

# AGENDA



# CITY OF HOPEWELL

Hopewell, Virginia 23860

## AGENDA

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## CITY COUNCIL

John B. Partin, Jr., Mayor, Ward #3

Jasmine E. Gore, Vice Mayor, Ward #4

Rita Joyner, Councilor, Ward #1

Michael B. Harris, Councilor, Ward #2

Janice B. Denton, Councilor, Ward #5

Brenda S. Pelham, Councilor, Ward #6

Dominic R. Holloway, Sr., Councilor, Ward #7

Dr. Concetta Manker, City Manager

Beverly Burton, Interim City Attorney

Brittani Williams, City Clerk

Sade Allen, Deputy City Clerk

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September 17, 2024

SPECIAL MEETING

Open Meeting- 6:30 PM

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6:30 p.m.

Call to order, roll call, and welcome to visitors

### SPECIAL MEETING

### Regular Business

R-1 – Finance Committee Report - CFO – Stacy Jordan, Finance Director

R-2 – Treasurer’s Report – Shannon Foskey, City Treasurer

### Adjournment

# REGULAR BUSINESS

R-1

# Finance Committee Meeting

City Manager: Dr. Concetta Manker

Presented by: Stacey Jordan

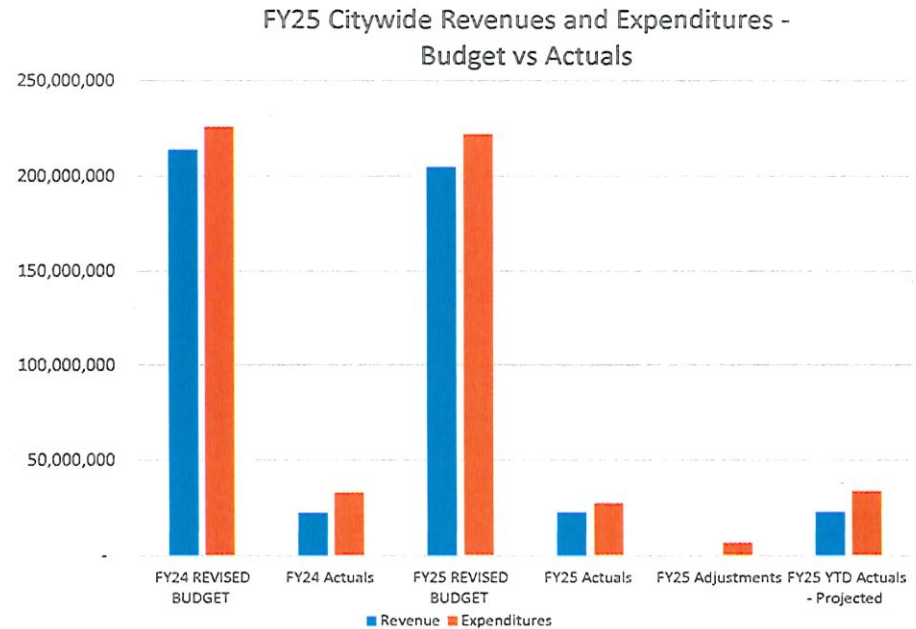


# AGENDA

1. Minutes from last meeting
2. FY25 Budget to Actuals – July & August
  - Citywide
  - General Fund
  - Enterprise
  - Schools
3. Review GF FY24 Preliminary
4. Bond Rating
5. Reports from COR and Treasurer
6. October committee items

# Citywide FY25 Budget to Actuals – July & August

1. City-wide for July and August is trending 0.57% higher in revenues for FY25 vs FY24.
2. Expenses for July and August are trending 0.59% high for FY25 vs FY24.
3. Over all we are trending 5.56% or \$11.4M less then where we should be for August, the City should be at 16% or \$34.1M.



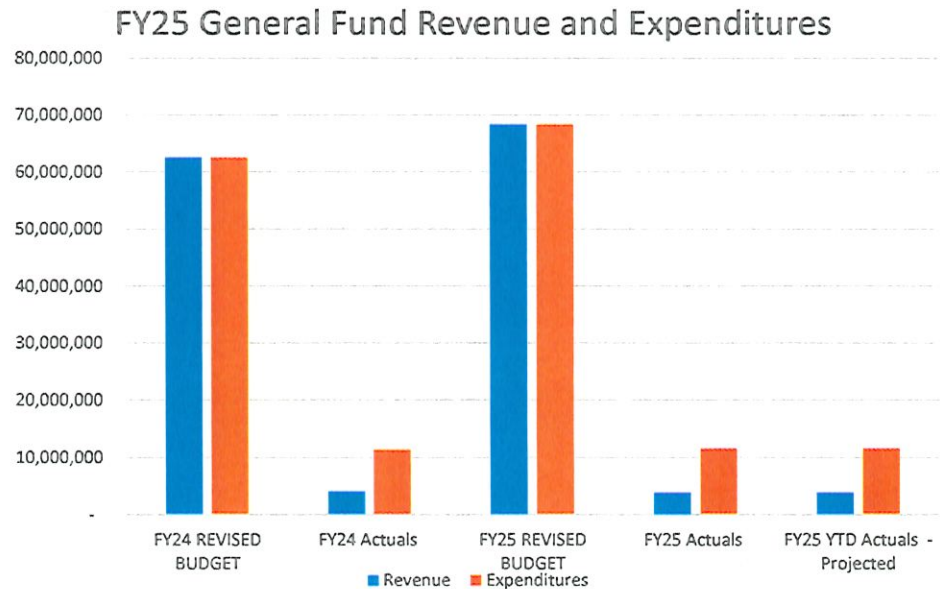
# Citywide FY25 Budget to Actuals – July & August

