

A REPORT TO OUR CITIZENS

Fiscal Year 2019

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PROFILE OF THE CITY OF SUFFOLK, VIRGINIA

The present City of Suffolk was formed January 1, 1974, from the consolidation of the City of Suffolk and the City of Nansemond (formerly Nansemond County). The City is Virginia's largest city in land area and one of the top fifteen largest cities in land area in the nation with over 400 square miles of land mass and 30 square miles of waterways. The diverse landscape includes a mix of rural, suburban and urban development areas. The City is situated in the western portion of Hampton Roads, Virginia's coastal plain area, and is bound by the James River to the north, the Cities of Chesapeake and Portsmouth to the east, the State of North Carolina to the south, and the Counties of Southampton and Isle of Wight to the west. The City of Suffolk is one of seven major cities that form the Norfolk-Virginia Beach-Newport News metropolitan area with 1.6 million people. This region is also known as the Hampton Roads area. The City's government is organized under the

Council-Manager form of government. The governing body, the City Council, is composed of seven members and a Mayor who collectively develop policies for the administration of the City. The Mayor is elected at large and each Council Member is elected by borough in a city-wide election every other year, with terms of office being four years. The City Council appoints a City Manager to act as administrative head of the City. The City Manager serves at the pleasure of City Council and carries out the City Council's policies and directs business procedures. The City Manager also appoints the directors of all departments. As a full service city, Suffolk provides a broad range of municipal services authorized by statute or charter. These services include education, public safety, highways and streets, parks and recreations, sanitation, health and social services, public improvements, planning and zoning, public utilities, storm water management and general administrative.



DEMOGRAPHIC INFORMATION

FISCAL YEAR 2018

FISCAL YEAR 2019

Population	92,533	92,714
Unemployment Rate	3.1%	3.3%
Full-Time Equivalent City Employees	1,342	1,362
New and Expanding Businesses*	158 ^(a)	63 ^(b)
Per Capita Income*	\$48,467 ^(a)	\$49,779 ^(b)
Median Household Income*	\$65,435 ^(a)	\$66,822 ^(b)
3 rd Highest in Region		

* Most recent data available for New and Expanding Businesses, Per Capita and Median Household Income is Calendar Years 2018^(a) and 2019^(b).

Information taken from :

Weldon Cooper Center for Public Service, Bureau of Economic Analysis, Virginia Employment Commission.

