



BUDGET PRESENTATION FISCAL YEAR 2017

Portsmouth City Council
Dr. L. Pettis Patton
City Manager
March 29, 2016





ALIGNING

Vision Principles



PORTSMOUTH CITY COUNCIL

Vision Principles for the Year 2030

For the year 2030, the Portsmouth City Council envisions a community and a government having the qualities set forth in these vision principles. We the members of City Council make a commitment that we will strive to achieve this vision through our various official actions and decisions.

CHANGE AND NEW DIRECTIONS

Portsmouth is a historic, vibrant, prosperous city, whose attributes remain ever dear to the opportunities in our ever-changing world. We recognize and continue to understand and keep ahead of new technological, organizational, economic, and social developments. Portsmouth seizes such opportunities to benefit and improve the quality of life for our citizens.

A ROBUST AND PROSPEROUS ECONOMY

Portsmouth continues to build a strong and prosperous economy, utilizing its assets and strategic location with miles of waterfront properties, military installations, maritime assets, retail, health systems, as well as small and emerging business. There will be work opportunities for skilled and professional employment.

LEADING MARITIME COMMUNITY

We will capitalize on growth opportunities created by the vast, modern marine terminals located in Portsmouth, as well as growth opportunities in recreational boating and commercial maritime activities along the waterfront.

LIFELONG LEARNING COMMUNITY

Education is a top priority and is essential to building the future foundation of our social, political, and economic well-being. Through collaborative efforts of City Council, the School Board, private sector and the community, Portsmouth has exceptional public and private schools and partnerships with institutions of higher education. Our preferred educational system has made Portsmouth a top choice for an educational quality of life.

SUSTAINABLE NEIGHBORHOODS

Portsmouth will continue to be a diverse city with a rich heritage, whose people are proud of their neighborhoods and communities. They will have a strong sense of place and of belonging to their community. Portsmouth will be a place where residents and visitors are valued and welcomed.

ENHANCED QUALITY OF LIFE

Portsmouth is a place where families, youth, business owners and visitors can live, work, play and thrive. We will enrich the quality of life for all our citizens by consistently striving to improve community quality and safety, while providing a wide range of cultural, recreational and health-centered activities. We will be an environmentally friendly and sustainable community, and the place where citizens of the region come to enjoy our unique sense of history, cultural attractions, and our recreational activities.

EFFICIENT SERVICE DELIVERY

Portsmouth municipal government is where employees are strategic decision-makers with financial acuity to ensure cost effectiveness, government efficiency and protection over the city's financial resources. Citizens will be engaged and service delivery will be provided with a high degree of professionalism and integrity.

PROUD MILITARY HISTORY

Portsmouth is home to historic Navy commands at the Norfolk Naval Shipyard, Naval Medical Center Portsmouth, and the 3rd Coast Guard District. Portsmouth is proud to host Navy Medicine East, USCG Atlantic Area. We embrace our rich military history and recognize the contributions and sacrifices made by our armed forces and civilian workforce. The City embraces our patriotism as well as our good regional partnerships toward efforts to strengthen our ties to the military.

PRIDE OF PAST

Portsmouth's future is based in the footsteps of the nation's traditions of America, from the earliest days of Colonial Virginia through the centuries of equality, dignity, and diversity. As guardian of the collective heritage of many people, we are a united city focused on our Vision Principles. The Portsmouth family preserves the storied traditions of the past as the compass of our future.

CORE VALUES

Although this represents our Vision for 2030, these are the core values that will be our daily guiding principles as we conduct the people's business.

Elizabeth A. Penner

Ray B. Clay

Ray Hill



John J. Hight

John J. Hight

Mark A. Witt

Managing Priorities

CITY MANAGER'S Guiding Principles for Portsmouth City Employees (Based on City Council's Vision Principles)

#1

To create a bright and prosperous future redefined by collaboration, unification, and rededication through citizen and community engagement... creating "The New Portsmouth."

#2

To achieve our city's vision and move in a forward direction characterized by methodical deliberation and expediency with employees who work tirelessly to make the best decisions toward achieving the goals and setting the course.

