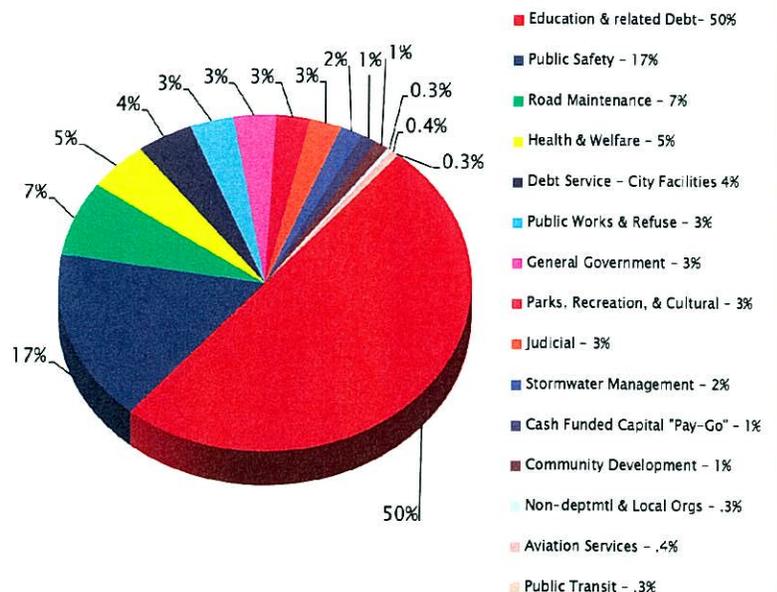
	Fiscal Year <u>2011-2012</u>	Adopted Fiscal Year <u>2012-2013</u>	% <u>Change</u>
General Fund	\$169,359,094	\$173,573,360	2%
Capital Projects Fund	90,409,365	54,348,975	-40%
Downtown Business Overlay District	200,000	220,000	10%
Transit System Fund	0	845,770	-
Aviation Facilities Fund	1,196,533	1,274,384	7%
Law Library Fund	42,520	48,012	13%
Route 17 Special Taxing District	1,350,000	1,947,196	44%
Road Maintenance Fund	20,012,612	21,403,945	7%
Debt Service Fund	25,139,326	25,650,824	2%
Utility Fund	37,400,653	42,958,759	15%
Stormwater Fund	5,288,671	5,305,000	0%
Refuse Services Fund	6,940,880	5,912,350	-15%
Grants Fund	1,400,088	1,096,843	-22%
Fleet Management Fund	12,278,499	12,884,946	5%
Information Technology Fund	4,352,314	4,803,949	10%
Risk Management Fund	17,161,168	18,208,430	6%
School Fund	<u>140,358,588</u>	<u>138,314,412</u>	-1%
<b>Total Funds Budget</b>	<b>\$532,890,311</b>	<b>\$508,797,156</b>	

### Revenue Sources and Expenditures

**Where the Money Comes From**



**Where the Money Goes**





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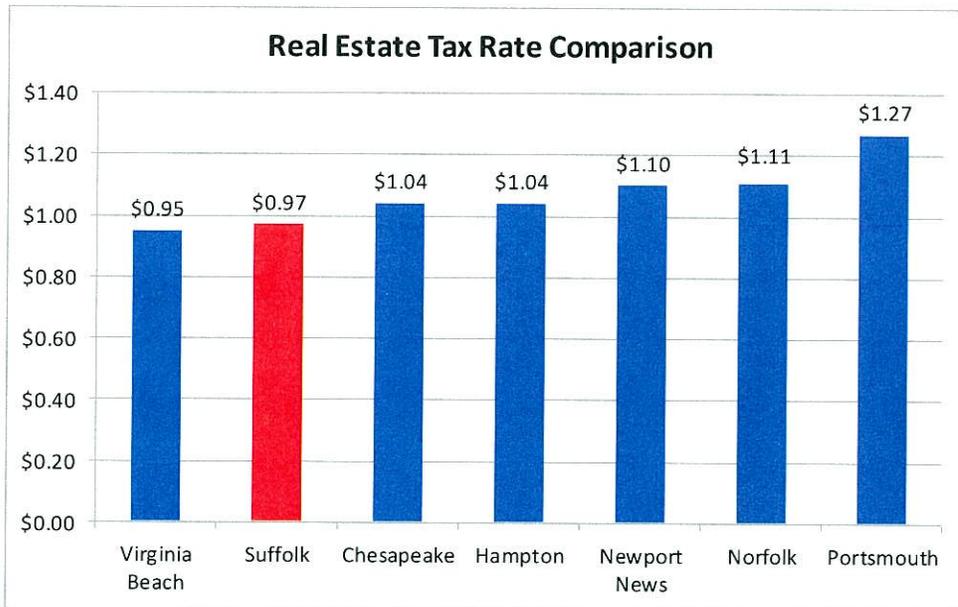
### Tax Rates and Fees

