Chapter 7 - Government Structure and Finance

INTRODUCTION

Cities are one of the two basic forms of local government in Virginia that have general powers. Cities are incorporated, independent, and have their own charters enacted by the General Assembly. Similar to other Virginia cities, Staunton has an elected governing Council, elected officers, administrative staff, and departments to carry out public services. In the City, financial administration is carried out by a Commissioner of Revenue and a Treasurer. This chapter describes the structure of the City's government, the role of the City in intergovernmental relations, and the budget.

RELATIONSHIP TO OTHER PLAN ELEMENTS

Understanding the structure of the government and how its finances are managed can be a useful tool in comprehensive planning along with the data provided in the rest of the plan. The information included in this chapter on the human capital and financial resources available for service provision must be considered in shaping the goals and objectives stated in Chapter 1 of the Comprehensive Plan.

GOVERNMENT STRUCTURE

Figure 7-1 - City of Staunton Organizational Chart

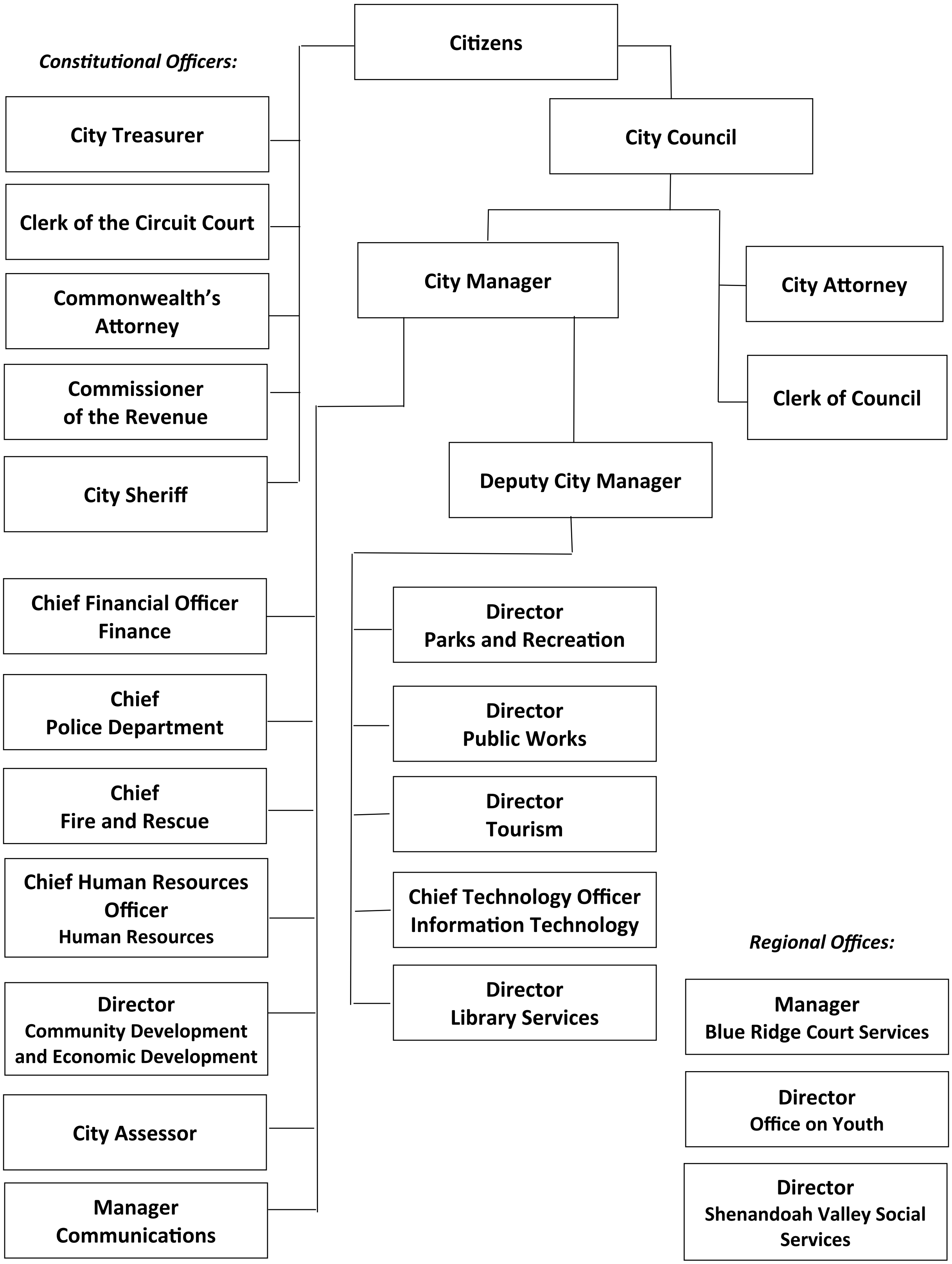

Table 7-1 - Government Structure and Finance - City of Staunton - Highlights	
Legislative Leadership Leadership of the City is provided by a seven member elected **Council**. Council elections are held every even numbered year at large and not by ward. Council members serve staggered terms of four years. Once seated, the new City Council's first order of business is to elect a Mayor and Vice Mayor. Responsibilities of the City Council include providing public services, adopting an annual budget based on anticipated revenues, setting priorities to run the City, and appointing a City Manager, a City Attorney, and a Clerk of the Council.	
Administrative Management Administrative management is provided to the City by a **City Manager** who serves at the pleasure of the City Council. The City Manager is responsible for implementing the policies set by the City Council, managing the affairs of the City, and hiring City staff.	
Types of City Departments There are two types of departments at the City; **General Administrative/Advisory** and **Service Providers**. Examples of General Administrative/Advisory departments include the Finance Department and the Community Development Department. Parks and Recreation, Public Works, Police, Fire and Rescue, and the Public Library are examples of departments that provide services.	
