

VIRGINIA BEACH

COMMUNITY FOR A LIFETIME

**City of Virginia Beach
Biennial Resource Management Plan
Fiscal Years 2006-07 and 2007-08**

Adopted Second Year Amendments



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Virginia Beach
Virginia**

For the Fiscal Year Beginning

July 1, 2006

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **City of Virginia Beach, Virginia** for its biennial budget for the fiscal year beginning **July 1, 2006 and completing June 30, 2008**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Acknowledgments...

The Department of Management Services thanks the many individuals and departments who assisted in preparing this document. Particular thanks go to: the joint City/Schools Print Shop for their assistance with document production; the Management Leadership Team for their important contributions to priority setting; City Department Directors; participating appointed and elected officials; the Media and Communications Group responsible for facilitating budget communication with citizens; and Rodney Elliott from Video Services, who designed the document cover. Special thanks go to my staff for their willingness to work through the changes, issues, and problems creatively, with cheerfulness and unsurpassed competence:

Management Services Staff - Luis Asercion, Brandon Baldwin, Matt Bosse, David Bradley, Cheryl Childress, Meredith Ching, Kathy Cooper, Paul Harris, Dia Hayes, Lee Hedberg, Stacy Hershberger, Beth Kavanaugh, Mary Beth Kemper, Twila Leavitt, Jeannie Lyons, Michael Maher, Susan McCulloch, Barry Shockley, Linda Stephenson, and Rebecca Taylor-Schmidt.

Sincerely,

A handwritten signature in black ink that reads "Catheryn R. Whitesell". The signature is written in a cursive, flowing style.

Catheryn R. Whitesell, Director
Department of Management Services

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CITY ORGANIZATION AND INFORMATION

The City of Virginia Beach adopted its first Charter on February 28, 1962; it was ratified by the State Legislature to be effective on January 1, 1963, thereby incorporating the City. In its Charter, the City established a Council/Manager form of government, in which an elected City Council establishes policy and the resulting programs are carried out by an appointed City Manager.

Key Statistics

Total Square Miles of Land	248.3
Total Square Miles of Water	58.5
Population Estimate (07/01/06)	433,549
Number of Registered Voters	265,427
Number of Homes/Residences	165,676

Mayor Meyera E. Oberndorf

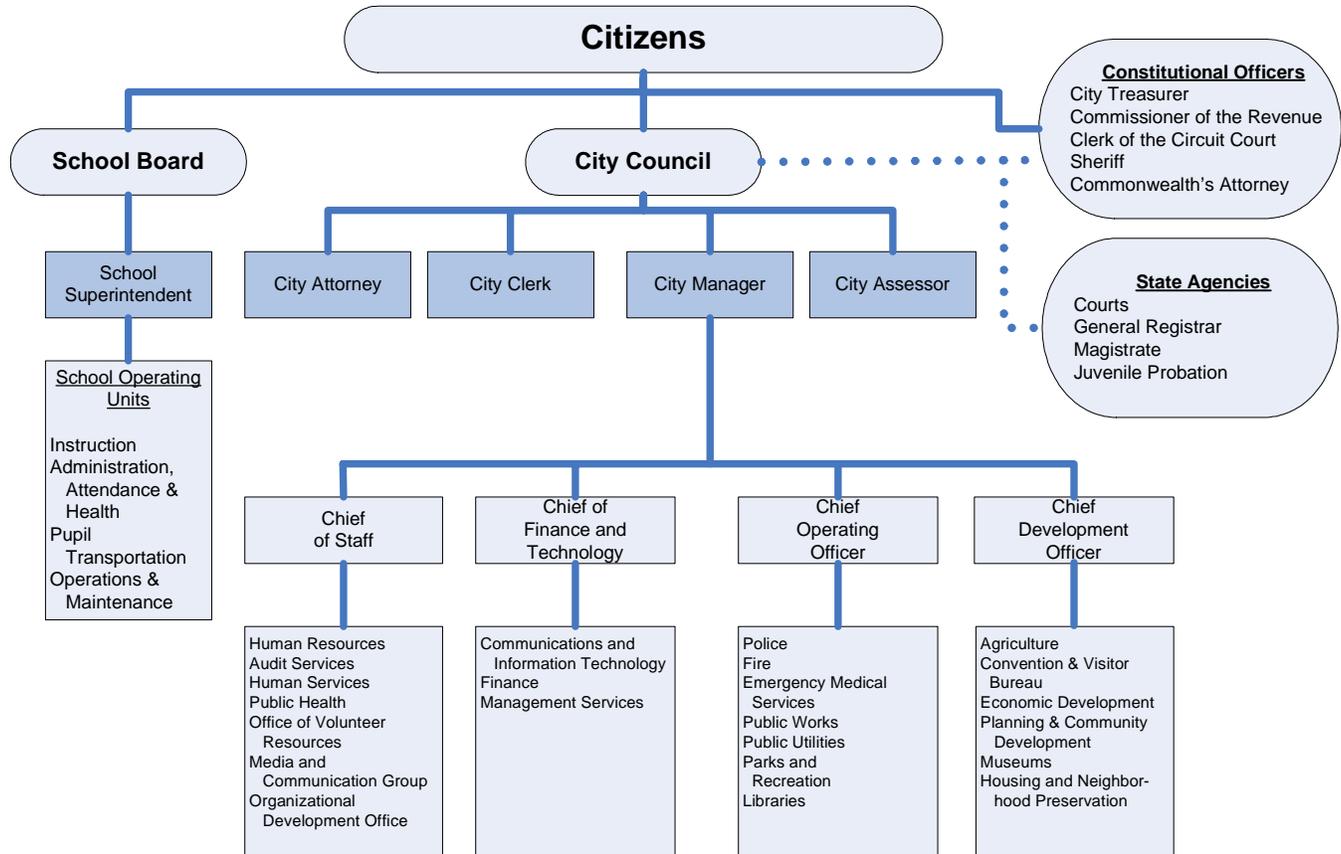
City Council Members:

Louis R. Jones, Vice-Mayor, District 4 - Bayside
 John E. Uhrin, District 6-Beach
 Robert Dyer, District 1-Centerville
 James L. Wood, District 5-Lynnhaven
 Barbara M. Henley, District 7-Princess Anne
 Harry E. Diezel, District 2-Kempsville
 Reba S. McClanan, District 3-Rose Hall
 Bill R. DeSteph, At-Large
 Rosemary Wilson, At-Large
 Ron A. Villanueva, At-Large

City Council Appointees:

City Manager – James K. Spore
 City Attorney – Leslie L. Lilley
 City Real Estate Assessor – Jerald Banagan
 City Clerk – Ruth Hodges Fraser

Operating Structure





City of Virginia Beach

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 2401 COURTHOUSE DRIVE
 VIRGINIA BEACH, VA 23546-9001

June 12, 2007

The Honorable Meyera E. Oberndorf, Mayor
 Members of City Council

Subject: Adopted FY 2007-08 Resource Management Plan Amendments

Dear Mayor and Council Members:

The Amended FY 2007-08 Resource Management Plan was presented to City Council on March 27, 2007. As a result of discussions during the five City Council workshops and the citizen input provided during two public hearings, the Amended Plan has been modified to address City Council's desire for budget reductions to provide additional real estate tax relief. The Adopted Plan includes \$1,723,094,374 for the FY 2007-08 Operating Budget and \$203,514,641 for the FY 2007-08 Capital Budget of the Capital Improvement Program. The Adopted Budget represents a 4.8% increase over the previous year's funding.

Operating Budget

The Adopted Operating Budget is summarized in the table below, followed by City Council adjustments to the Amended Budget:

Operating Budget Overview

	FY 2006-07	FY 2007-08	FY 2007-08
Categories	Adjusted Budget	Approved Budget	Adopted Budget
City Operations	\$ 680,725,530	\$ 721,159,869	\$718,312,147
BRAC Compliance	7,500,000	7,500,000	7,500,000
School Operations	773,944,304	816,531,802	808,500,495
Capital Projects	57,229,327	52,986,357	54,351,186
Debt Service	124,202,936	136,717,773	134,430,546
Total Operating Budget	\$ 1,643,602,097	\$ 1,734,895,801	\$ 1,723,094,374

Operating Budget Adjustments

- Increase the threshold on the tax exemption portion of the Tax Relief for the Elderly and Disabled Program from the proposed level of \$55,700 to the State maximum of \$62,000 (\$1.1 million increased cost).
- Reduce the transfer to the Schools Operating Budget and Schools capital projects based on their portion of the additional 4¢ reduction of the real estate tax rate (\$10,920,916 in reduced cost).
- Eliminate the proposed increase in the City's personal property tax on pleasure boats (\$1.1 million reduced revenue).
- Restore the Agriculture Reserve Program dedicated real estate tax rate from the proposed rate of 0.845¢ to 0.90¢ (\$300,000 increased revenue to the Agriculture Reserve Program) and transfer \$5.6 million from the Agriculture Reserve Fund balance to fund Constitution Drive, the dredging projects previously funded through the boat tax, and \$2.5 million to the General Fund to offset a portion of the real estate tax relief.
- Reduce the City's portion of the amount set aside to meet the GASB 45 recommendations pertaining to future retirement benefits from \$5.5 million to \$3.0 million, pending changes to health care policies and practices by the City Council.
- Eliminate the Market Survey adjustment and implementation of the Survey (\$3.8 million reduced cost).
- Change the current overtime policy for non-public safety employees so that discretionary leave (annual leave, compensatory leave, flexible holidays, etc.) does not count as time worked for the purposes of calculating overtime (\$1.0 million reduced cost).
- Extend the interval for microcomputer replacements from 3½ years to 4 years (\$112,000 reduced cost).
- Reduce funding to City departments by 0.49% (\$1.89 million reduced cost).

School Board Adjustments

On May 22, 2007, the School Board adopted a Budget Resolution to reconcile the funding provided by City Council on May 15, 2007 with the School categories of Instruction, Transportation, Administration, Operations and Maintenance. On June 12, 2007, City Council concurred with the School Board's resolution.

- Reduce the General Fund transfer to the Schools Operating Budget by \$9,182,362 based on a reduced real estate tax rate. This includes a reduction in the Schools portion of the amount set aside to meet the GASB 45 recommendations pertaining to future retirement benefits (\$2.5 million).
- Increase State funding to the Schools Operating Budget by \$1,185,414.
- Decrease appropriations to the School Athletics Special Revenue Fund by \$67,411.

Capital Improvement Program

The approved Capital Improvement Program is summarized in the table below, followed by City Council adjustments:

Capital Improvement Program Overview

Total Including Appropriations-to-Date and Amended FY 2007-08 Capital Budget

	Adopted FY 2005-06/ FY 2010-11	Approved FY 2006-07/ FY 2011-12	Adopted FY 2006-07/ FY 2011-12
City General Improvements	\$1,386,952,374	\$1,366,246,061	\$1,413,466,271
Acquisition of Land Surrounding Oceana	-	90,000,000	90,000,000
School Improvements	629,614,438	568,552,840	575,854,940
Utilities Improvements	366,854,375	348,948,844	350,270,979
Total CIP	\$2,383,421,187	\$2,373,747,745	\$2,429,592,190

Capital Improvement Program Adjustments

- Provide an additional \$2.0 million for CIP #2-208, Constitution Drive Extended from fund balance of the Agriculture Reserve Program.
- Replace the \$1.1 million from the proposed increase in the Boat Tax with Fund Balance of the Agriculture Reserve Program.
- Reallocate \$2,539,892 from CIP #2-025, Witchduck Road-Phase II (Partial) (First Cities Project) and CIP #2-256, Indian River Road-Phase VII (First Cities Project) to advance the construction of CIP #2-121, Nimmo Parkway-Phase V-A (VDOT) and CIP #2-305, Princess Anne Road-Phase IV (Ferrell - Phase II) (VDOT).
- Reduce the General Fund transfer to the Capital Improvement Program for School site acquisition by \$1,000,000.

In conclusion, the strategies used to balance the FY 2007-08 Resource Management Plan will work for the upcoming fiscal year, but the use of the Agriculture Reserve Program to offset the reduction in the real estate tax rate will compound difficulties foreseen for FY 2008-09. (These challenges are highlighted in the Updated Five-Year Forecast section of this document.) The decision to lower the amount budgeted for GASB 45 requirements will necessitate changes by the City Council and School Board to current health care program practices.

These issues, compounded with the backlog of transportation projects and the need for additional funding for construction of promised buildings, will make next year's biennial budget process difficult. Looking ahead to that process, Management Services will be working with your task force on the budget to identify ways to reduce reliance on the real estate tax and to identify policy and practice changes that could reduce costs.

I have requested that Management Services meet with you in September, prior to the town meeting on the budget, to give you a "Budget in Brief" look into the FY 2008-09/FY 2009-10 biennium.

With Pride in Our City,

A handwritten signature in black ink that reads "James K. Spore". The signature is written in a cursive, flowing style.

James K. Spore
City Manager



City of Virginia Beach

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March 27, 2007

The Honorable Meyera E. Oberndorf, Mayor
Members of the City Council

Subject: Proposed FY 2007-08 Resource Management Plan Amendments

Dear Mayor and Council Members:

This document represents our first update to a biennial budget. By way of background, FY 2007-08 is the second year of the biennial budget that was approved by City Council last May. When the decision was made to change to a biennial budgeting system, the result was that the budget process for the second year would involve amending that year of the biennium rather than recreating a full two-year budget. While great care was taken in developing the biennial budget, adjustments are needed. This brief document will reflect the approved second year amounts, identify the proposed amendments that are needed, and summarize the proposed FY 2007-08 Operating and Capital Budgets.

As you will see, funding is provided to move issues forward that are important to the City Council and the community. The budget does this while being sensitive to homeowners' concerns about the past few years' unprecedented rise in housing values. To address these concerns, we are proposing a **6¢ reduction** in the real estate tax rate. This reduction, the City's fourth in as many years, would reduce the tax rate to 93¢ per \$100 of assessed value. The four years of reductions, a total of 29¢, have lowered the impact of rising assessments by over 50%, far more than any other Hampton Roads community has been able to accomplish.

We have done this while continuing to provide the quality services our community expects. We have also significantly strengthened our Tax Relief for the Elderly and Disabled Program by raising the salary ceiling. For FY 2007-08, over 6,000 elderly and disabled homeowners with incomes less than \$55,700¹ and a net worth less than \$350,000 (in addition to the principal residence) will be eligible for tax relief. The total cost of this program is now more than \$13 million each year.

¹ Note: The General Assembly voted to increase the State Cap on this program from \$52,000 to \$62,000. The Bill is awaiting action by the Governor.

Overall, the total budget is increasing by 6% from the current year. Amendments to the second year account for less than half of one percent of that increase. In terms of staffing, there are 72.7 new City positions in the FY 2008 proposed budget. Of these new positions, 60.9 are associated with new programs funded 100% by new revenues. Two additional FTE's are provided to the Sheriff's Office, 5 FTE's for the expansion of the Aquarium's Exhibits and 5.25 FTE's are converted from existing contractual manpower services for historic homes. School's is reducing staff by 46.1 FTE's due to declining enrollment.

The table below shows the changes to City and School operations. Debt service costs for the City and Schools are projected to decrease by \$2.3 million, given continued strong bond sales. The \$5.6 million in amendments to City operations includes of \$3.4 million in new State and Federal funding.

Proposed Operating Budget Comparison				% Increase from
Categories	FY 2006-07 Adjusted	FY 2007-08 Approved	FY 2007-08 Amended	FY 2007 Adjusted
City Operations	\$ 680,725,530	\$ 721,159,869	\$ 726,788,612	6.8%
School Operations	773,944,304	816,531,802	817,303,408	5.6%
Pay-go to the CIP	64,729,327	60,486,357	63,951,186	-1.2%
Debt Service	124,202,936	136,717,773	134,430,546	8.2%
	<u>\$1,643,602,097</u>	<u>\$ 1,734,895,801</u>	<u>\$1,742,473,752</u>	<u>6.0%</u>

We are also recommending reinstating the City's tax on pleasure boats at \$1.00 per \$100 of valuation. The revenue generated would be dedicated to dredging channels and inlets for boating purposes. Without this increased revenue, there will continue to be shoaling in these waterways. In addition, we recommend that City Council equalize the rates for commercial boats, recreational vehicles and airplanes at \$1.00 per \$100 of value -- a decrease from the current rate of \$1.50 per \$100 of valuation. The net revenue from these two actions will provide \$1.1 million annually in new revenues. It is our understanding that other regional communities are also considering reinstating the boat tax.

Unfortunately, in providing the tax rate reduction, we have not been able to devote a significant increase to local transportation funding needed to improve our roads. Over the last five years, State roadway funding to Virginia Beach has dropped from \$30 million per year to \$6.8 million. And, the General Assembly's most recent transportation plan offers little, if any, additional funding for localities. Even in a best case scenario, we will receive only an additional \$7 million dollars per year in State funding, which does not begin to offset the previous cuts in State construction funding. Even if we do secure that \$7 million, over the last five years we will have lost a net of \$16 million in transportation funding to address local roadway needs each year.

Should City Council wish to consider reducing the recommended reduction in the real estate tax rate in an effort to offset these cuts, we would need over 3¢ on the tax rate just to hold transportation funding at the same level it was five years ago. The reality is

that with road construction inflation ranging between 6% and 10% each year, much more than 3¢ on the property tax rate would be needed to effectively address the backlog of road projects within the City. While we are proposing to reduce the real estate tax rate, we have provided options, including the dedication of a part of this reduction, to address needed local transportation projects. These options can be found on page 28 of this document.

Despite the State's cuts to our transportation funding, we have been able to make progress in funding some critical road projects. The City's Capital Budget is receiving additional funding for the construction of:

- Baker Road
- Constitution Drive

We have also been able to add funding for:

- Design of the Fourth Police Precinct
- Pedestrian System Improvements
- 79th Street Ocean Outfall

However, while we were able to fund these projects, a significant number of City Council and community projects will not move forward. These projects include the construction of the Aquarium's Animal Care Annex, the replacement of the Animal Control Building, the construction of the pedestrian bridge at the Town Center (design is funded), the construction of the Blackwater and Chesapeake Beach Fire/Rescue Stations (design is funded for both projects and site acquisition for Chesapeake Beach); the replacement of the Sheriff's Workforce/Release Facility (design is funded).

Beyond the lack of transportation funding, we need to recognize that costs for many of the City's services and programs are rising faster than inflation.

- Electrical costs for the City and School System are increasing by 16% next year. The General Assembly recently mitigated this increase for residential customers, but we purchase electricity off the commercial market, which was not addressed. This increase for City and Schools equates to a \$4.7 million increase in costs. We are trying to absorb nearly a million dollars of this increase through a comprehensive energy savings program.
- Increases in service contracts for mental health services, landscaping and the opening of the Sandler Center for the Performing Arts are resulting in the need for \$1.7 million in additional funding.
- A new school in the Bayside area of the City will be opening in FY 2008. Even with adjustments in staffing to absorb much of the costs, Schools will need an additional \$1.8 million.
- The Elderly and Disabled Tax Relief Programs mentioned earlier are requiring an additional \$4.5 million.

Another significant expenditure that both the City and School System are confronting is the Government Accounting Standards Board's requirement that governments account for all future and current retiree health care costs (GASB 45). The current estimate is that the City and School System would have to set aside a total of \$19 million in FY 2008's budget (GASB requires that the City's FY 2008 financial statement address this issue). The City Council has partially funded this requirement, with the support of the School Board, by setting aside \$8 million from the fund balance of FY 2006. This budget proposes setting aside another \$5.5 million of City funds in the FY 2008 budget. The School's budget has already set aside \$4.5 million of the \$5.5 million needed for FY 2008. Please note that exact amounts required will not be known until the final actuarial valuation of our program and pending the recommendations of the Employee Benefits Review Task Force appointed by City Council.

As a result of the reduced real estate tax rate, we are recommending a reduction in the School Board's Adopted Operating Budget. In anticipation of the increased assessments, \$21.3 million, or the equivalent of 4¢, was held back from both City and School Operating Budgets; the 6¢ reduction to 93¢ necessitates further cuts. In the City's budget, we reduced funding allocated for results of the market salary survey, the rollover impacts of the current year's merit increase, the annual cost of life insurance, and the cost of recycling services. But, because the School Board's deliberations took place before the decision to recommend a lower tax rate was made, we have reduced the transfer to Schools' capital budget by \$5.3 million and reduced funding to their Operating Budget by an additional \$446,800. However, this will not impact Schools' CIP since 51.3% of the surplus funding from the Sandbridge TIF is dedicated to School capital projects.

As we work to address these capital needs, we are facing three important constraints: first, our limited debt capacity; second, the leveling off of the real estate market as it returns to more traditional fluctuations; and third, the continuing uncertainties in funding from the State and Federal Government. These constraints are discussed below:

1. Currently the City's most restrictive debt indicator is "debt per capita," set at \$2,400 per person. At this level, our available debt capacity amounts to \$100 million over the next six years, primarily in the form of general obligation bonds. While this indicator is established by City Council and can be adjusted within reason to address community needs, it is one of the many factors considered by the bonding agencies when they set the City's AA+ bond rating. Each \$100 per capita increase in this indicator would allow an additional \$9 million in debt each year of the CIP. But, our backlog of transportation and school modernization needs far outstrips the funding we could secure with this method. As City Council discussed at your recent workshop, we need to develop a way to focus this limited funding on critical projects.
2. The City Assessor, based on data collected since June 2006, expects residential housing assessments to increase about 4% to 5% next fiscal year. Sustaining existing services and compensation commitments while trying to address infrastructure needs such as roads will require shifting existing

funding to higher priorities. To depict how this moderation in assessment increases could impact current programs, Management Services has updated the Five-Year Forecast presented last November. As this update illustrates, the leveling of assessments changes the projections for FY 2009 from a slight deficit of \$6.8 million to a deficit of more than \$26.2 million. This deficit then increases over the forecast period. Obviously, reinstating the real estate tax rate would be one strategy to close the gap. However, other options should be pursued first; i.e., working to reduce our costs or moving to more fee for service strategy. As we work through these deficits, please remember that more than 62.5% of our budget is personnel-related. Increasing efficiency will mean that fewer employees will have to accomplish a greater workload.

3. While we are seeing increases in State funding for new and expanded human services programs, other areas such as transportation funding are losing ground to rising construction costs. School funding, while increasing, is not keeping pace with rising salaries, the cost of reducing class size, the need to replace aging schools, and high community expectations.

I want to close by identifying several initiatives that will be taking place during the upcoming months:

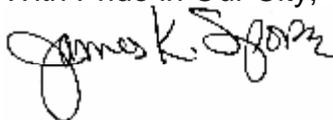
- As a result of GASB 45, which recognizes the cost of current employees' future retirement benefits, we have made some small changes to the compensation package outlined in the approved FY 2007-08 budget. These changes do not affect the City Council commitment to address compression issues within our compensation structure. It was, however, necessary to lower the merit increase planned for City employees from 3% to 2%. This will provide eligible employees with a 3.5% increase in pay when the recommended 1.5% general increase is included. We feel this is in line with what most communities and private employers will be authorizing. The School Board has proposed providing 3.75% to instructional personnel and 5% to all others. Both City and School budgets include funding to at least partially offset the rising cost of health care for our employees by increasing our contribution by 10%, from \$5,225 to \$5,750 effective January 2008.
- Given the rising utility costs faced by the City and School System, both are initiating comprehensive reviews of buildings to reduce electrical and other utility costs. The initiatives may range from simply replacing all incandescent light bulbs with compact florescent bulbs to replacing windows and HVAC systems in older buildings. It is anticipated that these replacement costs will be paid for through the energy savings. We will keep you apprised of this ongoing project.
- A related effort will be to construct buildings that meet or exceed sustainable "green" building standards. Based on the Schools' experience with the construction of Hermitage Elementary School, we expect this to have minimal impact on construction costs. Schools estimated that going "green" increased the cost of the project by 1% to 2% and will achieve a quick payback in energy savings.

- We are requesting that all of our employees continually look for ways to reduce costs and avoid waste. Each department has been challenged to develop suggestion programs and track cost savings. Management Services has accepted a similar challenge to develop a City-wide program of identifying savings opportunities that may fall outside of any single department as was documented in this year's "Striving for Excellence" report provided to Council. A savings of \$6.4 million was achieved last year.
- We are attempting to implement an enterprise Geospatial Information System (GIS). This system tracks geographically-based information such as roads, buildings, manhole covers, and fire hydrants. It will be linked to all existing departmental GIS efforts and will allow us to analyze floor plans for City buildings as well as manage City-owned properties. Currently, it is widely used by our citizens through vbgov.com. To implement this, we are calling on departments to identify several staff that can be reassigned with no FTE increase. This reorganization is proposed after the start of the fiscal year. Technology applications like this one can drive increases in the quality and reduce the cost of services delivered.
- We are working with Schools to identify ways of sharing existing fiber optic cable to meet the rising demand of the libraries for Internet access. Again, we are looking for existing staff to be reassigned to make this happen.

In conclusion, I believe that we can and must continue to reduce the real estate tax rate. At the same time, the City has become known, and appreciated, for the large number of high quality facilities, programs and services it provides. If City Council elects to consider reducing the rate even further than recommended, we will be faced with several choices: reduce the variety of services we offer; reduce the access to existing services; reduce staff; or shift away from our heavy reliance on the real estate tax and incorporate fees, charges, and expand other taxes that may more closely align with the programs being offered. Two public hearings are scheduled to gain public input into these issues and the recommendations contained in the proposed budget. The schedule of these meetings and your workshops follows this letter.

As always, we look forward to assisting City Council with your deliberations as you address the difficult task of balancing expenditure growth and fulfilling community needs. My staff and Management Services are available to answer any questions you might have or to assist with presentations you need.

With Pride in Our City,



James K. Spore
City Manager

SCHEDULE OF WORKSHOPS AND PUBLIC HEARINGS

Date/Time	Event	Location
Tuesday, March 27 th @ 6:00 PM	Presentation of the Proposed FY 2006-07 and FY 2007-08 Biennial Resource Management Plan Second Year Amendments	Council Chambers
Tuesday, April 10 th @ 3:00 PM	Council Workshop	Council Conference Room
Tuesday, April 17 th @ 9:00 AM	Council Workshop	Council Conference Room
Thursday, April 19 th @ 6:00 PM	Public Hearing	Bayside High School
Tuesday, April 24 th @ 9:00 AM	Council Workshop	Council Conference Room
Tuesday, April 24 th @ 6:00 PM	Public Hearing	Council Chambers
Tuesday, May 1 st @ 9:00 AM	Council Workshop	Council Conference Room
Tuesday, May 8 th @ 1:00 PM	Reconciliation Workshop	Council Conference Room
Tuesday, May 15 th @ 6:00 PM	Adoption of the FY 2006-07 and FY 2007- 08 Biennial Resource Management Plan Second Year Amendments	Council Chambers

TOTAL RESOURCE MANAGEMENT PLAN

The following table combines the Operating Budget and Capital Budget (the amount appropriated in the first year of the Capital Improvement Program). In the table, the Net Combined Operating Budget/Capital Budget column is the total of the two documents less the transfer to the CIP, which is recorded in both documents. To avoid double counting when totaling the two documents, the Transfer to the CIP amount must be extracted to formulate an accurate total. Quality Education and Lifelong Learning is the City's highest funding priority within the Resource Management Plan, receiving more than twice the amount of funding as the next highest business area.

Fiscal Year 2007-08 (Amended) Total Resource Management Plan Appropriations

Business Area	FY 2007-08 Capital Budget	FY 2007-08 Approved Budget	Total	Less: Transfer To The CIP	Net Combined Operating Budget/ Capital Budget
Economic Vitality	\$ 20,399,821	\$ 76,415,970	\$ 96,815,791	\$ (9,749,821)	\$ 87,065,970
Safe Community	7,912,840	191,945,854	199,858,694	(2,503,781)	197,354,913
Quality Physical Environment	98,638,025	290,441,049	389,079,074	(27,347,706)	361,731,368
Cultural and Recreational Opportunities	12,430,240	70,944,550	83,374,790	(9,916,220)	73,458,570
Quality Education and Lifelong Learning	62,768,715	880,702,483	943,471,198	(12,108,658)	931,362,540
Family and Youth Opportunities	-	111,266,663	111,266,663	-	111,266,663
Quality Organization	1,365,000	101,377,805	102,742,805	(225,000)	102,517,805
TOTALS:	\$ 203,514,641	\$ 1,723,094,374	\$ 1,926,609,015	\$ (61,851,186)	\$ 1,864,757,829

Note: The Operating Budget totals for each business area include reserve for contingencies and charges for debt service where appropriate. However, interfund transfers are subtracted from each business area's total. Transfer of \$390,000 to the CIP from the Telecommunications Internal Service Fund is excluded.

