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Acting City Manager Pushes the City toward Operational Efficiency**For Immediate Release**

(Petersburg, Virginia) – September 2, 2016 Petersburg Today Acting City Manager Dironna Moore Belton announces that through operational efficiencies, stricter budget controls, and improved utility billing operations, the financial outlook of the City is improving. When Belton took the job in March 2016, bi-weekly payroll was approximately \$1.3 million dollars. Based on the efficiencies she has created, the City's bi-weekly payroll has decreased to just under \$1 million dollars. It is expected that in September, with the 10% salary reduction, the bi-weekly payroll obligation will decrease to \$900,000. The anticipated overall monthly payroll costs would therefore decrease from \$2.6 million dollars monthly to \$1.8 million, creating a monthly savings of around \$800,000 dollars.

“The City has made changes to how we do business, which encompasses making operational decisions to accommodate vacated positions and functions. The decrease in personnel costs have occurred in spite of recent criticism of promotions. Belton stands by the fact that spending \$10,000 to \$20,000 annually is very much worth saving \$800,000 dollars monthly. “The math is easy,” stated Belton. Over the course of this year the operational efficiencies that Belton has made will save the City over \$9 million dollars annually in payroll costs. Ultimately creating savings to improve the City's cash flows allowing the City to better meet other monthly obligations.

Belton also stated that due to a fair and accurate utility billing that revenue from utilities has also drastically increased from March when she took this position. The monthly utilities revenues had bottomed to \$200,000. Last month revenues were \$1.2 million dollars. Overall, the policy and procedures that Belton has employed has created \$2 million in monthly savings and revenues for the City. Additionally under her management more controls are being put in to place to restrict grant and enterprise funds, where formally there were none. She is working with local, state and federal partners to identify the best controls to segregate these funds from the general fund. This process creates more transparency and accountability of restricted funds.

On August 3, 2016, the State Technical Assistance Team assigned to the City and requested by Belton, reported that the City had budgeted revenues of \$12 million dollars less than what the current FY17 budget spending levels were, on top of the \$6 million dollars in budget reductions already taken in the FY17 budget. “The state team was very instrumental in assisting the City in determining its FY16 obligations, the next step is to eliminate the cause of how the debt became so large; and that entails having a budget where the City's spending would match the City's revenues. Very simply put previous management overestimated the budget by about 18 million dollars and an antiquated financial system did not help either,” stated Belton.

“The City Council still has very tough decisions to make on Tuesday September 6th. But having a plan in place for improved cash flows and creating a structurally balanced budget is now the most important next step. The decisions made at Tuesday’s meeting will be key to the City receiving financing for its short and long term needs and eliminating the current obligatory woes we that we face today. But as stated, City Council has the ability to right the ship. By amending the budget by the 12 million dollars, financial institutions will now see that the City has budgeted to spend within its means, they will see improved cash flows and they will see a City taking the necessary steps to help itself. I am very proud of the strides we are making in recovering from this financial crisis, and I applaud the City Council for having to make the necessary decisions to continue the recovery of our Great City!”

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