Elected Constitutional Officers	City Treasurer Clerk of the Circuit Court Commonwealth's Attorney Commissioner of the Revenue City Sheriff
City Expenditures - Governmental Fund Accounts All revenues and expenditures applicable to the general operation of the City are in the **General Fund**. Proceeds of special revenue sources, such as Education and Textbooks are known as **Special Revenue Funds**. **Capital Project Funds** are financial resources to be used for acquisition or construction of major capital facilities.	
City Revenues City revenue comes from local, state, and federal sources. The primary types of revenue include taxes, fees, fines, service charges, and grants. The primary type of local revenue sources comes from property taxes and Public Service Corporation taxes.	

Table 7-2 - Intergovernmental Relations

Federal

Federal government assistance is provided through financial grants and loans and technical assistance. Some of this assistance may be passed through the State or through regional organizations but some is given directly to the local government. Federal policy emphasis is placed on Economic Development, the Environment, Equal Opportunity, and Transportation.

State

Virginia is a **Dillon Rule State**. The Dillon Rule states that local government powers are derived from the General Assembly and the local government is limited to those specific powers within its charter.

In Virginia, Building Inspections, Education Standards, Sanitation and Health, Public Safety, Welfare, and Social Services are programs mandated by the State. Professional qualifications and requirements are also mandated by the State for the Head of the Social Services Department, the Head of Welfare Department, Teachers, Health Officials, Auditors, and Public Accounts. State mandates are often underfunded or unfunded and the local government is required to shoulder these costs.

Local

In Virginia, Cities and Counties are independent jurisdictions. Local governments in Virginia have authority from the General Assembly to cooperate in a number of broad areas. This cooperation can happen through either formal or informal mutual assistance agreements. Cooperation can occur through the parallel enactment of ordinances, designation of a single agency to provide service, establishment of a joint authority for provision of service, or contributions of money, equipment, or personnel.