#3

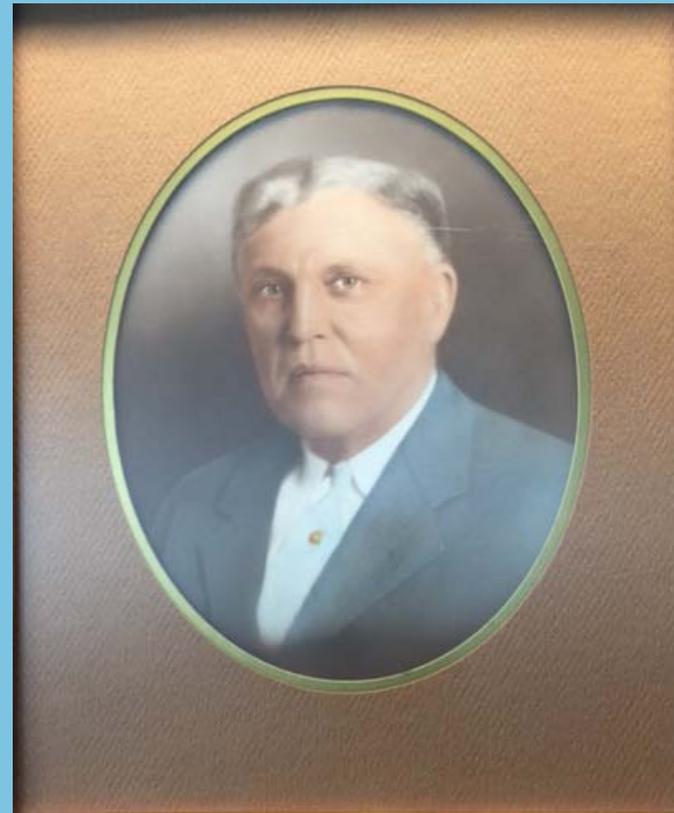
To ensure cost effectiveness, government efficiency and protection over the city financial resources where employees are courageous decision makers with financial acuity.

FY 2017 BUDGET HIGHLIGHTS

- **Proposed Budget: \$651,558,103**
- **General Fund Budget: \$238,037,007**
- **Increase of \$2.26 million or 1% increase over FY 2016**
- **NO NEW TAXES OR NO NEW FEE INCREASES**
- **Structurally Balanced**

FY 2017 BUDGET HIGHLIGHTS

One hundred years ago, in the City of Portsmouth, Mayor J.T. Hanvey presented the annual Mayor's message. The guiding principles stated in that annual message are still relevant today.



FY 2017 BUDGET HIGHLIGHTS

(continued)

- **Portsmouth Public Schools (PPS)**
- **\$1 million** increase for local share
- Local Share PPS -
FY2016 -**\$51.4 million**
FY2017 -**\$52.4 million**
- **Investment of \$4.6 million for CIP projects**



FY 2017 BUDGET HIGHLIGHTS

(continued)

- **Investment in Employees**
- One-time bonus for city employees effective December 2016
- Reserve funding for Governor McAuliffe's proposed 2% raises for Constitutional Officers and their employees effective December 2016



FY 2017 BUDGET HIGHLIGHTS

(continued)

- Use of Fund Balance = \$6 million
- Fund Balance is maintained at 15% or above General Fund revenues
- Maintain our **AA** bond credit ratings

CURRENT AGENCY RATINGS

Moody's

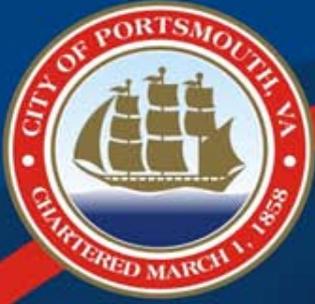
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Stable Outlook

Standard & Poor's

AA
Stable Outlook

Fitch

AA
Stable Outlook



**PARTICIPATORY
BUDGETING:
Citizen Focused**
*Review, Reflect
and Refocus*

FY 2017 BUDGET THEMES (continued)