HOW ARE WE DOING

PERFORMANCE REPORT ON ACCOMPLISHMENTS AND KEY MEASURES



FISCAL YEAR 2019 ACCOMPLISHMENTS

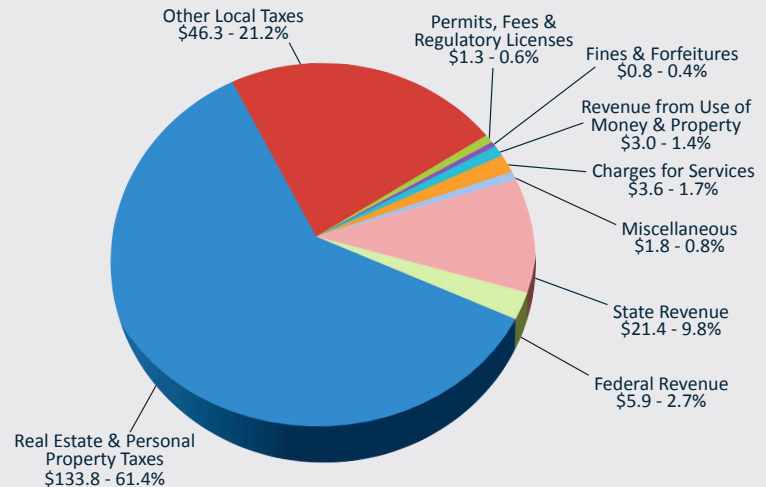
- Affirmed the City's third AAA bond rating with Moody's Investor Service; this rating has joined Suffolk in the coveted three times AAA rating among agencies Fitch Ratings, Standard & Poor's, and Moody's Investor Services in receiving this coveted designation. Suffolk joins the City of Virginia Beach in being one of only a handful of cities in Virginia to receive AAA status from all three rating agencies.
- 2019 saw an increase in revenue of approximately \$12 million when compared to 2018.
- The Suffolk Police Department received reaccreditation for its Forensic Unit, the first of a locality in Hampton Roads, from American National Standards Institute-American Society of Quality Control.
- The Suffolk Police Department, through Old Dominion University's Social Science Research Center's 2019 Life in Hampton Roads survey, released that Suffolk residents marked the highest rate of satisfaction with local police departments, at 94.6%.
- Provided Immunization services to 436 citizens and Family Planning Services to 102 citizens.
- Our National Night Out placed second in the nation in our population category, making this the 14th year in a row we've finished in the Top 5 nationally.
- Suffolk Parks and Recreation Department held a ribbon cutting for the City's first Inclusive Playground. The inclusive playground incorporates universal design to create space that allows children with various different abilities to interact and play together.
- Citizens' Fire & Rescue Academy continues, where attendees could learn firsthand about the inner workings and operations of the Suffolk Fire & Rescue Department.
- Nerd Wallet named Suffolk one of the best cities in the nation for veterans, as well as one of the best cities for young families.
- Held the Suffolk Commonwealth's Attorney's Citizens Academy for the citizens of Suffolk and CSI Camp for children ages 12-15.

THE CITY'S FINANCES

REVENUES AND EXPENDITURES

GENERAL FUND REVENUE BY SOURCE (IN MILLIONS) EXCLUDING TRANSFERS

Revenue by Source:	FY Ending 06/30/2018	FY Ending 06/30/2019
Real Estate & Personal Property Taxes	125.2	133.8
Other Local Taxes	45.7	46.3
Permits, Fees & Regulatory Licenses	1.5	1.3
Fines & Forfeitures	0.9	0.8
Revenue from Use of Money & Property	2.0	3.0
Charges for Services	3.3	3.6
Miscellaneous	1.5	1.8
State Revenue	20.3	21.4
Federal Revenue	4.9	5.9
Total Revenues	205.3	217.9



OTHER GOVERNMENTAL FUND REVENUES AND EXPENDITURES BY FUND (IN MILLIONS) EXCLUDING TRANSFERS AND DEBT PROCEEDS

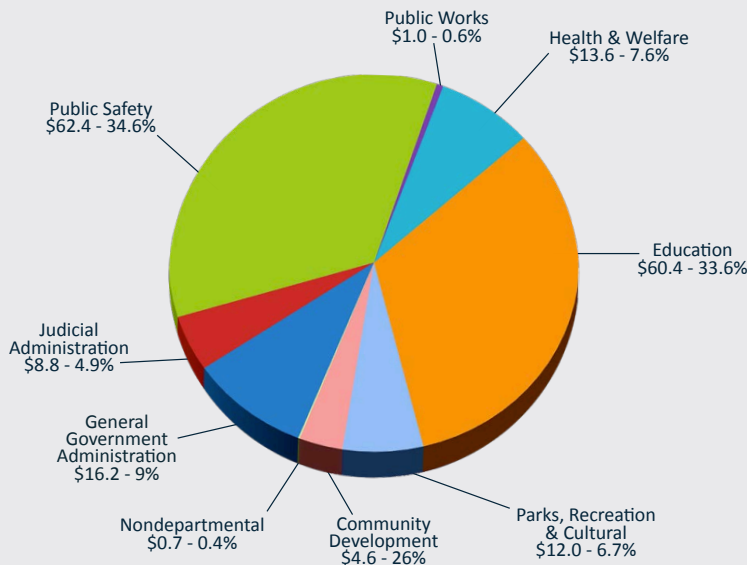
Revenue by Fund:	FY Ending 06/30/2018	FY Ending 06/30/2019
Capital Projects	16.9	7.2
Road Maintenance	25.2	26.5
Debt Service	0.3	0.3
Nonmajor Funds	5.5	6.5
Total Revenues	47.9	40.5