Identified on the following pages are the amendments adopted for the Operating Budget and Capital Budgets.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	FY 2007-08 Total Approved	Change in Revenue	FY 2007-08 Total Amended	Summary Description of Amendments
Revenue Source Summary				
Revenue from Local Sources				
General Property Taxes				
Real Estate - Current	528,879,357	(35,641,050)	493,238,307	Due to rate reduction.
Personal Property - Current	134,325,608	4,188,953	138,514,561	Reflects trends and changes in State reimbursement methods.
Total General Property Taxes	663,204,965	(31,452,097)	631,752,868	
Other Local Taxes				
General Sales Tax	55,045,358	646,286	55,691,644	Reflects trends.
Utility Tax	47,638,512	1,661,408	49,299,920	Reflects trends.
Business License	43,037,900	1,949,345	44,987,245	Reflects trends.
Other Taxes	14,766,257	104,642	14,870,899	Reflects trends.
Automobile License	9,831,471	(403,046)	9,428,425	Reflects trends.
Cigarette Tax	10,088,503	660,606	10,749,109	Reflects trends.
Amusement Tax	4,857,948	303,611	5,161,559	Reflects trends.
Hotel Room Tax	22,658,519	386,363	23,044,882	Reflects trends.
Restaurant Tax	49,651,829	(516,909)	49,134,920	Reflects trends.
Total Other Local Taxes	257,576,297	4,792,306	262,368,603	
Other Local Revenue				
Permits, Privilege Fees, and Regulatory	5,215,634	-	5,215,634	
Fines and Forfeitures	5,718,855	305,000	6,023,855	Reflects trends.
From the Use of Money and Property	15,044,921	1,847,807	16,892,728	Reflects improvements in interest earnings.
Charges for Services	156,945,764	984,248	157,930,012	Reflects trends.
Miscellaneous Revenue	16,401,389	(2,052,719)	14,348,670	Reflects trends.
Total Revenue from Local Sources	1,120,107,825	(25,575,455)	1,094,532,370	
Revenue from the Commonwealth				
State Shared Sales Tax	84,946,139	(8,757,812)	76,410,762	Reflects correction made by State.
Other Sources from the Commonwealth				
State Basic Aid	-	11,503,039	11,503,039	Reflect information from Department of Education.
Human Services	-	2,575,257	2,575,257	Funding for expansion of Human Resource programs.
599 Law Enforcement Aid	-	692,871	692,871	Reflects State Budget amount.
Sheriff Reimbursement	-	133,606	133,606	Reflects funding from the Compensation Board.
Total Other Sources from the Commonwealth	403,400,291	15,134,397	418,534,688	
Total Revenues from the Commonwealth	488,346,430	6,376,585	494,945,450	
Revenue from the Federal Government				
Non-Revenue Receipts	107,956,429	3,071,976	111,028,405	Reflects trends.
	3,791,723	250,000	4,041,723	Reflects trends.
Total Revenue	1,720,202,407	(15,876,894)	1,704,547,948	
Fund Reserves Summary				
Specific Fund Reserves	14,693,394	3,853,032	18,546,426	Reflects use of fund balance in policy reserves.
Total Fund Reserves	14,693,394	3,853,032	18,546,426	
TOTAL FINANCING REQUIRED	1,734,895,801	(12,023,862)	1,723,094,374	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
<u>Cultural & Recreational Opportunities</u>					
Museums:					
	\$10,157,176	\$43,232			1.00 Curator 1 position: full-year funding (partially funded in FY 07) and is fully funded through foundation revenues.
		\$11,365			5.25 Historical Houses Staffing (convert contracted manpower to FTE, offset with reduction in contracted manpower and additional revenues).
		(\$49,842)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
		(\$2,248,019)			Transfer to Non-Departmental to create Office of Cultural Affairs.
Sub-Total Museums	<u>\$10,157,176</u>	<u>(\$2,243,264)</u>	<u>\$7,913,912</u>	<u>6.25</u>	
Parks & Recreation:					
	\$40,099,073	\$160,000			1.25 Camp Outings offset by fee increase.
		\$30,749			Additional operating costs of landscaping for neighborhood park maintenance.
		\$0			Reorganization of existing staff.
		(\$20,935)			Accounting change for U.S. Field Hockey Training Center, which lowered both revenues and expenditures.
		\$254,777			Establish remote Internet access offset by use of fund balance.
		(\$37,965)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Parks & Recreation	<u>\$40,099,073</u>	<u>\$386,626</u>	<u>\$40,485,699</u>	<u>1.25</u>	
Total Cultural & Recreational Opportunities	<u>\$50,256,249</u>	<u>(\$1,856,638)</u>	<u>\$48,399,611</u>	<u>7.50</u>	
<u>Economic Vitality</u>					
Agriculture:					
	\$1,111,984	\$60,000			Establish a Green Market at the Town Center offset partially by revenue (\$2,500).
		(\$5,720)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Agriculture	<u>\$1,111,984</u>	<u>\$54,280</u>	<u>\$1,166,264</u>	<u>-</u>	
Convention & Visitor Bureau:					
	\$24,812,142	(\$400,000)			Patriotic Festival (the City will budget for a \$200,000 contribution and no longer oversee this festival, which generated \$600,000 in City expenditures and \$400,000 in revenues).
		(\$51,734)			Reduction in dedicated revenues to Tourism Advertising Program based on trend.
Sub-Total Convention & Visitor Bureau:	<u>\$24,812,142</u>	<u>(\$451,734)</u>	<u>\$24,360,408</u>	<u>-</u>	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
Economic Development:					
Sub-Total Economic Development	\$3,197,181	(\$15,605)	\$3,181,576		- Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Housing & Neighborhood Preservation:					
	\$18,621,276	\$898,486			Provided City funding for administrative costs and code enforcement to free up CDBG funds for grants and loans to housing programs.
		\$2,482,982			Additional Federal revenue to the Section 8 Program and other housing programs.
		(\$103,077)			Reduced operating expenses and transfer of personnel costs to federal funding, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Housing & Neighborhood Preservation	\$18,621,276	\$3,278,391	\$21,899,667	-	
Total Economic Vitality	\$47,742,583	\$2,865,332	\$50,607,915	-	
<u>Family & Youth Opportunities</u>					
Health:					
	\$3,294,300	\$102,780 (\$16,581)			Increased required local match funding. Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Health	\$3,294,300	\$86,199	\$3,380,499	-	
Human Services:					
	\$ 101,041,667	\$2,397,974			24.85 Council approved, in FY 06-07, increases in Federal and State funding for Community Corrections, Mental Health and Mental Retardation Services; Employment Services related to Temporary Assistance for Needy Families (Welfare Reform).
		\$224,416			3.00 As cited in the 9-26-06 ordinance to Council (expansion to above), additional State funding and fees to expand Skillquest for Mental Retardation to address waiting lists and clients who will be eligible for services via Biznet.
		\$116,264			2.00 Additional Medicaid revenue for Mental Retardation Case Management.
		\$195,490			3.00 Additional Medicaid revenue for a supported living program for clients with both MH/MR disabilities.
		\$51,353			1.00 Additional General Fund monies for clerical support for Community Corrections.
Sub-Total Human Services	\$101,041,667	\$2,985,497	\$104,027,164	33.85	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
Total Family & Youth Opportunities	\$104,335,967	\$3,071,696	\$107,407,663	33.85	
<u>Quality Education & Lifelong Learning</u>					
Library:					
	\$16,573,316	\$18,540			Central Library Coffee Shop. This is revenue neutral expenditure offset by revenues from the shop.
		\$9,344			Collection Management Agency Contract to provide Libraries the ability to retrieve long-overdue materials.
		(\$81,028)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Library	\$16,573,316	(\$53,144)	\$16,520,172	-	
Education:					
	\$816,531,802	\$771,606		(114.70)	Additional school revenue sharing formula revenues and modest increase in State revenues were offset by decreases in State Share Sales Tax (due to State budgeting error).
		(\$8,802,913)			Reduction based on reduced real estate tax reduction.
Sub-Total Education	\$816,531,802	(\$8,031,307)	\$808,500,495	(114.70)	
Total Quality Education & Lifelong Learning	\$833,105,118	(\$8,084,451)	\$825,020,667	(114.70)	
<u>Quality Organization</u>					
Audit Services:					
	\$498,526	\$9,300			Operating increases for peer review, fraud hotline, software
		(\$2,479)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Audit Services	\$498,526	\$6,821	\$505,347	-	
City Manager:					
	\$3,618,477	\$14,000			Maintain City Page at 24 editions with increased cost.
		\$18,000		0.44	Converts existing part-time FTE to full time for the Volunteer Office.
		(\$52,163)		(1.00)	Position transferred to Management Services for Employee Suggestion Program.
		(\$17,563)			Reduced operating expenses and overtime, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total City Manager	\$3,618,477	(\$37,726)	\$3,580,751	(0.56)	
City Real Estate Assessor:					
Sub-Total City Real Estate Assessor	\$2,693,496	(\$13,147)	\$2,680,349	-	Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
City Treasurer:					
	\$4,906,867	\$22,187		0.60	Additional part-time position for delinquent tax collection fully offset by an increase in revenue from delinquent taxes.
		(\$24,058)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total City Treasurer	<u>\$4,906,867</u>	<u>(\$1,871)</u>	<u>\$4,904,996</u>	<u>0.60</u>	
Commissioner of the Revenue:					
	\$3,742,226	(\$22,829)		(0.98)	Reduction in part-time position for DMV Select program based on lower revenue.
		(\$18,154)		(0.67)	Reduced part-time positions, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Commissioner of the Revenue	<u>\$3,742,226</u>	<u>(\$40,983)</u>	<u>\$3,701,243</u>	<u>(1.65)</u>	
Communications & Information Technology:					
	\$30,442,471	\$37,620			Additional contractual staffing to answer after hours calls for the Department of Housing and Real Estate Assessor's Office. 100% offset by revenue.
		\$50,475			Increased cost related to new issue tracking software.
		\$35,407			Support for technology at the new Convention Center.
		(\$193,914)			To reflect E911 revenue adjustment based on trends.
		(\$163,200)			Transfer E-Learning training to Human Resources.
		\$220,564			Increased revenue from cable franchise.
		(\$187,023)			Reduced operating expenses and delay computer replacement, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Communications & Information Technology	<u>\$30,442,471</u>	<u>(\$200,071)</u>	<u>\$30,242,400</u>	<u>-</u>	
Finance:					
	\$4,805,035	\$30,000			Additional funding for Minority Business Program.
		(\$828)		(1.00)	Transfer of position to Human Resources for enhancement to Occupational Health Services (Internal Service Fund).
		(\$23,595)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Finance	<u>\$4,805,035</u>	<u>\$5,577</u>	<u>\$4,810,612</u>	<u>(1.00)</u>	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
General Registrar:					
Sub-Total General Registrar	\$1,450,472	(\$7,080)	\$1,443,392		- Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Human Resources:					
	\$4,489,969	\$163,200			E-Leaning transferred to Human Resources from ComIT.
		\$24,766		1.00	Transfer of position from Risk Management to Occupational Health. Risk Management charges reduced to help cover the cost of this position. Additional reductions will come from the Police Department to cover the full cost of this position. This is a cost neutral transfer of positions.
		\$30,000			To purchase and install presentation equipment for the training rooms.
		(\$22,979)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Human Resources	\$4,489,969	\$194,987	\$4,684,956	1.00	
Law:					
Sub-Total Law	\$3,650,765	(\$17,819)	\$3,632,946		- Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Legislative:					
Sub-Total Legislative	\$1,171,893	(\$5,720)	\$1,166,173		- Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Non-Departmental:					
	\$23,504,396	\$614,631			Additional cost for retiree health care.
		\$3,584,702			Additional cost for Real Estate Tax Relief Program for elderly and disabled.
		\$250,000			Restore \$250,000 in vehicle replacement fund.
		\$147,145			Various minor increases for Employee Special Benefits, Community Organization Grants such as Square One, and Regional Participation for the Hampton Roads Military and Federal Facility Alliance.
		(\$41,000)			Transfer of Employee Suggestion Program to Management Services
		(\$121,055)			Delayed replacement of some vehicles, as part of City Council's \$1.89 million overall departmental funding reductions.
		\$2,248,019			Transfer from Department of Museums to create the Office of Cultural Affairs.
		(\$10,532)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Non-Departmental	\$23,504,396	\$6,671,910	\$30,176,306	-	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
Management Services:					
	\$3,819,970	\$101,916			Transfer of Lease on Advanced Technology Center from Public Works with increase to lease.
		\$93,163		1.00	Transfer of position from City Manager's Office for Employee Suggestion Program.
		(\$19,597)			Reduced operating expenses, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Management Services	<u>\$3,819,970</u>	<u>\$175,482</u>	<u>\$3,995,452</u>	<u>1.00</u>	
Total Quality Organization	<u>\$88,794,563</u>	<u>\$6,730,360</u>	<u>\$95,524,923</u>	<u>(0.61)</u>	
<u>Quality Physical Environment</u>					
Planning:					
	\$12,539,359	\$224,726			Additional HRT Funding due to increased fuel and other costs.
		(\$62,299)		(1.00)	Reduced operating expenses and elimination of a Zoning Inspector Supervisor position, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Planning	<u>\$12,539,359</u>	<u>\$162,427</u>	<u>\$12,701,786</u>	<u>(1.00)</u>	
Public Utilities:					
	\$65,788,303	\$131,384			Replacement of vehicles in Engineering.
		\$308,339			Water distribution replacement vehicles.
		\$87,182			Meter operations replacement vehicles.
		\$807,775			Sewer collection replacement vehicles.
		\$191,506			Sewer pump stations replacement vehicles.
Sub-Total Public Utilities	<u>\$65,788,303</u>	<u>\$1,526,186</u>	<u>\$67,314,489</u>	<u>-</u>	
Public Works:					
	\$93,914,616	(\$504,962)			Savings from new recycling contract.
		\$12,800			Resort area pressure washing.
		\$115,116			31st Street Restroom custodial services.
		(\$428,849)			Change to accounting for SPSA tipping fees (net impact).
		(\$92,212)			Transfer of Advanced Technology Center Lease to Management Services.
		(\$453,998)			Reduced operating expenses and overtime, as part of City Council's \$1.89 million overall departmental funding reductions.
Sub-Total Public Works	<u>\$93,914,616</u>	<u>(\$1,352,105)</u>	<u>\$92,562,511</u>	<u>-</u>	
Total Quality Physical Environment	<u>\$172,242,278</u>	<u>\$336,508</u>	<u>\$172,578,786</u>	<u>(1.00)</u>	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
<u>Reserve for Contingencies</u>					
	\$55,282,778	(\$10,158,700)			Changes in compensation reserves to reflect lower market costs, reduction in merit from 3% to 2%, reduction in contribution to health care, and decrease in VRS Life Insurance costs.
		\$865,000			Funding to begin replacement of trolleys in conjunction with HRT.
		\$1,725,000			Increased cost for electrical services to City facilities.
		\$5,500,000			Funding for GASB 45 requirements.
		(\$1,641,842)			Reduction in reserves for future debt service and capital projects based on updated revenue estimates.
		(\$302,953)			Reduction in Regular Reserve.
		\$75,000			Utilities roadway paving.
		(\$7,340,722)			Reduced reserves for overtime, market survey, and GASB 45, as part of City Council's budget reductions.
		(\$135,888)			Reduced reserve for salary compensation, as part of City Council's \$1.89 million overall departmental funding reductions.
		(\$100,000)			Elimination of Cardiovascular Equipment Reserve in Parks and Recreation, as part of City Council's \$1.89 million overall departmental funding reductions.
		(\$252,487)			Reduced regular reserve in Public Utilities, as part of City Council's \$1.89 million overall departmental funding reductions.
		(\$94,282)			Reduction in Lynnhaven Mall TIF based on reduced Real Estate tax rate.
Sub-Total Reserve for Contingencies	\$55,282,778	(\$11,861,874)	\$43,420,904	-	
<u>Safe Community</u>					
Commonwealth's Attorney:					
Sub-Total Commonwealth's Attorney	\$6,683,088	\$10,245	\$6,693,333	0.25	Additional funding for anonymous tips. This funding is 100% offset by revenue from seized assets.
Courts and Court Support:					
Sub-Total Courts and Court Support	\$6,542,743	\$0	\$6,542,743	-	
Emergency Medical Services:					
Sub-Total Emergency Medical Services	\$6,659,587	\$75,499	\$6,735,086	-	Additional revenue for EMS Four-for-Life Fund.
Fire:					
Sub-Total Fire	\$39,427,263	\$0	\$39,427,263	-	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
Police:					
	\$79,196,025	\$305,000			Reinstatement of Red Light Photo Enforcement Program.
		(\$28,078)			Offset the cost of enhancements to the Occupational Health Program which will benefit Police.
Sub-Total Police	<u>\$79,196,025</u>	<u>\$276,922</u>	<u>\$79,472,947</u>	<u>-</u>	
Sheriff & Corrections:					
	\$31,254,195	\$188,972		4.00	Four Compensation Board Approved Deputies for Court Security. Compensation Board is reimbursing the City for approximately 70% of this cost.
		\$155,721		8.00	Four City funded Deputies and Four City funded Record Technician I's added for Central Booking Program to maintain current services. This reflects the agreement for the City to pay 50% of the costs for these positions.
Sub-Total Sheriff & Corrections	<u>\$31,254,195</u>	<u>\$344,693</u>	<u>\$31,598,888</u>	<u>12.00</u>	
Total Safe Community	<u>\$123,792,895</u>	<u>\$707,359</u>	<u>\$124,500,254</u>	<u>12.25</u>	
<u>Capital Projects, Debt Service, & Reserve for Future Commitments</u>					
Capital Projects:					
	\$60,486,357	\$225,000			Additional funding for Revenue Assessment & Collection System.
		(\$5,621)			Reduction in pay-go.
		(\$51,056)			Reflects reduction in real estate tax rate impact on outdoor initiative projects.
			\$1,000,000		Additional funds to TGIF for 79th Street Outfall.
			\$100,000		17th Street Storage Facility.
			\$1,100,000		Additional funding from Boat Tax to cover dredging projects of: Beach Profile Monitoring Program. Various minor dredging projects, and Lynnhaven Inlet maintenance dredging.
			\$132,120		Increased revenue from Cigarette Tax for Economic Development Investment
			\$172,350		Various School Projects from formula funding.
			\$792,036		Sandbridge Beach Restoration from Special Service District.
		(\$1,100,000)			Pay-go funding to Coastal capital projects replaced by ARP fund balance.
		(\$1,000,000)			Reduced funding to Schools capital projects based on reduced real estate tax rate.
Sub-Total Capital Projects	<u>\$60,486,357</u>	<u>\$1,364,829</u>	<u>\$61,851,186</u>		
Debt Service:					
Sub-Total Debt Service	<u>\$136,717,773</u>	<u>(\$2,287,227)</u>	<u>\$134,430,546</u>		Lower interest rate than originally budgeted and reduced amount of bond issuance.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Operating Budget

	Approved FY 2007-08	Adjustments to FY 2007-08	Amended FY 2007-08	FTE	Summary Description of Amendments/Changes
Reserve for Future Commitments:					
Sub-Total Reserve for Future Commitments	\$16,169,234	(\$2,787,321)	\$13,381,913		Reflects reduced revenues on various dedications based on reduced Real Estate
Total Operating Budget	\$1,734,895,801	(\$11,801,427)	\$1,723,094,374	(62.71)	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
<u>Cultural and Recreational Opportunities</u>					
Parks and Recreation:					
4.013	Community Rec Centers Repairs and Renovations - Phase II	\$ 4,607,462	\$ (343,601)	\$ 4,263,861	Project reduced for real estate tax reductions. Will increase the backlog of maintenance needs at the six Recreation Centers.
4.016	Dist/Comm. Parks/Special Use Facilities Dev. & Ren. Phase II	\$ 1,127,435	\$ (51,056)	\$ 1,076,379	Project reduced for real estate tax reductions. May delay some renovations to these facilities.
4.019	New Princess Anne District Athletic Complex	\$ -	\$ 352,000	\$ 352,000	Additional funding to provide for the required landscaping, benches, trash cans, etc. to ensure the facility will meet the quality required for a tournament athletic complex.
4.075	Pedestrian System Improvements - Phase I	\$ -	\$ 500,000	\$ 500,000	Council's appointed Bikeways & Trails Committee requested annual funding of \$500,000. During deliberations on the use of fund balance, Council directed staff to include this item for consideration for FY 2007-08 funding.
Sub-Total Parks and Recreation		\$ 5,734,897	\$ 457,343	\$ 6,192,240	
Total Cultural and Recreational Opportunities		\$ 5,734,897	\$ 457,343	\$ 6,192,240	
<u>Economic Vitality</u>					
Economic and Tourism Development:					
9.061	17th Street Park Storage Facility	\$ -	\$ 100,000	\$ 100,000	This project will replace the existing storage facility located at the 17th Street Park with a new 600 square foot structure. The structure will include a larger storage room, and a heated and air conditioned dressing room and a bathroom. The current storage facility is an old metal trailer that is dilapidated, and is difficult to secure. The extent of repair needed exceeds the value of the structure.
9.141	Economic Development Investment Program (On-Going)	\$ 2,017,701	\$ 132,120	\$ 2,149,821	Funding for this project has been increased because of revised estimates of the cigarette tax. This project supports the City's economic development program and strategic plan, and will leverage grant dollars and fund the provision of infrastructure for other economic development initiatives as approved by the City Council.
Sub-Total Economic and Tourism Development		\$ 2,017,701	\$ 232,120	\$ 2,249,821	
Total Economic Vitality		\$ 2,017,701	\$ 232,120	\$ 2,249,821	
<u>Quality Education and Lifelong Learning</u>					
Schools:					
1.006	Various Schools Site Acquisition - Phase I	\$ -	\$ -	\$ -	The proposed CIP transferred \$1 million from a lower priority need (CIP # 1.016) to a higher priority need in an effort to have funds available for site acquisition for a potential Kellam High School relocation project. As a result of City Council's vote May 15, 2007 to provide increased real estate tax relief, Schools eliminated \$1 million programmed in FY 2007-08 for this project.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
1.016	Princess Anne Elementary School Modernization	\$ 1,000,000	\$ (1,000,000)	\$ -	The proposed CIP transferred funds from this project, which was a lower priority need to a higher priority need (CIP #1.006). The Princess Anne Elementary Modernization Project (1.016) is on hold, pending the results of the Comprehensive Long-Range Facilities Study. As a result of City Council's vote May 15, 2007 to provide increased real estate tax relief, Schools eliminated \$1 million from the FY 2007-08 CIP.
1.018	Newtown Road Elementary School Replacement	\$ 4,000,000	\$ (750,000)	\$ 3,250,000	Project costs decreased from \$18,434,575 to \$17,684,575 (bids were under estimate by \$750,000); transferring surplus funds.
1.075	Elementary School 2007-08	\$ 1,000,000	\$ (750,000)	\$ 250,000	Project costs decreased from \$18,869,848 to \$18,119,846 (bids were under estimate by \$750,000); transferring surplus funds.
1.078	School Bus Garage Facility Replacement/Expansion	\$ 4,500,000	\$ (500,000)	\$ 4,000,000	Transferring funds to a higher priority need for FY 2007-08. Total project cost has increased by \$2,893,751 from \$16,956,249 to \$19,850,000.
1.082	Alternative Education Facility-Phase I	\$ -	\$ 300,000	\$ 300,000	Transferring funds from a lower priority need for FY 2007-08. Total project cost has increased by \$985,000 from \$16,406,977 to \$17,391,977 due to increased equipment needs and minor site changes.
1.085	Alternative Education Facility-Phase II	\$ 17,750,000	\$ 1,200,000	\$ 18,950,000	Transferring funds (accelerating from out years) from a lower priority need for FY 2007-08; project fully funded.
1.099	Renovations & Replacements- Grounds-Phase II	\$ 500,000	\$ 350,000	\$ 850,000	Transferring funds from a lower priority need for FY 2007-08. Total project cost has increased by \$850,000 from \$3,350,000 to \$4,200,000 due to increased asphalt/petroleum costs.
1.232	Tennis Court Renovations	\$ 100,000	\$ 150,000	\$ 250,000	Transferring funds from a lower priority need for FY 2007-08. Total project cost has increased due to expansion of court renovations and increased petroleum costs.
1.234	Virginia Beach Middle School Replacement	\$ 12,500,000	\$ (2,000,000)	\$ 10,500,000	Project costs decreased from \$54,653,823 to \$52,578,823 (by \$2,075,000 due to need for less site acquisition); transferring surplus funds to higher priority needs for FY 2007-08.
1.235	Windsor Oaks Elementary School Replacement	\$ 3,000,000	\$ 2,000,000	\$ 5,000,000	Transferring funds from a lower priority need for FY 2007-08. Total project costs remain the same, but funding is accelerated from FY 2009-10); project is fully funded with this transfer.
Sub-Total Schools		\$ 44,350,000	\$ (1,000,000)	\$ 43,350,000	
Total Quality Education and Lifelong Learning		\$ 44,350,000	\$ (1,000,000)	\$ 43,350,000	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
<u>Quality Organization</u>					
Communications and Information Technology:					
3.200	CIT - Revenue Assessment and Collection System	\$ -	\$ 225,000	\$ 225,000	Provides funding to digitize all building sketches in the new Revenue Assessment and Collection System software (ProVal Assessment).
3.209	CIT - Enterprise Electronic Records Management System	\$ -	\$ 750,000	\$ 750,000	Provides funding for a comprehensive study of City electronic records management needs, and makes recommendations on how best to satisfy those needs. This plan will form the basis for system acquisition and implementation in subsequent years of the CIP.
Sub-Total Communications & Information Tech		\$ -	\$ 975,000	\$ 975,000	
Total Quality Organization		\$ -	\$ 975,000	\$ 975,000	
<u>Quality Physical Environment</u>					
Roadways:					
2.021	Rural Road Improvements	\$ 100,000	\$ 200,000	\$ 300,000	Additional funding will help advance construction of the Princess Anne Road/Gum Bridge Road turn lane.
2.025	Witchduck Road - Phase II (Partial) (First Cities Project)	\$ 539,876	\$ (539,876)	\$ -	On May 15, 2007, City Council adopted an ordinance to reallocate funding from various state roadway projects to allow advancement of construction for CIP #2-121, Nimmo Parkway-Phase V-A (VDOT) and #2-305 Princess Anne Road- Phase IV (Ferrell - Phase II) (VDOT) to alleviate congestion on the two most congested roads citywide. Reallocations totaling \$2.5 million are from project #'s 2-025, Witchduck Road - Phase II (Partial) (First Cities Project) and 2-256 Indian River Rd - Phase VII (First Cities Project) for FY 2007-08. An additional \$44.1 million will be reallocated from various roadway projects in fiscal years 2009 through 2012.
2.071	Baker Road Extended	\$ -	\$ 927,000	\$ 927,000	Total project cost estimate is \$3,025,000. Additional funding in FY 2007-08 required to cover increased construction costs. Project is fully funded.
2.072	First Colonial Rd/Va. Beach Blvd. Intersection Improvements	\$ 2,650,000	\$ 1,272,000	\$ 3,922,000	Project will be delayed by approximately one year with estimated cost increase of \$2.8 million. Total project cost estimate is \$19.2 million. This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.
2.076	Laskin Road Gateway	\$ -	\$ 1,200,000	\$ 1,200,000	Total project cost estimate is \$16.4 million. Additional funding in FY 2007-08 required to cover increased construction costs. Project is fully funded.
2.083	Diamond Springs Road Bridge Replacement	\$ -	\$ 1,275,000	\$ 1,275,000	Total project cost estimate is \$3.66 million. Additional funding required for drainage easements. Project is fully funded.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
2.115	Shore Drive Intersections - Demonstration Project	\$ -	\$ 637,499	\$ 637,499	Funding source in appropriations to date was eliminated and replaced with General Fund Fund Balance in FY 2007-08.
2.121	Nimmo Parkway-Phase V-A (VDOT)	\$ -	\$ 2,000,016	\$ 2,000,016	On May 15, 2007, City Council adopted an ordinance to reallocate funding from various state roadway projects to allow advancement of construction for CIP #2-121, Nimmo Parkway-Phase V-A (VDOT) and #2-305 Princess Anne Road- Phase IV (Ferrell - Phase II) (VDOT) to alleviate congestion on the two most congested roads citywide. Reallocations totaling \$2.5 million are from project #'s 2-025, Witchduck Road - Phase II (Partial) (First Cities Project) and 2-256 Indian River Rd - Phase VII (First Cities Project) for FY 2007-08. An additional \$44.1 million will be reallocated from various roadway projects in fiscal years 2009 through 2012.
2.150	Salem Rd/Princess Anne Rd Intersection Improvement	\$ -	\$ 600,000	\$ 600,000	On February 27, 2007 City Council adopted an ordinance to accept a Federal Congestion Mitigation Air Quality (CMAQ) grant totaling \$900,000, with \$300,000 appropriated in FY 2006-07 with the remaining \$600,000 in FY 2007-08.
2.156	Laskin Road-Phase I (VDOT)	\$ 2,000,000	\$ (2,000,000)	\$ -	Current cost of \$20.64 million in current CIP will be reduced to \$4.125 million. Reduced City share to meet minimum obligation of 2%.
2.161	Traffic Signal Retiming	\$ -	\$ 600,500	\$ 600,500	On April 10, 2007, City Council adopted an ordinance to accept a federal Congestion Mitigation and Air Quality grant to develop a comprehensive traffic signal retiming program for all the major arterial corridors. The grant totaled \$1,756,091 of which \$555,791 was appropriated in FY 2006-07, \$600,500 in FY 2007-08, and \$599,8900 in FY 2008-09.
2.176	Transportation Network Analysis	\$ 150,000	\$ 150,000	\$ 300,000	Funding to start analysis of backlog.
2.208	Constitution Drive Extended	\$ -	\$ 7,636,792	\$ 7,636,792	At the May 8, 2007 Reconciliation Workshop, City Council agreed to amend the capital budget by providing an additional \$2 million to this project in FY 2007-08. Provides for the City's share of construction totaling \$9,176,912. This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
2.256	Indian River Rd - Phase VII (First Cities Project)	\$ 2,000,016	\$ (2,000,016)	\$ -	On May 15, 2007, City Council adopted an ordinance to reallocate funding from various state roadway projects to allow advancement of construction for CIP #2-121, Nimmo Parkway-Phase V-A (VDOT) and #2-305 Princess Anne Road- Phase IV (Ferrell - Phase II) (VDOT) to alleviate congestion on the two most congested roads citywide. Reallocations totaling \$2.5 million are from project #'s 2-025, Witchduck Road - Phase II (Partial) (First Cities Project) and 2-256 Indian River Rd - Phase VII (First Cities Project) for FY 2007-08. An additional \$44.1 million will be reallocated from various roadway projects in fiscal years 2009 through 2012.
2.284	Pavement Maintenance Program	\$ 8,448,000	\$ 856,912	\$ 9,304,912	Adjustment of \$856,912 in FY 2007-08 funding reflects the use of the 2007 bond premium. This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.
2.285	Traffic Safety Improvements-Phase II	\$ 1,000,000	\$ 250,000	\$ 1,250,000	FY 2007-08 funding request was \$250,000 to address additional safety needs. The additional funding will help address the approximately 35 project backlog.
2.305	Princess Anne Road- Phase IV (Ferrell - Phase II) (VDOT)	\$ -	\$ 539,876	\$ 539,876	On May 15, 2007, City Council adopted an ordinance to reallocate funding from various state roadway projects to allow advancement of construction for CIP #2-121, Nimmo Parkway-Phase V-A (VDOT) and #2-305 Princess Anne Road- Phase IV (Ferrell - Phase II) (VDOT) to alleviate congestion on the two most congested roads citywide. Reallocations totaling \$2.5 million are from project #'s 2-025, Witchduck Road - Phase II (Partial) (First Cities Project) and 2-256 Indian River Rd - Phase VII (First Cities Project) for FY 2007-08. An additional \$44.1 million will be reallocated from various roadway projects in fiscal years 2009 through 2012.
Sub-Total Roadways		\$ 16,887,892	\$ 13,605,703	\$ 30,493,595	
Buildings:					
3.367	Various Buildings Rehabilitation and Renewal - Phase II	\$ 1,972,249	\$ 569,038	\$ 2,541,287	Provides funding for replacement of the deteriorated wooden cornice with a plastic/composite cornice on Corrections Center Buildings #1 and #2; replacement vinyl coated double glazed windows to improve energy efficiency; and the remaining cost for a replacement roof for the Judicial Center. This project also involves an appropriation to date transfer shown in Attachment C to the CIP Ordinance.
Sub-Total Buildings		\$ 1,972,249	\$ 569,038	\$ 2,541,287	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
Water Utility:					
5.006	Water Appurtenances Location & Improvements	\$ 75,000	\$ (75,000)	\$ -	Transferring funds to other higher priority water & sewer projects. Project schedule not anticipated to change. This project also involves an appropriation to date transfer shown in Attachment C to the CIP Ordinance.
5.046	Comprehensive Emergency Response & Planning - Phase II	\$ 50,000	\$ (50,000)	\$ -	Total project cost to decrease from \$300,000 to \$250,000. Reallocating \$50,000 to other higher priority water & sewer projects. Project schedule is not anticipated to change.
5.088	Small Line Improvements - Phase IV	\$ 100,000	\$ 400,000	\$ 500,000	Total project cost to increase from \$600,000 to \$1,000,000 due to the addition of three new small line improvement projects. Funds totaling \$400,000 to be reallocated from other water & sewer projects. Project schedule is not anticipated to change.
5.089	Various Roadway/Storm Water Coordination - Phase V	\$ 100,000	\$ (100,000)	\$ -	Total project cost to decrease from \$600,000 to \$500,000. Reallocating \$100,000 to other higher priority water & sewer projects. Project schedule is not anticipated to change.
5.092	Landstown Yard Improvements - Phase III	\$ 360,000	\$ 1,140,000	\$ 1,500,000	Total project cost to increase from \$2,005,000 to \$3,145,000 due to updated cost and expanded scope related to additional hurricane protection needs at the facility. Funds totaling \$1,140,000 to be reallocated from other water & sewer projects. Project schedule is not anticipated to change.
5.117	North Oliver Drive Water Improvements - 51% Program	\$ 50,000	\$ (50,000)	\$ -	This project and its companion project (6.117 North Oliver Drive Sewer Improvements - 51% Program) were completed under CIP #'s 5.091 & 6.146 Water (Sewer) Request & Agreements (51% Program) - Phase V. Therefore CIP 5.117 & 6.117 can be deleted and funding reallocated to higher priority water & sewer projects.
5.163	Various Water Infrastructure Maintenance Support Program	\$ 150,000	\$ (150,000)	\$ -	Total project cost to decrease from \$1,520,000 to \$870,000. Transferring funds to other higher priority water & sewer projects. Project schedule is not anticipated to change. Amount of work was less than anticipated. This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.
5.207	Laskin Road Water Improvements - Phase I (VDOT)	\$ 950,000	\$ (585,000)	\$ 365,000	Total project cost remains \$3,980,000. Transferring funds to other higher priority water & sewer projects. This funding will be replaced in later fiscal years. Construction start/finish dates moved back 6 months. This project also involves an appropriation to date transfer shown in Attachment C to the CIP Ordinance.
5.405	Customer Information System Version Migration	\$ 700,000	\$ (600,000)	\$ 100,000	Total project cost remains \$825,000; \$600,000 of funding for FY 2007-08 reallocated to other higher priority water & sewer projects. This funding will be replaced in FY 2008-09. Project construction start/finish delayed one year.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
5.600	29th Street Water Tank Replacement	\$ 1,000,000	\$ (1,000,000)	\$ -	Total project cost remains \$2,000,000; \$1,000,000 of funding for FY 2007-08 reallocated to other higher priority water & sewer projects. This funding will be replaced in FY 2008-09. Project schedule start/finish dates delayed one year.
Sub-Total Water Utility		\$ 3,535,000	\$ (1,070,000)	\$ 2,465,000	
Sewer Utility:					
6.031	Sewer Appurtenances Evaluation & Improvements	\$ 75,000	\$ (75,000)	\$ -	Transferring funds to other higher priority water & sewer projects. Design and construction start dates moved back one year (to 08/06). This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.
6.061	Comprehensive Emergency Response & Planning - Phase II	\$ 50,000	\$ (50,000)	\$ -	Total project cost to decrease from \$300,000 to \$250,000. Reallocating \$50,000 to other higher priority water & sewer projects. Project schedule is not anticipated to change.
6.065	Infiltration, Inflow, & Rehabilitation - Phase IV	\$ 1,700,000	\$ (200,000)	\$ 1,500,000	Total project cost to decrease from \$23,315,000 to \$23,115,000. Reallocating \$200,000 to other higher priority water & sewer projects. Project schedule is not anticipated to change.
6.066	Pump Station Modifications - Phase IV	\$ 3,250,000	\$ (272,000)	\$ 2,978,000	Total project cost to decrease from \$24,550,000 to \$24,278,000. Reallocating \$272,000 to other higher priority water & sewer projects. Project schedule is not anticipated to change.
6.075	Laskin Road Sewer Improvements - Phase I (VDOT)	\$ 1,225,000	\$ (1,225,000)	\$ -	Total project cost remains \$1,385,000. Funds totaling \$1,225,000 reallocated to other higher priority water & sewer projects. This funding will be replaced in FY 2008-09. Construction start date delayed 6 months (to 07/08) and completion date delayed 1.5 years (to 06/12).
6.085	Sanitary Sewer Aging Infrastructure Program - Phase III	\$ 1,000,000	\$ 3,300,000	\$ 4,300,000	Total project cost to increase from \$11,400,000 to \$14,700,000 to comply with upcoming Department of Environmental Quality consent decree. Reallocating \$3,300,000 from other water & sewer projects to this project. Project schedule is not anticipated to change.
6.106	Various Roadway/Storm Water Coordination - Phase V	\$ 150,000	\$ (150,000)	\$ -	Total project cost to decrease from \$900,000 to \$750,000. Reallocating \$150,000 to other higher priority water & sewer projects. Project schedule is not anticipated to change.
6.117	North Oliver Drive Sewer Improvements - 51% Program	\$ 85,000	\$ (85,000)	\$ -	This project and its companion project (5.117 North Oliver Drive Water Improvements - 51% Program) were completed under CIP #'s 5.091 & 6.146 Water (Sewer) Request & Agreements (51% Program) - Phase V. Therefore CIP 5.117 & 6.117 can be deleted and funding reallocated to higher priority water & sewer projects.
6.139	Bayway Road Sewer Improvements - 51% Program	\$ 48,000	\$ 7,000	\$ 55,000	Total project cost to increase from \$141,000 to \$148,000 to account for inflation. Reallocating \$7,000 from other water & sewer projects to this project. Project schedule is not anticipated to change.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
6.148	System Expansion Cost Participation Agreements - Phase II	\$ 150,000	\$ 1,720,000	\$ 1,870,000	Total project cost to increase from \$750,000 to \$2,470,000 with the addition of 5 new Cost Participation Agreements (CPA'S). Developer CPA's are very dynamic. Reallocating \$1,720,000 from other water & sewer projects to this project. Project schedule is not anticipated to change.
6.168	Various Sewer Infrastructure Maintenance Support Program	\$ 150,000	\$ (150,000)	\$ -	Transferring funds to other higher priority water & sewer projects. Project schedule completion date extended one year (to 06/10). This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.
6.405	Customer Information System Version Migration	\$ 700,000	\$ (600,000)	\$ 100,000	Total project cost remains \$825,000; \$600,000 reallocated to other higher priority water & sewer projects. These funds will be replaced in FY 2008-09. Project construction start/finish delayed one year (to 11-08/11-09).
6.505	Princess Anne Plaza Rehabilitation - Phase II	\$ 1,700,000	\$ (400,000)	\$ 1,300,000	Total project cost to decrease from \$8,200,000 to \$7,800,000 due to the deferment of a sub-project to the out-years based on the revised schedule. Reallocating \$400,000 to other higher priority water & sewer projects. Project schedule is not anticipated to change.
6.602	Princess Anne Rd/Kempsville Rd Intersection Improvements	\$ 550,000	\$ (550,000)	\$ -	Total project cost remains \$750,000; \$550,000 reallocated to other higher priority water & sewer projects. This funding will be replaced in FY 2009-10. Project deferred one year. Construction finish date remains at 06/10.
6.613	Auxiliary Power Program - Sewer Pump Stations - Phase II	\$ 500,000	\$ (200,000)	\$ 300,000	Transferring funds to other higher priority water & sewer projects. Project schedule is not anticipated to change. This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.
Sub-Total Sewer Utility		\$ 11,333,000	\$ 1,070,000	\$ 12,403,000	
Storm Water Utility:					
7.005	North Lake Holly Watershed	\$ 1,000,000	\$ (1,000,000)	\$ -	Funds reallocated to higher priority storm water projects. Construction delayed approximately 17 months. Cost increase by \$1.0 million. Funding changes will only marginally affect this project. This project is constructed in phases, and the funding shifted will be replaced later in the construction.
7.016	South Lake Holly Watershed	\$ 1,000,000	\$ (1,000,000)	\$ -	Funds reallocated to higher priority storm water projects. Cost increased by \$4.97 million. Funding changes will only marginally affect this project. This project is constructed in phases, and the funding shifted will be replaced later in the construction.
7.027	SWM Master Planning, Analysis, and Inventory	\$ -	\$ 100,000	\$ 100,000	Total project cost increased by \$100,000. Funds reallocated from other storm water projects.
7.031	Kempsville Greens GC Community Stormwater Bank Stabilization	\$ -	\$ 125,000	\$ 125,000	Total project cost increased by \$125,000. Funds reallocated from other storm water projects.
7.063	Neighborhood Storm Water Infrastructure Improvements	\$ 828,225	\$ 6,415	\$ 834,640	Total project cost increased by \$6,415. Funds reallocated from other storm water projects.