CITY-WIDE									
REVENUES	FY24 REVISED BUDGET	FY24 Actuals	FY24 % of Budget Rec'd	FY25 REVISED BUDGET	FY25 Actuals	FY25 Adjustments	FY25 YTD Actuals - Projected	FY25 % Rec'd Projected	Comments
REAL ESTATE TAXES	20,979,167	123,394	0.6%	10,134,295	533,586		533,586	5.3%	Increase due to past due collections
PUBLIC SERVICE CORP TAX	4,100,000	-	0.0%	5,100,000	-		-	0.0%	
PERSONAL PROPERTY TAX	5,636,800	173,718	3.1%	7,056,000	145,865		145,865	2.1%	Slight decrease due to collections
MACH & TOOL TAX	8,783,500	62,869	0.7%	4,402,299	-		-	0.0%	Reclassified \$3.4M posted in July FY24, but earned in June FY23; Decrease due to collections
PPTRA STATE REIMBURSEMENT	1,618,030	80,901	5.0%	1,618,030	80,901		80,901	5.0%	Consistent
OTHER TAXES	10,110,000	1,454,642	14.5%	10,540,000	1,438,117		1,438,117	13.6%	Decrease due to other taxes to include (BL, VL, Communication, Recordation, Food, Lodging, Meals, etc)
USE OF MONEY & PROPERTY	340,000	201,672	59.3%	530,200	81,341		81,341	15.3%	Decrease due to Interest Income
CHARGES FOR SERVICES	39,058,208	3,664,646	9.4%	48,869,033	3,326,213		3,326,213	6.8%	Mis Rev consist of (Sewer, Refuse, Schools, Courts, Sheriff, EMS, SS, Recreation) Decrease
PENALTIES & INTEREST	488,500	98,270	20.1%	586,000	99,162		99,162	16.9%	Increase due to past due collections
PERMITS, FEES AND LICENSES	285,600	102,816	36.0%	470,450	91,532		91,532	19.5%	Variable Revenue slight decrease
FINES & FORFEITURES	860,500	227,897	26.5%	1,235,500	141,035		141,035	11.4%	Variable Revenue slight decrease
GRANTS	139,500	21,000	15.1%	93,560	301,006		301,006	321.7%	Increase due to SW Grant received
STATE REVENUES	54,722,975	6,581,952	12.0%	61,816,099	8,757,265		8,757,265	14.2%	Decrease in timing for Schools funding
FEDERAL REVENUES	20,514,890	3,836,966	18.7%	15,755,067	1,331,071		1,331,071	8.4%	Decrease due to ARPA in FY24
MISCELLANEOUS REVENUE	13,438,699	247,179	1.8%	1,083,972	692,619		692,619	63.9%	Increase due to HRW revenues
IN LIEU OF TAXES	1,591,511	342,209	21.5%	1,591,511	342,209		342,209	21.5%	Consistent
DEBT SERVICE	1,120,526	93,377	8.3%	947,617	78,968		78,968	8.3%	Decrease for debt payments
TRANSFERS IN	29,933,944	5,174,336	17.3%	32,836,715	5,268,773		5,268,773	16.0%	Slight increase for transfer to funds
<b>TOTAL REVENUES</b>	<b>213,722,350</b>	<b>22,497,844</b>	<b>10.53%</b>	<b>204,666,348</b>	<b>22,709,661</b>	<b>-</b>	<b>22,709,661</b>	<b>11.10%</b>	
EXPENDITURES	FY24 REVISED BUDGET	FY24 Actuals	FY24 % of Budget Rec'd	FY25 REVISED BUDGET	FY25 Actuals	FY25 Adjustments	FY25 YTD Actuals - Projected	FY25 % Rec'd Projected	
SALARIES & WAGES	29,623,596	3,769,044	12.7%	30,547,522	3,878,703		3,878,703	12.7%	
HEALTH BENEFITS	4,961,744	728,502	14.7%	5,283,452	778,446		778,446	14.7%	
EMPLOYEE BENEFITS	366,822	50,926	13.9%	425,861	24,236		24,236	5.7%	
RETIREMENT	4,184,354	581,829	13.9%	4,282,272	617,376		617,376	14.4%	
OTHER PERSONNEL	2,394,439	311,371	13.0%	2,455,873	326,962		326,962	13.3%	
PROFESSIONAL SERVICES	15,716,685	2,011,104	12.8%	15,380,197	1,859,071		1,859,071	12.1%	
WORKERS COMPENSATION	509,172	72,344	14.2%	512,852	68,522		68,522	13.4%	
SERVICE & SUPPLIES	34,999,601	3,829,866	10.9%	34,882,551	3,680,415		3,680,415	10.6%	
OUTSIDE AGENCIES	5,821,349	754,362	13.0%	5,168,649	835,492		835,492	16.2%	
NON-DEPARTMENTAL	1,283,888	314,375	24.5%	1,280,433	314,375		314,375	24.6%	
OTHER	69,256,600	12,001,251	17.3%	71,854,965	6,312,650	6,250,000	12,562,650	17.5%	Aug Operation Expenses
CAPITAL	20,303,621	390,204	1.9%	10,623,993	235,868	266,563	502,431	4.7%	Pending FY24 Reclass totaling \$266,563 for HWR FY25 CAPEX
DEBT	7,428,083	3,089,528	41.6%	7,418,450	3,120,788		3,120,788	42.1%	
SUPPORT OF SCHOOLS	13,580,000	3,395,000	25.0%	13,710,000	3,427,500		3,427,500	25.0%	
TRANSFERS OUT	15,344,944	1,527,086	10.0%	18,117,715	1,589,023		1,589,023	8.8%	
<b>TOTAL EXPENDITURES</b>	<b>225,774,898</b>	<b>32,826,291</b>	<b>14.54%</b>	<b>221,944,785</b>	<b>27,069,426</b>	<b>6,516,563</b>	<b>33,585,989</b>	<b>15.1%</b>	
<b>NET INCOME</b>	<b>(12,052,548)</b>	<b>(10,328,447)</b>	<b>-4.01%</b>	<b>(17,278,437)</b>	<b>(4,359,764)</b>	<b>(6,516,563)</b>	<b>(10,876,327)</b>	<b>-4.04%</b>	