Budget Community Engagement Forum

- City and Schools partnering together throughout the FY2017 budget process
- Citizen engagement
- **NO NEW TAXES and NO NEW FEES**



NEW EXECUTIVE LEADERSHIP TEAM

- Human Resource Management
- Economic Development
- Information Technology
- Parks, Recreation, & Leisure Services
- Public Utilities
- Finance
- Social Services
- Behavioral Healthcare Services
- Police
- Fire, Rescue & Emergency Services

CAPITAL IMPROVEMENT PROGRAM

- Churchland Bridge: **\$11 million**
- Replacement of ambulances, critical equipment, and vehicle inventory: **\$3.7 million**
- Seawall reinforcement: **\$5 million**



PUBLIC SAFETY

- Community based partnership built on trust
- Expeditious hiring process
 - Positions filled based on service needs and funding
- Priority equipment needs funded



ECONOMIC DEVELOPMENT

- Critical sectors – retail, multi-family, and port related
- Retail – Midtown Market Place
- Multi-family Downtown - \$100 million
- Port Related – recent investments \$7.2 million



INVESTMENT IN EMPLOYEES

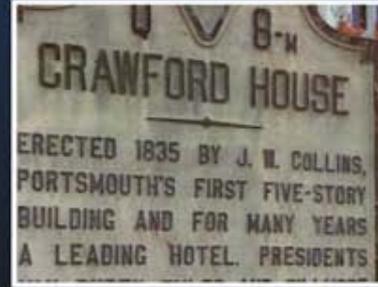
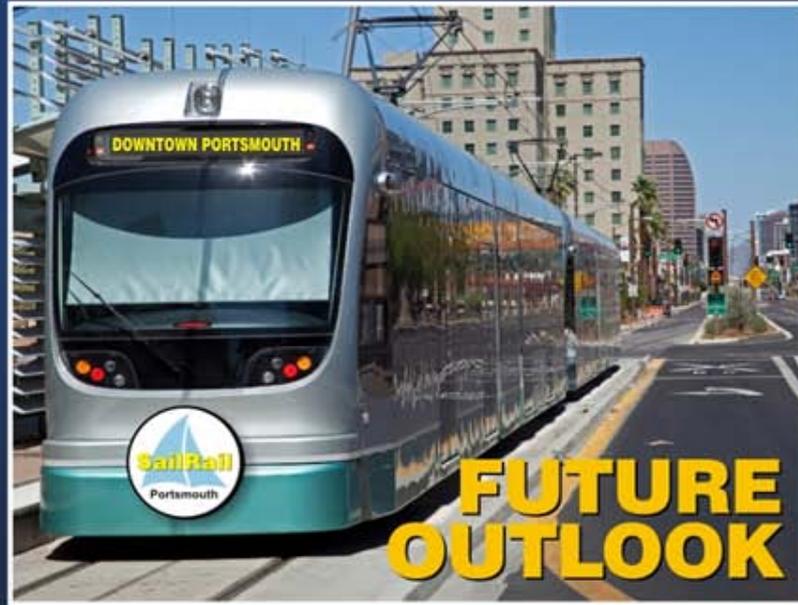
- Wellness Program
- Tuition Assistance Program
- Internship Program (High School and College)
- One-time bonus effective December 2016
- Professional Training & Development



NEW INITIATIVES

- Wi-Fi
- Website Redesign and re-launch
- On-line applicant tracking system
- On-Boarding System
- MUNIS Expansion
- Automated IT help desk
- Restructuring usage of office machines
- Cell Phone plan changes





KEY BUDGET DATES

- April 11:** City Council Work Session
- April 25:** City Council Work Session
- April 26:** Public Hearing on FY2017
Proposed Operating and CIP
Budget and Tax Rates
- May 9:** City Council Work Session
- May 10:** Adoption: Operating Budget,
School Budget, CIP and Tax Rates
- May 12:** School Budget Adoption



DR. L. PETTIS PATTON
City Manager
Tuesday, March 29, 2016