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
7.152	Lake Management	\$ 1,631,415	\$ (631,415)	\$ 1,000,000	Funds reallocated to higher priority storm water projects. New technologies will be used to improve lake health at a lower cost.
7.159	Water Quality Participation Projects	\$ 600,000	\$ (500,000)	\$ 100,000	Funds reallocated to higher priority storm water projects. Cost decreased by \$6.7 million over the CIP period because the Army Corps of Engineers lacks funding for participatory programs.
7.183	Storm Water Quality Enhancements	\$ 350,000	\$ 400,000	\$ 750,000	Funds reallocated from other storm water projects.
7.902	North Beach Drainage	\$ -	\$ 2,500,000	\$ 2,500,000	Funds reallocated from other storm water projects to ensure construction of the 61st Street pump station. Cost increased by \$6.8 million over 2 years to account for 2 years of inflation. Projected slated to begin construction in September 2008. This pump station is needed to address flooding at the north end of Atlantic Avenue during heavy rains. During deliberations on the use of General Fund Fund Balance, Council directed staff to include this item for consideration for FY 2007-08 funding.
Sub-Total Storm Water Utility		\$ 5,409,640	\$ -	\$ 5,409,640	
Coastal:					
8.002	Beach Profile Monitoring Program	\$ -	\$ 75,000	\$ 75,000	This project provides for annual surveys to measure outlying beaches. City Council funded this adjustment using the fund balance of the Agriculture Reserve Program.
8.004	Various Minor Dredging Project	\$ -	\$ 865,000	\$ 865,000	This project provides for dredging of Crab Creek, Long Creek, and Keeling Drain. City Council funded this adjustment using the fund balance of the Agriculture Reserve Program.
8.014	Lynnhaven Inlet Maintenance Dredging	\$ -	\$ 160,000	\$ 160,000	City Council funded this adjustment using the fund balance of the Agriculture Reserve Program. Provides additional annual funding to accumulate costs for dredging of Lynnhaven Inlet on a 3-to-4 year cycle.
8.018	Outfall Improvements for 79th, 16th, & 42nd Streets	\$ -	\$ 3,600,000	\$ 3,600,000	This project provides for the construction of the 79th Street ocean outfall and pipe improvements and for outfall improvements for the 16th and 42nd Street storm water pump stations. It is for the completion of CIP # 9-704, Beach Erosion Control & Hurricane Protection. For this final phase, total estimated project cost is \$13.9 million, and includes a City (35%) and Federal government (65%) cost share. Federal appropriations would total \$10.3 million for this project and are pending.
8.282	Sandbridge Beach Restoration	\$ 1,912,750	\$ 792,036	\$ 2,704,786	Reflects updated estimated revenue to be produced by the Sandbridge Special Service District.
Sub-Total Coastal		\$ 1,912,750	\$ 5,492,036	\$ 7,404,786	
Total Quality Physical Environment		\$ 41,050,531	\$ 19,666,777	\$ 60,717,308	

City of Virginia Beach, Virginia
Amendments to the Approved FY 2007-08 Capital Improvement Program*

Project Number	Project Title	Approved FY 2007- 08	Adjustments to FY 2007- 08	Amended FY 2007- 08	Comments
<u>Safe Community</u>					
Buildings:					
3.344	Police Fourth Precinct - Replacement	\$ -	\$ 680,150	\$ 680,150	Funds will provide for the design of this replacement facility. This project also involves an appropriation to date transfer shown in Attachment C of the CIP Ordinance.
Sub-Total Buildings		\$ -	\$ 680,150	\$ 680,150	
Total Safe Community		\$ -	\$ 680,150	\$ 680,150	
Total All Business Areas		\$ 93,153,129	\$ 21,011,390	\$ 114,164,519	

* Changes to prior years' appropriations are shown in Attachment C to the CIP Ordinance.

Base and Above-Base Expenditures

(With City Council Amendments for FY 2007-08)

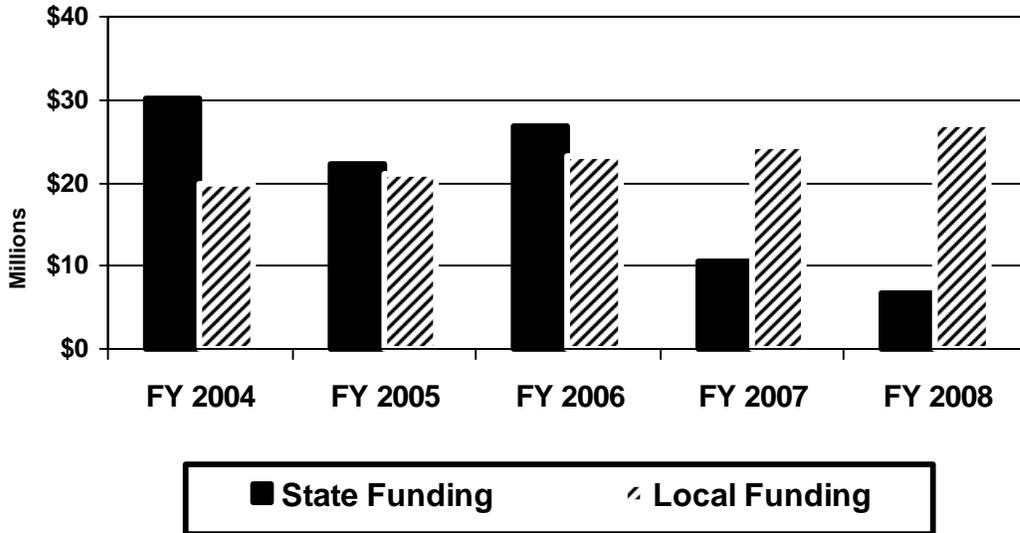
	FY 2006-07 Adjusted		FY 2006-07 Real Estate	FY 2007-08 Amended		FY 2007-08 Real Estate
	City	Schools	Tax Rate	City	Schools	Tax Rate
Base Appropriations:						
Public Safety	\$ 190,196,554	\$ -		\$ 185,183,840	\$ -	
General Government	46,947,316	22,688,423		46,403,724	22,058,836	
Transportation	22,375,547	32,574,425		22,604,375	31,457,734	
Trash Collection	29,843,625	-		28,312,597	-	
Building Maintenance	22,562,303	105,101,238		23,955,056	109,364,761	
Arts, Recreation, Open Space	58,419,737	-		60,026,862	-	
Community Support	126,677,400	-		131,039,619	-	
Economic Vitality	75,274,169	-		74,089,280	-	
Financial Systems	18,880,108	-		18,433,529	-	
Learning	16,932,793	601,970,268		16,615,230	613,781,484	
School Athletics	-	4,678,989		-	4,749,056	
Debt Service	83,919,969	40,282,967		95,315,679	41,402,094	
Infrastructure Maintenance	105,800,943	-		108,228,763	-	
School Food Services	-	24,528,369		-	26,349,312	
City Adjustment	-	-		-	(446,860)	
Outstanding Encumbrances	-	-		-	-	
Reserve for Contingencies	13,946,954	-		38,523,159	-	
Council Adjustments						
Total Base Funding	\$ 811,777,418	\$ 831,824,679		\$ 848,731,714	\$ 848,716,415	
Base Real Estate Tax Rate			\$ 0.9900			\$ 0.8362
Real Estate Tax Revenue - Above the Base:						
Existing Commitments:						
Increase in Tax Relief for the Elderly				1,985,675	-	0.0041
Agriculture Reserve Program				453,585	-	0.0009
Recreation Center Dedicated Funding				1,865,870	-	0.0039
Outdoor Initiative Dedicated Funding				252,290	-	0.0005
Compensation:						
Health Insurance				3,804,864	-	0.0079
Salary Compression						
Public Safety				3,600,000	-	0.0075
General Employees				630,000	-	0.0013
Merit Increase				3,091,992	-	0.0064
Market Adjustment				3,800,000	-	0.0079
School Compensation				-	23,097,745	0.0481
Parks and Rec CIP for Pedestrian Improvements				337,980		0.0007
Health Department Contribution				102,780		0.0002
Increased Funding to Housing to free up funding for loans				898,486		0.0019
Retiree Healthcare				629,631		0.0013
Vehicle Replacement Funding				250,000		0.0005
HRT Contribution				224,726		0.0005
City Council Amendments:						
Reduction to Schools					(8,310,916)	(0.0172)
Increase in State Revenue to Schools					1,185,414	0.0025
Reduced Appropriation to Schools Athletic Fund					(67,411)	(0.0001)
Reductions by Departments				(1,848,135)		(0.0038)
Increase Revenue from Virginia Beach Convention Center				114,122		0.0003
Reduction to Lynnhaven Mall, Sandbridge, and CBD TIF's				(723,167)		(0.0015)
Additional Increase in Tax Relief for the Elderly				1,100,000		0.0023
Elimination of proposed boat tax				(1,100,000)		(0.0023)
Restore Agriculture Reserve Program (ARP) Funding				292,715		0.0006
Reduction in set aside for GASB 45				(2,500,000)	(2,500,000)	(0.0104)
Elimination of Market Survey Adjustment				(3,800,000)		(0.0079)
Change in Overtime Policy for Non-Public Safety Employees				(1,000,000)	(110,000)	(0.0023)
Delay Computer Replacements				(112,000)		(0.0002)
Subtotal Above the Base				\$ 12,351,413	\$ 13,294,832	0.0538
Total Adopted Budget				\$ 861,083,127	\$ 862,011,247	
Revised Real Estate Tax Rate						\$ 0.8900

Note: Base Appropriations includes all revenue sources and is not limited to Real Estate Tax Revenue.

Options for Funding Local Transportation

State funding for local road construction has been cut. As the graph illustrates, this decline has dropped the annual contribution from \$30.2 million in FY 2003-04 to \$6.8 million in FY 2007-08, based on preliminary information from VDOT.

State and Local Funding for Transportation



The changes made by the General Assembly in transportation funding are focused primarily on major interstate and regional roadways. Current expectations are that local road funding will increase by roughly \$7 million in FY 2008. This increase still leaves us \$16 million below where we were five years ago and woefully short of reasonably meeting the growing need for local Roadway improvements. As has been discussed with City Council, the reality is that we need to rethink how we are funding existing projects and continue to press the state for appropriate funding.

There are 25 road construction projects identified in our Capital Budget which are partially funded through a combination of local and/or VDOT funding. The current strategy has been to spread the limited funding over each project to pool enough funds over time to construct them. This strategy, combined with road costs approaching \$15 to \$20 million a mile and several major projects that are well over \$50 million, means in any given year few roads are actually constructed. For FY 2008 we expect only 6 roadways to actually be under construction. At the current levels of funding it will take well over 12 years to construct all of the roadways currently in the six-year CIP.

We are faced with three strategies: 1) continue as presently being done, spreading the limited funding over all the projects; 2) focus the limited funding on a few priority projects and have those constructed, even if it means other projects lose funding and are further delayed; 3) identify new sources of revenue/debt to move priorities forward.

On January 30th, City Council held a town hall meeting to discuss this issue with the public. Following that, on March 6th, the City Council received an initial briefing on roadway transportation funding. This briefing was designed to begin looking at these three options as well as identifying others that may exist. Also, City Council discussed options for transportation funding at the mid-year retreat on March 12th. We would like to summarize where we think the conversation is on the various options and identify costs and

potential revenues in more detail. We are proposing to utilize the budget workshop scheduled on April 10th to discuss the options and determine what, if any, steps need to be taken within the FY 2008 Budget and Capital Improvement Program.

In summary, we believe there is agreement on the following four points:

1. We want to improve maintenance of existing roadways so that no road is below standard (standard is defined at grade D).
2. We want to focus funding, both City and VDOT, on priority projects and those where we will make critical system connections to improve transportation flow rather than spread it over many projects.
3. We want to focus funding on immediate roadway system improvements such as intersections.
4. We acknowledge that even with focusing existing funding on critical projects, new funding is necessary given the dramatic increases in construction costs.

If during the workshops we discuss how to move existing funding around to focus on high on priorities, then the next point would be to examine where we could potentially get additional resources. For discussion purposes, possible additional resources could come from:

- The decal fee is tied to the State's vehicle registration fee. With the new transportation initiative approved by the General Assembly the State fee is increasing by \$10 (from \$29.50 to \$39.50 for vehicles less than 4,000 lbs). We would need General Assembly action to similarly increase our decal; however, each \$1 increase in the decal fee would generate \$377,000 in new revenue.
- Increasing the personal property tax on vehicles by \$0.10 would generate \$3.5 million. Currently our \$3.70 per \$100 of assessed value is the lowest tax rate in the region (next lowest would be Norfolk and Chesapeake at \$4.00 per \$100 of assessed value).
- Another option would be to look at existing development fees that could be raised to free up existing City revenues that could then be used to offset the impact of development on road capacity. We know that if we used our existing proffers model, the transportation portion of the model would require that for each development unit constructed the development would pay approximately \$6,000. There may be other development fees that could be examined as well.

If we move away from a direct nexus to transportation, the real estate property tax could generate \$5.3 million for each penny increased from the proposed 93¢ tax rate.

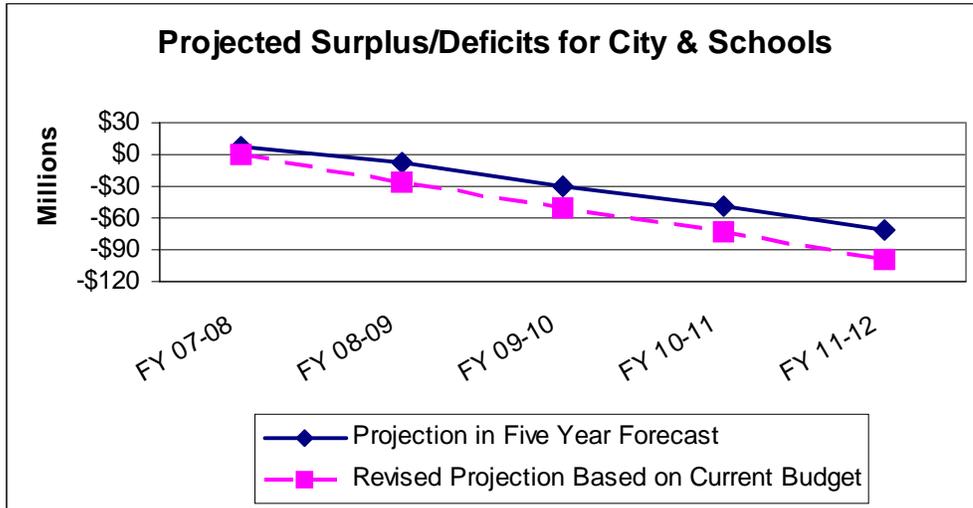
Before deciding on any combination of these or other strategies, we need to clearly understand what we are trying to accomplish with local transportation. To do that in a somewhat comprehensive way we will be prepared to facilitate your discussions on April 10th. If necessary, we can certainly schedule additional workshops.

Council Adopted Budget:

In a continuing effort to address traffic congestion, on May 15, 2007 Council adopted an ordinance to advance the construction of the two most locally congested projects. This ordinance reallocated funding within the six-year CIP period from various state roadway projects to advance the construction of Nimmo Parkway-Phase V-A (VDOT) (CIP 2-121), and Princess Anne Road-Phase IV (Ferrell-Phase II) (VDOT) (CIP 2-305).

Updated Five-Year Forecast

The Five Year Forecast, provides an opportunity to review the fiscal impact of current policy and practices. This year, the forecast projected a small surplus in FY 2007-08 and growing deficits each year after based on current City Council and School Board policies. Based on this proposed FY 2007-08 budget, the forecast has been updated to show the changes made and how it will affect the forecast.



In updating the forecast based on the biennial budget, the projected deficit grew from \$6.8 million to \$26.2 million (\$17.9 million is attributed to Schools and \$8.3 is attributed to the City). This increase is largely due to two significant assumptions:

On the expenditure side, the forecast did not originally include the costs of complying with the GASB 45 requirements since costs were still undetermined. The revised projection shows a combined \$10 million contribution (\$5.5 for the City and \$4.5 for the Schools) in FY 2008. This contribution is expected to rise to \$19 million each year thereafter in FY 2009 – FY 2012 (\$9 million for the City and \$10 million for the schools). These costs are reflected in the revised projection.

The second assumption made in the forecast was concerning real estate tax revenue. In the biennial budget, the FY 2007-08 approved budget assumed a 13.6% growth in real estate revenue. Currently, real estate revenue stands to grow at 11.2% in this forecast. Future years' real estate revenue was also reduced to reflect more recent data. It is important to note that current data still shows growth in real estate revenues (5%), but not at the same levels it has grown in past years.

While these projected deficits are a cause for concern, it is important to remember that changes can be made that will have an affect on future deficits/surpluses. A good example of this is the cost to comply with GASB in FY 2007-08. The Five Year Forecast was originally projecting a total surplus of \$7.8 million shared between City and Schools but did not include any costs for GASB. The GASB 45 payment in this budget is \$10 million and outweighs the potential surplus of \$7.8 million. Despite this, the proposed budget for FY 2007-08 is balanced.

In order for the City to fix the proposed deficit in FY 2009 will require a change in Council policies that could include changes in expenditures, such as compensation, or reducing pay-as-you-go levels in the CIP, or revenues such as increased fees for service.

Council Adopted Budget

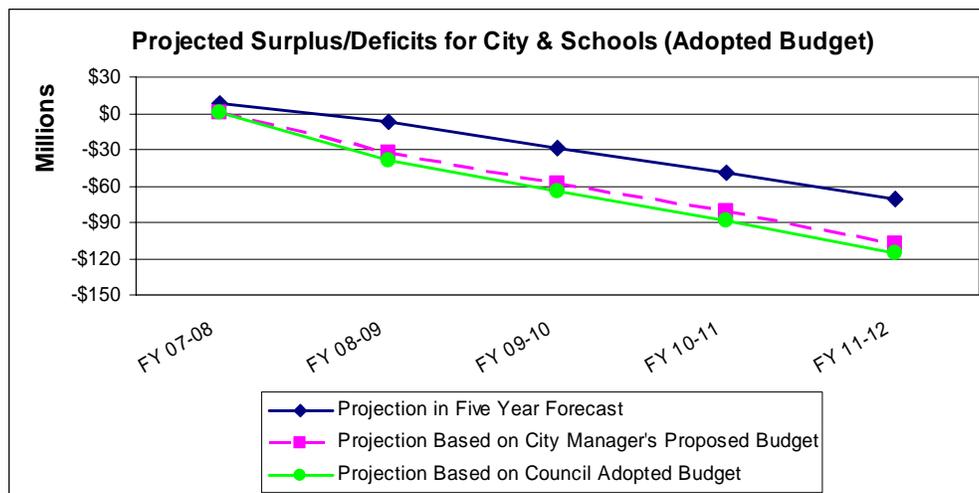
With the changes made to the approved budget, certain policies were changed that will affect the Five Year Forecast's expenditures and revenue assumptions. Several key points are:

Expenditures

- The City's GASB 45 contribution was reduced in the current year by \$2.5 million and the Schools reduced their GASB 45 contribution by \$2 million as well. The updated forecast assumes that Council policies will be adjusted to so that future GASB payouts will be reduced from \$19 million per year to \$14.5 million. As a result, the total set aside for GASB in FY 2008 is not \$10 million but \$7.5 million and future expenditures are reduced.
- The original forecast projected a 1.5% general increase and a 3% merit increase for FY 2007-08 and future years. The City Manager's proposed budget and the Council adopted budget includes merit raises for employees in FY 2007-08 and future years at 2% with a 1.5% general increase.
- The use of ARP fund balance for various CIP projects assumes that since the fund balance is a one-time use of revenue, the CIP projects associated with it, are also one-time projects. While the CIP projects associated with ARP fund balance are assumed to go away, there is \$2.5 million worth of expenditures in the General Fund (not related to the CIP) that continue in FY 2009 and beyond.

Revenues

- Real Estate revenue is decreased by approximately \$21.9 million with the reduction from 93 cents to 89 cents (split along the revenue sharing policy guidelines between City and Schools). The updated forecast assumes 5% growth in real estate revenue each year after FY 2007-08.
- A total of \$5.6 million is included in FY 2007-08 revenues from ARP fund balance, however \$3.1 million is associated with one time expenses in the CIP. This leaves \$2.5 million in fund balance (revenues) that contributes to the deficit in future years.



As the graph above shows, the combined actions of the City Manager's proposed budget and City Council amendments will require the City to make adjustments of approximately \$39 million (with \$12 million coming from the City and \$27 million coming from the Schools) in FY 2008-09. This reduction in light of the backlog of CIP projects and the rising cost of services will require that the City change policies to balance the budget either through increased revenue or decreasing expenditures.

Benchmarks of Performance

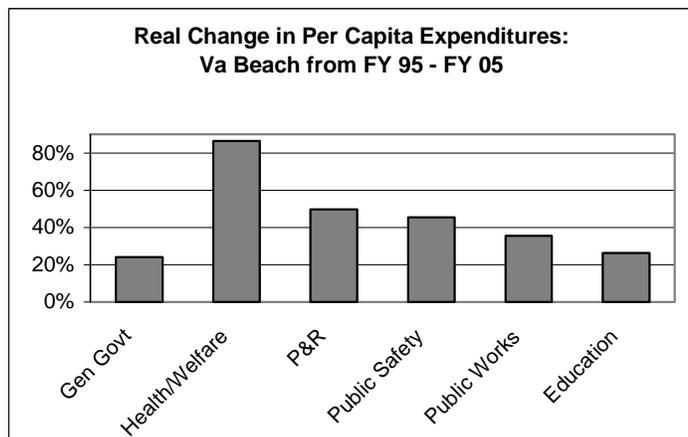
Introduction

Evaluating the performance of any organization, public or private, has become a necessity in today's world. In any organization, there is a need to determine how well an organization is performing. The City of Virginia Beach is no different and strives to be a leader in examining the tradeoffs between the level of funding for a program versus the services it delivers. The City of Virginia Beach uses four ways to measure or evaluate the performance of a local government. First, comparisons can be made over time such as measuring the increase in expenditures for an organization. Second, comparing the growth in expenditures to changes in population and/or inflation is often useful. Third, comparisons can be made against certain standards. Often, national, state, or private organizations produce standards of performance or a desired service level such as park acreage per capita. Finally, comparisons against other organizations can be insightful as to how well an organization is performing. One common form of these comparisons is the practice of benchmarking. In this case, various financial and service indicators are compared against those for similar localities. The selection of localities was based on the following criteria: reputations for efficient and effective service delivery; similar socio-economic and demographic characteristics; the locality's bond rating, and neighboring-geographic considerations. The localities selected for local/state comparisons are Chesapeake, Chesterfield, Henrico, Prince William and Norfolk.

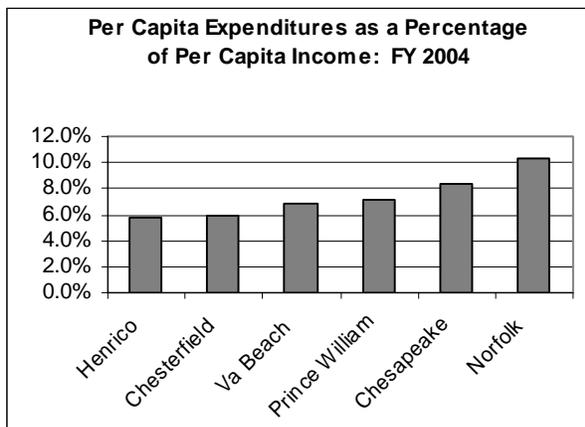
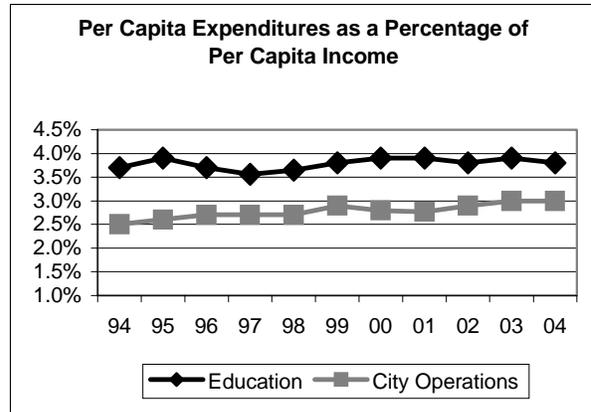
Financial and Expenditure Benchmarks

The Virginia Auditor of Public Accounts (APA) provides financial data each year on municipal expenditures. The APA divides municipal budgets into six different categories: General Government, Health and Welfare, Parks and Recreation, Public Safety, Public Works, and Education. This provides localities with ways to compare things like per capita expenditures, though it cannot fully account for different service populations. These tables help compare how Virginia Beach fares in terms of per capita expenditures over time as well as against other localities in an apples-to-apples comparison. The first two graphs show Virginia Beach expenditures over time, while the last five graphs show Virginia Beach compared to other localities. Since the APA reports actual expenditures, the data lags in some of the most recent expenditures (FY 2004-05), but is the most up-to-date source of comparison.

The graph to the right shows the change in per capita expenditures for Virginia Beach after adjusting expenses for inflation and growth in population. This graph is significant because it shows which service areas have seen the largest increases in expenses over the last ten years. While Health/Welfare is clearly seeing the largest growth rate, the majority of this growth is offset by revenue such as Federal Revenue Maximization Funds, or Mental Health Funds. All six service areas have increased by more than 20%, with Health/Welfare, Parks and Recreation, and Public Safety growing by more than 40%.

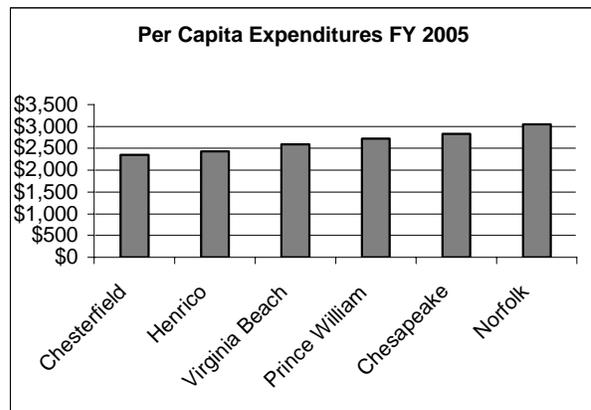


The graph to the right shows the per capita expenditures for the City and Schools as a percentage of per capita income over the last ten years. For FY 2004, the combined amount of per capita expenditures for both City and Schools is just under 7% of per capita income. The importance of this graph is that it shows the per capita expenses for the City and Schools have remained a consistent percentage of per capita income. While there has been an increase in expenditures over time, it has mostly mirrored the increase in per capita income, remaining at approximately 7%. Both the City and Schools have increased their percentage of expenditures versus income, but only by half a percent.

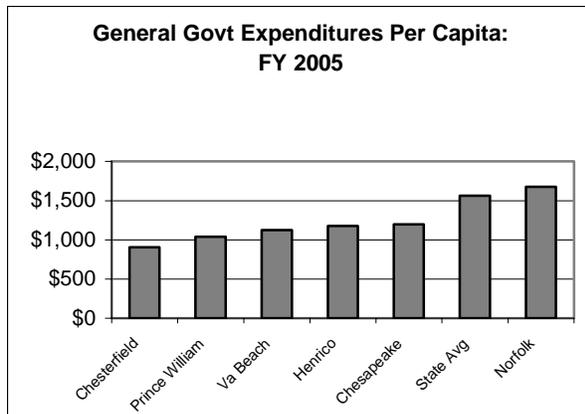
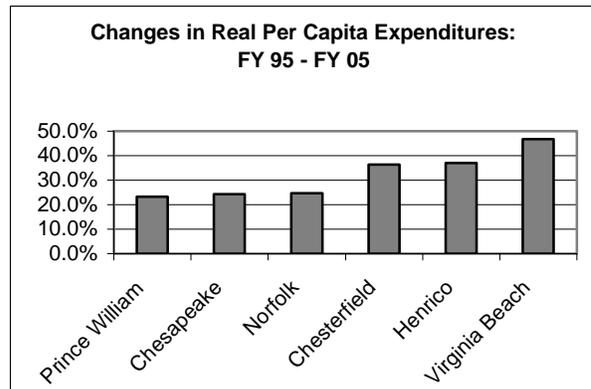


If Virginia Beach has maintained a combined per capita expenditure (both City and Schools) of about 7% of per capita income, how does that compare against other localities? The graph to the left shows that Virginia Beach is in a good position with regards to competing localities. Of the five other jurisdictions profiled, only Chesterfield and Henrico have a lower percentage of expenditures versus income. This could be explained by the fact that the State handles expenses for road services which keeps their expenditures down. Also contributing to this factor is that Virginia Beach has higher per capita expenditures on schools than either Henrico or Chesterfield.

The graph to the right shows the total per capita expenditures for Virginia Beach and five other comparison localities. In this comparison, Virginia Beach has lower per capita expenditures than all other localities except Henrico and Chesterfield counties.

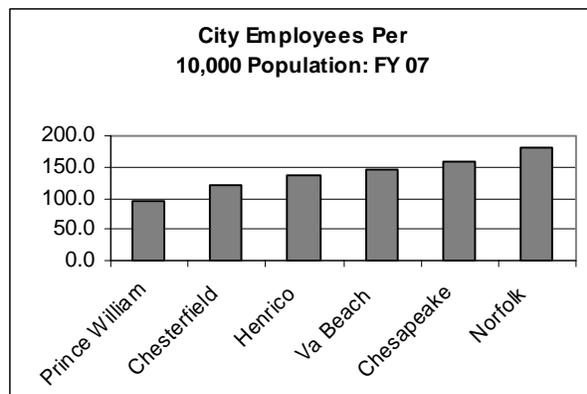


While our per capita expenditures are relatively low, an area of concern is the rate of increase in per capita spending. The graph to the right shows that per capita expenditures in Virginia Beach are growing at a rate faster than most of the comparison jurisdictions. It is important to note that this table shows the rate of increase in per capita expenditures and should not be confused with per capita spending. While this graph may not display a positive trend, there may be reasons for increases in per capita spending (public safety, roadways, etc.). Also, as we have seen, despite this increase in per capita spending, Virginia Beach continues to have low per capita expenditures.