# General Fund FY25 Budget to Actuals – July & August

- General fund for July and August is trending 0.84% or \$193K lower in Revenues for FY25 vs FY24
- Expenses for FY25 are trending 1.3% or \$160K higher than FY24
- Same concept applies for General fund the City should be at roughly 16.6% or \$11.4M revenues received.
- The key due dates for the City are Dec, Feb and June.



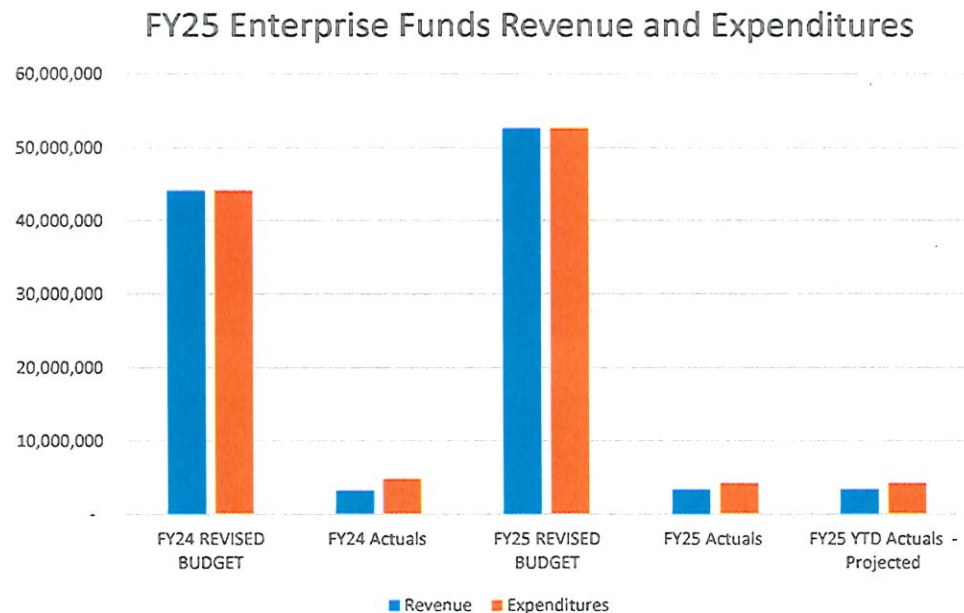
# General Fund FY25 Budget to Actuals – July & August