#### Real Estate

	<u>Adopted FY 12'</u>	<u>Adopted FY 13'</u>
◆ Citywide	\$.97 per \$100	\$.97 per \$100
◆ DBOD	\$.125 per \$100	\$.115 per \$100
◆ Rt. 17 Tax District	\$.26 per \$100	\$.25 per \$100

#### Water & Sewer

◆ Water Rate (per 100 cubic feet)	\$6.43	\$7.13
◆ Sewer Collection (per 100 cubic feet)	\$4.91	\$5.35



The adopted FY 13' citywide real estate tax rate is unchanged at \$.97 per \$100 of assessed value which is equivalent to a \$.02 reduction. The City has the second lowest real estate tax rate in the region.

### FY 13' Capital Projects Fund

**Adopted Capital Projects Budget: \$54,348,975**

#### Major CIP Projects:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>◆ Whaleyville Community Center</li> <li>◆ 911 Equipment and Tower Replacement</li> <li>◆ Operations and Maintenance Facility</li> <li>◆ Local Transportation Construction—Holland Road</li> <li>◆ Local Intersection Improvements—W. Washington/Wellons</li> <li>◆ Rt. 17 Intersection Improvements (College/Harbour View)</li> <li>◆ Public Utility Water/Sewer Improvements as dictated by DEQ</li> </ul> | <ul style="list-style-type: none"> <li>◆ Police Headquarters Expansion</li> <li>◆ Southern Elementary Replacement</li> <li>◆ Neighborhood &amp; Village Improvements</li> </ul> |
|--|---|



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### Frequently Asked Questions

#### **1. Where can I find a copy of the budget and can I get one for my personal use?**

The budget can be downloaded from the City's website at: [www.suffolkva.us/2012-2013-budget-information.html](http://www.suffolkva.us/2012-2013-budget-information.html). Copies are also available for review in the City Manager's Office, City Clerk's Office, Budget Office, and Citywide Public Libraries.

#### **2. How do I find out how much funding is allocated to Suffolk Public Schools?**

The adopted budget provides **\$47,163,719** in local funding for the school division in FY 13'. This represents a **\$3M or 7% increase in local operating contributions** over FY 12' and **75% of the \$4.2M in new revenue anticipated by the City in FY 13'**. The City Council also approved an additional **\$2M** for the school division via "**one time**" funds originally proposed for transportation needs. The total school operating budget for FY 13 is \$138.3M and includes a 7% increase in local fund support and 5% decrease in state and federal funding for an overall 1% decrease in total funding for the school division. The City's local contribution to the school division represents **50%** of the citywide services budget.

The City provides funding to the school division but **does not recommend how the funding is used**. The school division determines how to best utilize its allocated funding and makes all decisions regarding school operations. For details on how school funds are allocated, call Suffolk Public Schools Administration at (757) 925-6750 or visit their website at [www.spsk12.net](http://www.spsk12.net).

#### **3. When does the City's annual budget process begin?**

The budget development process begins in October and concludes after the final adoption by City Council, prior to June 30th of the following fiscal year. The budget development process involves a rigorous internal review of service areas, work processes, cost centers, and departmental budget requests. The City Manager is required by the City Charter to provide City Council with a proposed operating budget at least 60 days prior to June 30th. The City Council reviews and holds public hearings on the proposed budget prior to adoption. The City's budget development calendar can be found on page 13 of the budget document.

#### **4. If I need help in locating something in the budget or finding out if something is funded, who should I call?**

Call the City's Department of Budget & Strategic Planning at (757) 514-4004 or email us at [BudgetOfficer@suffolkva.us](mailto:BudgetOfficer@suffolkva.us). We are happy to assist you.