Sometimes citizens argue that governments spend too much on administrative overhead and not enough on service areas themselves. Looking at a per capita basis, the graph to the left shows that Virginia Beach compares favorably to other localities in terms of expenses on administrative functions (including the State average). It should be noted that the APA's definition of General Government does not include administrators working in a service department (such as an administrative assistant within a department). Instead, it applies to areas identified outside of specific service areas.

The last graph displays the number of employees per 10,000 population in relation to other localities. While Virginia Beach currently fares better than Chesapeake and Norfolk, we trail Prince William, Chesterfield and Henrico. It should be noted that Chesterfield and Henrico's figures increased substantially in this comparison versus figures from last year. Again, some of this may be related to the county governments not having to pay for roadway services and roadway employees since the State assumes most of that responsibility. Also worth noting is that even though Virginia Beach, Chesapeake and Norfolk all have a similar number of employees per 10,000 population, Virginia Beach has a lower tax rate than both cities.



In summary, the City's recent historical expenditures indicate that Virginia Beach compares favorably to other localities both within the region and against other similar communities. The spending priorities for Virginia Beach show increased expenditures in Health and Welfare, Parks and Recreation and Public Safety. The benchmark comparison indicators described in this section suggest that Virginia Beach is a low-cost provider of governmental services.

Service and Quality of Life Indicators

Another way to compare localities is through indicators that capture aspects of broad service delivery as well as the quality of life of a community. While a local government has some influence over these indicators, many reflect broad demographic factors and are thus beyond the control of a local government. In these cases, the indicators are important in that they reflect quality of life of a community and can serve to educate governmental leaders and citizens of successes and needs. The table on this page contains comparison data for Hampton Roads cities while the table on the following page reviews how Virginia Beach has done on these measures over time.

Comparative Indicators

	Year	Virginia Beach	Chesapeake	Norfolk	Portsmouth	Suffolk	Hampton	Newport News
Crime Rate Per 1,000 Population	06	32.2	35.4	n/a	59.0	36.1	40.4	48.7
Percentage of Violent Crimes Solved	06	54.2	50.0	n/a	44.0	34.2	57.9	50.0
Average Daily Jail Population	07	1,559	1,037	1,801	593	1,244	505	640
Square Feet of Full Service City Recreation Center Space / 10,000 Population	06	8,928.5	0	317.7	0	0	2,058.9	4,409.7
Acres of Parkland per 10,000 Population (survey from State in 2000)	00	142.3	65.7	99.5	73.0	1,020.1	125.0	613.7
Library Book Circulation per Capita	04	6.6	9.33	4.1	3.9	3.0	4.5	3.7
Library Books per Capita	04	2.1	2.9	3.1	3.4	2.3	2.0	2.4
Percentage of Population Receiving Food Stamps	07	3.7	5.6	13.2	14.9	9.4	8.8	11.2
Infant Mortality Rate per 1,000 Births	05	7.8	8.6	11.2	17.9	10.2	7.9	13.3
Household Participation Rate for Recycling	06	65	34	56	0	23	90	61
Percentage of 5 th Graders who Passed the English Reading Standards of Learning	06	91	86	82	83	80	81	78
School Drop-Out Rate	06	1.2	2.0	1.9	3.7	4.9	2.5	0.3
City Employees per 10,000 Population	07	147.2	160.0	180.7	186.8	132.6	124.6	146.23
Real Estate Assessment to Actual Property Sales Ratio	05	64.2	97.4	75.8	72.6	72.0	98.0	73.0
Voter Participation Rate (November 2006)	06	47.4	51.0	47.0	48.2	50.0	50.8	44.0
Municipal Debt per Capita	06	\$1,921	\$1,645	\$2,016	\$2,111	\$1,994	\$1,377	\$2,176
Unemployment Rate (December 2006)	06	2.7	2.8	3.9	4.1	2.8	3.5	3.3
% Job Growth (2 nd qtr FY05-2 nd qtr FY06)	06	2.3	5.3	-1.6	1.1	3.5	-4	0.2
Per Capita Income	04	\$36,177	\$32,507	\$28,611	\$27,265	\$28,550	\$29,388	\$26,782
Moody's Bond Rating for Municipalities*	06	Aa1	Aa2	A1	A1	Aa2	Aa2	Aa2

*Note that Standard & Poor's upgraded the City's Bond Rating to AAA in 2007

Virginia Beach Indicators

	FISCAL YEARS					
	06	05	04	03	02	01
Crime Rate Per 1,000 Population	32.2	33.4	32.1	36.2	37.5	38.1
Percentage of Violent Crimes Solved	54.2	51.5	62.6	53.6	56.8	62.8
Average Daily Jail Population	1,559	1,211	1,178	1,108	1,070	999
Square Feet of Full Service City Recreation Center Space / 10,000 Population	8,928.5	8,886.4	8,954.3	9,040	9,036	9053
Acres of Parkland per 10,000 Population (survey from State in 2000)	142.3	144.1	144.1	144.1	144.1	144.1
Library Book Circulation per Capita	6.6	6.4	6.4	6.5	6.5	6.4
Library Books per Capita	1.7	2.1	2.1	2.0	1.9	1.9
Percentage of Population Receiving Food Stamps	3.7	3.8	3.6	3.2	3.2	3.0
Infant Mortality Rate per 1,000 Births	NA	7.8	7.8	10.5	7.2	7.1
Household Participation Rate for Recycling	65	75	75	75	76	76
Percentage of 5 th Graders who Passed the English Reading Standards of Learning	91	90.1	87.4	86.6	81.9	78.9
School Drop-Out Rate	1.2	1.3	1.6	1.6	0.8	3.5
City Employees per 10,000 Population	147.2	146.9	137.9	134.5	135.1	135.3
Real Estate Assessment to Actual Property Sales Ratio	NA	64.2	NA	82.4	86.4	90.6
Voter Participation Rate (November)	47.4	37.7	67.0	18.0	39.4	39.1
Municipal Debt per Capita	\$1,921	\$1,887	\$1,883	\$1,412	\$1,411	\$1,161
Unemployment Rate (December 2006)	2.7	3.0	3.3	3.1	3.1	3.5
% Job Growth (2 nd qtr-2 nd qtr)	2.3	2.5	3.8	-1.1	0.8	0.6
Per Capita Income	NA	\$36,177	NA	\$32,848	\$32,219	\$31,161
Moody's Bond Rating for Municipalities	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1

DEMOGRAPHIC INFORMATION

The table below highlights available information from the last three Censuses for Virginia Beach as well as the Census' 2005 American Community Survey:

Demographic Characteristic		1980	1990	2000	2005
Sex:	Male	50.8%	50.8%	49.5%	49.2%
	Female	49.2%	49.2%	50.5%	50.8%
Age:	Below 18	30.7%	28.0%	27.5%	27.1%
	65+	4.5%	5.9%	8.4%	9.3%
	Peak Earning Years (Age 35 to 54)	23.1%	24.9%	30.5%	31.3%
	Median Age	26.9	28.9	32.7	34.9
	Dependency Pop. (Under 18 and 65+)	35.2%	33.9%	35.9%	36.4%
Race:	White	86.5%	80.5%	71.4%	70.2%
	Black/African American	10.0%	13.9%	19.0%	19.0%
	American Indian/Alaskan	.2%	.4%	.4%	0.3%
	Asian/Hawaiian/Pacific	2.5%	4.3%	5.0%	5.5%
	Other Race	.7%	.9%	1.5%	1.4%
	Two or More Races*	N/A	N/A	2.7%	3.6%
	Hispanic**	2.0%	3.1%	4.2%	4.8%
Households:					
	Family Household	79.2%	75.4%	71.8%	70.0%
	Married Couple Family	66.6%	62.9%	55.7%	52.9%
	Female Householder	10.3%	9.5%	12.4%	13.7%
	Non-Family Household	20.9%	24.6%	28.2%	30.0%
	Households with Children under 18	N/A	44.8%	42.1%	39.4%
	Housing Occupancy: Owner	64.2%	62.5%	65.6%	66.6%
	Renter	35.8%	37.5%	34.4%	33.4%
	Average Household Size	2.97	2.82	2.70	2.67
	Average Family Size	3.35	3.21	3.21	3.17
Migration:					
	% who lived in VB 5 years ago	56.0%	59.9%	70.1%	N/A
Marital Status:					
	Single, Never Married	26.5%	24.7%	25.5%	26.7%
	Married	61.0%	58.4%	57.1%	55.6%
	Separated	3.0%	5.4%	3.2%	2.7%
	Widowed	4.0%	4.0%	4.7%	4.5%
	Divorced	5.5%	7.6%	9.5%	10.5%
Median Household Income		\$20,203	\$36,271	\$48,705	\$58,545
Median Family Income		\$21,809	\$39,112	\$53,242	\$66,102
Poverty:					
	Persons	8.9%	5.9%	6.5%	7.4%
	Families	7.7%	4.3%	5.1%	6.3%
	Children under 18	13.0%	7.6%	8.6%	11.7%
	65+	10.3%	8.0%	4.7%	6.7%
	Female Householder	38.9%	20.2%	18.9%	24.5%
	With Children	45.8%	26.5%	23.1%	30.5%

Demographic Characteristic	1980	1990	2000	2005
Housing Expenses:				
Owner Expenses Exceeding 30% of Income	26.3%	30.7%	27.4%	30.4%
Renter Expenses Exceeding 30% of Income	37.8%	39.0%	37.9%	47.0%
Percent of Homeowners Mortgage Free	11.1%	11.4%	13.9%	16.7%
Education Attainment:				
High School Grad	80.0%	88.0%	90.4%	92.5%
College Grad	22.4%	25.5%	28.1%	30.9%
Labor Force:				
Labor Force Population Rate	71.2%	76.8%	72.9%	72.0%
Female Participation Rate	55.8%	65.9%	65.5%	66.0%
% of Labor Force in Armed Forces	18.2%	18.6%	13.3%	8.4%
% Unemployed	5.3%	4.7%	4.1%	4.9%
Percent Who Drive Alone	67.5%	78.4%	82.0%	82.8%
Percent Who Car Pool	21.2%	12.0%	10.8%	10.1%
Mean Travel Time	21.9 min.	22.7 min.	23.9 min.	22.9 min.

* New category in 2000; ** can be of any race.

Note: Totals may not equal 100% due to rounding.
Source: Census Bureau

Financial Management

The following policies have been employed by the government to be used as the basis for guiding short- and long-term budget and Capital Improvement Program planning:

Resource Direction and Guidance

The City's current fiscal condition is excellent. City Council continues to improve that condition, allowing the community to look toward strategic goals from a position of strength. Indicators of our excellent fiscal condition include: a healthy fund balance; an AA1 bond rating; and relatively low per capita spending. The Resource Management Plan will continue City Council's basic fiscal policies for FY 2006-07 and 2007-08:

- Maintain, to the extent possible, existing services, levels of service, and infrastructure.
- Position the City to withstand local and regional economic disruptions.
- Meet the demands of natural growth, decline, and change.
- Help maintain the City's ability to shape its fiscal and community future.
- Ensure that the citizens understand and support the need for fiscal sustainability and the policies through which it is achieved.
- Maintain a diverse tax structure that provides for quality basic services and minimizes the need for future real estate tax rate increases.
- Maintain the debt policies established by Council and monitor them, making recommended changes as circumstances demand.
- Provide for special services and projects through dedicated revenue generation (i.e., Tourism Growth Investment Fund, Economic Development Investment Fund, Golf Courses, and Tourism Advertising Program).

Resource Process

The City uses a modified zero base budget approach centered on programs with supporting performance measures. During the budget process, departments are requested to submit their budget.

Once the budget is submitted to the Department of Management Services, account clerks audit the budget proposal for mathematical accuracy. Then, analysts review the budget to determine if the amount of funding requested is appropriate based on the following criteria: Is the request supported by a change in performance measures? Does it further a Council goal? Does it further the City's strategic plan? Is it a State or Federal mandate? Is it supported by other revenue sources? Is it a public safety or health issue? Will it provide savings in the future?

Once the budget has been thoroughly reviewed by Management Services, a recommendation is forwarded to the City's seven Strategic Issue Teams that are formed around business areas. Each of the teams review Management Services' recommendation, and they provide a recommendation to the Budget Caucus based on whether the requests further the City's strategy. The Budget Caucus, comprised of all members of the Strategic Issue Team's, is established for the purpose of reviewing each of the Strategic Issue Team's recommendations, and for providing a final recommendation to the Management Leadership Team (the City Manager and the four Chiefs'). The MLT makes a final decision on what items are included in the budget that is presented to City Council.

The capital improvement program follows a similar process.

Operating Budget Policies

- The budget will be balanced on current revenue to expenditure basis.
- Unencumbered budget appropriations, except for those for capital projects and grants, will lapse at the close of the fiscal year.
- The appropriation ordinance establishes the legal level of budgetary control. Other levels of budgetary control may be set by the City Manager (see the appendix section of the Operating Budget for a current copy of this policy).
- The City will seek to provide for adequate maintenance and replacement of capital equipment and facilities over time.
- The City will seek to maintain a diversified and stable revenue system so that it can mitigate short-term fluctuations in one type or source of revenue and avoid over-dependency on any single source.
- The City will set fees and user charges for each self-supporting enterprise fund (e.g., Water and Sewer, Storm Water, Golf Courses) at a level that fully supports the costs of the fund to include operation, maintenance, capital replacement, indirect cost, depreciation, renewals, and debt service. It will also regularly review all fees/charges, including those in the General Fund, and will seek, where appropriate, to base fees/charges on costs and/or on the rates charged by the private sector.
- The City shall annually prepare a five-year forecast of revenues and expenditures and its implications for services and policies.
- The City Manager may include in the budget a general fund regular reserve for contingencies of ½ or 1% of the General Fund budget.

Fund Balance Policies

- The budget will include an estimate of the Undesignated Fund Balance.
- The Undesignated Fund Balance or retained earnings of any fund shall not be used to finance continuing expenditures.
- Following the Government Finance Officers Association (GFOA) recommendation that general-purpose governments maintain an unreserved fund balance in their general fund of no less than 5% to 15% of regular general fund operating revenues, the City shall maintain an undesignated fund balance of 8% to 12% of the following year's projected revenues. This level equates to approximately one month of operating expenses.

Capital Improvement Program Policies

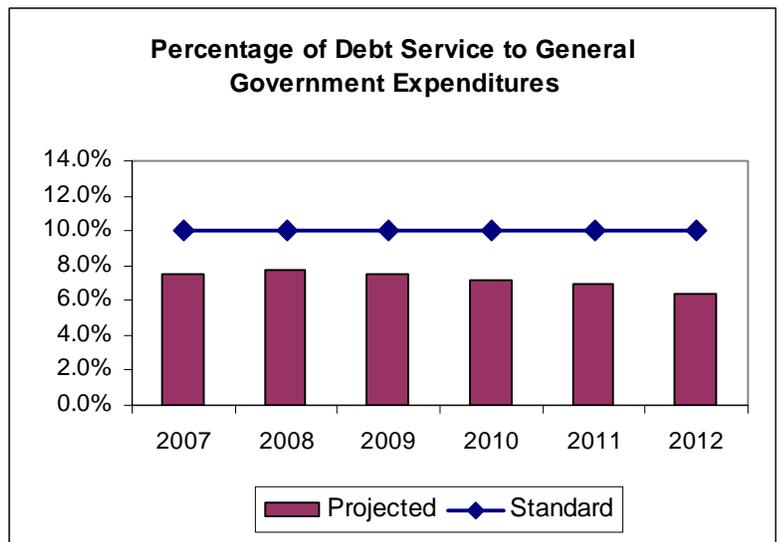
- To qualify as a capital project, a project must be a major expenditure for: design and/or construction of fixed works, structures, additions, replacements, major alterations, modernizations, or renovations; or purchase of land and existing structures, including rights-of-way, title searches, and similar activities, such as acquisition of major pieces of equipment. Other specialized projects may also be considered for the CIP if they are ongoing in nature or require multi-year funding. The project must have a cost in excess of \$50,000 or be of such a significant nature as to prevent its funding through the Operating Budget.
- In reviewing competing needs above those which can be met with legally available Charter Bond capacity, the decision to fund a capital project with bond referenda rather than Charter Bonds is based on the following criteria: 1) the project is not considered to be in an "essential" category (roads, schools, and

public safety); 2) there is no prior commitment by the government; and 3) the project exceeds \$2 million in local costs.

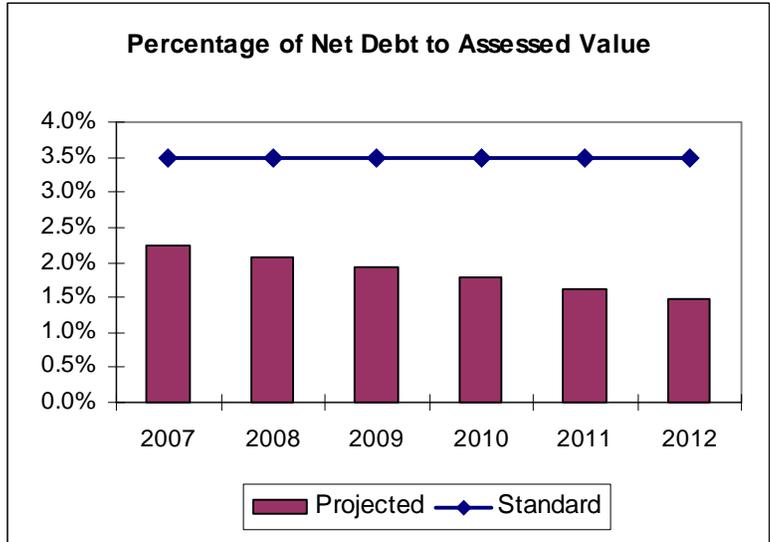
- A project is eligible for lease/purchase financing if it is considered an essential project or is a non-essential project not requiring referendum funding, and when the City Manager believes that costs are not prohibitive and that the interest of the government is served.
- The City will program \$6.25 million from non-borrowed funds and approximately 25% of the annual capital program for the Water and Sewer system for the financing of capital improvements. The City will seek to increase those amounts where feasible.
- Any tax rate increases adopted in conjunction with voter-approved bond referendums or by dedicated City Council policy will be structured and used to support all costs associated with the projects, including debt service, and appropriate operating and maintenance costs.

Debt Management Policies

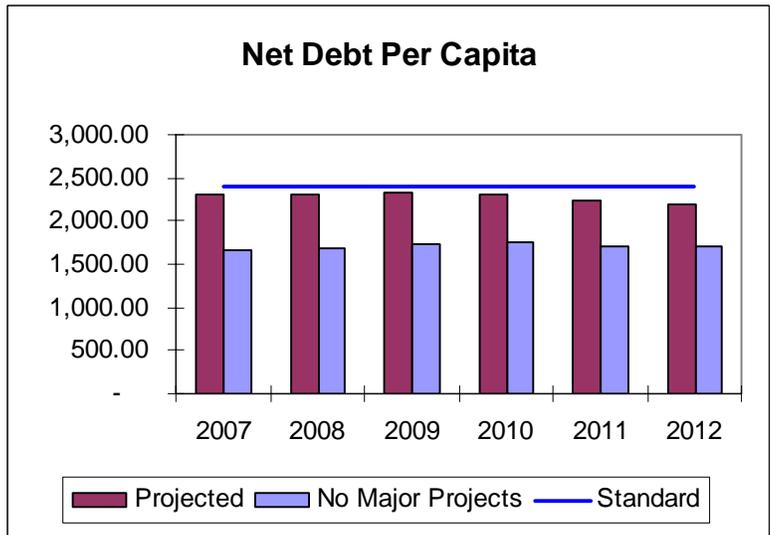
- The City issues bonds for capital improvements with a cost in excess of \$250,000, or which cannot be financed from current revenues.
- When the City finances capital projects by issuing bonds, it will retire the debt within a period not to exceed the expected useful life of the projects. Historically, the City has not issued, and does not anticipate issuing, short-term debt in the form of tax or revenue anticipation notes. Rather, the City shall maintain sufficient cash balances. Such short-term debt may be issued where normal cash flow has been disrupted due to a natural disaster or unexpected delays in the receipt of Federal or State revenues.



- The threshold of debt service for general government supported debt as a percentage of general government expenditures is 10%.
- Total General Obligation Net Debt will not exceed 3.5% of assessed value.
- Where possible, the City will develop, authorize, and issue revenue, special fee, or other self-supporting debt instruments instead of General Obligation Bonds.
- The debt structure of the government will be managed in a manner that results in minimal deviation from the indicators listed in this policy.



- The City will regularly evaluate its adherence to its debt policies. It will promote effective communications with bond rating agencies and others in the market place based upon full disclosure.
- Total Net Debt per capita will not exceed \$2,400 per capita. As a result of the issuance of debt for the Major Projects and Open Space Initiatives and the Town Center TIF, the City is approaching the debt level to the limit. However, these issuances were discussed with Bond Council and bond rating agencies. Given the bright prospects for both of these initiatives as well as the City's historical record of prudent financial management, this level of debt can be supported without negatively impacting the City's bond rating. It is further important to note that the City's population growth has unexpectedly slowed considerably since the initial policy decision was made to issue this debt. This affects this calculation in that debt is spread over a smaller than anticipated population. As noted in the graph, if debt associated with the Convention Center, Theater, and Open Space Program are excluded, the City would barely exceed its old, very conservative threshold.



- Also, Net Debt to Income Per Capita should not exceed 6.5%, and is comfortably below this threshold for each year (data not displayed in a graph).

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OPERATING BUDGET

The table below illustrates the growth in the Operating Budget in comparison to the FY 2006-07 Adjusted Budget:

	FY 2006-07	FY 2007-08	FY 2007-08	% Change
	Budget	Budget	Budget	FY 07 Adjusted to FY 08 Adopted
City Operations	\$680,725,530	\$721,159,869	\$718,312,147	5.5%
School Operations	773,944,304	816,531,802	808,500,495	4.5%
Capital Projects	64,729,327	60,486,357	61,851,186	-4.4%
Debt Service	124,202,936	136,717,773	134,430,546	8.2%
Total	\$1,643,602,097	\$1,734,895,801	\$1,723,094,374	4.8%

Note: Capital Projects and Debt Service include funding for both City and Schools.

As reflected in the above table, the Adopted Operating Budget grows by 4.8%. This increase is attributable to several major adjustments, some affecting both City and Schools and some affecting only one or the other.

- **GASB 45** – The FY 2007-08 Amended Budget includes an allocation of \$7.5 million (\$3 million is in a reserve in the City’s Budget and \$4.5 million has been set aside in the Schools’ Budget) to address the healthcare liability. This funding, when combined with the funds set aside in the fall by the City Council and School Board of FY 2006 Fund Balance, will provide the funding needed to make the first year’s payment on this liability.

Both the City and Schools System have traditionally budgeted for this obligation on a pay-as-you-go basis within their operating budgets. This method does not recognize the healthcare costs associated with current employees who will retire in the future. The difference between the value assigned to the retirement healthcare benefits already earned by the City’s employees and the assets the City will have on hand to meet these obligations is the City’s unfunded healthcare liability. The Governmental Accounting Standards Board (GASB) has issued a statement recommending that beginning with the budget which will close on June 30, 2008, localities should recognize the unfunded liability associated with retiree healthcare (for Virginia Beach this includes the City and Schools). If not addressed, the unfunded liability will reduce net assets, a key indicator used by rating agencies in determining the credit rating for the City.

- **Electrical Rates** – Both the City and Schools are facing a 16% increase in electrical costs due to deregulation. The General Assembly, during its recent session, mitigated the impact on homeowners, but the commercial market (which is where we buy electricity) is still being impacted. This increased cost is \$3.7 million.
- **Tax Relief for the Elderly** – Previously, the City Council’s policy increased the program’s income qualifying thresholds by the average increase in existing residential assessments. After the General Assembly increased the income cap from \$52,000 to \$62,000, the City Council voted to raise the

City's thresholds to the State maximum. The previously budgeted programmatic cost increase was \$4.5 million. Moving to the new state cap and adjusting the program thresholds accordingly, will cost \$1.1 million. As a result, \$14 million in tax relief is being provided.

- A new school in the Bayside District is scheduled to open in the fall. This has resulted in \$1.8 million in additional costs.
- Debt Service costs from FY 2007 Adjusted to the FY 2008 Adopted are expected to increase by \$10.2 million. This reflects the anticipated use of debt based on the projects included in the Capital Improvement Program. The recent bond sale allowed us to lower the anticipated cost from the FY 2008 Approved to the Amended.
- The Compensation increase for both the City and Schools totals \$57 million.
 - City employees will receive a 1.5% general increase on July 1st and a 2% merit on their anniversary date. Also included is additional funding to address increased health insurance for newly retired employees.
 - Schools instructional employees will receive a 3.5% increase in compensation while non-instructional employees will receive 5%. An additional \$3.7 million is required for School VRS payments based on a new actuarial review; however, the School Board's adopted budget of May 22, 2007 reduced this by \$2.5 million.
 - Both City and Schools are proposing an increase in the health care contribution from the current \$5,225 to \$5,750 effective January 1, 2008. This roughly 10% increase is needed due to increasing health care costs.
- The Capital Projects category reflects increased pay-as-you-go funding appropriated to fund current capital projects. A commitment of \$7.5 million of pay-as-you-go financing has been programmed for compliance with the BRAC findings. The \$7.5 million is appropriated for funding capital project 9-060 Oceana and Interfacility Traffic Area Conformity and Acquisition Program.
- The School Operating Fund is increasing by 5.1%, or \$34.3 million over the current year's adjusted amount, as seen on the table on the following page.

The City/Schools Revenue Sharing Formula is providing an additional \$25.3 million. This local funding is split among three uses: pay-as-you-go financing to the CIP; debt service costs for Schools capital projects; and funding to the Schools Operating Fund.

The chronology of the adopted budget for Schools is as follows: The School Board approved a budget on March 6, 2007 that was within the initial City/Schools Revenue Sharing Formula at a real estate tax rate of \$0.99, with a tax reserve established for real estate revenues beyond the initially projected real estate revenues. The City Manager's Proposed Budget, with a real estate tax rate of \$.93, reflected a \$5.3 million reduction in Schools' revenue. This reduction has been shown in the transfer to the Schools' CIP. City staff's rationale for this decision is that although the Schools' Operating Budget reflects a \$17.6 million transfer to the CIP, the Schools' adopted CIP does not include a \$4.5 million allocation of fund balance from the Sandbridge TIF. Essentially, the use of General Fund Balance (Sandbridge TIF) served as a source of funding to meet the Schools' adopted CIP to minimize the impact on the Schools' Operating Budget, which was only reduced by \$446,860, as a result of a lower tax rate. Finally, as a result of the City Council's adopted budget at a rate of \$.89, Schools funding was decreased by \$10,920,916 (in addition to the previously noted \$446,860 for total of \$11,367,776). The School Board's adopted budget reduced the School Operating budget by \$9,182,362, appropriated new estimates of state revenue totaling \$1,185,414, and decreased the transfer to the School CIP by \$1,000,000 (thereby retaining these funds in the School Operating budget).

	FY 2006-07 Adjusted	FY 2007-08 Approved *	FY 2007-08 Adopted
Schools Operating Fund			
Instruction	\$530,110,311	\$568,836,285	\$555,724,972
Admin, Attendance, Health	22,688,423	24,003,243	24,189,034
Operations and Maintenance	87,503,830	95,742,004	96,357,081
Pupil Transportation	32,574,425	35,797,022	30,891,040
City Adjustments	-	(8,207,973)	-
Subtotal Operating Fund	\$672,876,989	\$716,170,581	\$707,162,127
Other Schools Funding			
Cafeteria Fund	\$24,528,369	\$26,275,901	\$26,349,312
Instructional Technology	6,636,000	6,636,000	6,636,000
Vending Operations	1,365,000	1,365,000	915,000
Schools Textbooks	7,477,925	7,410,643	7,239,776
Schools Athletics	4,678,989	4,553,568	4,681,645
Communications Tower	460,000	500,000	560,000
Grants	55,921,032	53,620,109	54,956,635
Subtotal Other Funds	\$101,067,315	\$100,361,221	\$101,338,368
Capital Projects	17,597,408	12,936,308	12,108,658
Debt Service	40,912,433	41,979,229	41,402,094
Total Schools Funding	\$832,454,145	\$871,447,339	\$862,011,247

* Reflect 2nd year as presented in City budget.

Another way to review the Total City Biennial Budget is by expenditure category (see table below). As would be expected in a service-driven organization, personnel related costs are a large proportion of the Operating Budget. Education expenditures are the largest funding category in the Operating Budget, and it should be noted that personnel costs are also imbedded in this category.

Fiscal Year 2007-08 (Adopted) **Total Operating Budget Expenditures by Category**

Category	FY 2005-06 Actual	FY 2006-07 Adjusted Budget	FY 2007-08 Approved Budget	FY 2007-08 Adopted Budget	% Change FY 07 Adjusted to FY 08 Adopted
Personnel *	\$ 346,900,538	\$ 406,395,201	\$ 435,513,478	\$ 437,681,090	7.7%
Operations	273,675,527	299,668,885	308,571,704	304,785,407	1.7%
Equipment	8,452,230	8,312,055	8,293,962	8,381,901	0.8%
Debt Service	71,414,654	96,771,811	111,069,318	110,234,729	13.9%
Education	737,954,785	832,454,145	871,447,339	862,011,247	3.6%
TOTALS:	\$ 1,438,397,734	\$ 1,643,602,097	\$ 1,734,895,801	\$ 1,723,094,374	4.8%

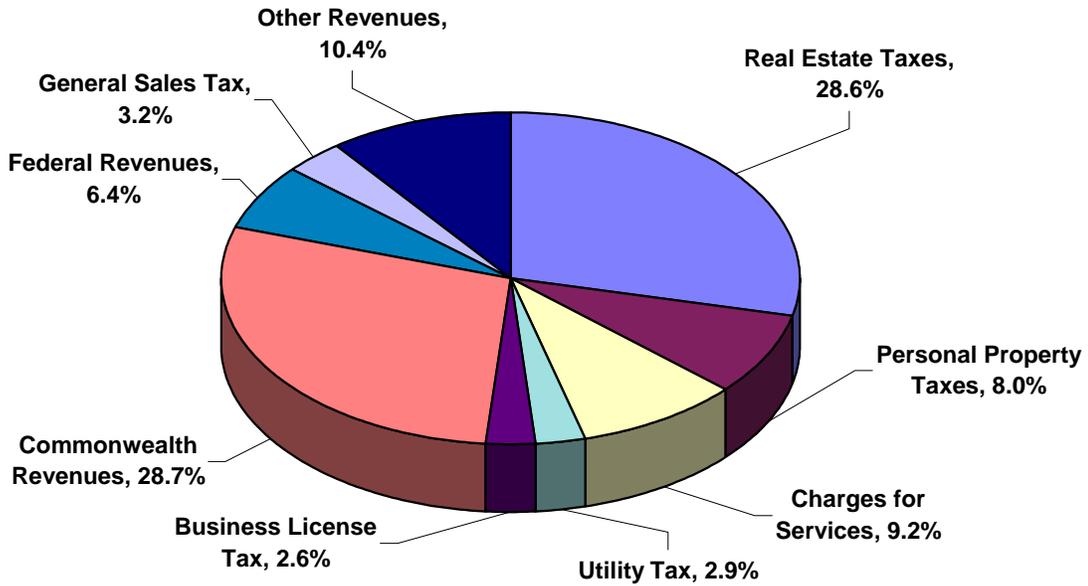
Note: Funding for capital projects and debt service has been distributed between the City and Schools.

*Includes full-time and part-time personnel, fringe benefits, Council-approved salary supplements, and contracted manpower.

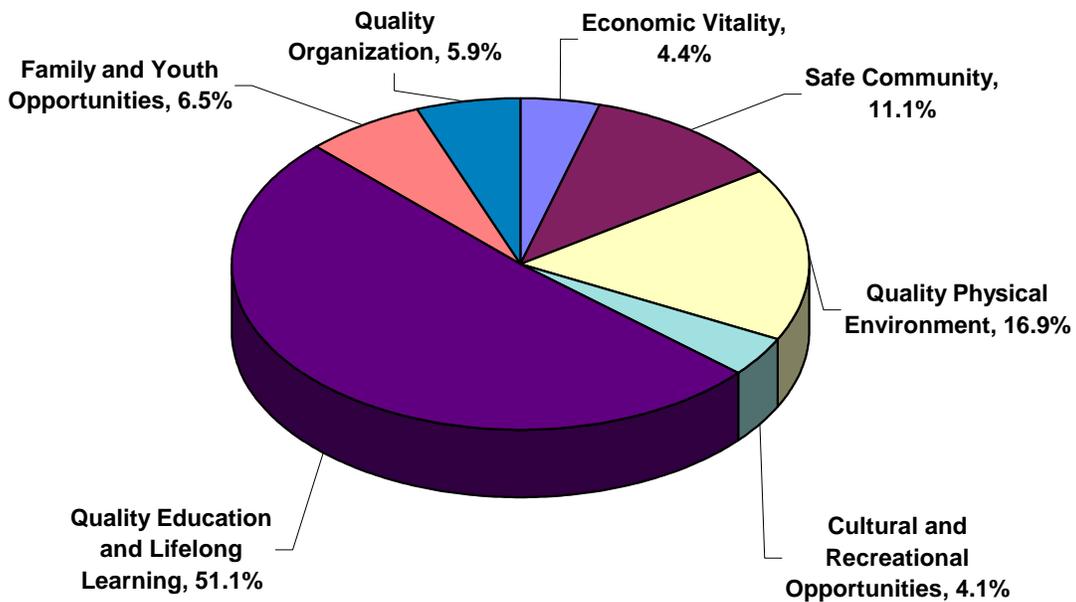
The pie charts on the next page illustrate where the revenue to support the budget comes from and the major business areas where it is expended.