GENERAL FUND							
REVENUES	FY24 REVISED		FY24 % of	FY25 REVISED		FY25 YTD	FY25 %
	BUDGET	FY24 Actuals	Budget Rec'd	BUDGET	FY25 Actuals	Actuals - Projected	Rec'd Projected
REAL ESTATE TAXES	20,979,167	123,394	0.6%	21,928,970	533,586	533,586	2.4%
PUBLIC SERVICE CORP TAX	4,100,000	-	0.0%	5,100,000	-	-	0.0%
PERSONAL PROPERTY TAX	5,636,800	173,718	3.1%	7,056,000	145,865	145,865	2.1%
MACH & TOOL TAX	8,783,500	62,869	0.7%	9,586,049	-	-	0.0%
PPTRA STATE REIMBURSEMENT	1,618,030	80,901	5.0%	1,618,030	80,901	80,901	5.0%
OTHER TAXES	6,560,000	785,217	12.0%	7,240,000	739,839	739,839	10.2%
USE OF MONEY & PROPERTY CHARGES FOR SERVICES	65,000	19,576	30.1%	90,000	18,976	18,976	21.1%
PENALTIES & INTEREST	678,121	222,275	32.8%	847,000	439,607	439,607	51.9%
PERMITS, FEES AND LICENSES	487,500	97,444	20.0%	581,000	98,481	98,481	17.0%
FINES & FORFEITURES	285,600	102,816	36.0%	470,450	91,532	91,532	19.5%
GRANTS	860,500	224,940	26.1%	1,235,500	138,427	138,427	11.2%
STATE REVENUES	-	---	---	-	-	-	---
FEDERAL REVENUES	8,194,190	331,072	4.0%	9,183,676	802,832	802,832	8.7%
MISCELLANEOUS REVENUE	1,251,000	1,080,000	86.3%	350,000	42,959	42,959	12.3%
IN LIEU OF TAXES	750,400	218,962	29.2%	749,092	196,709	196,709	26.3%
TRANSFERS IN	1,257,500	314,375	25.0%	1,257,500	314,375	314,375	25.0%
<b>TOTAL REVENUES</b>	<b>62,516,308</b>	<b>4,089,809</b>	<b>6.54%</b>	<b>68,302,267</b>	<b>3,896,339</b>	<b>3,896,339</b>	<b>5.70%</b>
EXPENDITURES	FY23 REVISED		FY23 %	FY24 REVISED		FY25 YTD	FY25 %
	BUDGET	FY24 Actuals	Used	BUDGET	FY25 Actuals	Actuals - Projected	Rec'd Projected
SALARIES & WAGES	20,233,699	2,567,574	12.7%	20,819,033	2,630,462	2,630,462	12.6%
HEALTH BENEFITS	3,554,597	532,948	15.0%	3,755,212	564,299	564,299	15.0%
EMPLOYEE BENEFITS	250,869	35,077	14.0%	306,449	16,190	16,190	5.3%
RETIREMENT	2,885,871	397,761	13.8%	2,940,040	420,829	420,829	14.3%
OTHER PERSONNEL	1,628,552	212,107	13.0%	1,683,129	221,326	221,326	13.1%
PROFESSIONAL SERVICES	3,565,347	870,365	24.4%	4,855,198	1,189,388	1,189,388	24.5%
WORKERS COMPENSATION	429,097	62,001	14.4%	430,823	57,634	57,634	13.4%
SERVICE & SUPPLIES	4,926,047	841,621	17.1%	5,671,576	500,365	500,365	8.8%
OUTSIDE AGENCIES	5,004,189	754,120	15.1%	4,921,232	835,492	835,492	17.0%
NON-DEPARTMENTAL	27,890	-	0.0%	22,933	-	-	0.0%
OTHER	72,098	40,645	56.4%	427,086	20,496	20,496	4.8%
CAPITAL	249,711	84,564	33.9%	218,775	8,084	8,084	3.7%
SUPPORT OF SCHOOLS	13,580,000	3,395,000	25.0%	13,710,000	3,427,500	3,427,500	25.0%
TRANSFERS OUT	6,108,345	1,527,086	25.0%	8,540,791	1,589,023	1,589,023	18.6%
<b>TOTAL EXPENDITURES</b>	<b>62,516,312</b>	<b>11,320,870</b>	<b>18.1%</b>	<b>68,302,277</b>	<b>11,481,087</b>	<b>11,481,087</b>	<b>16.8%</b>
<b>NET INCOME</b>	<b>(4)</b>	<b>(7,231,060)</b>	<b>-11.57%</b>	<b>(10)</b>	<b>(7,584,748)</b>	<b>(7,584,748)</b>	<b>-11.10%</b>

# Enterprise Fund FY25 Budget to Actuals – July & August

*Regional Water, Sewer, Solid Waste, and Storm Water*

- Enterprise fund for July and August is trending 0.89% or \$158K more in Revenues for FY25 vs FY24.
- Expense for FY25 are trending 2.8% or \$574K less the expense in FY24.
- Same concept applies for Enterprise fund the City should be at roughly 16.6% or \$8.7M revenues received.