Expenditure by Fund:	FY Ending 06/30/2018	FY Ending 06/30/2019
Capital Outlay	56.1	37.5
Public Works	22.9	21.2
Debt & Assoc Costs	26.4	28.6
Nonmajor Funds	4.5	5.4
Total Expenditures	109.9	92.7



GENERAL FUND EXPENDITURE BY FUNCTION (IN MILLIONS) EXCLUDING TRANSFERS

Expenditure by Function:	FY Ending 06/30/2018	FY Ending 06/30/2019
General Government Administration	16.3	16.2
Judicial Administration	8.2	8.8
Public Safety	59.7	62.4
Public Works	0.9	1.0
Health & Welfare	13.3	13.6
Education	56.5	60.4
Parks, Recreation & Cultural	10.9	12.0
Community Development	5.9	4.6
Nondepartmental	0.2	0.7
Total Expenditures	171.9	179.7



WE WANT TO HEAR FROM YOU

Do you like this report? What other information would you like to see contained in this report? Please let us know by contacting the Finance Department at FinanceEmail@suffolkva.us or 757-514-7500.

Please see the City's website at www.suffolkva.us for additional information, including the City's Comprehensive Annual Financial Report and the City's Popular Annual Financial Report.

The City's financial statements are audited annually by an independent auditor. This audit resulted in a clean audit opinion for Fiscal Year 2019.

Complete financial information can be found on our website at www.suffolkva.us.

KEY MEASURES

Community Indicators	2017	2018	2019
Public Safety			
Average Police response times to priority 1 calls (in minutes)	5:44	5:52	5:40
Number of Animal Adoptions	729	557	415
Average fire response times (in minutes)	6:51	7:25	7:25
Number of fire/safety inspections	116	204	425
General Government Administration			
Unassigned General Fund Balance Level at/above 12% per city policy	14.9%	18.0%	19.9%
Real Estate Tax Collection Rate	98%	99%	99%
Judicial Administration			
Number of victims and witnesses assisted by Commonwealth Atty's office	4,452	5,947	6,125
Public Works			
Tons of refuse collected annually	39,363	39,115	43,000
Tons of recycled refuse collected	5,821	5,511	6,100
Health and Welfare			
Percent of Children with primary health care provider within two months of enrollment	35	38	38
Education			
Student Enrollment	14,359	14,359	14,325
High School Graduation Rate	87.1%	86.7%	90.3%
Transportation			
Ridership	113,084	110,569	128,845
Parks, Recreational and Cultural			
Library Circulation	321,900	305,607	310,000
Community Development			
Percent of Inspections performed within 2 business days or less	92%	75%	70%
Economic Development - Amount of Capital Investment (in millions)	\$80.0	\$144.0	\$55.0
Community Outreach			
Commonwealth Atty number of community outreach programs attended	140	129	133
Fire Safety House Presentations	45	54	65
Emergency Management - number of training exercises conducted	3	3	3
Teens served by Family Planning Clinics	N/A	102	102

SUFFOLK CITY COUNCIL



Front Row: Curtis R. Milteer, Sr. Whaleyville Borough; Linda T. Johnson, Mayor; Leroy Bennett, Vice Mayor Cypress Borough; Michael D. Duman, Chuckatuck Borough.
Back Row: Timothy J. Johnson, Holy Neck Borough; Lue R. Ward, Nansemond Borough; Roger W. Fawcett, Sleepy Hole Borough; Donald Z. Goldberg, Suffolk Borough.

OUR COMMITMENT TO SUFFOLK



Suffolk is a vibrant and diverse City and is well positioned for continued growth and prosperity. With a number of positive indicators of growth in 2019, Suffolk continues to provide a stable economic environment for individuals, families, and businesses. I am excited about the coming successes in the years that lie ahead of us.