OPERATING BUDGET DISTRIBUTION FOR FY 2007-08 (ADOPTED)

Where the funding comes from . . .



. . . and where it goes



As the pie charts on the previous page illustrate, State Revenue represents the largest revenue source within the budget at 28.7%. Part of the reason for this is that telecommunications revenues that were formerly shown as local revenues in the utility tax category are now shown as State Revenues due to the changes in legislation that took effect January, 2007. Real Estate Taxes, even at the lower proposed rate of \$0.89, are nearly as large and represent the second largest revenue source at 28.6%. Overall revenues in the Operating Budget show a growth of 4.8% from the Adjusted FY 2006-07 Budget to the Amended 2007-08.

Real Estate Tax revenue is projected to grow by 6.4%. The Virginia Beach City Council has been at the forefront of real estate tax rate reduction in the region. The adopted amendments to the FY 2007-08 Operating Budget include a real estate tax reduction of \$0.10, which will result in an overall real estate tax reduction of \$0.33 since FY 2004-05. Over the four-year period, the average effective total property appreciation (taking into consideration the tax rate reduction) is 8.4% overall and 9.8% for homeowners. As an example, a home valued at \$150,000 in FY 2004-05 would have increased to \$299,201 by FY 2007-08 (based on average residential assessment growth). Had the tax rate remained unchanged, the homeowner would have paid \$1,994 more in real estate taxes over the four-year period.

Real Estate Taxes Paid by Homeowner

Fiscal Year	Residential Assessment Growth	Home Value	Taxes Paid @ \$1.22 Rate	Adopted Tax Rate	Taxes Paid @ Reduced Rate	Difference in Taxes Paid
		\$ 150,000	\$ 1,830		\$ 1,830	\$ -
FY 2004-05	11.15%	\$ 166,725	\$ 2,034	1.1964	\$ 1,995	\$ (39)
FY 2005-06	21.74%	\$ 202,971	\$ 2,476	1.0239	\$ 2,078	\$ (398)
FY 2006-07	22.15%	\$ 247,929	\$ 3,025	0.99	\$ 2,454	\$ (570)
FY 2007-08	20.68%	\$ 299,201	\$ 3,650	0.89	\$ 2,663	\$ (987)
Total						\$ (1,994)

Revenue from the Use of Money and Property is growing at the fastest rate (26.9%). The increase in this category is mainly a result of rising interest rates and cash balances (influenced by bond sales). Three other categories that will experience double-digit (or near) growth are Personal Property Taxes, Business License, and Amusement Taxes. The first two revenues reflect the favorable local economic climate while the latter primarily reflects an adjustment to the base to capture prior years' performance in this revenue. The increases in Specific Fund Reserves represent planned fund balance usage in dedicated funding streams like the Major Projects Special Revenue Fund.

COMPARISON OF ANNUAL TAX IMPACT ON THE "AVERAGE" FAMILY

The following table illustrates the impact of all municipal taxes on an "average" family of four in each community. The table is provided for information purposes, and shows that Virginia Beach has the lowest tax burden of any Hampton Roads community.

Taxes	Adopted FY 2007-08 Budget						
	Virginia Beach	Chesapeake	Norfolk	Portsmouth	Suffolk	Hampton	Newport News
Real Estate Tax	\$1,951.77	\$2,324.58	\$2,434.23	\$2,763.18	\$2,061.42	\$2,324.58	\$2,412.30
Personal Property Tax	461.76	509.18	530.40	624.00	530.40	530.40	530.40
Electricity Utility Tax	36.00	45.00	45.00	40.80	36.00	36.00	36.96
Gas Utility Tax	36.00	22.56	18.00	36.00	36.00	28.80	18.12
VA Telecom Tax	70.68	70.68	70.68	70.68	70.68	70.68	70.68
Water Utility Tax	36.00	None	67.50	84.00	None	None	None
Restaurant Tax	209.69	209.69	229.66	229.66	229.66	229.66	229.66
Admissions Tax	27.00	27.00	27.00	27.00	27.00	27.00	20.25
Vehicle License Tax	52.00	46.00	52.00	50.00	40.00	56.00	52.00
Storm Water Utility Tax	66.07	76.20	93.96	66.00	62.88	55.20	58.20
Residential Refuse Fee	None	None	244.02	372.00	None	221.00	211.92
Total Tax Impact	\$2,946.97	\$3,330.89	\$3,812.45	\$4,363.32	\$3,094.04	\$3,579.32	\$3,640.49

Assumptions:

- Real Estate Tax Rate based on the average sale price of \$219,300 that may represent a typical home value for the respective cities based on fourth quarter, 2006 sales data from the National Association of Realtors; Chesapeake taxes reflect mosquito control district rates since majority of residents reside in one of these districts.
- Personal Property Rate on two cars: \$10,000 and \$6,000 (retail while tax rates are applied to loan value, estimated as 78% of retail).
- Utility Taxes: Based on the following monthly bills: Electric at \$100; Gas at \$50; Telephone at \$25; Water and Sanitary Sewer at \$70 bimonthly; Cable at \$30.
- Restaurant and Admissions: Based on the national average household spending for these items as reported by the Bureau of Labor Statistics.
- Virginia Telecommunications Tax: Based on a 5% state-wide tax applied to a \$45 monthly cable bill and a \$45 monthly phone bill, plus a \$0.75 E911 tax and a \$0.64 Right-of-Way fee.
- Vehicle License: two cars, each under 4,000 pounds.
- Residential Refuse: Average of all rates for Hampton and Newport News.

Sources: "A Survey of the Level of Major Local Revenue Sources in Thirteen Virginia Cities and Counties for Fiscal Year 2006-07", published by the City of Chesapeake, local cities, and the Bureau of Labor Statistics.

City of Virginia Beach, Virginia Fiscal Year 2007-08 Amended Revenue Summary

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	% of Total	FY 2007-08 Total Adopted	% of Total
Revenue Source Summary						
Revenue from Local Sources						
General Property Taxes						
Real Estate - Current	396,050,386	463,645,072	528,879,357	30.48	493,238,307	28.63
Personal Property - Current	125,829,673	127,582,769	134,325,608	7.74	138,514,561	8.04
Total General Property Taxes	<u>521,880,059</u>	<u>591,227,841</u>	<u>663,204,965</u>	<u>38.22</u>	<u>631,752,868</u>	<u>36.67</u>
Other Local Taxes						
General Sales Tax	51,391,606	53,390,260	55,045,358	3.17	55,691,644	3.23
Utility Tax	47,778,078	47,214,659	47,638,512	2.75	49,299,920	2.86
Business License	40,611,370	40,794,218	43,037,900	2.48	44,987,245	2.61
Other Taxes	19,499,904	14,828,173	14,766,257	0.85	14,870,899	0.86
Automobile License	8,935,321	9,562,477	9,831,471	0.57	9,428,425	0.55
Cigarette Tax	11,024,720	10,476,120	10,088,503	0.58	10,749,109	0.62
Amusement Tax	4,648,949	4,673,180	4,857,948	0.28	5,161,559	0.30
Hotel Room Tax	20,982,033	21,697,915	22,658,519	1.31	23,044,882	1.34
Restaurant Tax	45,025,727	47,333,185	49,651,829	2.86	49,134,920	2.85
Total Other Local Taxes	<u>249,897,708</u>	<u>249,970,187</u>	<u>257,576,297</u>	<u>14.85</u>	<u>262,368,603</u>	<u>15.22</u>
Other Local Revenue						
Permits, Privilege Fees, and Regulatory	6,069,454	5,198,181	5,215,634	0.30	5,215,634	0.30
Fines and Forfeitures	5,505,726	5,608,205	5,718,855	0.33	6,023,855	0.35
From the Use of Money and Property	22,248,100	13,307,896	15,044,921	0.87	16,892,728	0.98
Charges for Services	144,105,042	151,097,953	156,945,764	9.05	157,930,012	9.17
Miscellaneous Revenue	21,469,315	16,422,414	16,401,389	0.94	14,348,670	0.83
Total Other Local Revenue	<u>199,397,637</u>	<u>191,634,649</u>	<u>199,326,563</u>	<u>11.49</u>	<u>200,410,899</u>	<u>11.63</u>
Total Revenue from Local Sources	<u>971,175,404</u>	<u>1,032,832,677</u>	<u>1,120,107,825</u>	<u>64.56</u>	<u>1,094,532,370</u>	<u>63.52</u>
Revenue from the Commonwealth						
State Shared Sales Tax	70,134,239	80,495,093	84,946,139	4.90	76,410,762	4.44
Other Sources from the Commonwealth	365,193,447	405,014,399	403,400,291	23.25	418,534,688	24.29
Total Revenue from the Commonwealth	<u>435,327,686</u>	<u>485,509,492</u>	<u>488,346,430</u>	<u>28.15</u>	<u>494,945,450</u>	<u>28.73</u>
Revenue from the Federal Government	100,397,917	107,448,097	107,956,429	6.22	111,028,405	6.44
Non-Revenue Receipts	18,112,791	3,788,043	3,791,723	0.22	4,041,723	0.23
Total Revenue	<u><u>1,525,013,798</u></u>	<u><u>1,629,578,309</u></u>	<u><u>1,720,202,407</u></u>	<u><u>99.15</u></u>	<u><u>1,704,547,948</u></u>	<u><u>98.92</u></u>
Fund Reserves Summary						
Specific Fund Reserves	16,542,761	14,023,788	14,693,394	0.85	18,546,426	1.08
Total Fund Reserves	<u>16,542,761</u>	<u>14,023,788</u>	<u>14,693,394</u>	<u>0.85</u>	<u>18,546,426</u>	<u>1.08</u>
TOTAL FINANCING REQUIRED	<u><u>1,541,556,559</u></u>	<u><u>1,643,602,097</u></u>	<u><u>1,734,895,801</u></u>	<u><u>100.00</u></u>	<u><u>1,723,094,374</u></u>	<u><u>100.00</u></u>

City of Virginia Beach, Virginia Fiscal Year 2007-08 Amended Expenditure Summary

Department Name	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	% of Total	FY 2007-08 Total Adopted	% of Total
Agriculture	998,308	1,181,164	1,111,984	0.06	1,166,264	0.07
Audit Services	471,705	514,247	498,526	0.03	505,347	0.03
Capital Projects	53,473,701	64,729,327	60,486,357	3.49	61,851,186	3.59
City Manager	2,222,394	3,665,821	3,618,477	0.21	3,580,751	0.21
City Real Estate Assessor	2,532,473	2,784,878	2,693,496	0.16	2,680,349	0.16
City Treasurer	4,323,231	5,027,866	4,906,867	0.28	4,904,996	0.28
Commissioner of the Revenue	3,660,630	3,862,216	3,742,226	0.22	3,701,243	0.21
Commonwealth's Attorney	6,213,831	6,911,584	6,683,088	0.39	6,693,333	0.39
Communications and Information Technology	11,213,723	30,864,699	30,442,471	1.75	30,242,400	1.76
Communications and Information Technology - FY06	15,275,997	0	0	0.00	0	0.00
Convention and Visitor Bureau	21,057,161	24,304,509	24,812,142	1.43	24,360,408	1.41
Courts and Courts' Support	5,847,774	6,577,396	6,542,743	0.38	6,542,743	0.38
Debt Service	112,305,934	124,202,936	136,717,773	7.88	134,430,546	7.80
Economic Development	2,279,670	2,878,782	3,197,181	0.18	3,181,576	0.18
Education	679,444,944	773,944,304	816,531,802	47.07	808,500,495	46.92
Emergency Medical Services	6,557,260	6,867,573	6,659,587	0.38	6,735,086	0.39
FY 2006 Outstanding Encumbrances	9,966,073	0	0	0.00	0	0.00
Finance	4,330,890	4,906,330	4,805,035	0.28	4,810,612	0.28
Fire	35,768,752	41,511,454	39,427,263	2.27	39,427,263	2.29
General Registrar	1,176,999	1,235,014	1,450,472	0.08	1,443,392	0.08
Health	2,920,957	3,281,033	3,294,300	0.19	3,380,499	0.20
Housing and Neighborhood Preservation	17,101,587	18,545,485	18,621,276	1.07	21,899,667	1.27
Human Resources	4,044,738	4,630,240	4,489,969	0.26	4,684,956	0.27
Human Services	85,055,038	102,352,158	101,041,667	5.82	104,027,164	6.04
Law	3,502,421	3,751,636	3,650,765	0.21	3,632,946	0.21
Legislative	1,051,874	1,190,011	1,171,893	0.07	1,166,173	0.07
Library	14,784,605	16,913,521	16,573,316	0.96	16,520,172	0.96
Management Services	3,267,443	3,944,556	3,819,970	0.22	3,995,452	0.23
Museums	8,140,311	9,550,313	8,703,713	0.50	7,913,912	0.46
Non-Departmental	16,497,673	20,978,975	24,957,859	1.44	30,176,306	1.75
Parks and Recreation	35,885,681	40,126,042	40,099,073	2.31	40,485,699	2.35
Planning and Community Development	11,281,702	12,755,121	12,539,359	0.72	12,701,786	0.74
Police	73,422,692	83,172,839	79,196,025	4.57	79,472,947	4.61
Public Utilities	64,171,113	68,230,731	65,788,303	3.79	67,314,489	3.91
Public Works	87,736,232	94,989,092	93,914,616	5.41	92,562,511	5.37
Reserve for Contingencies	0	9,939,168	55,282,778	3.19	43,420,904	2.52
Reserve for Future Commitments	0	10,910,475	16,169,234	0.93	13,381,913	0.78
Sheriff and Corrections	30,461,085	32,370,601	31,254,195	1.80	31,598,888	1.83
TOTAL EXPENDITURES	<u><u>1,438,446,602</u></u>	<u><u>1,643,602,097</u></u>	<u><u>1,734,895,801</u></u>	<u><u>100.00</u></u>	<u><u>1,723,094,374</u></u>	<u><u>100.00</u></u>

City of Virginia Beach, Virginia Fiscal Year 2007-08 Amended Personnel Summary

Department Name	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	% of Total	FY 2007-08 Total Adopted	% of Total
Agriculture	15.00	15.00	15.00	0.09	15.00	0.09
Audit Services	6.00	6.00	6.00	0.03	6.00	0.03
City Manager	32.00	31.56	32.56	0.19	32.00	0.18
City Real Estate Assessor	35.35	35.35	35.35	0.20	35.35	0.20
City Treasurer	78.89	76.81	76.81	0.44	77.41	0.44
Commissioner of the Revenue	63.25	64.28	64.28	0.37	62.63	0.36
Commonwealth's Attorney	82.65	82.90	82.65	0.47	82.90	0.47
Communications and Information Technology	308.80	308.80	308.80	1.76	308.80	1.76
Convention and Visitor Bureau	122.19	135.84	137.73	0.78	137.73	0.79
Courts and Courts' Support	76.00	76.00	76.00	0.43	76.00	0.44
Economic Development	16.00	16.00	16.00	0.09	16.00	0.09
Emergency Medical Services	56.50	56.50	56.50	0.32	56.50	0.32
Finance	63.35	64.00	64.00	0.36	63.00	0.36
Fire	469.95	472.91	472.91	2.69	472.91	2.70
General Registrar	12.03	12.03	12.03	0.07	12.03	0.07
Health	11.19	11.19	11.19	0.06	11.19	0.06
Housing and Neighborhood Preservation	69.00	69.00	69.00	0.39	69.00	0.40
Human Resources	55.76	57.13	57.13	0.32	58.13	0.33
Human Services	989.85	1,013.82	1,034.72	5.89	1,068.57	6.10
Law	43.00	43.00	43.00	0.24	43.00	0.25
Legislative	18.00	18.00	18.00	0.10	18.00	0.10
Library	264.86	264.86	264.86	1.51	264.86	1.51
Management Services	21.00	22.00	21.00	0.12	22.00	0.13
Museums	142.58	144.18	145.18	0.83	151.43	0.87
Non-Departmental	2.00	2.00	5.00	0.03	5.00	0.03
Parks and Recreation	863.75	868.97	871.47	4.96	872.72	4.98
Planning and Community Development	128.00	128.00	128.00	0.73	127.00	0.73
Police	1,008.14	1,016.02	1,016.02	5.78	1,016.02	5.80
Public Utilities	395.50	399.50	399.50	2.27	399.50	2.28
Public Works	878.38	874.38	874.38	4.98	874.38	4.99
Sheriff and Corrections	502.12	512.12	502.12	2.86	514.12	2.94
Total City Positions	6,831.09	6,898.15	6,917.19	39.36	6,969.18	39.80
Total School Positions	10,548.17	10,634.97	10,656.57	60.64	10,541.87	60.20
TOTAL POSITIONS	<u>17,379.26</u>	<u>17,533.12</u>	<u>17,573.76</u>	<u>100.00</u>	<u>17,511.05</u>	<u>100.00</u>
Total City Full-Time Positions	6,176.00	6,228.00	6,247.00	35.55	6,288.00	35.91
Total City Part-Time Positions	644.09	659.15	659.19	3.75	670.18	3.83
Total City Council Members	11.00	11.00	11.00	0.06	11.00	0.06
Total School Positions	10,548.17	10,634.97	10,656.57	60.64	10,541.87	60.20
TOTAL POSITIONS	<u>17,379.26</u>	<u>17,533.12</u>	<u>17,573.76</u>	<u>100.00</u>	<u>17,511.05</u>	<u>100.00</u>
Fiscal Year 2007-08						
	Full-Time	Part-Time	Total			
City Position Group	Positions	Positions	Positions			
Constitutional Offices	749.00	29.06	778.06			
Non-Constitutional City Positions	5,550.00	641.12	6,191.12			
TOTAL CITY POSITIONS	<u>6,299.00</u>	<u>670.18</u>	<u>6,969.18</u>			

City of Virginia Beach, Virginia

Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
002 General Fund				
Appropriation Units:				
Agriculture	852,487	970,363	902,476	956,756
Audit Services	471,705	514,247	498,526	505,347
Benefits Administration	283,409	297,579	312,458	312,458
Board of Equalization	10,050	19,206	19,318	19,318
Circuit Court	938,992	989,232	969,166	969,166
City Attorney	3,502,421	3,751,636	3,650,765	3,632,946
City Clerk	599,910	611,123	590,797	590,797
City Manager	2,222,394	3,665,821	3,618,477	3,580,751
City Real Estate Assessor	2,522,423	2,765,672	2,674,178	2,661,031
City Treasurer	4,343,231	5,027,866	4,906,867	4,904,996
Clerk of the Circuit Court	2,516,882	2,638,148	2,617,655	2,617,655
Commissioner of the Revenue	3,660,630	3,862,216	3,742,226	3,701,243
Commonwealth's Attorney	5,889,706	6,444,551	6,223,679	6,233,924
Communications and Information Technology	2,357,392	20,753,606	20,504,295	20,264,163
Communications and Information Technology - FY 06	13,357,173	0	0	0
Community Organization Grants	577,544	645,479	658,389	698,710
Convention and Visitor Bureau	3,674,742	4,715,569	4,654,815	4,254,815
Convention and Visitor Bureau (Major Projects)	4,661,959	5,351,223	5,560,918	5,560,918
Cultural Activities	0	910,757	0	1,743,169
Director of Finance	4,330,890	4,906,330	4,805,035	4,810,612
E3 Initiative	18,766	0	41,000	0
Economic Development	1,817,604	2,124,643	2,101,549	2,085,944
Emergency Medical Services	6,318,605	6,642,573	6,430,086	6,430,086
Employee Special Benefits	2,574,015	2,732,396	3,123,827	3,753,458
FY 2006 Outstanding Encumbrances	5,926,008	0	0	0
Fire	35,456,119	39,915,841	37,819,791	37,819,791
General District Court	304,916	325,327	329,171	329,171
General Registrar	1,176,999	1,235,014	1,450,472	1,443,392
Health	2,920,957	3,281,033	3,294,300	3,380,499
Housing and Neighborhood Preservation	1,517,263	1,604,155	1,575,113	1,719,476
Human Resources	4,044,738	4,630,240	4,489,969	4,684,956
Human Services	74,148,632	89,592,958	87,830,155	90,423,929
Human Services Integration - Information Technology	8,756	622,191	628,815	628,815
Independent Financial Services	92,760	145,003	147,903	147,903
Juvenile Probation	1,783,583	2,291,707	2,295,390	2,295,390
Juvenile and Domestic Relations District Court	166,767	158,048	155,480	155,480
Library	14,456,090	16,548,159	16,212,521	16,159,377
Magistrates	136,634	139,934	140,181	140,181
Management Services	3,267,443	3,944,556	3,819,970	3,995,452
Mass Transit Operations	1,663,365	2,067,558	2,108,909	2,333,635
Municipal Council	451,964	578,888	581,096	575,376
Museums	962,536	1,089,787	2,576,573	817,782
Parks and Recreation	12,117,940	13,820,161	13,723,874	13,722,830
Planning and Community Development	9,211,532	10,104,221	9,837,441	9,775,142
Police	71,323,252	81,445,317	78,303,243	78,580,165
Public Works	74,232,120	81,155,822	80,092,090	78,739,271
Regional Participation	1,787,118	1,862,068	1,899,308	1,991,132
Reserve for Contingencies	0	5,101,002	41,972,916	33,222,840
Revenue Reimbursements	6,129,910	8,474,259	10,492,696	14,077,398
Transfer to Other Funds	455,728,568	508,959,004	556,812,030	545,542,101
Vehicle Replacements	4,188,094	4,400,000	4,400,000	4,528,945
Wetlands Board of Virginia Beach	8,196	13,925	14,204	14,204
Zoning Board of Appeals	40,448	42,455	43,304	43,304
Fund 002 Appropriation Totals	<u>850,755,638</u>	<u>963,888,869</u>	<u>1,041,653,417</u>	<u>1,027,576,200</u>

City of Virginia Beach, Virginia

Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>002 General Fund</u>				
Revenue Sources:				
Revenue from Local Sources				
General Property Taxes	508,693,435	573,685,167	640,722,090	613,337,886
Other Local Taxes	242,379,819	242,024,208	249,591,055	254,850,855
Permits, Privilege Fees, and Regulatory Licenses	5,853,949	5,096,090	5,113,543	5,113,543
Fines and Forfeitures	5,111,268	5,053,033	5,163,683	5,468,683
From the Use of Money and Property	9,864,345	6,709,250	8,390,451	10,009,136
Charges for Services	9,556,681	10,679,731	10,604,860	10,080,634
Miscellaneous Revenue	1,478,438	1,644,823	1,676,783	1,815,274
Revenue from the Commonwealth				
Other Sources from the Commonwealth	79,384,523	83,938,013	86,706,376	90,033,076
Revenue from the Federal Government	23,329,133	24,696,945	24,481,538	25,044,258
Transfers from Other Funds	15,878,488	8,980,577	9,203,038	11,822,855
Specific Fund Reserves	5,926,008	1,381,032	0	0
Fund 002 Revenue Totals	<u>907,456,087</u>	<u>963,888,869</u>	<u>1,041,653,417</u>	<u>1,027,576,200</u>
<u>108 School Instructional Technology Fund</u>				
Appropriation Units:				
Instructional Technology	1,722,455	6,636,000	6,636,000	6,636,000
Fund 108 Appropriation Totals	<u>1,722,455</u>	<u>6,636,000</u>	<u>6,636,000</u>	<u>6,636,000</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	309,434	0	0	0
Miscellaneous Revenue	5,550,000	1,604,382	1,604,382	0
Transfers from Other Funds	3,790,566	0	0	0
Specific Fund Reserves	0	5,031,618	5,031,618	6,636,000
Fund 108 Revenue Totals	<u>9,650,000</u>	<u>6,636,000</u>	<u>6,636,000</u>	<u>6,636,000</u>
<u>109 School Vending Operations Fund</u>				
Appropriation Units:				
Education - Athletic	563,742	1,365,000	1,365,000	915,000
Fund 109 Appropriation Totals	<u>563,742</u>	<u>1,365,000</u>	<u>1,365,000</u>	<u>915,000</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	54,728	15,000	15,000	15,000
Miscellaneous Revenue	800,236	400,000	400,000	400,000
Specific Fund Reserves	0	950,000	950,000	500,000
Fund 109 Revenue Totals	<u>854,964</u>	<u>1,365,000</u>	<u>1,365,000</u>	<u>915,000</u>
<u>112 School Communication Tower Technology Fund</u>				
Appropriation Units:				
Instructional Technology	817,468	460,000	500,000	560,000
Fund 112 Appropriation Totals	<u>817,468</u>	<u>460,000</u>	<u>500,000</u>	<u>560,000</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	388,641	260,000	200,000	260,000
Specific Fund Reserves	428,827	200,000	300,000	300,000
Fund 112 Revenue Totals	<u>817,468</u>	<u>460,000</u>	<u>500,000</u>	<u>560,000</u>

City of Virginia Beach, Virginia

Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>114 School Cafeteria Fund</u>				
Appropriation Units:				
Education - Cafeteria	22,790,369	24,528,369	26,275,901	26,349,312
Fund 114 Appropriation Totals	<u>22,790,369</u>	<u>24,528,369</u>	<u>26,275,901</u>	<u>26,349,312</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	77,597	70,000	70,000	0
Charges for Services	12,615,304	12,347,895	12,349,395	13,678,637
Miscellaneous Revenue	108,445	147,288	147,288	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	351,440	348,716	348,716	331,167
Revenue from the Federal Government	9,560,262	10,723,034	10,723,034	10,663,491
Transfers from Other Funds	100,359	0	0	0
Specific Fund Reserves	0	891,436	2,637,468	1,676,017
Fund 114 Revenue Totals	<u>22,813,407</u>	<u>24,528,369</u>	<u>26,275,901</u>	<u>26,349,312</u>
<u>115 School Operating Fund</u>				
Appropriation Units:				
Administration, Attendance, and Health	19,630,600	22,688,423	24,003,243	24,189,034
Instruction	474,491,786	530,110,311	568,836,285	555,724,972
Less: City Reduction	0	0	(8,207,973)	0
Operations and Maintenance	81,439,805	87,503,830	95,742,004	96,357,081
Pupil Transportation	25,887,449	32,574,425	35,797,022	30,891,040
Fund 115 Appropriation Totals	<u>601,449,640</u>	<u>672,876,989</u>	<u>716,170,581</u>	<u>707,162,127</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	538,501	465,000	465,000	465,000
Charges for Services	2,038,222	1,761,594	1,761,594	1,761,594
Miscellaneous Revenue	813,146	472,000	472,000	472,000
Revenue from the Commonwealth				
State Shared Sales Tax	70,134,239	80,495,093	84,946,139	76,410,762
Other Sources from the Commonwealth	244,499,749	267,687,525	265,905,697	276,410,955
Revenue from the Federal Government	16,003,175	14,771,131	14,771,131	14,771,131
Transfers from Other Funds	266,921,099	307,224,646	347,849,020	336,870,685
Specific Fund Reserves	501,509	0	0	0
Fund 115 Revenue Totals	<u>601,449,640</u>	<u>672,876,989</u>	<u>716,170,581</u>	<u>707,162,127</u>
<u>116 School Grants Fund</u>				
Appropriation Units:				
Education - Grants	40,929,502	55,921,032	53,620,109	54,956,635
Fund 116 Appropriation Totals	<u>40,929,502</u>	<u>55,921,032</u>	<u>53,620,109</u>	<u>54,956,635</u>
Revenue Sources:				
Revenue from Local Sources				
Miscellaneous Revenue	2,489,107	3,407,309	3,424,641	2,620,752
Revenue from the Commonwealth				
Other Sources from the Commonwealth	5,414,972	13,853,740	11,036,551	12,222,748
Revenue from the Federal Government	32,870,435	38,659,983	39,158,917	40,113,135
Specific Fund Reserves	154,988	0	0	0
Fund 116 Revenue Totals	<u>40,929,502</u>	<u>55,921,032</u>	<u>53,620,109</u>	<u>54,956,635</u>

City of Virginia Beach, Virginia

Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>117 School Textbook Fund</u>				
Appropriation Units:				
Education - Textbook	6,945,154	7,477,925	7,410,643	7,239,776
Fund 117 Appropriation Totals	<u>6,945,154</u>	<u>7,477,925</u>	<u>7,410,643</u>	<u>7,239,776</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	296,173	100,000	100,000	100,000
Charges for Services	605	6,000	6,000	6,000
Miscellaneous Revenue	4,333,192	2,590,546	2,590,546	2,590,546
Revenue from the Commonwealth				
Other Sources from the Commonwealth	3,060,766	4,781,379	4,714,097	4,543,230
Fund 117 Revenue Totals	<u>7,690,736</u>	<u>7,477,925</u>	<u>7,410,643</u>	<u>7,239,776</u>
<u>119 School Athletic Special Revenue Fund</u>				
Appropriation Units:				
Education - Athletic	4,226,614	4,678,989	4,553,568	4,681,645
Fund 119 Appropriation Totals	<u>4,226,614</u>	<u>4,678,989</u>	<u>4,553,568</u>	<u>4,681,645</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	64,342	40,000	40,000	45,000
Charges for Services	564,368	390,000	390,000	484,348
Miscellaneous Revenue	3,496,853	4,125,642	4,000,220	4,128,297
Specific Fund Reserves	101,051	123,347	123,348	24,000
Fund 119 Revenue Totals	<u>4,226,614</u>	<u>4,678,989</u>	<u>4,553,568</u>	<u>4,681,645</u>
<u>120 Federal Police Department Grant Fund</u>				
Appropriation Units:				
Police (Uniform Patrol Grant)	1,447,983	847,226	0	0
Fund 120 Appropriation Totals	<u>1,447,983</u>	<u>847,226</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Revenue from the Federal Government	695,659	85,649	0	0
Transfers from Other Funds	752,324	761,577	0	0
Fund 120 Revenue Totals	<u>1,447,983</u>	<u>847,226</u>	<u>0</u>	<u>0</u>
<u>130 Law Library Fund</u>				
Appropriation Units:				
Library (Law Library)	313,113	356,926	355,195	355,195
Reserve for Contingencies	0	19,272	17,467	14,030
Transfers to Other Funds	60,000	60,000	60,000	60,000
Fund 130 Appropriation Totals	<u>373,113</u>	<u>436,198</u>	<u>432,662</u>	<u>429,225</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	8,784	6,327	6,587	6,587
Charges for Services	181,574	288,230	285,123	285,123
Transfers from Other Funds	150,301	80,000	140,952	137,515
Specific Fund Reserves	32,454	61,641	0	0
Fund 130 Revenue Totals	<u>373,113</u>	<u>436,198</u>	<u>432,662</u>	<u>429,225</u>

City of Virginia Beach, Virginia
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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>131 Pendleton Child Service Center Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	57,684	0	0	0
FY 2006 Outstanding Encumbrances	759	0	0	0
Human Services	1,407,486	0	0	0
Fund 131 Appropriation Totals	<u>1,465,929</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	7,270	0	0	0
Charges for Services	12,784	0	0	0
Miscellaneous Revenue	233,268	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	356,100	0	0	0
Revenue from the Federal Government	14,876	0	0	0
Transfers from Other Funds	914,563	0	0	0
Specific Fund Reserves	759	0	0	0
Fund 131 Revenue Totals	<u>1,539,620</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>134 E-911 Communications Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology	8,844,559	10,075,068	9,901,430	9,707,516
Communications and Information Technology - FY 06	276,254	0	0	0
FY 2006 Outstanding Encumbrances	259,274	0	0	0
Reserve for Contingencies	0	1,939,867	3,840,742	3,823,424
Transfer to Other Funds	1,461,856	1,247,872	1,532,694	1,247,522
Fund 134 Appropriation Totals	<u>10,841,943</u>	<u>13,262,807</u>	<u>15,274,866</u>	<u>14,778,462</u>
Revenue Sources:				
Revenue from Local Sources				
Other Local Taxes	6,901,160	7,553,347	7,553,347	7,085,853
From the Use of Money and Property	186,119	44,775	44,775	44,775
Charges for Services	372,906	722,240	725,000	725,000
Miscellaneous Revenue	36,721	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	1,892,859	1,979,000	1,979,000	1,979,000
Transfers from Other Funds	1,451,322	2,963,445	4,972,744	4,943,834
Specific Fund Reserves	259,274	0	0	0
Fund 134 Revenue Totals	<u>11,100,361</u>	<u>13,262,807</u>	<u>15,274,866</u>	<u>14,778,462</u>
<u>142 DEA Seized Property Special Revenue Fund</u>				
Appropriation Units:				
Commonwealth's Attorney	31,107	160,000	160,000	160,000
FY 2006 Outstanding Encumbrances	86,092	0	0	0
Police (DEA Seized Assets)	141,548	0	0	0
Fund 142 Appropriation Totals	<u>258,747</u>	<u>160,000</u>	<u>160,000</u>	<u>160,000</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	58,648	0	0	0
Miscellaneous Revenue	3,528	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	182,980	160,000	160,000	160,000
Revenue from the Federal Government	211,586	0	0	0
Specific Fund Reserves	86,092	0	0	0
Fund 142 Revenue Totals	<u>542,834</u>	<u>160,000</u>	<u>160,000</u>	<u>160,000</u>