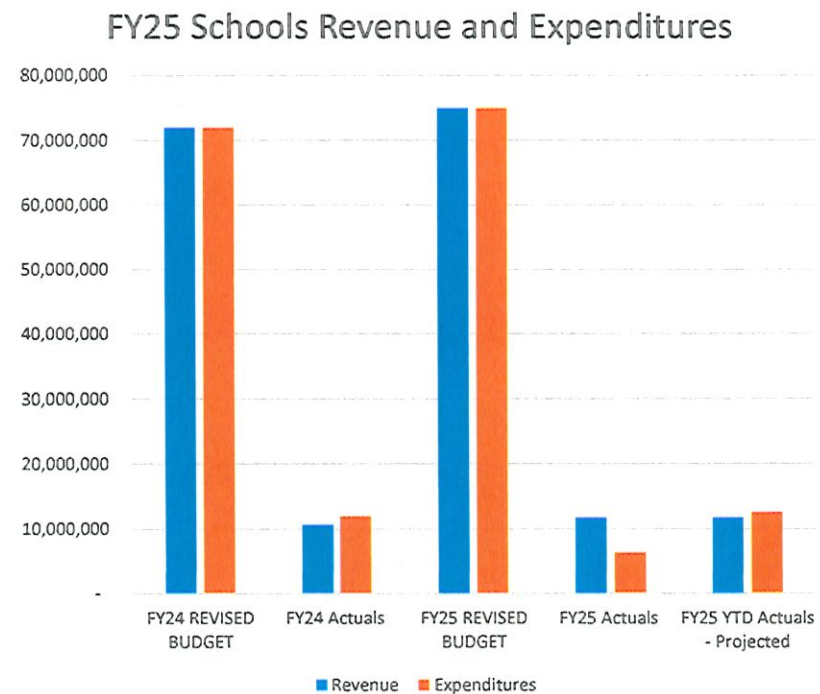
# Enterprise Fund FY25 Budget to Actual – July & August

**CITY OF HOPEWELL  
FY2024 - FY2025 BUDGET VS ACTUALS**

ENTERPRISE FUNDS							
REVENUES	FY24 REVISED			FY25 REVISED		FY25 YTD	
	BUDGET	FY24 Actuals	FY24 % Rec'd	BUDGET	FY25 Actuals	Actuals - Projected	FY25 % Rec'd
USE OF MONEY & PROPERTY	235,000	122,715	52.2%	300,000	50,272	50,272	16.8%
CHARGES FOR SERVICES	33,182,403	2,746,443	8.3%	42,367,151	2,491,756	2,491,756	5.9%
MISCELLANEOUS REVENUE	15,000	1,910	12.7%	13,450	501,678	501,678	3729.9%
GRANTS	-	254,771	---	-	254,771	254,771	---
IN LIEU OF TAXES	334,011	27,834	8.3%	334,011	27,834	27,834	8.3%
DEBT SERVICE	1,120,526	93,377	8.3%	947,617	78,968	78,968	8.3%
TRANSFERS IN	9,236,599	-	0.0%	8,672,924	-	-	0.0%
<b>TOTAL REVENUES</b>	<b>44,123,539</b>	<b>3,247,050</b>	<b>7.36%</b>	<b>52,635,153</b>	<b>3,405,278</b>	<b>3,405,278</b>	<b>6.47%</b>
EXPENDITURES	FY24 REVISED			FY25 REVISED		FY25 YTD	
	BUDGET	FY24 Actuals	FY24 % Rec'd	BUDGET	FY25 Actuals	Actuals - Projected	FY25 % Rec'd
SALARIES & WAGES	4,491,662	566,559	12.6%	4,731,824	615,297	615,297	13.0%
HEALTH BENEFITS	640,213	84,389	13.2%	713,300	97,144	97,144	13.6%
EMPLOYEE BENEFITS	75,920	11,200	14.8%	82,731	3,732	3,732	4.5%
RETIREMENT	624,982	81,255	13.0%	642,777	94,734	94,734	14.7%
OTHER PERSONNEL	354,748	46,892	13.2%	364,449	51,270	51,270	14.1%
PROFESSIONAL SERVICES	8,982,314	1,080,207	12.0%	10,145,864	624,081	624,081	6.2%
WORKERS COMPENSATION	50,674	7,224	14.3%	53,697	7,859	7,859	14.6%
SERVICE & SUPPLIES	11,312,597	2,085,121	18.4%	12,398,179	1,868,349	1,868,349	15.1%
OUTSIDE AGENCIES	6,000	242	4.0%	5,000	-	-	0.0%
NON-DEPARTMENTAL	1,257,500	314,375	25.0%	1,257,500	314,375	314,375	25.0%
OTHER	61,400	9,954	16.2%	61,400	11,162	11,162	18.2%
CAPITAL	4,440,284	56,605	1.3%	10,017,522	83,849	83,849	0.8%
DEBT	2,588,642	431,918	16.7%	2,583,988	429,749	429,749	16.6%
TRANSFERS OUT	9,236,599	-	0.0%	9,576,924	-	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>44,123,535</b>	<b>4,775,942</b>	<b>10.8%</b>	<b>52,635,155</b>	<b>4,201,602</b>	<b>4,201,602</b>	<b>8.0%</b>
<b>NET INCOME</b>	<b>4</b>	<b>(1,528,891)</b>	<b>-3.47%</b>	<b>(2)</b>	<b>(796,323)</b>	<b>(796,323)</b>	<b>-1.51%</b>