Examples of local cooperation include: the Health Department, Shenandoah Valley Social Services, the Regional Jail, the landfill, various water and sewer agreements, some shared infrastructure, law enforcement firing range, court system, the Valley Vocational Technical School, Shenandoah Valley Governor's School, and a Closest Call firefighting coverage agreement. Less formal cooperative agreements occur in the areas of stormwater drainage projects and tourism promotion and development. The City of Staunton also participates in other cooperative local actions such as the Skyline Drug Taskforce, the Shenandoah Valley Partnership and the Central Shenandoah Planning District Commission that are regional organizations.

Table 7-3 - City Departments, Constitutional Offices or Services

Title	Location	Responsibilities
City Assessor	First floor of City Hall	To ensure the tax burden is distributed fairly.
City Attorney	Second floor of City Hall	The legal advisor for the City Council.
City Manager	Third floor of City Hall	To supervise all aspects of the City Government, make recommendations to Council, and prepare the annual budget.
City Treasurer	First floor of City Hall	Receipt, collection, safe keeping, and accurate accounting of revenue, also collects state funds under the Code of Virginia.
Clerk of Council	First floor of City Hall	Keeps accurate records of City Council proceedings as well as other boards and commissions.
Clerk of the Circuit Court	Third floor of the City Court House	Records deeds and maps, probate Wills and qualifications of fiduciaries, notary public qualifications, marriage licenses, and fictitious business name certificates, and administration of criminal and civil cases.
Commissioner of the Revenue	First floor City Hall	The administration and receipt of local Taxes and the State Income Tax, Assistance in filing the Virginia Individual Income Tax, and monitoring legislation in the General Assembly that may affect the community.
Commonwealth's Attorney	Main Floor of the Randall Building, 21 N. New St.	All criminal prosecutions in the City, legal advisor to the Police Department.

Table 7-3 - City Departments, Constitutional Offices or Services - continued		
Title	**Location**	**Responsibilities**
Community Development	Third floor of City Hall	Community Development is composed of the Building Services Division, the Engineering Division, and the Planning & Zoning Division. Building Services assists with compliance of City building codes, interpretation of permit and construction requirements, property maintenance and federal floodplain regulations. Engineering reviews all new development plans, plats and partitions. The Planning & Zoning Division provides current and long-range planning services for the City by evaluating applications for land use plans. Staff also assists with developing and supporting City policies including the preservation of historic resources.
Economic Development	Third floor of City Hall	Encourage the growth of business and industry in the area. Develop ways to draw new business to the area. The vision of the Department of Economic Development is “economic strength, resilience, and attractiveness to future investment is built around a thoughtful, holistic strategy that weaves together economic development, placemaking and livability.”
Finance	Third floor of City Hall	Develop City budget, end of year audit statement, financial reporting and reconcilement, grant administration, purchasing, utility billing and collections, accounts payable, accounts receivable inventory, payroll, investments management, debt insurance management.

Table 7-3 - City Departments, Constitutional Offices or Services - continued		
Human Resources	Second and Third floors, City Hall	Administer employee benefits, develop and administer employee policies, recruitment of qualified personnel, provide training and support to the City workforce.
Information Technology	First floor of City Hall	Monitor IBM As/400 computer, Local Area Network (LAN), Wide Area Network (WAN), telephone system and connection standards.
Registrar*	First floor of City Hall	Voter registrations and absentee ballots.
Staunton Downtown Development Association*	110 West Johnson Street Suite 225	Established to enhance downtown Staunton's economic environment as a center of commerce while maintaining the character and integrity of the City's Downtown Service District.
Tourism	Third floor of City Hall	Develop brochures on area attractions, work with group tour operations and area tour planners, act as a liaison between the City and the Film Industry, work closely with travel writers, operate two area Visitor Centers.

*Offices that provide services for the City, but are not City Departments or Constitutional Offices

Note: Information about the Judicial System, Police Department, Sheriff's Office, Fire and Rescue, the Library, Parks and Recreation, Public Works and additional community services can be found in Chapter 8- Community Services and Infrastructure.