City of Virginia Beach, Virginia
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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>143 Access Channel Support Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology	11,772	36,025	36,746	270,721
Fund 143 Appropriation Totals	<u>11,772</u>	<u>36,025</u>	<u>36,746</u>	<u>270,721</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	2,613	0	0	0
Miscellaneous Revenue	0	11,000	11,000	244,975
Specific Fund Reserves	9,159	25,025	25,746	25,746
Fund 143 Revenue Totals	<u>11,772</u>	<u>36,025</u>	<u>36,746</u>	<u>270,721</u>
<u>146 Police Extraditions Special Revenue Fund</u>				
Appropriation Units:				
Police (Airplane Enterprise)	117,456	568,891	580,272	580,272
Police (Extraditions)	363,479	229,914	234,512	234,512
Fund 146 Appropriation Totals	<u>480,935</u>	<u>798,805</u>	<u>814,784</u>	<u>814,784</u>
Revenue Sources:				
Revenue from Local Sources				
Charges for Services	5	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	455,231	798,805	814,784	814,784
Specific Fund Reserves	25,699	0	0	0
Fund 146 Revenue Totals	<u>480,935</u>	<u>798,805</u>	<u>814,784</u>	<u>814,784</u>
<u>147 Federal Section 8 Program Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	57,684	0	0	0
Housing and Neighborhood Preservation (Section 8 Housing)	1,257,990	150,000	153,000	150,000
Housing and Neighborhood Preservation (Section 8)	9,563,874	11,023,588	11,193,852	13,974,025
Reserve for Contingencies	0	12,156	55,392	45,174
Fund 147 Appropriation Totals	<u>10,879,548</u>	<u>11,185,744</u>	<u>11,402,244</u>	<u>14,169,199</u>
Revenue Sources:				
Revenue from Local Sources				
Miscellaneous Revenue	24,906	12,500	15,000	15,000
Revenue from the Federal Government	14,026,234	11,159,679	11,364,211	13,020,210
Transfer from Other Funds	56,957	13,565	23,033	314,494
Specific Fund Reserves	0	0	0	819,495
Fund 147 Revenue Totals	<u>14,108,097</u>	<u>11,185,744</u>	<u>11,402,244</u>	<u>14,169,199</u>

City of Virginia Beach, Virginia Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>148 Comprehensive Services Act Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	46,630	0	0	0
Human Services	7,471,909	10,165,340	10,757,787	10,966,233
Reserve for Contingencies	0	280	2,839	2,195
Transfer to Other Funds	1,062,850	0	0	0
Fund 148 Appropriation Totals	<u>8,581,389</u>	<u>10,165,620</u>	<u>10,760,626</u>	<u>10,968,428</u>
Revenue Sources:				
Revenue from Local Sources				
Charges for Services	0	2,500	2,500	2,500
Miscellaneous Revenue	737,115	765,426	830,500	830,500
Revenue from the Commonwealth				
Other Sources from the Commonwealth	4,910,769	5,876,422	6,245,467	6,262,069
Transfer from Other Funds	3,296,327	3,521,272	3,682,159	3,873,359
Fund 148 Revenue Totals	<u>8,944,211</u>	<u>10,165,620</u>	<u>10,760,626</u>	<u>10,968,428</u>
<u>149 Sheriff's Department Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	68,886	0	0	0
FY 2006 Outstanding Encumbrances	90,604	0	0	0
Reserve for Contingencies	0	0	394,128	328,931
Sheriff and Corrections	30,048,374	31,817,319	30,683,255	31,027,948
Transfer to Other Funds	22,770	3,966	0	0
Fund 149 Appropriation Totals	<u>30,230,634</u>	<u>31,821,285</u>	<u>31,077,383</u>	<u>31,356,879</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	60,408	0	0	0
Charges for Services	1,961,455	1,797,290	1,845,265	1,845,265
Miscellaneous Revenue	27,819	33,215	37,960	37,960
Revenue from the Commonwealth				
Other Sources from the Commonwealth	16,966,593	17,788,642	17,537,718	17,671,324
Revenue from the Federal Government	353,817	240,900	321,200	321,200
Transfer from Other Funds	10,240,834	11,498,864	11,335,240	11,481,130
Specific Fund Reserves	619,708	462,374	0	0
Fund 149 Revenue Totals	<u>30,230,634</u>	<u>31,821,285</u>	<u>31,077,383</u>	<u>31,356,879</u>
<u>150 Inmate Services Special Revenue Fund</u>				
Appropriation Units:				
Reserve for Contingencies	0	0	6,664	5,825
Sheriff and Corrections (Inmate Services)	412,711	553,282	570,940	570,940
Transfer to Other Funds	274,551	274,551	274,551	274,551
Fund 150 Appropriation Totals	<u>687,262</u>	<u>827,833</u>	<u>852,155</u>	<u>851,316</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	25,389	15,000	15,000	15,000
Charges for Services	872,499	806,385	830,491	830,491
Transfer from Other Funds	2,886	6,448	6,664	5,825
Fund 150 Revenue Totals	<u>900,774</u>	<u>827,833</u>	<u>852,155</u>	<u>851,316</u>

City of Virginia Beach, Virginia

Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>151 Parks and Recreation Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	966,792	0	0	0
FY 2006 Outstanding Encumbrances	197,504	0	0	0
Parks and Recreation	21,045,024	23,430,155	23,540,686	23,928,356
Public Works	2,406,058	2,613,192	2,654,674	2,654,674
Reserve for Contingencies	0	0	1,101,314	908,732
Transfer to Other Funds	463,012	69,540	69,540	69,540
Fund 151 Appropriation Totals	<u>25,078,390</u>	<u>26,112,887</u>	<u>27,366,214</u>	<u>27,561,302</u>

Revenue Sources:				
Revenue from Local Sources				
Permits, Privilege Fees, and Regulatory Licenses	1,961	0	0	0
From the Use of Money and Property	710,897	1,123,253	1,129,204	1,149,204
Charges for Services	10,033,913	10,216,446	10,230,761	10,399,517
Miscellaneous Revenue	26,610	80,535	80,535	39,600
Revenue from the Federal Government	945	1,000	1,000	1,000
Transfer from Other Funds	14,925,983	14,691,653	15,924,714	15,750,597
Specific Fund Reserves	197,504	0	0	221,384
Fund 151 Revenue Totals	<u>25,897,813</u>	<u>26,112,887</u>	<u>27,366,214</u>	<u>27,561,302</u>

152 Tourism Growth Investment Fund

Appropriation Units:				
Convention and Visitor Bureau (TGIF)	3,090,642	2,875,852	2,932,369	2,932,369
Cultural Activities (TGIF)	0	50,500	0	50,500
FY 2006 Outstanding Encumbrances	9,500	0	0	0
Museums (TGIF)	50,500	0	50,500	0
Parks and Recreation (TGIF)	35,501	32,303	31,313	31,313
Planning and Community Development (TGIF)	326,962	376,962	384,501	384,501
Public Works (TGIF)	567,540	740,672	727,967	727,967
Reserve for Contingencies	0	1,117,113	1,168,663	226,841
Transfer to Other Funds	11,418,344	11,774,801	12,374,560	13,717,463
Fund 152 Appropriation Totals	<u>15,498,989</u>	<u>16,968,203</u>	<u>17,669,873</u>	<u>18,070,954</u>

Revenue Sources:				
Revenue from Local Sources				
Permits, Privilege Fees, and Regulatory Licenses	113,859	72,091	72,091	72,091
Fines and Forfeitures	0	555,172	555,172	555,172
From the Use of Money and Property	691,845	535,173	535,173	535,173
Transfer from Other Funds	15,262,295	15,805,767	16,507,437	16,908,518
Specific Fund Reserves	9,500	0	0	0
Fund 152 Revenue Totals	<u>16,077,499</u>	<u>16,968,203</u>	<u>17,669,873</u>	<u>18,070,954</u>

156 Police Services Special Revenue Fund

Appropriation Units:				
Police	0	20,000	20,400	20,400
Fund 156 Appropriation Totals	<u>0</u>	<u>20,000</u>	<u>20,400</u>	<u>20,400</u>

Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	67,471	20,000	20,400	20,400
Fund 156 Revenue Totals	<u>67,471</u>	<u>20,000</u>	<u>20,400</u>	<u>20,400</u>

City of Virginia Beach, Virginia

Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>157 Sandbridge Special Service District Special Revenue Fund</u>				
Appropriation Units:				
Reserve for Future Commitments	0	0	352,018	0
Transfer to Other Funds	0	2,304,114	2,112,750	2,904,786
Fund 157 Appropriation Totals	<u>0</u>	<u>2,304,114</u>	<u>2,464,768</u>	<u>2,904,786</u>
Revenue Sources:				
Revenue from Local Sources				
General Property Taxes	901,845	741,579	947,495	802,294
Other Local Taxes	616,729	392,632	431,895	431,895
From the Use of Money and Property	234,312	128,327	24,404	24,404
Transfer from Other Funds	1,311,773	1,041,576	1,060,974	1,060,974
Specific Fund Reserves	0	0	0	585,219
Fund 157 Revenue Totals	<u>3,064,659</u>	<u>2,304,114</u>	<u>2,464,768</u>	<u>2,904,786</u>
<u>158 EMS State Four-for-Life Special Revenue Fund</u>				
Appropriation Units:				
Emergency Medical Services	238,655	225,000	229,501	305,000
FY 2006 Outstanding Encumbrances	5,163	0	0	0
Fund 158 Appropriation Totals	<u>243,818</u>	<u>225,000</u>	<u>229,501</u>	<u>305,000</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	1,280	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	328,099	225,000	229,501	305,000
Specific Fund Reserves	5,163	0	0	0
Fund 158 Revenue Totals	<u>334,542</u>	<u>225,000</u>	<u>229,501</u>	<u>305,000</u>
<u>159 Fire Programs Special Revenue Fund</u>				
Appropriation Units:				
FY 2006 Outstanding Encumbrances	49,482	0	0	0
Fire (Fire Programs)	312,633	597,879	596,420	596,420
Reserve for Contingencies	0	0	3,739	3,739
Transfer to Other Funds	170,229	0	0	0
Fund 159 Appropriation Totals	<u>532,344</u>	<u>597,879</u>	<u>600,159</u>	<u>600,159</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	31,249	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	741,730	597,879	600,159	600,159
Specific Fund Reserves	49,482	0	0	0
Fund 159 Revenue Totals	<u>822,461</u>	<u>597,879</u>	<u>600,159</u>	<u>600,159</u>
<u>161 Agriculture Reserve Program Special Revenue Fund</u>				
Appropriation Units:				
Agriculture (Agricultural Reserve Program)	145,821	210,801	209,508	209,508
Communications and Information Technology - FY 06	20,601	0	0	0
Reserve for Contingencies	0	0	8,108	6,003
Reserve for Future Commitments	0	876,517	1,063,870	1,261,468
Transfer to Other Funds	1,477,152	2,958,937	3,312,897	5,812,897
Fund 161 Appropriation Totals	<u>1,643,574</u>	<u>4,046,255</u>	<u>4,594,383</u>	<u>7,289,876</u>

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>161 Agriculture Reserve Program Special Revenue Fund</u>				
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	462,971	0	0	0
Specific Fund Reserves	0	0	0	2,500,000
Transfer from Other Funds	3,301,516	4,046,255	4,594,383	4,789,876
Fund 161 Revenue Totals	<u>3,764,487</u>	<u>4,046,255</u>	<u>4,594,383</u>	<u>7,289,876</u>

<u>163 Tourism Advertising Program Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	49,444	0	0	0
Convention and Visitor Bureau (Tourism Advertising)	8,373,140	9,335,209	9,689,362	9,638,456
FY 2006 Outstanding Encumbrances	45,090	0	0	0
Reserve for Contingencies	0	3,416	67,150	53,295
Transfer to Other Funds	15,000	54,631	55,724	55,724
Fund 163 Appropriation Totals	<u>8,482,674</u>	<u>9,393,256</u>	<u>9,812,236</u>	<u>9,747,475</u>

Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	42,697	33,442	33,442	33,442
Charges for Services	2,601	400,950	450,950	450,950
Miscellaneous Revenue	45,000	40,000	40,000	40,000
Revenue from the Commonwealth				
Other Sources from the Commonwealth	75,000	0	0	0
Transfer from Other Funds	8,348,306	8,918,864	9,287,844	9,223,083
Specific Fund Reserves	45,090	0	0	0
Fund 163 Revenue Totals	<u>8,558,694</u>	<u>9,393,256</u>	<u>9,812,236</u>	<u>9,747,475</u>

<u>165 Lynnhaven Mall Tax Increment Financing Fund</u>				
Appropriation Units:				
Reserve for Contingencies	0	274,257	406,712	146,774
Tax Increment Financing	868,500	1,950,000	1,951,000	1,951,000
Fund 165 Appropriation Totals	<u>868,500</u>	<u>2,224,257</u>	<u>2,357,712</u>	<u>2,097,774</u>

Revenue Sources:				
Revenue from Local Sources				
General Property Taxes	1,897,702	2,224,257	2,357,712	2,097,774
From the Use of Money and Property	36,227	0	0	0
Fund 165 Revenue Totals	<u>1,933,929</u>	<u>2,224,257</u>	<u>2,357,712</u>	<u>2,097,774</u>

<u>166 Sandbridge Tax Increment Financing Fund</u>				
Appropriation Units:				
Reserve for Future Commitments	0	8,979,789	13,839,644	10,312,775
Transfer to Other Funds	9,000,000	1,428,673	0	0
Fund 166 Appropriation Totals	<u>9,000,000</u>	<u>10,408,462</u>	<u>13,839,644</u>	<u>10,312,775</u>

Revenue Sources:				
Revenue from Local Sources				
General Property Taxes	6,789,100	10,195,580	13,593,191	10,066,322
From the Use of Money and Property	378,145	212,882	246,453	246,453
Specific Fund Reserves	1,832,755	0	0	0
Fund 166 Revenue Totals	<u>9,000,000</u>	<u>10,408,462</u>	<u>13,839,644</u>	<u>10,312,775</u>

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>167 Arts and Humanities Commission Special Revenue Fund</u>				
Appropriation Units:				
Arts and Humanities Commission	495,334	492,206	443,818	443,818
Fund 167 Appropriation Totals	<u>495,334</u>	<u>492,206</u>	<u>443,818</u>	<u>443,818</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	93	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	5,000	5,000	5,000	5,000
Transfers from Other Funds	485,026	487,206	438,818	438,818
Specific Fund Reserves	5,215	0	0	0
Fund 167 Revenue Totals	<u>495,334</u>	<u>492,206</u>	<u>443,818</u>	<u>443,818</u>
<u>169 Central Business District - South TIF (Town Center) Fund</u>				
Appropriation Units:				
Reserve for Future Commitments	0	437,200	193,071	963,607
Transfer to Other Funds	2,578,913	2,917,894	3,940,291	3,033,870
Fund 169 Appropriation Totals	<u>2,578,913</u>	<u>3,355,094</u>	<u>4,133,362</u>	<u>3,997,477</u>
Revenue Sources:				
Revenue from Local Sources				
General Property Taxes	2,707,772	3,299,124	4,062,258	3,926,373
From the Use of Money and Property	91,540	55,970	71,104	71,104
Fund 169 Revenue Totals	<u>2,799,312</u>	<u>3,355,094</u>	<u>4,133,362</u>	<u>3,997,477</u>
<u>170 Virginia Aquarium Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	240,863	0	0	0
FY 2006 Outstanding Encumbrances	10,838	0	0	0
Museums (Virginia Marine Science Museum)	6,631,941	6,976,063	7,055,285	7,065,130
Reserve for Contingencies	0	0	142,303	133,704
Fund 170 Appropriation Totals	<u>6,883,642</u>	<u>6,976,063</u>	<u>7,197,588</u>	<u>7,198,834</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	25,382	22,500	26,500	26,500
Charges for Services	5,786,265	5,777,897	5,978,715	5,978,715
Miscellaneous Revenue	735,210	774,653	746,654	789,886
Transfers from Other Funds	484,527	401,013	445,719	403,733
Specific Fund Reserves	10,838	0	0	0
Fund 170 Revenue Totals	<u>7,042,222</u>	<u>6,976,063</u>	<u>7,197,588</u>	<u>7,198,834</u>
<u>171 Sportsplex Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	32,962	0	0	0
FY 2006 Outstanding Encumbrances	21,833	0	0	0
Parks and Recreation	448,594	0	0	0
Fund 171 Appropriation Totals	<u>503,389</u>	<u>0</u>	<u>0</u>	<u>0</u>

City of Virginia Beach, Virginia

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>171 Sportsplex Special Revenue Fund</u>				
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	79,768	0	0	0
Charges for Services	21,166	0	0	0
Transfers from Other Funds	265,700	0	0	0
Specific Fund Reserves	136,755	0	0	0
Fund 171 Revenue Totals	503,389	0	0	0
<u>172 Open Space Special Revenue Fund</u>				
Appropriation Units:				
FY 2006 Outstanding Encumbrances	180	0	0	0
Parks and Recreation (Open Space)	53,070	185,084	180,676	180,676
Public Works (Open Space)	0	15,000	15,300	15,300
Reserve for Contingencies	0	4,305	18,486	14,328
Reserve for Future Commitments	0	562,262	517,120	473,457
Transfer to Other Funds	2,962,425	4,229,491	4,667,865	4,674,405
Fund 172 Appropriation Totals	3,015,675	4,996,142	5,399,447	5,358,166
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	614,790	210,601	428,414	428,414
Transfers from Other Funds	3,590,095	3,785,541	3,971,033	3,929,752
Specific Fund Reserves	180	1,000,000	1,000,000	1,000,000
Fund 172 Revenue Totals	4,205,065	4,996,142	5,399,447	5,358,166
<u>173 Major Projects Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	16,482	0	0	0
Public Works (Major Projects)	327,457	351,767	340,187	340,901
Reserve for Contingencies	0	0	31,615	24,019
Transfer to Other Funds	17,408,908	18,149,069	21,025,849	21,066,868
Fund 173 Appropriation Totals	17,752,847	18,500,836	21,397,651	21,431,788
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	2,428,593	904,385	843,303	843,303
Transfers from Other Funds	14,917,783	15,697,426	16,329,134	16,729,920
Specific Fund Reserves	406,471	1,899,025	4,225,214	3,858,565
Fund 173 Revenue Totals	17,752,847	18,500,836	21,397,651	21,431,788
<u>174 Town Center Special Tax District</u>				
Appropriation Units:				
FY 2006 Outstanding Encumbrances	4,274	0	0	0
Reserve for Contingencies	0	204,731	283,564	283,564
Town Center Special Tax District	531,993	837,769	1,198,228	1,198,228
Transfer to Other Funds	8,100	39,634	40,427	40,427
Fund 174 Appropriation Totals	544,367	1,082,134	1,522,219	1,522,219
Revenue Sources:				
Revenue from Local Sources				
General Property Taxes	890,205	1,082,134	1,522,219	1,522,219
From the Use of Money and Property	13,974	0	0	0
Specific Fund Reserves	4,274	0	0	0
Fund 174 Revenue Totals	908,453	1,082,134	1,522,219	1,522,219

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>175 Golf Course Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	4,120	0	0	0
FY 2006 Outstanding Encumbrances	475	0	0	0
Parks and Recreation (Golf Courses)	2,108,014	2,542,328	2,503,393	2,503,393
Reserve for Contingencies	0	35,000	167,100	137,350
Transfer to Other Funds	0	200,000	200,000	200,000
Fund 175 Appropriation Totals	<u>2,112,609</u>	<u>2,777,328</u>	<u>2,870,493</u>	<u>2,840,743</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	202,284	227,700	231,400	231,400
Charges for Services	1,413,428	2,544,251	2,639,093	2,609,343
Miscellaneous Revenue	617	0	0	0
Transfers from Other Funds	512,565	5,377	0	0
Specific Fund Reserves	475	0	0	0
Fund 175 Revenue Totals	<u>2,129,369</u>	<u>2,777,328</u>	<u>2,870,493</u>	<u>2,840,743</u>
<u>176 Transition Area Special Revenue Fund</u>				
Appropriation Units:				
Reserve for Future Commitments	0	54,707	203,511	370,606
Fund 176 Appropriation Totals	<u>0</u>	<u>54,707</u>	<u>203,511</u>	<u>370,606</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	5,049	0	0	0
Transfers from Other Funds	206,617	54,707	203,511	370,606
Fund 176 Revenue Totals	<u>211,666</u>	<u>54,707</u>	<u>203,511</u>	<u>370,606</u>
<u>180 Community Development Special Revenue Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	28,842	0	0	0
Community Development Block Grants	1,597,268	1,616,939	1,575,516	1,470,850
Housing and Neighborhood Preservation	1,142,678	1,386,279	1,359,271	1,114,608
Reserve for Contingencies	0	0	81,142	52,624
Transfer to Other Funds	0	123,129	125,592	125,592
Fund 180 Appropriation Totals	<u>2,768,788</u>	<u>3,126,347</u>	<u>3,141,521</u>	<u>2,763,674</u>
Revenue Sources:				
Revenue from the Federal Government	1,611,956	2,559,608	2,559,608	1,860,501
Non-Revenue Receipts	0	37,326	37,326	0
Transfers from Other Funds	511,504	529,413	544,587	903,173
Specific Fund Reserves	645,328	0	0	0
Fund 180 Revenue Totals	<u>2,768,788</u>	<u>3,126,347</u>	<u>3,141,521</u>	<u>2,763,674</u>
<u>181 CD Loan and Grant Fund</u>				
Appropriation Units:				
Community Development Block Loan and Grants	131,943	262,674	262,674	979,456
Fund 181 Appropriation Totals	<u>131,943</u>	<u>262,674</u>	<u>262,674</u>	<u>979,456</u>

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>181 CD Loan and Grant Fund</u>				
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	15,330	0	0	0
Miscellaneous Revenue	58,966	0	0	0
Revenue from the Federal Government	210,824	0	0	679,456
Non-Revenue Receipts	457,031	262,674	262,674	300,000
Fund 181 Revenue Totals	<u>742,151</u>	<u>262,674</u>	<u>262,674</u>	<u>979,456</u>

182 Federal Housing Assistance Grant Fund

Appropriation Units:				
Federal HOME Grants	1,078,875	1,450,998	1,450,998	1,443,865
Fund 182 Appropriation Totals	<u>1,078,875</u>	<u>1,450,998</u>	<u>1,450,998</u>	<u>1,443,865</u>
Revenue Sources:				
Revenue from Local Sources				
Miscellaneous Revenue	56,032	0	0	0
Revenue from the Federal Government	0	1,400,998	1,400,998	1,393,865
Non-Revenue Receipts	388,484	50,000	50,000	50,000
Specific Fund Reserves	634,359	0	0	0
Fund 182 Revenue Totals	<u>1,078,875</u>	<u>1,450,998</u>	<u>1,450,998</u>	<u>1,443,865</u>

183 Grants Consolidated Fund

Appropriation Units:				
Commonwealth's Attorney - Grants	293,018	307,033	299,409	299,409
Fire Grants	0	997,734	1,011,052	1,011,052
Housing and Neighborhood Grants	811,696	1,050,852	1,050,852	1,047,387
Human Services	840,117	1,172,617	1,017,042	1,194,005
Police (Uniform Patrol Grant)	28,974	61,491	57,598	57,598
Public Works Grants	0	15,000	15,000	15,000
Reserve for Contingencies	0	100,000	203,736	182,124
Social Services Grants	526,311	704,713	714,672	714,672
Fund 183 Appropriation Totals	<u>2,500,116</u>	<u>4,409,440</u>	<u>4,369,361</u>	<u>4,521,247</u>
Revenue Sources:				
Revenue from Local Sources				
Charges for Services	0	75,000	25,507	85,507
Revenue from the Commonwealth				
Other Sources from the Commonwealth	1,167,394	1,335,289	1,256,338	1,335,289
Revenue from the Federal Government	1,022,062	2,647,861	2,673,483	2,658,849
Non-Revenue Receipts	28,490	41,000	44,680	44,680
Transfers from Other Funds	254,105	310,290	369,353	396,922
Specific Fund Reserves	100,135	0	0	0
Fund 183 Revenue Totals	<u>2,572,186</u>	<u>4,409,440</u>	<u>4,369,361</u>	<u>4,521,247</u>

185 Mental Health Grants Fund

Appropriation Units:				
Human Services	186,359	210,446	212,276	212,276
Human Services (Substance Abuse Grants)	474,224	506,084	509,735	509,735
Mental Health Grants	0	0	0	1,127
Substance Abuse Grants	0	0	0	6,314
Transfer to Other Funds	0	12,000	12,240	4,799
Fund 185 Appropriation Totals	<u>660,583</u>	<u>728,530</u>	<u>734,251</u>	<u>734,251</u>

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>185 Mental Health Grants Fund</u>				
Revenue Sources:				
Revenue from Local Sources				
Charges for Services	50	3,000	3,000	3,000
Revenue from the Commonwealth				
Other Sources from the Commonwealth	228,303	255,221	260,942	260,942
Revenue from the Federal Government	476,602	470,309	470,309	470,309
Fund 185 Revenue Totals	<u>704,955</u>	<u>728,530</u>	<u>734,251</u>	<u>734,251</u>
<u>187 Marine Science Museum Grants Fund</u>				
Appropriation Units:				
Museum Grants	0	31,000	31,000	31,000
Fund 187 Appropriation Totals	<u>0</u>	<u>31,000</u>	<u>31,000</u>	<u>31,000</u>
Revenue Sources:				
Revenue from the Federal Government	0	31,000	31,000	31,000
Fund 187 Revenue Totals	<u>0</u>	<u>31,000</u>	<u>31,000</u>	<u>31,000</u>
<u>241 Water and Sewer Fund</u>				
Appropriation Units:				
Debt Service	7,888,864	13,198,752	14,486,826	14,486,826
FY 2006 Outstanding Encumbrances	1,107,426	0	0	0
Public Utilities	64,171,113	68,230,731	65,788,303	67,314,489
Reserve for Contingencies	0	555,374	4,383,937	2,879,200
Transfer to Other Funds	9,914,089	11,570,597	11,750,934	12,079,485
Fund 241 Appropriation Totals	<u>83,081,492</u>	<u>93,555,454</u>	<u>96,410,000</u>	<u>96,760,000</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	3,307,669	1,933,181	1,933,181	2,033,181
Charges for Services	84,200,310	86,066,470	90,500,351	90,500,351
Miscellaneous Revenue	230,500	221,495	230,360	230,360
Revenue from the Federal Government	10,351	0	0	0
Non-Revenue Receipts	12,960,106	3,397,043	3,397,043	3,647,043
Transfers from Other Funds	234,768	241,811	249,065	249,065
Specific Fund Reserves	1,107,426	1,695,454	100,000	100,000
Fund 241 Revenue Totals	<u>102,051,130</u>	<u>93,555,454</u>	<u>96,410,000</u>	<u>96,760,000</u>
<u>253 Parking Enterprise Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	3,756	0	0	0
Convention and Visitor Bureau (Parking)	1,256,678	2,026,656	1,974,678	1,973,850
FY 2006 Outstanding Encumbrances	511,544	0	0	0
Reserve for Contingencies	0	304,064	362,249	362,249
Transfer to Other Funds	515,775	852,717	848,303	849,131
Fund 253 Appropriation Totals	<u>2,287,753</u>	<u>3,183,437</u>	<u>3,185,230</u>	<u>3,185,230</u>
Revenue Sources:				
Revenue from Local Sources				
Permits, Privilege Fees, and Regulatory Licenses	27,333	30,000	30,000	30,000
Fines and Forfeitures	394,458	0	0	0
From the Use of Money and Property	69,541	55,000	55,000	55,000
Charges for Services	2,191,639	2,500,000	2,501,000	2,501,000
Transfers from Other Funds	266,903	298,437	299,230	299,230
Specific Fund Reserves	511,544	300,000	300,000	300,000
Fund 253 Revenue Totals	<u>3,461,418</u>	<u>3,183,437</u>	<u>3,185,230</u>	<u>3,185,230</u>

City of Virginia Beach, Virginia Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>255 Storm Water Utility Enterprise Fund</u>				
Appropriation Units:				
Communications and Information Technology - FY 06	47,824	0	0	0
Debt Service	509,296	957,593	1,284,195	1,284,195
FY 2006 Outstanding Encumbrances	1,635,409	0	0	0
Public Works (Storm Water Operations)	10,161,684	10,044,020	9,998,013	9,998,013
Reserve for Contingencies	0	268,331	562,812	562,812
Transfer to Other Funds	8,217,670	8,978,505	9,724,340	9,724,340
Fund 255 Appropriation Totals	<u>20,571,883</u>	<u>20,248,449</u>	<u>21,569,360</u>	<u>21,569,360</u>
Revenue Sources:				
Revenue from Local Sources				
Permits, Privilege Fees, and Regulatory Licenses	72,352	0	0	0
From the Use of Money and Property	216,221	120,130	120,130	120,130
Charges for Services	12,279,267	14,677,074	15,780,459	15,780,459
Miscellaneous Revenue	87,222	0	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth	5,171,939	5,383,768	5,599,945	5,599,945
Transfers from Other Funds	65,512	67,477	68,826	68,826
Specific Fund Reserves	2,679,370	0	0	0
Fund 255 Revenue Totals	<u>20,571,883</u>	<u>20,248,449</u>	<u>21,569,360</u>	<u>21,569,360</u>
<u>302 General Debt Fund</u>				
Appropriation Units:				
Debt Service	103,907,774	110,046,591	120,946,752	118,659,525
Fund 302 Appropriation Totals	<u>103,907,774</u>	<u>110,046,591</u>	<u>120,946,752</u>	<u>118,659,525</u>
Revenue Sources:				
Revenue from Local Sources				
From the Use of Money and Property	577,780	0	0	0
Non-Revenue Receipts	4,278,680	0	0	0
Transfers from Other Funds	102,785,507	110,046,591	120,946,752	118,659,525
Fund 302 Revenue Totals	<u>107,641,967</u>	<u>110,046,591</u>	<u>120,946,752</u>	<u>118,659,525</u>
<u>430 Roadways General Revenue Capital Projects Fund</u>				
Appropriation Units:				
Roadways Capital Projects	9,029,750	0	0	0
Fund 430 Appropriation Totals	<u>9,029,750</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Transfers from Other Funds	9,029,750	0	0	0
Fund 430 Revenue Totals	<u>9,029,750</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>431 Coastal General Revenue Capital Projects Fund</u>				
Appropriation Units:				
Coastal Capital Projects	1,599,315	0	0	0
Fund 431 Appropriation Totals	<u>1,599,315</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Transfers from Other Funds	1,599,315	0	0	0
Fund 431 Revenue Totals	<u>1,599,315</u>	<u>0</u>	<u>0</u>	<u>0</u>

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>432 Economic and Tourism General Revenue Capital Projects Fund</u>				
Appropriation Units:				
Economic and Tourism Development Capital Projects	2,740,632	0	0	0
Fund 432 Appropriation Totals	<u>2,740,632</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Transfers from Other Funds	2,740,632	0	0	0
Fund 432 Revenue Totals	<u>2,740,632</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>460 School General Revenue Capital Projects Fund</u>				
Appropriation Units:				
School Capital Projects	17,597,408	17,597,408	12,936,308	12,108,658
Fund 460 Appropriation Totals	<u>17,597,408</u>	<u>17,597,408</u>	<u>12,936,308</u>	<u>12,108,658</u>
Revenue Sources:				
Transfers from Other Funds	17,597,408	17,597,408	12,936,308	12,108,658
Fund 460 Revenue Totals	<u>17,597,408</u>	<u>17,597,408</u>	<u>12,936,308</u>	<u>12,108,658</u>
<u>491 Water and Sewer Operating Revenue Capital Projects Fund</u>				
Appropriation Units:				
Water and Sewer Capital Projects	6,250,000	0	0	0
Fund 491 Appropriation Totals	<u>6,250,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Transfers from Other Funds	6,250,000	0	0	0
Fund 491 Revenue Totals	<u>6,250,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>496 Parks and Recreation General Revenue Capital Projects Fund</u>				
Appropriation Units:				
Parks and Recreation Capital Projects	3,517,951	0	0	0
Fund 496 Appropriation Totals	<u>3,517,951</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Transfers from Other Funds	3,517,951	0	0	0
Fund 496 Revenue Totals	<u>3,517,951</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>497 Building General Revenue Capital Projects Fund</u>				
Appropriation Units:				
Building Capital Projects	6,423,965	0	0	0
Fund 497 Appropriation Totals	<u>6,423,965</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Transfers from Other Funds	6,423,965	0	0	0
Fund 497 Revenue Totals	<u>6,423,965</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>498 Storm Water Capital Projects Fund</u>				
Appropriation Units:				
Storm Water Capital Projects	6,314,680	0	0	0
Fund 498 Appropriation Totals	<u>6,314,680</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Sources:				
Transfers from Other Funds	6,314,680	0	0	0
Fund 498 Revenue Totals	<u>6,314,680</u>	<u>0</u>	<u>0</u>	<u>0</u>

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	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>540 General Government Capital Projects Fund</u>				
Appropriation Units:				
Buildings Capital Projects	0	1,890,300	3,150,787	3,150,787
Coastal Capital Projects	0	5,877,101	2,646,763	4,438,799
Communications and Information Technology Projects	0	950,000	700,000	925,000
Economic and Tourism Development Capital Projects	0	9,953,677	9,517,701	9,749,821
Parks and Recreation Capital Projects	0	8,141,207	9,972,897	9,916,220
Roadways Capital Projects	0	7,074,485	7,584,313	7,584,313
Fund 540 Appropriation Totals	<u>0</u>	<u>33,886,770</u>	<u>33,572,461</u>	<u>35,764,940</u>
Revenue Sources:				
Transfers from Other Funds	0	33,886,770	33,572,461	35,764,940
Fund 540 Revenue Totals	<u>0</u>	<u>33,886,770</u>	<u>33,572,461</u>	<u>35,764,940</u>
<u>541 Water and Sewer Capital Projects Fund</u>				
Appropriation Units:				
Water and Sewer Capital Projects	0	6,250,000	6,250,000	6,250,000
Fund 541 Appropriation Totals	<u>0</u>	<u>6,250,000</u>	<u>6,250,000</u>	<u>6,250,000</u>
Revenue Sources:				
Transfers from Other Funds	0	6,250,000	6,250,000	6,250,000
Fund 541 Revenue Totals	<u>0</u>	<u>6,250,000</u>	<u>6,250,000</u>	<u>6,250,000</u>
<u>555 Storm Water Capital Projects Fund</u>				
Appropriation Units:				
Storm Water Capital Projects	0	6,995,149	7,727,588	7,727,588
Fund 555 Appropriation Totals	<u>0</u>	<u>6,995,149</u>	<u>7,727,588</u>	<u>7,727,588</u>
Revenue Sources:				
Transfers from Other Funds	0	6,995,149	7,727,588	7,727,588
Fund 555 Revenue Totals	<u>0</u>	<u>6,995,149</u>	<u>7,727,588</u>	<u>7,727,588</u>
<u>908 City Beautification Fund</u>				
Appropriation Units:				
FY 2006 Outstanding Encumbrances	1,685	0	0	0
Parks and Recreation	8,296	10,000	10,200	10,200
Fund 908 Appropriation Totals	<u>9,981</u>	<u>10,000</u>	<u>10,200</u>	<u>10,200</u>
Revenue Sources:				
Revenue from Local Sources				
Miscellaneous Revenue	16,502	10,000	10,200	10,200
Specific Fund Reserves	1,685	0	0	0
Fund 908 Revenue Totals	<u>18,187</u>	<u>10,000</u>	<u>10,200</u>	<u>10,200</u>
<u>909 Library Gift Fund</u>				
Appropriation Units:				
FY 2006 Outstanding Encumbrances	2,933	0	0	0
Library Gift	15,402	8,436	5,600	5,600
Fund 909 Appropriation Totals	<u>18,335</u>	<u>8,436</u>	<u>5,600</u>	<u>5,600</u>
Revenue Sources:				
Revenue from Local Sources				
Miscellaneous Revenue	4,651	5,600	5,600	5,600
Specific Fund Reserves	13,684	2,836	0	0
Fund 909 Revenue Totals	<u>18,335</u>	<u>8,436</u>	<u>5,600</u>	<u>5,600</u>

City of Virginia Beach, Virginia
Fiscal Year 2007-08 Amended Expenditures and Revenues

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>911 Parks and Recreation Gift Fund</u>				
Appropriation Units:				
Parks and Recreation (Gift Fund)	40,688	76,000	77,720	77,720
Fund 911 Appropriation Totals	<u>40,688</u>	<u>76,000</u>	<u>77,720</u>	<u>77,720</u>
Revenue Sources:				
Revenue from Local Sources				
Miscellaneous Revenue	75,231	76,000	77,720	77,720
Fund 911 Revenue Totals	<u>75,231</u>	<u>76,000</u>	<u>77,720</u>	<u>77,720</u>
<u>950 Circuit Court Clerk Technology Fund</u>				
Appropriation Units:				
Circuit Court	0	35,000	35,700	35,700
Fund 950 Appropriation Totals	<u>0</u>	<u>35,000</u>	<u>35,700</u>	<u>35,700</u>
Revenue Sources:				
Revenue from Local Sources				
Charges for Services	0	35,000	35,700	35,700
Fund 950 Revenue Totals	<u>0</u>	<u>35,000</u>	<u>35,700</u>	<u>35,700</u>
Total Appropriations for all Funds	1,961,226,814	2,219,811,222	2,363,836,388	2,344,577,875
Less Interfund Transfers	522,760,212	576,209,125	628,940,587	621,483,501
Net Appropriations Totals	<u>1,438,466,602</u>	<u>1,643,602,097</u>	<u>1,734,895,801</u>	<u>1,723,094,374</u>
Revenue Sources Totals	2,066,316,771	2,219,811,222	2,363,836,388	2,344,577,875
Less Interfund Transfers	524,760,212	576,209,125	628,940,587	621,483,501
Net Revenue Totals	<u>1,541,556,559</u>	<u>1,643,602,097</u>	<u>1,734,895,801</u>	<u>1,723,094,374</u> *

* These figures reflect the changes requested by the School Board and approved by City Council on June 12, 2007, to make necessary category adjustments to distribute the Schools' portion of the real estate tax reduction.