# Schools FY25 Budget to Actual – July & August

- Schools is trending 0.92% or \$1.1M more in revenues for Fy25 vs FY24
- Expenses are trending 0.10% or \$578K more in FY25 vs FY24
- Same concept applies for Schools the Schools should be at roughly 16.6% or \$12.5M revenues received they are 0.87% or \$704K short of being on trend.



# Schools FY25 Budget to Actuals – July & August

## SCHOOLS

REVENUES	FY24 REVISED	FY24 Actuals	FY24 % Rec'd	FY25 REVISED	FY25 Actuals	FY25 YTD Actuals	
	BUDGET			BUDGET		- Projected	FY25 % Rec'd
CHARGES FOR SERVICES	5,023,384	657,408	13.1%	5,515,232	334,220	334,220	6.1%
STATE REVENUES	39,351,282	5,675,969	14.4%	46,085,993	6,737,992	6,737,992	14.6%
FEDERAL REVENUES	13,980,744	924,187	6.6%	9,643,588	1,288,112	1,288,112	13.4%
TRANSFERS IN	13,580,000	3,395,000	25.0%	13,710,000	3,427,500	3,427,500	25.0%
<b>TOTAL REVENUES</b>	<b>71,935,410</b>	<b>10,652,565</b>	<b>14.81%</b>	<b>74,954,813</b>	<b>11,787,823</b>	<b>11,787,823</b>	<b>15.73%</b>
EXPENDITURES	FY24 REVISED	FY24 Actuals	FY24 % Rec'd	FY25 REVISED	FY25 Actuals	FY25 YTD Actuals	
	BUDGET			BUDGET		- Projected	FY25 % Rec'd
SERVICE & SUPPLIES	3,072,226	-	0.0%	3,716,420	-	-	0.0%
OTHER	68,816,004	11,931,276	17.3%	71,191,213	6,259,246	12,509,246	17.6%
CAPITAL	47,180	-	0.0%	47,180	-	-	0.0%
<b>TOTAL EXPENDITURES</b>	<b>71,935,410</b>	<b>11,931,276</b>	<b>16.6%</b>	<b>74,954,813</b>	<b>6,259,246</b>	<b>12,509,246</b>	<b>16.69%</b>
<b>NET INCOME</b>	<b>-</b>	<b>(1,278,711)</b>	<b>-1.78%</b>	<b>-</b>	<b>5,528,577</b>	<b>(721,423)</b>	<b>-0.96%</b>

# Review FY24 Preliminary General Fund

The general fund surplus of \$7.1M should be used to ensure the funding of the new financial reserve policies (\$9M between reserve, budget stabilization and capital), funding initiatives for capital (currently unfunded \$4M), additional personnel needs, implementation of class and comp study, enhancement to public safety, continued operations, emergency expenses and City stabilization. The needs of the City of Hopewell greatly out way the revenues that are currently received.

The City is heading in the right direction, however, this is not an overnight process; it takes the participation of all departments as well as Council to ensure that we are abiding by the City's strategic plan, the presented financial policies, adopted budget and being good stewards of the residents of the City of Hopewell's money.

Below details the additional revenues received in FY24 vs FY23 roughly \$2M are variable revenues, meaning that they can fluctuate.

