



City of Petersburg Virginia

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April 2, 2024 City Council Closed Session

April 2, 2024
Petersburg Public Library
201 West Washington Street
Petersburg, Virginia 23803
3:00 PM

City Council

Samuel Parham, Mayor – Ward 3
Darrin Hill, Vice Mayor – Ward 2
Marlow Jones, Councilor – Ward 1
Charles Cuthbert, Jr., Councilor – Ward 4
W. Howard Myers, Councilor – Ward 5
Annette Smith-Lee, Councilor – Ward 6
Arnold Westbrook, Jr., Councilor – Ward 7

City Administration

John "March" Altman, Jr. - City Manager
Anthony Williams - City Attorney

1. Roll Call

2. Closed Session

The purpose of this meeting is to convene in the closed session pursuant to:

- a. §2.2-3711(A)(1) of the Code of Virginia for the purpose of discussion pertaining to performance, assignment, and appointment of specific public employees of the City of Petersburg, specifically including but not limited to discussion of the performance, assignment, and appointment of a specific public officer of the City of Petersburg; §2.2-3711(A)(7) and (8) of the Code of Virginia for the purpose of receiving legal advice and status update from the City Attorney and legal consultation regarding the subject of specific legal matters requiring the provision of legal advice by the City Attorney, specifically including but not limited to discussion of Petersburg Circuit Court Case Numbers CR23000979-00, CR23000980-00-00, 23000981-00, and other matters requiring the legal advice of the City Attorney; and §2.2-3711(A)(3) of the Code of Virginia for the purpose of discussion or consideration of the acquisition of real property for a public purpose and the disposition of publicly held real property where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, specifically including but not limited to the acquisition and disposition of real property.

3. Old Business

- a. Amendment of FY24 City General Fund Budget (2nd Reading)

4. Adjournment



City of Petersburg

Ordinance, Resolution, and Agenda Request

DATE: April 2, 2024

TO: The Honorable Mayor and Members of City Council

THROUGH: March Altman, Jr., City Manager

FROM: Leon Glaster

RE: Amendment of FY24 City General Fund Budget (2nd Reading)

PURPOSE: The City of Petersburg's Financial Policy and Virginia Code requires an appropriation amendment to the operating budget to be brought before the City Council if additional appropriations exceed 1% of the total expenditures; the appropriation amendment process must include a notice of a meeting and a public hearing. The public hearing was held on February 20, 2024.

REASON: Based on an extensive revenue assessment including the review of the City Assessor and City Commissioner of Revenue real property data, the Finance Department has determined that the real property revenue projections were understated. In addition, the city received a \$500,000 pass-through grant, and additional state revenue funds.

RECOMMENDATION: Approval of the Budget Modification request.

BACKGROUND: The Finance Department takes a very conservative position when projecting revenue. Our conservative approach has allowed the city to accumulate a strong general fund balance. The current financial policy requires that the city maintain a 17% actual expenditure fund balance. The city's current fund balance through the FY 2022 fiscal year was 53% (\$40 million). The FY 2023 unaudited fund balance projects a large fund balance increase. After the recent close of FY 2023, we completed a detailed revenue analysis through January 31, 2024, and have determined that some revenue categories need to be updated. Please note that the Finance Department's requested budget modification updates are still very conservative, and we still anticipate a significant increase in fund balance.

COST TO CITY: No cost as increased revenues are balanced with increased expenses.

BUDGETED ITEM: \$3,881,348 (See Attachment)

REVENUE TO CITY: \$3,881,348 additional revenue (See Attachment)

CITY COUNCIL HEARING DATE: 4/2/2024

CONSIDERATION BY OTHER GOVERNMENT ENTITIES: N/A

AFFECTED AGENCIES: N/A

RELATIONSHIP TO EXISTING ORDINANCE OR RESOLUTION: N/A

REQUIRED CHANGES TO WORK PROGRAMS: N/A

ATTACHMENTS:

1. FY24 Budget Amendment Ordinance Request

**AN ORDINANCE, AS AMENDED, SAID ORDINANCE
MAKING APPROPRIATIONS FOR THE FISCAL YEAR
COMMENCING JULY 1, 2023, AND ENDING JUNE 30, 2024
FOR THE GENERAL FUND.**

BE IT ORDAINED by the City Council of the City of Petersburg, Virginia:

I. That appropriations for the fiscal year commencing July 1, 2023, in the General Fund are made for the following resources and revenues of the city, for the fiscal year ending June 30, 2024.

Previously adopted Revenues	\$84,202,469
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ADD:

Revenues from local sources	\$3,881,348
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Total Revenue	<u>\$88,083,817</u>
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II. That there shall be appropriated from the resources and revenues of the City of Petersburg for the fiscal year commencing July 1, 2023, and ending June 30, 2024, the following sums for the purposes mentioned:

Previously adopted Expenditures	\$84,202,469
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ADD:

Field House Project Pass through	\$500,000
Special Projects	\$440,450
Bond Debt Payment	\$400,000
Workers Compensation	\$750,000
Southside VA Emergency Crew	\$650,000
Petersburg Public Library Development Co	\$349,445
Contingency	\$441,453
Audit/Compliance Contracts	<u>\$350,000</u>
Sub-Total	<u>\$3,881,348</u>

Total Expense	<u>\$88,083,817</u>
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