Table 7 - 4 - State and Regional Offices - Highlights		
Title	**Location**	**Responsibilities**
Blue Ridge Court Services	125 South New Street	Provides sentencing alternatives to the local courts and criminal justice system through 8 programs in efforts to enhance remedial and rehabilitative opportunities, enhance public safety and reduce jail overcrowding. Services provided in Staunton, Waynesboro, Lexington, Buena Vista, Augusta County, Highland County and Rockbridge County.
Central Shenandoah Health District, Virginia Department of Health	1414 North Augusta Street	Assist in the prevention and control of chronic disease; reduce disparities in health care and health status; improve Virginia's public health infrastructure, and improve the health and well-being of all Virginians.
Shenandoah Valley Office on Youth	900 Nelson Street	Employment training, teen pregnancy prevention, programs for juvenile offenders, supervision of suspended youth, parent education and support, substance abuse prevention, positive teen activities.
Shenandoah Valley Social Services	68 Dick Huff Lane, Verona	Provide medical, financial, fuel, and food stamp assistance and services including Adult and Child Protective, Daycare, Employment, Foster Care and Adoption, Intake and Volunteer Payee Services.

FINANCE

Table 7 - 5 - City of Staunton Budgetary Fund Types		
Funds	**Description**	**Fund Types**
Governmental Funds	Budgets for governmental fund types are prepared based on the modified-accrual basis of accounting. Expenditures are recorded when the related fund liability is incurred, and revenues are recognized when both measurable and available. The City records revenues received within 45 days of the end of the fiscal year.	General Fund; Debt Service Sinking Fund; Capital Investment Fund
Special Revenue Funds	Special revenue funds are non-major governmental funds. Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed for expenditures for specified purposes. These budgets also use the modified-accrual basis of accounting to record revenues and expenditures.	Blue Ridge Court Services Fund; Community Development Fund; and the State and Federal Grants Fund
School Governmental Funds	The School budget includes the Education Fund, a governmental fund, which accounts for revenues and expenditures for the operations of the City's school system. The School budget includes other governmental funds for operations restricted to a specific purpose for revenues and expenditures.	Education Fund, Textbook Fund, Cafeteria Fund, School CIP Fund, GENESIS School Fund, State Operated Programs Fund
Proprietary Funds	Proprietary fund budgets are based on the accrual basis of accounting which records revenue when earned and expenses when a liability is incurred.	Water Fund, Water CIP Fund, Sewer Fund, Sewer CIP Fund, Environmental Fund, Stormwater Fund, Parking Fund, Golf Fund

Source: City of Staunton, FY 2018 Adopted Budget

Table 7-6—City of Staunton FY2018 Operating Budget

Fiscal Year July 1, 2017 - June 30, 2018

City Funds	FY 2018	Percentage of Fund Category	Percentage of Total Budget
City Governmental Funds	**$59,015,250**	**100.00%**	**53.42%**
General Fund	$54,250,000	91.93%	49.10%
Capital Investment Fund	$441,050	0.75%	0.40%
Debt Service Sinking Fund	$4,324,200	7.33%	3.91%
Special Revenue Funds	**$1,025,000**	**100.00%**	**0.93%**
Blue Ridge Court Services Fund	$1,025,000	100.00%	0.93%
Community Development Fund	$0	0.00%	0.00%
State and Federal Grants Fund	$0	0.00%	0.00%
Proprietary Funds	**$13,375,300**	**100.00%**	**12.11%**
Water Fund	$4,311,000	32.23%	3.90%
Water CIP Fund	$400,000	2.99%	0.36%
Sewer Fund	$4,235,400	31.67%	3.83%
Sewer CIP Fund	$165,000	1.23%	0.15%
Environmental Fund	$2,785,000	20.82%	2.52%
Stormwater Fund	$770,000	5.76%	0.70%
Parking Fund	$547,900	4.10%	0.50%
Golf Fund	$161,000	1.20%	0.15%
School Governmental Funds	**$37,063,820**	**100.00%**	**33.55%**
Education Fund	$31,310,000	84.48%	28.34%
Textbook Fund	$300,000	0.81%	0.27%
Cafeteria Fund	$1,346,950	3.63%	1.22%
School CIP Fund	$100,000	0.27%	0.09%
GENESIS School Fund	$871,000	2.35%	0.79%
State Operated Programs Fund	$3,135,870	8.46%	2.84%
GRAND TOTAL	**$110,479,370**		