GENERAL FUND								
REVENUES	FY23 REVISED BUDGET	FY23 Actuals	FY23 % Rec'd	FY24 REVISED BUDGET	FY24 Actuals	Expected EOY	FY24 % Rec'd	Comments
REAL ESTATE TAXES	16,048,566	18,223,882	113.6%	20,979,167	20,444,649	20,444,649	97.5%	Increase in billing from FY23 to FY24 \$2M
PUBLIC SERVICE CORP TAX	4,201,137	3,527,866	84.0%	4,100,000	5,835,234	5,835,234	142.3%	Increase in collections \$2.3M
PERSONAL PROPERTY TAX	5,872,900	6,323,780	107.7%	5,636,800	6,378,009	6,378,009	113.1%	Increase in collections \$54K
MACH & TOOL TAX	8,984,874	9,570,555	106.5%	8,783,500	10,085,598	10,085,598	114.8%	Reclassified \$3.4M posted in July FY24, but earned in June FY23; Increase from billing \$515K
PPTRA STATE REIMBURSEMENT	1,618,030	1,618,030	100.0%	1,618,030	1,618,030	1,618,030	100.0%	PPTRA is consistent
OTHER TAXES	6,505,000	7,227,318	111.1%	6,560,000	6,831,572	6,831,572	104.1%	Decrease in collections for Recordation Tax, Communication Tax and VL \$395K
USE OF MONEY & PROPERTY	65,000	98,007	150.8%	65,000	81,042	81,042	124.7%	Decrease from interest income \$17K
CHARGES FOR SERVICES	648,381	766,601	118.2%	723,752	1,108,346	1,108,346	153.1%	Increase in EMS billing and Sheriff fees \$340K
PENALTIES & INTEREST	460,500	592,286	128.6%	487,500	1,061,730	1,061,730	217.8%	Increase in PP, RE and PSC P&I \$470K
PERMITS, FEES AND LICENSES	326,300	475,658	145.8%	285,600	556,675	556,675	194.9%	Increase in Tax Collector fees, Building permits, Sewer permits, Demolition \$81K
FINES & FORFEITURES	860,500	977,277	113.6%	860,500	1,183,210	1,183,210	137.5%	Increase in Court fines \$206K
GRANTS	219,302	224,051	102.2%	85,932	81,562	81,562	94.9%	Decrease from reclass to grants in FY23 due to Fire donations received \$142K
STATE REVENUES	7,522,479	8,141,426	108.2%	8,294,190	9,125,187	9,745,187	117.5%	Increase in Streets State funding & HB599 Police \$803K
FEDERAL REVENUES	(175,514)	1,825,363	-1040.0%	1,971,651	2,465,268	2,465,268	125.0%	Increase in federal funding Emer Mngmt grant \$630K
MISCELLANEOUS REVENUE	6,756,878	579,433	8.6%	2,436,219	639,015	639,015	26.2%	Increase from Opioid settlement \$60K
IN LIEU OF TAXES	1,257,500	1,257,500	100.0%	1,257,500	1,257,500	1,257,500	100.0%	Admin charge back from Enterprise funds
TRANSFERS IN	1,009,000	1,009,000	100.0%	1,009,000	1,009,000	1,009,000	100.0%	Transfer is moving monies between funds for items such as debt
<b>TOTAL REVENUES</b>	<b>62,180,833</b>	<b>62,438,032</b>	<b>100.41%</b>	<b>65,154,341</b>	<b>69,761,626</b>	<b>70,381,626</b>	<b>107.07%</b>	
EXPENDITURES	FY23 REVISED BUDGET	FY23 Actuals	FY23 % Used	FY24 REVISED BUDGET	FY24 Actuals	Expected EOY	FY24 % Used	
SALARIES & WAGES	17,005,575	16,821,663	98.9%	18,169,385	18,287,994	18,287,994	100.7%	
HEALTH BENEFITS	3,471,642	3,206,011	92.3%	3,585,893	3,201,009	3,201,009	89.3%	
EMPLOYEE BENEFITS	207,765	161,772	77.9%	281,663	210,381	210,381	74.7%	
RETIREMENT	2,447,124	2,189,006	89.5%	2,785,841	2,449,081	2,449,081	87.9%	
OTHER PERSONNEL	1,463,317	1,409,635	96.3%	1,609,865	1,536,161	1,536,161	95.4%	
PROFESSIONAL SERVICES	6,122,727	3,791,036	61.9%	7,563,523	6,149,015	6,149,015	81.3%	Increase from; Management consulting services, DEQ Compliance, advertising services, legal services, etc
WORKERS COMPENSATION	436,567	419,417	96.1%	429,097	441,702	441,702	102.9%	
SERVICE & SUPPLIES	4,642,321	4,075,130	87.8%	6,371,909	5,154,816	5,154,816	80.9%	Increase from; Leases, postage, office supplies, electrical services, equipment repairs, uniforms, vehicle repairs, fuel
OUTSIDE AGENCIES	4,674,248	4,538,008	97.1%	5,633,702	5,469,610	5,469,610	97.1%	Increase from; Beacon Theatre, Hopewell Downtown partnership, Historic Hopewell, Workforce development, Chamber of Commerce, youth programs, John Tyler, Health Department
NON-DEPARTMENTAL	832	832	100.0%	832	832	832	100.0%	
OTHER	2,595,776	73,624	2.8%	213,423	63,225	63,225	29.6%	
CAPITAL	769,466	673,141	87.5%	744,188	641,478	641,478	86.2%	
SUPPORT OF SCHOOLS	13,580,075	13,580,075	100.0%	13,580,000	13,580,000	13,580,000	100.0%	
TRANSFERS OUT	5,840,894	5,530,893	94.7%	6,108,345	6,108,345	6,108,345	100.0%	
<b>TOTAL EXPENDITURES</b>	<b>63,258,329</b>	<b>56,470,243</b>	<b>89.3%</b>	<b>67,077,666</b>	<b>63,293,651</b>	<b>63,293,651</b>	<b>94.4%</b>	
<b>NET INCOME</b>	<b>(1,077,496)</b>	<b>5,967,788</b>	<b>11.14%</b>	<b>(1,923,325)</b>	<b>6,467,975</b>	<b>7,087,975</b>	<b>12.71%</b>	