~ Patrick Roberts, City Manager

IT'S A GOOD TIME TO BE IN SUFFOLK

- Economic Development efforts brought 2,335 new jobs to Suffolk.
- New and existing businesses have invested \$303,284,300 in creating or expanding business in Suffolk.
- The Real Estate tax rate of \$1.11 per \$100 of assessed value is the 3rd lowest in the region.

UPCOMING CAPITAL PROJECTS

The City has adopted a ten year Capital Improvement Plan to cover the needed improvements throughout the city. Some of these improvements include:

1. Parks and Recreation & Police Department Joint Operations Facility
2. Bennett's Creek Recreation Center
3. Fire Department Station 6 Apparatus Storage Building
4. Fire Station 4 Renovation
5. Central Library
6. New Fire Station in North Suffolk
7. Pitchkettle Road Improvements
8. New Central Library
9. Nansemond Parkway/ Wilroy Road Flyover
10. Open Space Improvements

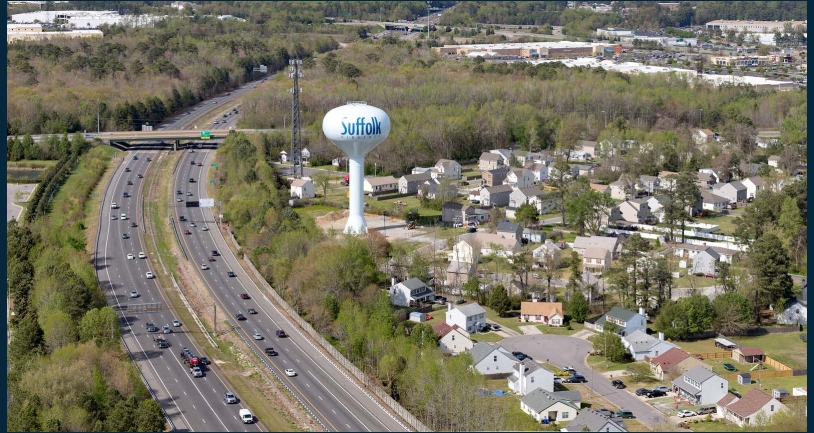


ABOUT CITIZEN CENTRIC REPORTING

The Association of Government Accountants (AGA) developed guidance on producing Citizen Centric Reporting as a method to demonstrate accountability to residents and answer the question, "Are we better off today than we were last year?" Additional details can be found at the AGA Website: www.agacgfm.org/citizen/



WHAT'S NEXT? THE CITY'S ECONOMIC OUTLOOK AND MOVING FORWARD



The City is committed to being responsible stewards of our taxpayer dollars and will continue to address the strategic needs and priorities of the City through the implementation of cost reduction strategies. A good measure of the City's ability to cope with unexpected financial challenges or emergencies is the ratio of unassigned General Fund balance as a percentage of the budgeted governmental funds expenditures. The target for this ratio is 15%. The City has exceeded this target for FY2019.

The Economy of Suffolk is continuing to grow as evidenced by the following trends:

- Unemployment is stable 3.3%.
- Median Home sales price is \$263,451, approximately the same as last year.
- Median Household Income is \$65,435, which is an increase from last year.

As the City continues to attract residents and businesses to live, work, and play within its boundaries, we are challenged with the impacts of the 12 miles of railroad tracks which traverse throughout the community. The City continues to work with lawmakers to identify and implement funding solutions to address these impacts, this issue continues to be a priority for City leaders.

The City Council has adopted the following goals to clarify the direction of the City over the next 1-5 years:

1. Promote Strong Financial Management and Fiscal Accountability.
2. Provide Effective and Efficient Programs and Services that are Accountable and Customer Focused.
3. Promote a Safe, Healthy, and Diverse Community in which to Live, Work, Learn, and Play.
4. Diversify and Enhance the Local Economy.
5. Provide Safe and Quality Transportation Options.
6. Promote Citizen Engagement.