City of Virginia Beach, Virginia

Fiscal Year 2007-08 Amended Interfund Transfer Summary

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
Transfers from one fund to another occur to initiate the following actions:				
*Reimburse a fund for expenses that occurred for another fund.				
*Record the transfer of revenue from one fund to assist in the operation of another fund.				
<u>002 General Fund</u>				
161 Agriculture Reserve Program Special Revenue Fund	3,301,516	4,046,255	4,594,383	4,789,876
167 Arts and Humanities Commission Special Revenue Fund	485,026	487,206	438,818	438,818
497 Buildings General Revenue Capital Projects Fund	5,723,965	0	0	0
180 Community Development Special Revenue Fund	511,504	529,413	544,587	903,173
148 Comprehensive Services Act Special Revenue Fund	3,296,327	3,521,272	3,682,159	3,873,359
134 E-911 Communications Special Revenue Fund	1,451,322	2,963,445	4,972,744	4,943,834
120 Federal Police Department Grant Fund	752,324	761,577	0	0
147 Federal Section 8 Program Special Revenue Fund	56,957	13,565	23,033	314,494
302 General Debt Fund	70,706,867	77,215,813	82,743,939	81,398,625
540 General Government Capital Projects Fund	13,369,697	27,203,983	28,509,711	28,810,154
175 Golf Course Special Revenue Fund	261,425	5,377	0	0
183 Grants Consolidated Fund	234,221	310,290	369,353	396,922
150 Inmate Services Special Revenue Fund	0	2,482	6,664	5,825
130 Law Library Fund	150,301	80,000	140,952	137,515
173 Major Projects Special Revenue Fund	11,545,941	11,962,911	12,446,804	12,604,687
172 Open Space Special Revenue Fund	3,590,095	3,785,541	3,971,033	3,929,752
496 Parks and Recreation General Revenue Capital Projects Fund	2,317,951	0	0	0
151 Parks and Recreation Special Revenue Fund	14,925,983	14,691,653	15,924,714	15,750,597
131 Pendleton Child Service Center Fund	371,857	0	0	0
157 Sandbridge Special Service District Special Revenue Fund	63,380	71,686	71,686	71,686
114 School Cafeteria Fund	100,359	0	0	0
460 School General Revenue Capital Projects Fund	17,597,408	17,597,408	12,936,308	12,108,658
099 School Instructional Technology Special Revenue Fund	3,790,566	0	0	0
115 School Operating Fund	266,921,099	307,224,646	347,849,020	336,870,685
149 Sheriff's Department Special Revenue Fund	9,990,834	11,248,864	11,085,240	11,231,130
171 Sportsplex Special Revenue Fund	265,700	0	0	0
255 Storm Water Utility Enterprise Fund	53,656	55,266	56,371	56,371
163 Tourism Advertising Program Special Revenue Fund	8,348,306	8,918,864	9,287,844	9,223,083
152 Tourism Growth Investment Fund	14,852,837	15,805,767	16,507,437	16,908,518
176 Transition Area Special Revenue Fund	206,617	54,707	203,511	370,606
170 Virginia Aquarium Special Revenue Fund	484,527	401,013	445,719	403,733
Total Transfers from Fund 002	<u>455,728,568</u>	<u>508,959,004</u>	<u>556,812,030</u>	<u>545,542,101</u>
<u>130 Law Library Fund</u>				
002 General Fund	60,000	60,000	60,000	60,000
Total Transfers from Fund 130	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
<u>134 E-911 Communications Special Revenue Fund</u>				
497 Buildings General Revenue Capital Projects Fund	700,000	0	0	0
302 General Debt Fund	761,856	547,872	832,694	547,522
540 General Government Capital Projects Fund	0	700,000	700,000	700,000
Total Transfers from Fund 134	<u>1,461,856</u>	<u>1,247,872</u>	<u>1,532,694</u>	<u>1,247,522</u>
<u>148 Comprehensive Services Act Special Revenue Fund</u>				
002 General Fund	520,144	0	0	0
131 Pendleton Child Service Center Fund	542,706	0	0	0
Total Transfers from Fund 148	<u>1,062,850</u>	<u>0</u>	<u>0</u>	<u>0</u>

City of Virginia Beach, Virginia
Fiscal Year 2007-08 Amended Interfund Transfer Summary

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>149 Sheriff's Department Special Revenue Fund</u>				
183 Grants Consolidated Fund	19,884	0	0	0
150 Inmate Services Special Revenue Fund	2,886	3,966	0	0
Total Transfers from Fund 149	22,770	3,966	0	0
<u>150 Inmate Services Special Revenue Fund</u>				
002 General Fund	24,551	24,551	24,551	24,551
149 Sheriff's Department Special Revenue Fund	250,000	250,000	250,000	250,000
Total Transfers from Fund 150	274,551	274,551	274,551	274,551
<u>151 Parks and Recreation Special Revenue Fund</u>				
302 General Debt Fund	0	69,540	69,540	69,540
175 Golf Course Special Revenue Fund	251,140	0	0	0
496 Parks and Recreation General Revenue Capital Projects Fund	200,000	0	0	0
157 Sandbridge Special Service District Special Revenue Fund	11,872	0	0	0
Total Transfers from Fund 151	463,012	69,540	69,540	69,540
<u>152 Tourism Growth Investment Fund</u>				
302 General Debt Fund	5,509,114	5,350,514	5,793,839	5,793,839
002 General Fund	1,650,000	2,000,000	2,000,000	2,000,000
540 General Government Capital Projects Fund	0	0	0	1,100,000
173 Major Projects Special Revenue Fund	3,371,842	3,734,515	3,882,330	4,125,233
253 Parking Enterprise Fund	258,803	258,803	258,803	258,803
157 Sandbridge Special Service District Special Revenue Fund	616,729	418,758	427,133	427,133
255 Storm Water Utility Enterprise Fund	11,856	12,211	12,455	12,455
Total Transfers from Fund 152	11,418,344	11,774,801	12,374,560	13,717,463
<u>157 Sandbridge Special Service District Special Revenue Fund</u>				
540 General Government Capital Projects Fund	0	2,304,114	2,112,750	2,904,786
Total Transfers from Fund 157	0	2,304,114	2,112,750	2,904,786
<u>159 Fire Programs Special Revenue Fund</u>				
002 General Fund	170,229	0	0	0
Total Transfers from Fund 159	170,229	0	0	0
<u>161 Agriculture Reserve Program Special Revenue Fund</u>				
302 General Debt Fund	1,477,152	2,936,174	3,289,679	3,289,679
002 General Fund	0	22,763	23,218	2,523,218
Total Transfers from Fund 161	1,477,152	2,958,937	3,312,897	5,812,897
<u>163 Tourism Advertising Program Special Revenue Fund</u>				
002 General Fund	0	54,631	55,724	55,724
152 Tourism Growth Investment Fund	15,000	0	0	0
Total Transfers from Fund 163	15,000	54,631	55,724	55,724
<u>166 Sandbridge Tax Increment Financing Fund</u>				
002 General Fund	9,000,000	0	0	0
540 General Government Capital Projects Fund	0	1,428,673	0	0
Total Transfers from Fund 166	9,000,000	1,428,673	0	0
<u>169 Central Business District - South TIF (Town Center) Fund</u>				
302 General Debt Fund	2,351,264	2,721,660	3,738,170	3,033,870
002 General Fund	227,649	196,234	202,121	0
Total Transfers from Fund 169	2,578,913	2,917,894	3,940,291	3,033,870

City of Virginia Beach, Virginia
Fiscal Year 2007-08 Amended Interfund Transfer Summary

	FY 2005-06 Actuals	FY 2006-07 Adjusted Budget	FY 2007-08 Total Approved	FY 2007-08 Total Adopted
<u>172 Open Space Special Revenue Fund</u>				
302 General Debt Fund	1,962,425	2,179,491	2,617,865	2,624,405
540 General Government Capital Projects Fund	0	2,050,000	2,050,000	2,050,000
496 Parks and Recreation General Revenue Capital Fund	1,000,000	0	0	0
Total Transfers from Fund 172	<u>2,962,425</u>	<u>4,229,491</u>	<u>4,667,865</u>	<u>4,674,405</u>
<u>173 Major Projects Special Revenue Fund</u>				
302 General Debt Fund	16,815,994	17,607,412	20,473,359	20,514,378
002 General Fund	0	18,210	18,574	18,574
157 Sandbridge Special Service District Special Revenue Fund	592,914	523,447	533,916	533,916
Total Transfers from Fund 173	<u>17,408,908</u>	<u>18,149,069</u>	<u>21,025,849</u>	<u>21,066,868</u>
<u>174 Town Center Special Tax District</u>				
253 Parking Enterprise Fund	8,100	39,634	40,427	40,427
Total Transfers from Fund 174	<u>8,100</u>	<u>39,634</u>	<u>40,427</u>	<u>40,427</u>
<u>175 Golf Course Special Revenue Fund</u>				
540 General Government Capital Projects Fund	0	200,000	200,000	200,000
Total Transfers from Fund 175	<u>0</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
<u>180 Community Development Special Revenue Fund</u>				
002 General Fund	0	123,129	125,592	125,592
Total Transfers from Fund 180	<u>0</u>	<u>123,129</u>	<u>125,592</u>	<u>125,592</u>
<u>185 Mental Health Grants Fund</u>				
002 General Fund	0	12,000	12,240	4,799
Total Transfers from Fund 185	<u>0</u>	<u>12,000</u>	<u>12,240</u>	<u>4,799</u>
<u>241 Water and Sewer Fund</u>				
302 General Debt Fund	487,600	0	0	0
002 General Fund	3,176,489	5,320,597	5,500,934	5,829,485
541 Water and Sewer Capital Projects Fund	6,250,000	6,250,000	6,250,000	6,250,000
Total Transfers from Fund 241	<u>9,914,089</u>	<u>11,570,597</u>	<u>11,750,934</u>	<u>12,079,485</u>
<u>253 Parking Enterprise Fund</u>				
302 General Debt Fund	0	730,593	725,625	725,625
002 General Fund	94,439	94,439	94,439	95,267
157 Sandbridge Special Service District Special Revenue Fund	26,878	27,685	28,239	28,239
152 Tourism Growth Investment Fund	394,458	0	0	0
Total Transfers from Fund 253	<u>515,775</u>	<u>852,717</u>	<u>848,303</u>	<u>849,131</u>
<u>255 Storm Water Utility Enterprise Fund</u>				
302 General Debt Fund	713,235	687,522	662,042	662,042
002 General Fund	954,987	1,054,023	1,085,645	1,085,645
555 Storm Water Capital Projects Fund	6,314,680	6,995,149	7,727,588	7,727,588
241 Water and Sewer Fund	234,768	241,811	249,065	249,065
Total Transfers from Fund 255	<u>8,217,670</u>	<u>8,978,505</u>	<u>9,724,340</u>	<u>9,724,340</u>
Total Appropriations for all Funds	<u>522,760,212</u>	<u>576,209,125</u>	<u>628,940,587</u>	<u>621,483,501</u>

**CITY OF VIRGINIA BEACH, VIRGINIA
ESTIMATED GENERAL FUND BALANCE AND
DEBT POLICY CALCULATIONS
FOR FY 2007-08**

Estimate of General Fund Balance

Beginning Fund Balance at July 1, 2006		\$ 172,645,872
Add: Estimated FY 2006-07 Revenues		970,548,625
Surplus from Sandbridge TIF		<u>8,750,000</u>
Total Fund Balance and Revenues		<u><u>\$ 1,151,944,497</u></u>
Less Anticipated FY 2006-07 Expenditures:		
Operating Expenditures	\$ 442,502,539	
School Operations *	320,891,314	
Other Transfers	<u>233,211,538</u>	<u>996,605,391</u>
Total Projected Fund Balance at June 30, 2007		<u><u>\$ 155,339,106</u></u>
Less Anticipated Uses of Fund Balance:		
Loans, Advances, and Prepaids	\$ 6,436,942	
Encumbrances	5,600,000	
General Fund for Future Programs	11,734,213	
City/School Revenue Formula True-Up	3,216,752	
FY 2007-08 Capital Budget	<u>25,393,638</u>	<u>52,381,545</u>
Total Estimated Undesignated Fund Balance at June 30, 2007		<u><u>\$ 102,957,561</u></u>

Calculation of Undesignated General Fund Balance Reserve

Projected FY 2007-08 General Fund Revenues		<u><u>\$ 1,027,576,200</u></u>
Undesignated Fund Balance as a percent of FY 2007-08 Revenues		<u><u>10.02%</u></u>

The fund balance policy requires a minimum of 8% of undesignated fund balance. The City strives to maintain its undesignated fund balance at a higher level to strengthen its standing in the bond market and to enhance its ability to react to unforeseen events in the future. If the City maintained its FY 2006-07 Undesignated Fund Balance at 8%, the amount would be: \$82,206,096

* Reflects full transfer amount but some reversion to Schools is anticipated and included in this number.

**City of Virginia Beach
Changes in Undesignated Fund Balances**

	General and Gift Funds	Special Revenue	Schools	Enterprise and Utilities	General Debt	Capital Project	Total All Funds
Estimated Undesignated Fund Balances at June 30, 2007	102,957,561	56,825,450	18,658,018	1,280,507	-	-	179,721,536
Add: Estimated Reserved Fund Balances at June 30, 2007	52,381,545	59,818,099	21,018,150	92,818,140	11,557,911	-	237,593,845
Total Estimated Fund Balances at June 30, 2007	<u>155,339,106</u>	<u>116,643,549</u>	<u>39,676,168</u>	<u>94,098,647</u>	<u>11,557,911</u>	<u>-</u>	<u>417,315,381</u>
Add: Estimated FY 2007-08 Revenues	1,027,627,700	197,413,970	799,364,478	121,114,590	118,659,525	61,851,186	2,326,031,449
Less: Estimated FY 2007-08 Expenditures and Interfund Transfers	<u>1,027,627,700</u>	<u>206,424,379</u>	<u>808,500,495</u>	<u>121,514,590</u>	<u>118,659,525</u>	<u>61,851,186</u>	<u>2,344,577,875</u>
Total Fund Balances at June 30, 2008	<u>155,339,106</u>	<u>107,633,140</u>	<u>30,540,151</u>	<u>93,698,647</u>	<u>11,557,911</u>	<u>-</u>	<u>398,768,955</u>
Less: Estimated Reserved Fund Balances at June 30, 2008	<u>52,381,545</u>	<u>59,818,099</u>	<u>21,018,150</u>	<u>92,818,140</u>	<u>11,557,911</u>	<u>-</u>	<u>237,593,845</u>
Total Estimated Undesignated Fund Balances at June 30, 2008	<u>102,957,561</u>	<u>47,815,041</u>	<u>9,522,001</u>	<u>880,507</u>	<u>-</u>	<u>-</u>	<u>161,175,110</u>
Change in Undesignated Fund Balances	<u>-</u>	<u>(9,010,409)</u>	<u>(9,136,017)</u>	<u>(400,000)</u>	<u>-</u>	<u>-</u>	<u>(18,546,426)</u>

Notes:

1. Reserved Fund Balances are used to provide funding for future obligations, such as loans, advances, encumbrances, and "pay-as-you-go" funding for the Capital Improvement Program
2. The General Debt Fund has reserves, which accumulated due to dedicated revenues initially exceeding expenditures for referenda-funded capital projects in the early years. In latter years, reserves are available to make up the shortfall of revenues.
3. The "Total All Funds" is the gross operating budget and includes interfund transfer amounts.
4. The fund balance (i.e., net assets) for Enterprise and Utilities funds are exclusive of Property, Plant, and Equipments. Some of the net assets are reserved to fund either capital projects or future debt payments
5. The City Beautification Fund, Library Gift Fund, and Circuit Court Clerk Technology Fund totals are included in the General Fund amount, and the Parks and Recreation Gift Fund totals are included in the Special Revenue Fund.

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CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program identifies the funding needed for construction of City facilities, acquisition of major pieces of equipment and computer systems, roadways, infrastructure maintenance, and economic development projects. This program covers the years from FY 2006-07 through FY 2011-12, although only the first two years are actually appropriated. The remaining years are for planning purposes. As the table below illustrates, the resources allocated for City improvements for the six year period are increasing by 9%, Schools are increasing at 1.9%, and Utility programs are increasing by 0.8%. Overall, the six-year program increased by 4.6%, or \$51.9 million. This increase includes amendments made by Council during FY 2006-07, such as the use of fund balance from the General Fund and Schools year-end reversion funds. The increase associated with amendments to the FY 2007-08 capital budget totals \$21 million.

Capital Improvement Program Overview Years 1-6 only

	Approved FY 2006-07 FY 2011-12	Amended FY 2006-07 FY 2011-12	Percent Change
City General Improvements	\$481,754,302	\$ 525,285,256	9.0%
Acquisition of Land Surrounding Oceana	90,000,000	90,000,000	0.0%
School Improvements	358,285,722	365,162,822	1.9%
Utilities Improvements	193,476,723	194,951,723	0.8%
Total:	\$1,123,516,747	\$1,175,399,801	4.6%

In certain cases, due to construction cost increases, projects are being delayed to cover the cost increases associated with other projects. For example, \$1,200,000 was reallocated to capital project 2-076, Laskin Road Gateway and \$927,000 was reallocated to capital project 2-071, Baker Road Extended due to construction cost increases. And, capital project 2-083, Diamond Springs Road Bridge Replacement requires an additional \$1,275,000 to acquire drainage easements. Capital projects 2-156, Laskin Road – Phase I (VDOT) and 2-072, First Colonial Road/Virginia Beach Boulevard Intersection Improvements will reallocate about \$2 million each in FY 2007-08 funding to other higher priority roadway projects. To continue the City's effort to address traffic congestion, City Council adopted an ordinance on May 15, 2007 to reallocate funding in FY 2007-08 through FY 2011-12 from various state roadway projects to 2-121, Nimmo Parkway – Phase VA (VDOT) and 2-305, Princess Anne Road – Phase IV (Ferrell – Phase II) (VDOT). This reallocation will advance construction of roadway expansions to alleviate congestion on the two most congested roads in the City. For FY 2007-08, \$2.5 million was reallocated from capital projects 2-025, Witchduck Road – Phase II (Partial) (First Cities Project) and 2-256, Indian River Road – Phase VII (First Cities Project) and \$44.1 million will be reallocated from FY 2009 through FY 2012 from various projects.

In specific instances, new capital projects are established and recently added projects are receiving additional funding where new sources of funding could be identified. For example, additional Congestion Mitigation and Air Quality (CMAQ) Federal pass-through funds from the State are anticipated for two recently established capital projects: 2-150 Salem Road/Princess Anne Road Intersection Improvement (established by Council in February, 2007) and 2-161 Traffic Signal Retiming (established by Council in April, 2007). Also, the remaining unspent funds associated with the former Information Technology Internal Service Fund that are now residing in the fund balance of the General Fund (\$750,000) are being used for a comprehensive study of City department electronic records management needs and recommendations on how best to address those needs in capital project 3-209, CIT Enterprise Electronic Records Management System. The explosion of digital information data and content, the need for greater efficiency, and the increased obligations of government transparency and compliance are all driving a need for improved Electronic Records Management. In addition, the Sandbridge Special Service District

and Sandbridge Tax Increment Financing District have sufficient funding to provide an additional \$792,036 in FY 2007-08 for capital project 8-282 Sandbridge Beach Restoration. Sand is expected to be restored at Sandbridge during FY 2006-07.

Notable funding additions in FY 2007-08 include:

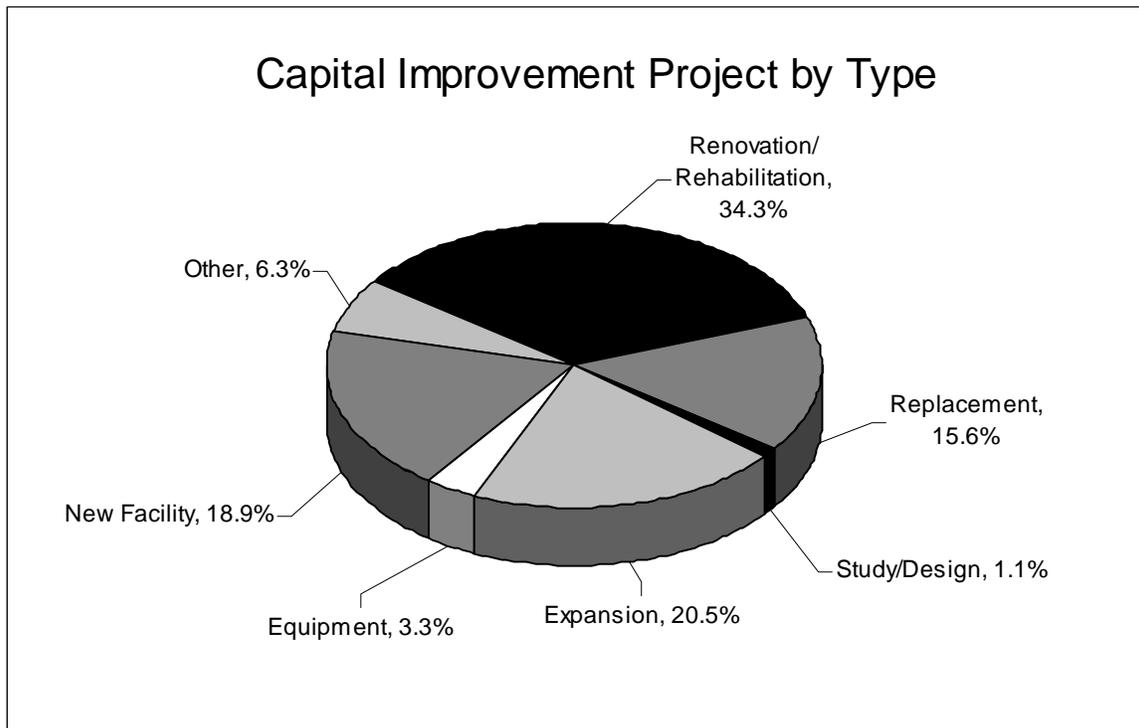
- \$500,000 to capital project 4-075 Pedestrian System Improvements – Phase I to provide a second year of funding for sidewalk/path improvements along major arterial and collector roadways to facilitate pedestrian/bicycle transportation from residential neighborhoods to destinations throughout the City, as requested by Council's appointed Bikeways & Trails Committee.
- \$8,856,912 (\$7,636,792 in FY 2007-08 and \$1,220,120 in previous years' appropriations transferred to this project) to capital project 2-208 Constitution Drive Extended to provide the remainder of City's share of construction that now totals \$9,176,912.
- \$1,100,000 from the fund balance of the Agriculture Reserve Program to provide one-time funding to capital projects, 8-002 Beach Profile Monitoring (\$75,000) and 8-004 Various Minor Dredging Projects (\$865,000) that were eliminated in the FY 2005-06 and FY 2006-07 CIP, as well as additional funding for 8-014 Lynnhaven Inlet Maintenance Dredging (\$160,000) to continue accumulating the City's share of the three-to-four year dredging cycle. Examples of minor dredging projects include Crab Creek, Long Creek, and Keeling Drain.
- \$3,600,000 for capital project 8-018 Outfall Improvements for 79th, 16th, and 42nd Streets for the construction of the 79th Street ocean outfall and pipe improvements and for outfall improvements for the 16th and 42nd Street storm water pump stations. The total estimated project cost is \$13.9 million, and involves a City/Federal cost share (35%/65%); Federal funding of \$10.3 million is pending. This will be the final phase of Beach Erosion Control & Hurricane Protection capital project (9-704).
- \$750,000 (\$680,150 in FY 2007-08 and \$69,850 in previous years' appropriations transferred to this project) to capital project 3-344 Police Fourth Precinct-Replacement for Design.

For FY 2007-08, the Schools reduced its CIP by \$1 million as part of the Schools \$10.9 million reduction to support increased real estate tax relief as a result of City Council's vote May 15, 2007. The reduction will be reflected in project 1-016, Princess Anne Elementary School Modernization, from which the funds were to be transferred to 1-006, Various Schools Site Acquisition – Phase I for potential site acquisition related to the Kellam High School relocation project. In addition, construction cost increases will impact the School building program as well. Funding for some projects previously funded in the six years of the CIP has been shifted to other projects. In some cases, construction costs have decreased (or bids were lower than anticipated), such as for project 1-018 Newtown Road Elementary School Replacement and 1-075 Elementary School 2007-08. Other projects' cost increased due to the escalating price of asphalt and petroleum, such as for project 1-099 Renovations and Replacements - Grounds – Phase II and 1-232 Tennis Court Renovations. Other projects were delayed pending the results from the Schools' Comprehensive Long-Range Facilities Study, such as 1-016 Princess Anne Elementary School Modernization. One project, 1-235 Windsor Oaks Elementary School Replacement, is being accelerated from FY 2009-10 with the transfer in FY 2007-08 of \$2 million from a lower priority need. Some of the projects from which monies were transferred remain unfunded in the out-years of the CIP, and these needs will be addressed in the future.

Utilities projects show relatively constant funding; however, of note, the Storm Water Utility is reallocating \$2.5 million from other storm water projects including North Lake Holly Watershed and South Lake Holly Watershed (\$1 million each) to the North Beach Drainage project (7-902) to address flooding at the North End with the construction of the 61st Street storm water pump station and related infrastructure. Total project cost for this pump station project increased from \$16.8 million to \$19.3 million due to inflation. North Lake Holly Watershed will be delayed 17 months, and South Lake Holly Watershed will be marginally affected as it is being constructed in phases. The Water & Sewer Utility will be reallocating funding to projects including 5-088 Small Line Improvements – Phase IV (\$400,000) for three additional small line improvement projects; 5-092 Landstown Yard Improvements – Phase III for renovations to the existing facility (\$1,140,000) involving added hurricane protection; 6-085 Sanitary Sewer Aging Infrastructure Program – Phase III (\$3.3 million) to comply with the upcoming

Department of Environmental Quality consent decree; and 6-148 System Expansion Cost Participation Agreements - Phase III (\$1,720,000) for five additional Cost Participation Agreements.

As the City has grown older, the Capital Improvement Program is directing more of the City's resources to rehabilitation, renovation and replacement of its assets. In the 1970's and 1980's, the focus of the Capital Improvement Program centered on building new capital projects to respond to the rapidly growing population. The population is growing at a much slower rate, and it is time to replace and/or renovate many of the projects constructed during the high growth years. As shown in the following graph, close to 50% of the capital projects identified in the six-year plan are related to replacement, rehabilitation, and renovation, while only 39% of the capital projects are new and/or expansion needs. Of the expansion projects, many are related to increasing roadway, water and sewer system capacity to meet existing needs, as well as property acquisition around Oceana. It is anticipated that future capital improvement programs will continue to shift the focus toward maintaining existing infrastructure.



The charts and tables on the following pages detail the sources of revenue and the business areas where funding is programmed. Changes in State funding include an increase of \$1,105,791 during FY 2006-07 for five projects (2-150 Salem Rd/Princess Anne Rd Intersection Improvement, 2-161 Traffic Signal Retiming, 3-073 Colonial Education Center Construction & Land Acquisition, 7-153 Lynnhaven Watershed Restoration, and 7-159 Water Quality Participation Projects), and an increase of \$1,200,500 in FY 2007-08 for 2-150 Salem Rd/Princess Anne Rd Intersection Improvement and 2-161 Traffic Signal Retiming as mentioned previously. Quality Education and Lifelong Learning reflects the City's priority on education, while the Quality Physical Environment section reflects the emphasis on roadways. Projects whose appropriations are backed by FY 2006-07 Fund Balance are on hold pending the availability of sufficient year-end surplus.