# Bond Rating

The City is not currently rated by the National Rating Agencies.

- There are three (3) National Rating Agencies, from which the Town could potentially obtain ratings:
  - **Moody's Investors Service (Moody's)**
  - **Standard and Poor's (S&P)**
  - **Fitch Ratings (Fitch)**

Rating Agency Commentary on Management and Policies

- **Moody's:** Measures the local government's success in navigating the legal, political and practical environment in which it operates depends on a multitude of factors, including management's mastery in understanding its resources and managing its responsibilities, public and executive support for its plans, and its willingness to use the tools at its disposal.
  - **Impact of fund balance policies**
  - **Multi-year financial or capital planning,**
  - **Liquidity management, accuracy of budget forecasts, and willingness to make midyear adjustments.**
  - **Reliance on non-recurring, or "one-shot" revenues**
- **S&P:** Measures the strength of governmental financial management through seven key factors:
  - **Revenue and expenditure assumptions**
  - **Budget amendments and updates**
  - **Long term financial planning**
  - **Long term capital planning**
  - **Investment management policies**
  - **Debt management policies**
  - **Reserve and liquidity policies**



# Bond Rating cont.

Criteria for accomplishing Bond Rating or path forward: Finance has a goal of working with Davenport once all past due ACFRs have been received to receive an initial Bond Rating. The criteria for a Bond Rating is a stable financial position with an **adequate fund balance and adequate liquidity levels, manageable long-term liabilities and moderate fixed cost (rent, utilities, salaries, debt).**

Ratings reflect a stable tax base and resident wealth and income levels. Structured Governance is also key for receiving a rating factor. A structured budget with strong finance and debt policies including proactive management and monitoring of revenues and expenditure performance also is reflected.

There are several factors that can decrease or increase a bond rating for Moody's:

## **Decrease**

1. Decline in reserves and liquidity levels
2. Tax base deterioration or lack thereof
3. Significant increase in debt or long-term liabilities.

## **Increase**

1. **Maintain reserves and liquidity levels**
2. **Tax base growth and diversification**
3. **Strengthened median household income level and population growth**

S&P Rating is based on the following criteria:

1. Credit Overview – is the City's financial position improving
  - a. Weak economy
  - b. Strong Budgetary performance with surplus
  - c. Strong budgetary flexibility
  - d. Very Strong liquidity
  - e. Strong debt and contingent liability profile

# October Items

1. Sewer Rate Study
2. HRW True-up Analysis
5. Update of FY21-FY24 ACFRs

R-2

## Agenda of the Finance Committee Treasurer Office 09/13/2024

We will provide an update on the last finance committee. The PowerPoint is currently being updated with the correct figures. Will have available by Monday by 12pm.

- Where we were Personal Property what we have billed, collected 2022-2023, unpaid taxes 2019-2022 Currently with TACS.. 2023 will suggest moving forward with boots on the vehicles
- Machinery and tools billed, collected and unpaid taxes 2022-2024
- Real Estate Taxes Billed, Collected and unpaid 2022-2024
- Meal Taxes/ Business License Billed Collected and Unpaid 2022-2024 (Top 10 delinquent business will received a visit with a 72 hour notice by the end of October)

Updated of the Jason Dunn, TACS, Virginia Auction Collections

There is a situation that Ms. Denton has contacted Jason Dunn as a real estate agent. Jason Dunn staff did not want to provide the information because they had to reach out to the Treasurer first. 707 City Point Road Hopewell VA 23860. I will provide my research at the meeting. Ms. Denton has not contacted the office in reference of this situation.

ADJOURNMENT