

# Fiscal Year 2019-2020 Budget Process

Covington City Council Regular Meeting March 12, 2019

Process Update

The “Top Ten” and Functional Area Information



# Budget Update

- Discussions with all Departments Completed this week
- Considerable departmental needs that have significant impacts
- Infrastructure that will need to be addressed (water and sewer lines, bridges, roads, streets, curb/guttering, and sidewalks) all cannot be completed in a single budget
- Capital improvement planning will start but not finalize this budget (older equipment, vehicles, and public safety apparatus will need to be brought into a planned schedule and responsible fiscal payment plan)
- Regulatory compliance will impact Wastewater Budget
- Consideration of funding (with available funds) a water plant project that will help to address leachate and sludge volumes entered in the wastewater treatment system as well as the final destination of the landfill

# FY 18 Governmental Funds

## Schedule of Actual Revenues “Top 10”

- Machinery & Tools Taxes - \$ 3,089,583 (L)
- Real Property Taxes - \$ 2,205,500 (L)
- Real & Public Service Corporation Taxes - \$ 2,135,116 (L)
- Local Sales & Uses Taxes - \$ 1,281,790 (L)
- Personal Property Taxes - \$ 1,125,790 (L)
- Meals Taxes - \$ 1,059,509 (L)
- Personal Property Tax Relief - \$ 543,994 (Non-Cat VA)
- Business License Fees - \$ 511,389 (L)
- Consumer’s Utility Taxes - \$ 411,500 (L)
- Telecommunications Taxes - \$ 283,914 (Non–Cat VA)

# State FY 18 Categorical Aid of Note

- CSA Payments - \$ 1,051,016 (% Reimbursement for Services)
- State Highway Payments - \$ 1,069,792 (Lane Mileage based)
- 599 Funding - \$ 265,408 (Distribution for City Police Department)

# What % Does General Fund “Top 10” Revenues Make-Up?

- Total Revenue from Local Sources and Non-Cat VA = \$15,215,022  
Top 10 = \$ 12,648,085 or **83.12%**
  
- Total All Revenue (Minus Non-Recurring and 1 Time Grants)  
Top 10 = \$18,018,541 or **70.19%**

# FY 18/19 General Fund Departmental Expenditure Budgets “Top 10”

- Contribution to Schools - \$ 5,079,752 (includes \$1,445,616 Debt Payment) Schools Reimburse City \$300,000 toward this)
- Police Department - \$ 1,757,066
- CSA - \$ 1,503,872
- Parks & Recreation - \$1,159,260
- Streets - \$ 1,084,804
- E911 System (Dispatch) - \$535,036
- Central Accounting – \$ 503,878
- General Fund Portion Debt Service - \$ 492,098 (Jail/City Hall, Fire Truck, MUNIS, E911 Tower/Radio Project)
- Emergency Services (Paid Rescue) - \$415,871
- Sheriff Jail - \$ 348,160

# What % General Fund 18/19 Expenditure Budget Do “Top Ten” Departments Make-Up

- Original FY 18/19 Original General Fund Expenditure Budget as adopted = \$ 17,420,720
- “Top 10” Departments FY 18/19 Expenditure Budgets = \$12,879,797 or **73.93%**

How many Departments remain after the “Top Ten”? Approximately 60 and varies 2 or 3 each year. This does not include the Departments in the Water Fund, Sewer Fund, or Solid Waste Fund.

# How Did We Actually Spend each \$100 Bill During FY 2018?

- Audited “Statement of Revenues, Expenditures, and Changes in Fund Balance” Fiscal Year Period July 1, 2017 – June 30, 2018
- This includes all actual expenditures in the Governmental functional areas as well as the Component Unit – School Board Operating Fund and Cafeteria Fund
- Hopefully this has provided an overview of where the larger ticket revenues are generated as well as the departments with greatest impacts on our budget
- Collectively these departments make up the functional areas shown on the following slide
- These expenditures too can be supplemented by state and or federal funding, internal transfers, and grants that involve zero city match, a 20% match, or 50% match





Education  
11,208,534

Public Safety  
3,814,167

Public Works  
4,920,549

Parks, Rec, & Culture  
1,736,080

Govt Admin  
1,713,498

Debt Svc Schools  
1,436,360

Health & Welfare  
1,937,894

City Debt Gen Fund Debt Svc  
436,483

Judicial  
193,309

Community Dev.  
252,110

# Questions?

March 14, 2019: 6:00 p.m. Joint Meeting City Council and the Alleghany County Board of Supervisors at the Alleghany County Governmental Complex for presentation of budget requests and information Agenda: 6:00 p.m. Clerk of Circuit Court, 6:20 p.m. RADAR, 6:40 p.m. Alleghany Highlands Regional Library, 7:00 p.m. Alleghany Highlands Community Service Board, 7:20 p.m. Commonwealth's Attorney, 7:40 p.m. Sheriff, and 8:00 p.m. Department of Social Services

***“The only guarantee that we can provide council with at this time, is that the numbers are going to change during this budget process, and both of us will contribute to those changes.”***

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