Source: City of Staunton, FY 2018 Adopted Budget

Figure 7-2 - City of Staunton FY 2018 Operating Budget, Fiscal Year July 1, 2017-June 30, 2018

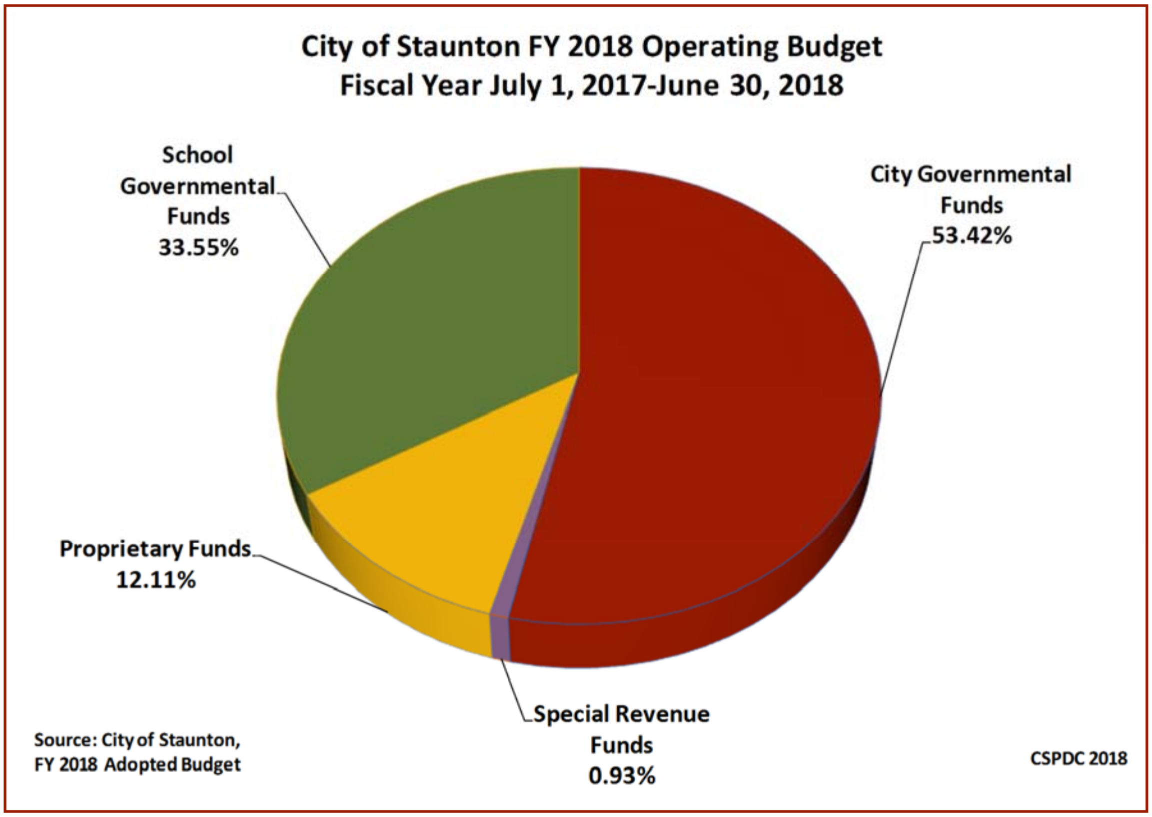

Figure 7-3- City of Staunton FY 2018 Operating Budget, City Governmental Funds

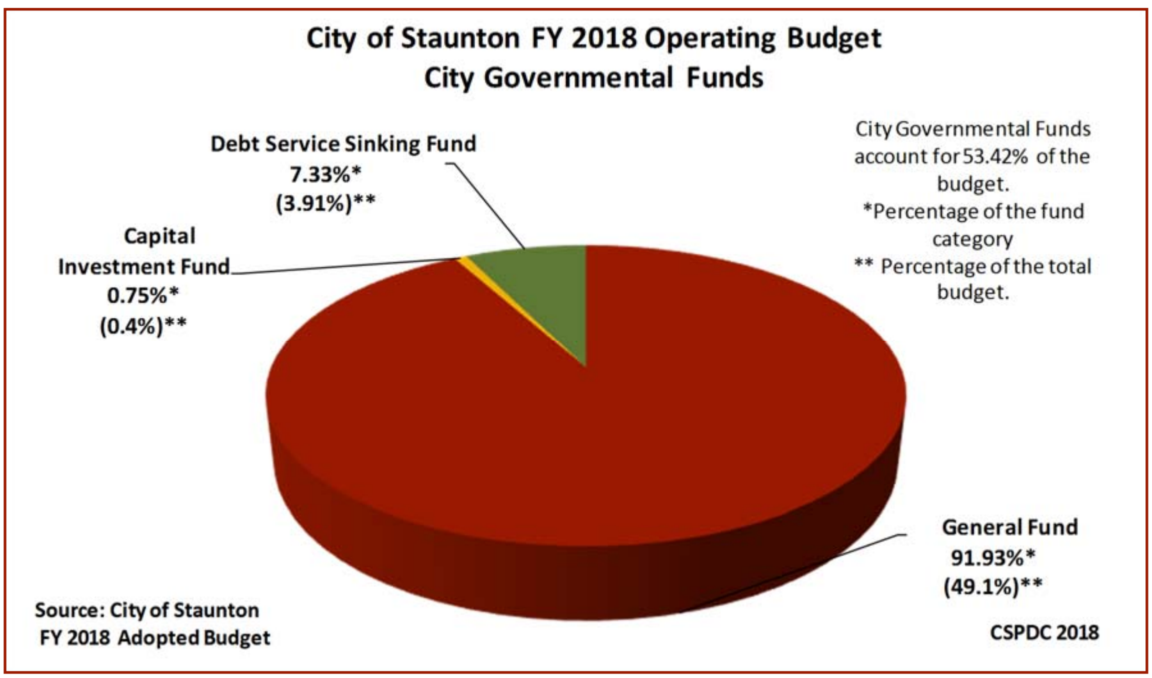

Figure 7-4- City of Staunton FY 2018 Operating Budget, Special Revenue Funds

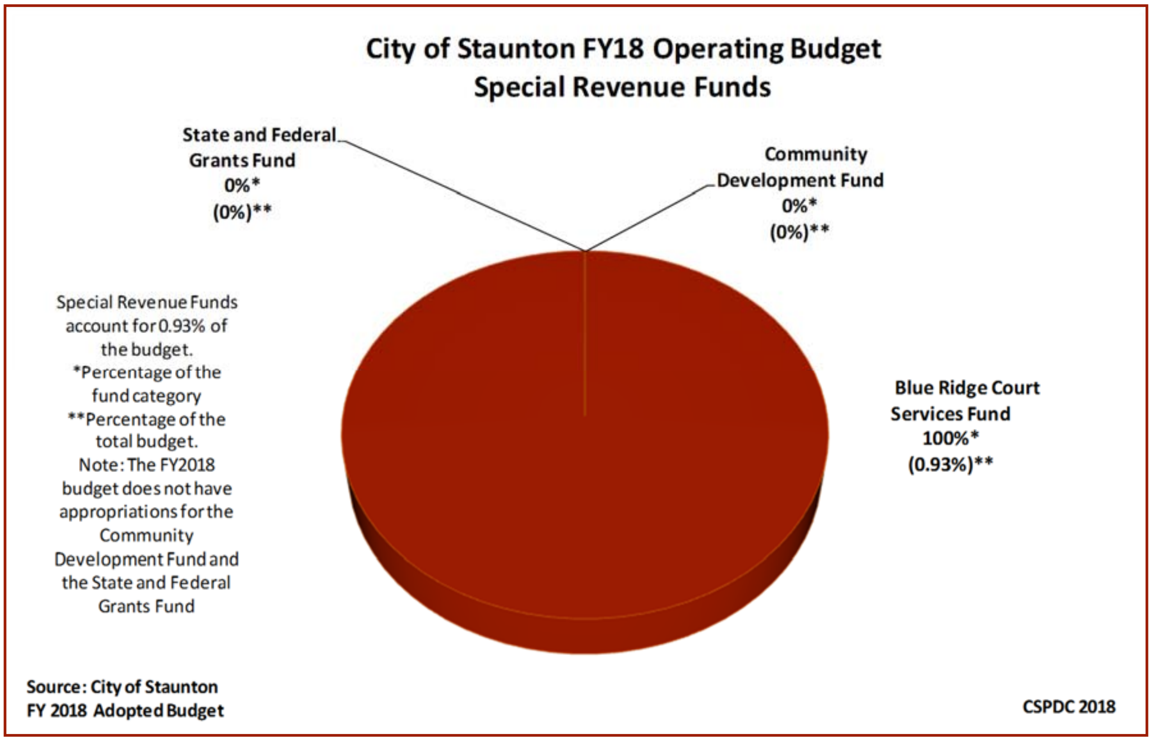

Figure 7-5- City of Staunton FY 2018 Operating Budget, Proprietary Funds

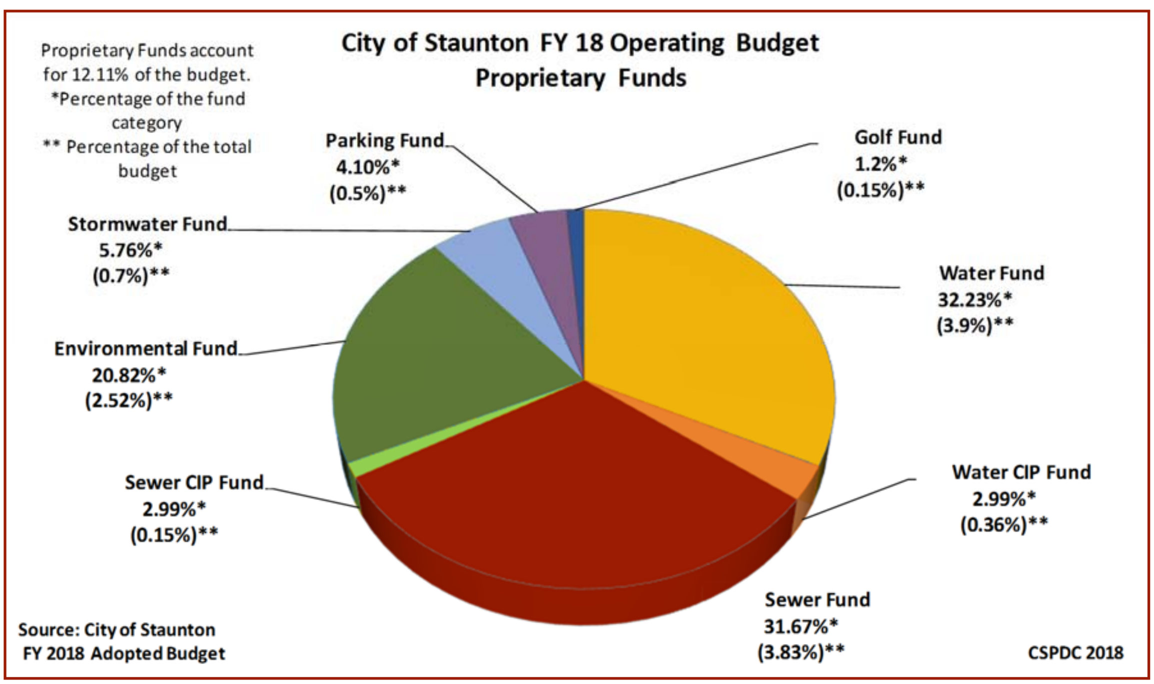

Figure 7-6- City of Staunton FY 2018 Operating Budget, School Governmental Funds

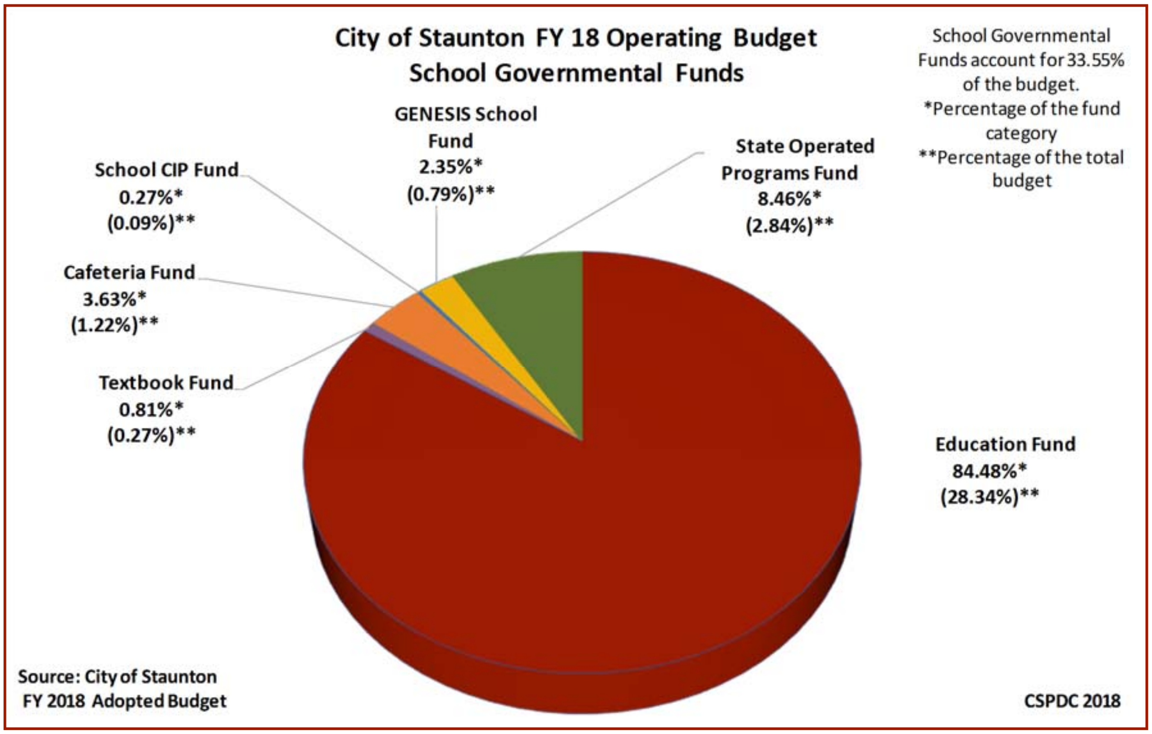

Table 7-7 - General Fund Revenues FY 2018		
General Property Taxes	$24,141,700	44.50%
Other Local Taxes	$14,113,917	26.02%
Commonwealth of Virginia	$11,743,665	21.65%
Current Service Charges	$1,672,247	3.08%
Federal Revenue	$1,111,290	2.05%
Recovered Costs	$821,081	1.51%
Fees	$311,100	0.57%
Other Revenues	$202,000	0.37%
Fines and Forfeitures	$95,000	0.18%
Miscellaneous	$38,000	0.07%
TOTAL REVENUES	**$54,250,000**	**100.00%**