CAPITAL IMPROVEMENT PROGRAM RESOURCE SUMMARY

Sources of Funding

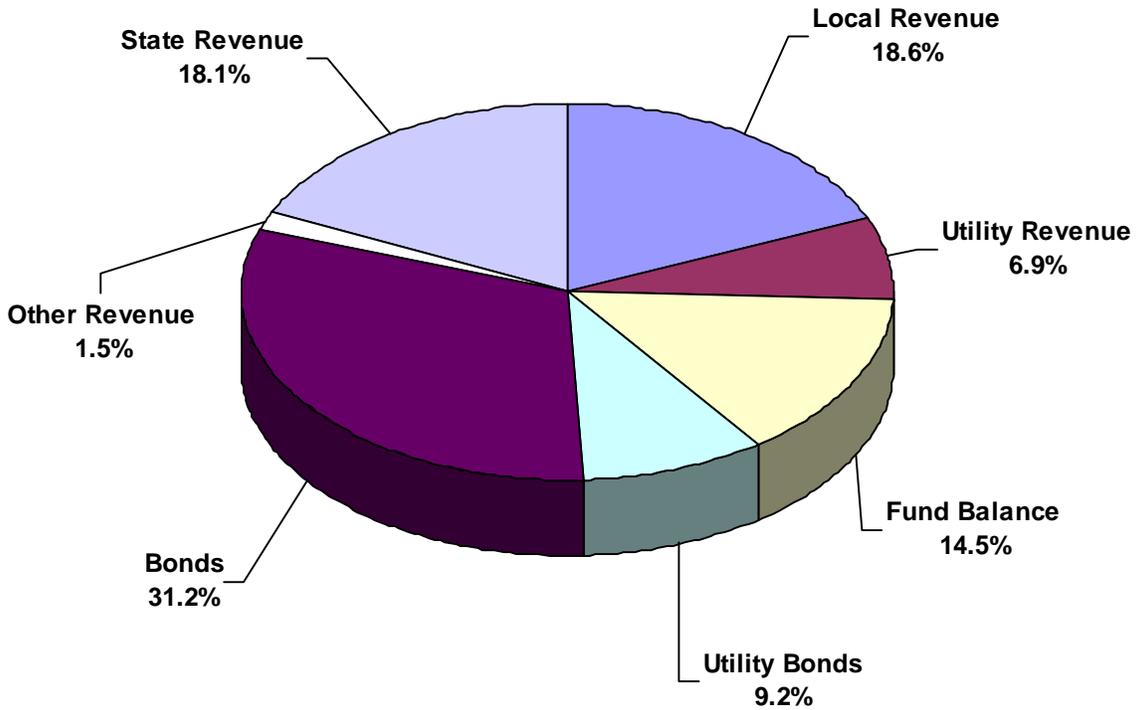
Type of Financing	Total Resources	Appropriations to Date	Amended Year 1 FY 2006-07	Capital Budget Year 2 FY 2007-08	Years 3 thru 6
Local Revenue	\$ 379,467,892	\$ 139,824,173	\$ 36,877,406	\$ 37,861,320	\$ 164,904,993
State Revenue	448,122,271	220,503,105	40,857,148	36,785,354	149,976,664
Federal Revenue	10,853,317	10,603,317	250,000	-	-
Other Revenue	64,257,003	47,760,738	4,497,779	3,104,786	8,893,700
Bonds/Lease Purchases	901,857,620	523,659,595	70,177,777	63,433,991	244,586,257
Utility Bonds	169,145,996	62,874,531	21,460,465	18,793,000	66,018,000
Fund Balance	310,298,832	186,717,042	57,476,124	29,558,602	36,547,064
Utility Fund Revenues	145,589,259	62,249,888	13,245,149	13,977,588	56,116,634
Total Financing - All Sources	\$ 2,429,592,190	\$ 1,254,192,389	\$ 244,841,848	\$ 203,514,641	\$ 727,043,312

Summary of Project Estimates

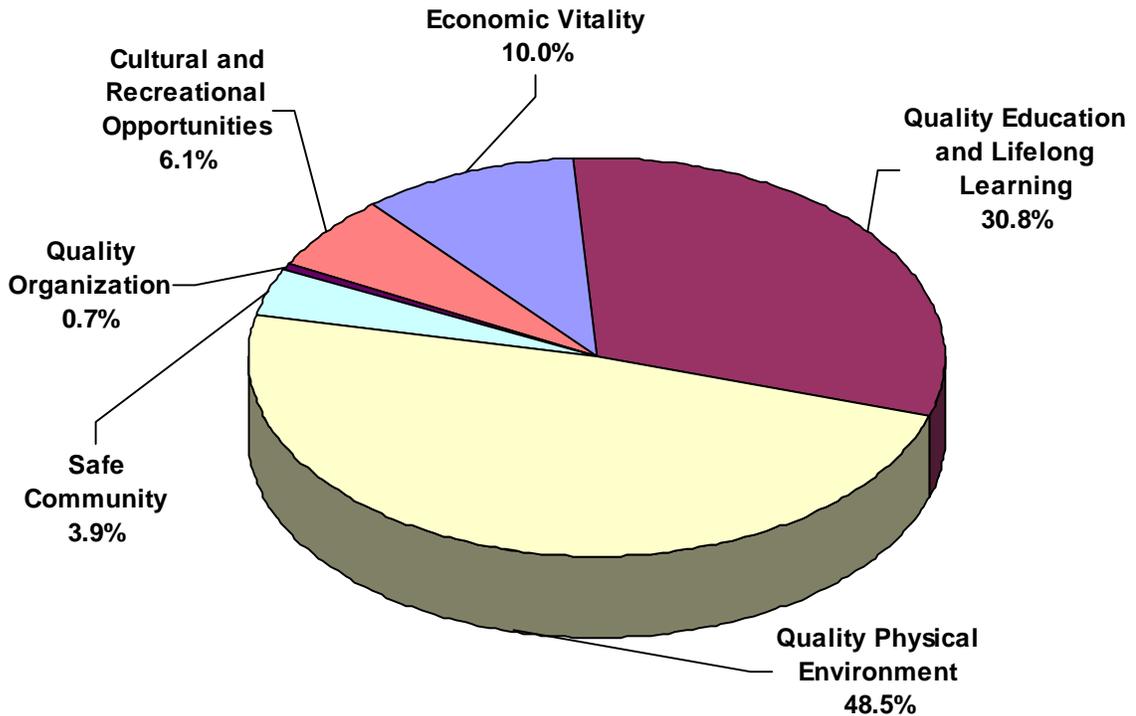
Project Class	Estimated Total Cost	Appropriations to Date	Amended Year 1 FY 2006-07	Capital Budget Year 2 FY 2007-08	Years 3 thru 6
Economic Vitality	\$ 363,915,570	\$ 245,813,075	\$ 29,631,870	\$ 20,399,821	\$ 68,070,804
Safe Community	158,851,949	98,092,888	14,872,139	7,912,840	37,974,082
Quality Physical Environment	1,049,274,746	512,815,169	108,170,191	98,638,025	329,651,361
Cultural and Recreational Opportunities	214,624,101	134,510,437	16,728,275	12,430,240	50,955,149
Quality Education and Lifelong Learning	606,950,514	234,478,159	69,874,373	62,768,715	239,829,267
Family and Youth Opportunities	3,240,500	2,540,500	700,000	-	-
Quality Organization	32,734,810	25,942,161	4,865,000	1,365,000	562,649
Total Capital Improvement Program	\$ 2,429,592,190	\$ 1,254,192,389	\$ 244,841,848	\$ 203,514,641	\$ 727,043,312

CAPITAL BUDGET DISTRIBUTION FOR FY 2007-08 (ADOPTED)

Where the funding comes from . . .



. . . and where it goes



City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Means of Financing Summary

Source of Funding	Total				Unappropriated Subsequent Years			
	Programmed Funds	Approp. To Date	FY 2006-07 Budget	FY 2007-08 Budget	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
General Appropriations								
Operating Budget	103,792,595	34,515,370	11,992,503	10,366,730	11,501,195	10,633,106	12,422,124	12,361,567
Pay-As-You-Go	103,692,732	42,257,611	6,905,451	8,934,732	9,879,147	12,394,442	11,018,722	12,302,627
Park Acquisition (.7 R.E. Tax)	4,623,340	4,623,340	0	0	0	0	0	0
Park Acquisition (.5 R.E. Tax)	16,600,326	0	2,247,920	2,501,379	2,756,630	2,894,461	3,039,184	3,160,752
Tourism Growth Investment Fund	1,292,964	192,964	0	1,100,000	0	0	0	0
Cigarette Tax	36,975,721	24,659,872	2,095,224	2,149,821	2,017,701	2,017,701	2,017,701	2,017,701
Schools Funding Formula	108,265,214	31,475,016	12,936,308	12,108,658	12,936,308	12,936,308	12,936,308	12,936,308
VDOT Maintenance	89,251,615	49,007,955	6,273,057	6,398,518	6,590,474	6,788,188	6,991,834	7,201,589
Law Enforcement (599)	43,050,741	36,296,230	790,300	898,974	966,902	1,532,085	1,326,370	1,239,880
E911 Fund	4,225,000	2,100,000	700,000	700,000	700,000	25,000	0	0
Golf Course Fund	1,200,000	0	200,000	200,000	200,000	200,000	200,000	200,000
Sandbridge Special Service District Tax	14,132,293	829,693	2,304,114	2,904,786	2,137,750	2,137,750	1,896,600	1,921,600
Sandbridge Special Service District TIF	1,428,673	0	1,428,673	0	0	0	0	0
Storm Water Utility Fund	78,963,493	33,124,122	6,995,149	7,727,588	7,833,467	7,800,179	7,741,494	7,741,494
Water and Sewer Fund	66,625,766	29,125,766	6,250,000	6,250,000	6,250,000	6,250,000	6,250,000	6,250,000
Community Development	168,000	168,000	0	0	0	0	0	0
Total Operating Budget CIP Allocations	674,288,473	288,375,939	61,118,699	62,241,186	63,769,574	65,609,220	65,840,337	67,333,518
Policy Allocation of Year Ending Balances								
Fund Balance - General Fund	143,892,211	49,158,197	33,495,976	25,393,638	8,961,100	8,961,100	8,961,100	8,961,100
Fund Balance - School Reversion	66,767,870	58,890,770	7,877,100	0	0	0	0	0
Fund Balance - Other	57,835,801	45,598,512	7,527,713	4,006,912	50,000	552,664	50,000	50,000
Fund Balance - Open Space	5,000,000	5,000,000	0	0	0	0	0	0
Fund Balance - P & R Referendum Tax	515,000	515,000	0	0	0	0	0	0
Retained Earnings - Information	7,766,000	2,091,000	5,675,000	0	0	0	0	0
Retained Earnings - Storm Water	4,674,765	3,114,378	1,402,335	158,052	0	0	0	0
Retained Earnings - Water and Sewer	23,847,185	22,349,185	1,498,000	0	0	0	0	0
Total Policy Allocation of Year Ending	310,298,832	186,717,042	57,476,124	29,558,602	9,011,100	9,513,764	9,011,100	9,011,100
Other Sources of Funding								
Other Localities	19,639,427	19,639,427	0	0	0	0	0	0
Federal Contribution	10,853,317	10,603,317	250,000	0	0	0	0	0
Private Contribution	11,919,871	11,899,871	20,000	0	0	0	0	0
Development Proffers	219,992	175,000	44,992	0	0	0	0	0
Sale of Property	15,548,747	15,048,747	500,000	0	0	0	0	0
State Contribution	315,819,915	135,198,920	33,793,791	29,487,862	26,772,627	27,436,536	27,443,842	35,686,337
Total Other Sources of Funding	374,001,269	192,565,282	34,608,783	29,487,862	26,772,627	27,436,536	27,443,842	35,686,337
Debt Financing								
General Obligation Bonds								
General Improvements	591,745,571	248,107,546	60,977,777	63,433,991	56,795,123	59,048,687	52,836,000	50,546,447
Road Bond Authority	497,894	497,894	0	0	0	0	0	0
1986 School Referendum	1,440,962	1,440,962	0	0	0	0	0	0
1989 School Referendum	3,125,000	3,125,000	0	0	0	0	0	0
1980 Highway Referendum	140,000	140,000	0	0	0	0	0	0
Public Facility Revenue Bonds	250,578,000	250,578,000	0	0	0	0	0	0
Storm Water Utility Bonds	22,190,737	19,680,737	2,510,000	0	0	0	0	0
Water and Sewer Bonds								
Revenue Bonds	146,955,259	43,193,794	18,950,465	18,793,000	18,813,000	18,750,000	16,765,000	11,690,000
Lease-Purchase	54,330,193	19,770,193	9,200,000	0	0	2,600,000	8,500,000	14,260,000
Total Debt Financing	1,071,003,616	586,534,126	91,638,242	82,226,991	75,608,123	80,398,687	78,101,000	76,496,447
Total of All Sources of Funding	2,429,592,190	1,254,192,389	244,841,848	203,514,641	175,161,424	182,958,207	180,396,279	188,527,402

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Project Estimates Summary

Source of Funding	Total				Unappropriated Subsequent Years			
	Programmed Funds	Approp. To Date	FY 2006-07 Budget	FY 2007-08 Budget	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
<u>Economic Vitality</u>								
Economic and Tourism Development	363,915,570	245,813,075	29,631,870	20,399,821	17,017,701	17,017,701	17,017,701	17,017,701
Total Economic Vitality	363,915,570	245,813,075	29,631,870	20,399,821	17,017,701	17,017,701	17,017,701	17,017,701
<u>Safe Community</u>								
Buildings	102,136,341	78,587,280	4,672,139	7,212,840	4,858,215	3,056,546	1,574,702	2,174,619
Communications and Information	56,715,608	19,505,608	10,200,000	700,000	925,000	2,625,000	8,500,000	14,260,000
Total Safe Community	158,851,949	98,092,888	14,872,139	7,912,840	5,783,215	5,681,546	10,074,702	16,434,619
<u>Quality Physical Environment</u>								
Roadways	544,056,185	276,703,565	44,950,076	48,562,576	38,160,677	41,764,877	44,359,788	49,554,626
Buildings	49,420,403	18,511,435	10,437,352	4,614,621	6,143,365	6,677,203	1,064,280	1,972,147
Water Utility	59,785,086	27,739,817	6,405,269	6,915,000	5,565,000	5,205,000	4,840,000	3,115,000
Sewer Utility	176,549,047	65,834,851	20,293,196	18,128,000	19,498,000	19,795,000	18,175,000	14,825,000
Storm Water	113,936,846	61,744,588	13,189,984	7,885,640	7,833,467	7,800,179	7,741,494	7,741,494
Coastal	105,027,179	62,280,913	12,394,314	12,532,188	4,578,152	4,528,152	4,302,002	4,411,458
Communications and Information	500,000	0	500,000	0	0	0	0	0
Total Quality Physical Environment	1,049,274,746	512,815,169	108,170,191	98,638,025	81,778,661	85,770,411	80,482,564	81,619,725
<u>Cultural and Recreational Opportunities</u>								
Buildings	63,291,412	60,299,986	2,991,426	0	0	0	0	0
Parks and Recreation	151,332,689	74,210,451	13,736,849	12,430,240	11,327,092	12,717,587	13,132,658	13,777,812
Total Cultural and Recreational Opportunities	214,624,101	134,510,437	16,728,275	12,430,240	11,327,092	12,717,587	13,132,658	13,777,812
<u>Quality Education and Lifelong Learning</u>								
Schools	575,854,940	210,692,118	68,464,840	59,868,715	56,990,262	60,870,962	59,485,274	59,482,769
Buildings	31,095,574	23,786,041	1,409,533	2,900,000	2,100,000	900,000	0	0
Total Quality Education and Lifelong Learning	606,950,514	234,478,159	69,874,373	62,768,715	59,090,262	61,770,962	59,485,274	59,482,769
<u>Family and Youth Opportunities</u>								
Communications and Information	3,240,500	2,540,500	700,000	0	0	0	0	0
Technology								
Total Family and Youth Opportunities	3,240,500	2,540,500	700,000	0	0	0	0	0
<u>Quality Organization</u>								
Communications and Information	32,734,810	25,942,161	4,865,000	1,365,000	164,493	0	203,380	194,776
Technology								
Total Quality Organization	32,734,810	25,942,161	4,865,000	1,365,000	164,493	0	203,380	194,776
Total of All Project Classes	2,429,592,190	1,254,192,389	244,841,848	203,514,641	175,161,424	182,958,207	180,396,279	188,527,402

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Summary of Fiscal Year 2007-08 Charter Bond Allocation

Project #	Project Title	Total
Economic Vitality		
Economic and Tourism Development		
9.016	Town Center Infrastructure	650,000
9.069	19th Street Corridor Improvements	2,500,000
		<u>2,500,000</u>
Total Economic and Tourism Development		3,150,000
Total Economic Vitality		<u><u>3,150,000</u></u>
Quality Physical Environment		
Roadways		
2.072	First Colonial Rd/Va. Beach Blvd. Intersection Imp	648,000
2.076	Laskin Road Gateway	1,200,000
2.083	Diamond Springs Road Bridge Replacement	1,275,000
2.089	Southeastern Parkway & Greenbelt (Partial)	662,920
2.121	Nimmo Parkway - Phase V-A (VDOT)	2,000,016
2.145	Wesleyan Drive (First Cities Program)	780,000
2.168	Lesner Bridge Replacement (First Cities Project)	1,000,000
2.195	Princess Anne Road - Phase VII	925,341
2.208	Constitution Drive Extended	1,428,949
2.263	Major Bridge Rehabilitation (Partial)	160,000
2.285	Traffic Safety Improvements - Phase II	250,000
2.305	Princess Anne Road - Phase IV (Ferrell - Phase II) (VDOT)	539,876
		<u>539,876</u>
Total Roadways		10,870,102
Buildings		
3.366	Various Buildings HVAC Rehabilitation and Renewal - Phase II	410,401
3.367	Various Buildings Rehabilitation and Renewal - Phase II	1,788,216
3.368	Various Site Acquisitions	1,000,000
		<u>1,000,000</u>
Total Buildings		3,198,617
Coastal		
8.005	Western Branch Lynnhaven River Maintenance Dredging	2,450,000
8.018	Outfall Improvements for 79th, 16th, & 42nd Streets	2,600,000
		<u>2,600,000</u>
Total Coastal		5,050,000
Total Quality Physical Environment		<u><u>19,118,719</u></u>
Safe Community		
Buildings		
3.021	Fire and Rescue Station - Thalia	3,805,157
3.344	Police Fourth Precinct - Replacement	680,150
		<u>680,150</u>
Total Buildings		4,485,307
Total Safe Community		<u><u>4,485,307</u></u>

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Summary of Fiscal Year 2007-08 Charter Bond Allocation

Project #	Project Title	Total
Cultural and Recreational Opportunities		
Parks and Recreation		
4.019	New Princess Anne District Park Athletics Complex	352,000
4.051	Stumply Lake Golf Course Infrastructure Improvements	1,950,000
4.075	Pedestrian System Improvements - Phase I	<u>162,020</u>
	Total Parks and Recreation	<u>2,464,020</u>
	Total Cultural and Recreational Opportunities	<u>2,464,020</u>
Quality Education and Lifelong Learning		
Schools		
1.018	Newtown Road Elementary School Replacement	2,000,000
1.019	Great Neck Middle School Replacement	5,853,775
1.085	Alternative Education Facility - Phase II	8,962,170
1.234	Virginia Beach Middle School Replacement	12,500,000
1.235	Windsor Oaks Elementary School Replacment	<u>2,000,000</u>
	Total Schools	<u>31,315,945</u>
Buildings		
3.262	Tidewater Community College Expansion	<u>2,900,000</u>
	Total Buildings	<u>2,900,000</u>
	Total Quality Education and Lifelong Learning	<u>34,215,945</u>
	Grand Total	<u>63,433,991</u>

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Summary of Fiscal Year 2007-08 Revenue Bond Allocation

Project #	Project Title	Total
Quality Physical Environment		
Water Utility		
5.064	Columbus Street Pump Station Modifications	110,000
5.091	Water Request & Agreements (51% Program) - Phase V	50,000
5.092	Landstown Yard Improvements - Phase III	360,000
5.167	Water Tank Upgrade Program - Phase III	250,000
5.203	Lotus Gardens Water Improvements - 51% Program	1,790,000
5.207	Laskin Road Water Improvements - Phase I (VDOT)	365,000
5.708	Resort Area Neighborhood Revitalization	800,000
5.710	19th Street Corridor Water Improvements	200,000
5.965	Water Resources	200,000
	Total Water Utility	<u>4,125,000</u>
Sewer Utility		
6.019	Resort Area Neighborhood Revitalization	1,000,000
6.065	Infiltration, Inflow, and Rehabilitation - Phase IV	1,500,000
6.066	Pump Station Modifications - Phase IV	2,978,000
6.069	Birdneck Road Sewer Improvements - Phase II (VDOT)	450,000
6.085	Sanitary Sewer Aging Infrastructure Program - Phase II	3,300,000
6.138	Landstown Yard Improvements - Phase III	258,000
6.146	Sewer Requests & Agreements - Phase V (51% Program)	100,000
6.148	System Expansion Cost Participation Agreements - Phase II	1,242,000
6.203	Lotus Gardens Sewer Improvements - 51% Program	1,390,000
6.505	Princess Anne Plaza Rehabilitation - Phase II	1,300,000
6.506	Sanitary Sewer System Revitalization Program - Phase I	1,100,000
6.710	19th Street Corridor Sewer Improvements	50,000
	Total Sewer Utility	<u>14,668,000</u>
	Total Quality Physical Environment	<u><u>18,793,000</u></u>
	Grand Total	<u><u>18,793,000</u></u>

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Summary of Fiscal Year 2007-08 General Appropriation Allocation

Project #	Project Title	Total
Economic Vitality		
Economic and Tourism Development		
9.060	Oceana and Interfacility Traffic Area Conformity and Acquisition	7,500,000
9.061	17th Street Park Storage Facility	100,000
9.141	Economic Development Investment Program (On-Going)	2,149,821
	Total Economic and Tourism Development	<u>9,749,821</u>
	Total Economic Vitality	<u><u>9,749,821</u></u>
Safe Community		
Buildings		
3.365	Fire Facility Rehabilitation and Renewal - Phase II	844,198
3.371	Fire Apparatus - Phase II	959,583
	Total Buildings	<u>1,803,781</u>
Communications and Information Technology		
3.281	CIT - Communication Infrastructure Replacement	700,000
	Total Communications and Information Technology	<u>700,000</u>
	Total Safe Community	<u><u>2,503,781</u></u>
Quality Physical Environment		
Roadways		
2.021	Rural Road Improvements	100,000
2.031	Street Reconstruction	150,000
2.052	Traffic Signal Rehabilitation	350,000
2.172	LED Traffic Signal Upgrade	100,000
2.176	Transportation Network Analysis	35,795
2.211	Traffic Calming	100,000
2.263	Major Bridge Rehabilitation (Partial)	500,000
2.268	Wetlands Mitigation Banking	100,000
2.284	Pavement Maintenance Program	6,098,518
2.837	Various Cost Participation Projects	50,000
	Total Roadways	<u>7,584,313</u>
Buildings		
3.366	Various Buildings HVAC Rehabilitation and Renewal - Phase II	593,935
3.367	Various Buildings Rehabilitation and Renewal - Phase II	753,071
	Total Buildings	<u>1,347,006</u>
Coastal		
8.005	Western Branch Lynnhaven River Maintenance Dredging	274,013
8.007	Rudee Inlet Outer Channel Maintenance Dredging	260,000
8.018	Outfall Improvements for 79th, 16th, and 42nd Streets	1,000,000
8.023	Sandbridge Beach Access Improvement and Sand Management	200,000
8.282	Sandbridge Beach Restoration	2,704,786
	Total Coastal	<u>4,438,799</u>
	Total Quality Physical Environment	<u><u>13,370,118</u></u>
Cultural and Recreational Opportunities		
Parks and Recreation		
4.013	Community Rec Centers Repairs and Renovations - Phase I	4,263,861
4.016	Dist/Comm. Parks/Special Use Facilities Dev. And Ren. - Phase II	1,076,379
4.017	Golf Courses Equipment and Infrastructure - Phase II	200,000
4.018	Greenways and Scenic Waterways - Phase II	200,000
4.023	Neighborhood Parks Acquisition and Development - Phase II	200,000
4.024	Park Playground Renovations - Phase II	450,000

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Summary of Fiscal Year 2007-08 General Appropriation Allocation

Project #	Project Title	Total
4.034	Community Recreation Centers Roof Repairs and Replacements	563,000
4.036	Tennis Court Renovations - Phase II	300,000
4.055	Open Space Park Development and Maintenance	1,550,000
4.063	Athletic Fields Upgrading and Lighting - Phase II	75,000
4.070	Open Space Program Site Acquisition - Phase II	500,000
4.075	Pedestrian System Improvements - Phase I	337,980
4.971	Mount Trashmore District Park Renovations	200,000
	Total Parks and Recreation	9,916,220
	Total Cultural and Recreational Opportunities	9,916,220
Quality Education and Lifelong Learning		
Schools		
1.001	Renovations and Replacement - Energy Management	750,000
1.031	Academy Facilities Improvements	100,000
1.075	Elementary School 2007-08	172,350
1.078	School Bus Garage Facility Replacement/Expansion	4,500,000
1.085	Alternative Education Facility - Phase II	1,453,390
1.099	Renovations and Replacements - Grounds - Phase II	500,000
1.103	Renovations and Replacements - HVAC Systems - Phase II	154,579
1.104	Renovations and Replacements - Reroofing - Phase II	3,378,339
1.105	Renovations and Replacements - Various - Phase II	1,000,000
1.232	Tennis Court Renovations	100,000
	Total Schools	12,108,658
	Total Quality Education and Lifelong Learning	12,108,658
Quality Organization		
Communications and Information Technology		
3.200	CIT - Revenue Assessment and Collection System	225,000
3.340	CIT - Telecommunications Replacement	390,000
	Total Communications and Information Technology	615,000
	Total Quality Organization	615,000
	Grand Total	48,263,598

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Summary of Fiscal Year 2007-08 Water and Sewer Fund Allocation

Project #	Project Title	Total
Quality Physical Environment		
Water Utility		
5.067	Courthouse and Sandbridge Tank Modifications	75,000
5.084	System Expansion Cost Participation Agreements - Phase II	100,000
5.086	Comprehensive Water Master Planning - Phase V	150,000
5.087	Bayway Road Water Improvements - 51% Program	25,000
5.088	Small Line Improvements - Phase V	500,000
5.092	Landstown Yard Improvements - Phase III	1,140,000
5.162	Backflow Prevention and Cross Connection Control Program	150,000
5.302	Potable Wells Evaluation Program - Phase II	100,000
5.303	Water Quality Program - Phase III	100,000
5.400	Fire Hydrant Program - Phase II	50,000
5.404	Computerized Mapping & Infrastructure Management - Phase II	150,000
5.405	Customer Information System Version Migration	100,000
5.451	Engineering Services - Various Projects	50,000
5.802	Utility Crossings Condition Assessment	50,000
5.803	Water Valve Condition Assessment and Maintenance	50,000
	Total Water Utility	<u>2,790,000</u>
Sewer Utility		
6.085	Sanitary Sewer Aging Infrastructure Program - Phase II	1,000,000
6.089	Comprehensive Sewer Master Planning - Phase IV	300,000
6.138	Landstown Yard Improvement - Phase III	102,000
6.139	Bayway Road Sewer Improvements - 51% Program	55,000
6.148	System Expansion Cost Participation Agreements - Phase II	628,000
6.404	Computerized Mapping & Infrastructure Management - Phase II	150,000
6.405	Customer Information System Version Migration	100,000
6.411	CIT - Service Area Master Planning and Info. System (SAMPIS)	250,000
6.451	Engineering Services - Various Projects	50,000
6.502	Private Sanitary Sewer Pump Station Abandonment Program	75,000
6.612	Pump Station Wet Well Revitalization	350,000
6.613	Auxiliary Power Program - Sewer Pump Stations - Phase II	300,000
6.802	Utility Crossings Condition Assessment	50,000
6.803	Sewer Valve Condition Assessment and Maintenance	50,000
	Total Sewer Utility	<u>3,460,000</u>
	Total Quality Physical Environment	<u>6,250,000</u>
	Grand Total	<u>6,250,000</u>

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Summary of Fiscal Year 2007-08 Storm Water Utility Fund Allocation

Project #	Project Title	Total
Quality Physical Environment		
Storm Water		
7.004	Storm Water Infrastructure Rehabilitation	500,000
7.024	Southern Canal/Lead Ditch and Culvert Improvements	200,000
7.027	SWM Master Planning, Analysis, and Inventory	100,000
7.031	Kempsville Greens GC Community Storm Water Bank Stabilization	125,000
7.063	Neighborhood Storm Water Infrastructure Improvements	834,640
7.067	Primary System Infrastructure Improvements	1,250,000
7.091	Residential Drainage Cost Participation Program	50,000
7.152	Lake Management	841,948
7.153	Lynnhaven Watershed Restoration	300,000
7.157	Lynnhaven River Environmental Restoration Study	176,000
7.159	Water Quality Participation Projects	100,000
7.183	Storm Water Quality Enhancements	750,000
7.902	North Beach Drainage	2,500,000
	Total Storm Water	<u>7,727,588</u>
	Total Quality Physical Environment	<u>7,727,588</u>
	Grand Total	<u>7,727,588</u>

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Computation of Bonding Limits

BOND ISSUES	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL	
	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12		
ADDITIONAL ANNUAL BONDING LIMITS	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	60,000,000	
Add:								
CALENDAR YEAR PRINCIPAL RETIREMENT	49,882,930	46,125,637	46,478,108	40,406,529	42,000,952	35,888,826	260,782,982	
PRIOR BOND ISSUES (as of June 30, 2005)								
NEW BOND ISSUES	Amount	Rate						
2006 Bonds (Fall 2005)	80,000,000	4.27%	0	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000
2007 Bonds (Spring 2007)	75,000,000	4.13%	0	3,750,000	3,750,000	3,750,000	3,750,000	18,750,000
2008 Bonds (Spring 2008)	88,148,276	5.50%	0	0	4,407,414	4,407,414	4,407,414	17,629,656
2009 Bonds (Spring 2009)	73,866,085	5.50%	0	0	0	3,693,304	3,693,304	7,386,608
2010 Bonds (Spring 2010)	86,319,467	5.50%	0	0	0	0	4,315,973	4,315,973
2011 Bonds (Spring 2011)	55,942,344	5.50%	0	0	0	0	0	0
TOTAL ESTIMATED PRINCIPAL RETIREMENT	49,882,930	53,875,637	58,635,522	52,563,943	57,851,670	56,055,517	328,865,219	
TOTAL BONDING LIMITS	59,882,930	63,875,637	68,635,522	62,563,943	67,851,670	66,055,517	388,865,219	
TOTAL BONDING LIMITS - ROUNDED	59,800,000	63,800,000	68,600,000	62,500,000	67,800,000	66,000,000	388,500,000	
CHARTER BONDS ALLOCATED	60,977,777	63,433,991	56,795,123	59,048,687	52,836,000	50,546,447	343,638,025	
TOTAL ANNUAL UNALLOCATED BOND AUTH.	(1,177,777)	366,009	11,804,877	3,451,313	14,964,000	15,453,553	44,861,975	
PRIOR YEAR UNALLOCATED BOND AUTHORITY	1,177,777	0	0	0	0	0	1,177,777	
CUMULATIVE UNALLOCATED BOND AUTHORITY	0	366,009	12,170,886	15,622,199	30,586,199	46,039,752	46,039,752	

Note: Retirement of bonds assumes the issuance of bonds with 20-year, level principal retirement with the principal payments starting one year from the date of issue. Annual bond limits are on a calendar basis. The fiscal year (FY) identified in the heading represents the period in which they are traditionally appropriated.

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Estimated Debt Service Costs of General Improvement Debt

BOND ISSUES			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
			FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
PRIOR BOND ISSUES (as of June 30, 2005)			70,357,427	66,141,549	61,297,081	58,751,469	52,288,249	47,909,303	356,745,078
NEW BOND ISSUES	Amount	Rate							
2006 Bonds (Fall 2005)	80,000,000	4.27%	8,235,833	7,710,000	7,510,000	7,370,000	7,170,000	6,970,000	44,965,833
2007 Bonds (Spring 2007)	75,000,000	4.13%	0	7,281,250	7,218,750	7,031,250	6,843,750	6,656,250	35,031,250
2008 Bonds (Spring 2008)	88,148,276	5.50%	0	0	9,255,569	9,013,161	8,770,753	8,528,346	35,567,829
2009 Bonds (Spring 2009)	73,866,085	5.50%	0	0	0	7,755,939	7,552,807	7,349,675	22,658,421
2010 Bonds (Spring 2010)	86,319,467	5.50%	0	0	0	0	9,063,544	8,826,165	17,889,709
2011 Bonds (Spring 2011)	55,942,344	5.50%	0	0	0	0	0	5,873,946	5,873,946
TOTAL ESTIMATED PRINCIPAL RETIREMENT			8,235,833	14,991,250	23,984,319	31,170,350	39,400,854	44,204,382	161,986,988
TOTAL DEBT SERVICE - ALL BOND ISSUES			78,593,260	81,132,799	85,281,400	89,921,819	91,689,103	92,113,685	518,732,066
PRIOR LEASE/PURCHASES AND COPS			27,227,570	27,371,163	27,663,961	27,021,984	28,419,811	24,269,500	161,973,989
NEW LEASE/PURCHASES			1,593,942	9,574,430	15,589,661	15,973,081	16,868,031	21,333,194	80,932,339
TOTAL LEASE/PURCHASES AND COPS			28,821,512	36,945,593	43,253,622	42,995,065	45,287,842	45,602,694	242,906,328
TOTAL DEBT SERVICE - ALL ISSUES			107,414,772	118,078,392	128,535,022	132,916,884	136,976,945	137,716,379	761,638,394

Note: Estimated costs of new bond issues assume the issuance of bonds with a 20-year maturity, semi-annual interest payments, with annual level-principal payments starting one year from the date of issue. Amounts do not include bond issuance costs.

City of Virginia Beach, Virginia
Fiscal Years 2006-07 through 2011-12 Capital Improvement Program
Estimated Debt Service Costs of Water and Sewer Bond Issues

BOND ISSUES			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	TOTAL
			FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	
PRIOR BOND ISSUES (as of June 30, 2006)			12,929,324	10,807,441	10,636,325	10,719,741	10,582,259	10,587,766	66,262,856
NEW BOND ISSUES	Amount	Rate							
2008 Bonds (Fall 2007)	25,000,000	5.50%	0	687,500	1,850,294	1,849,554	1,848,775	1,847,952	8,084,075
2009 Bonds (Fall 2008)	15,000,000	5.50%	0	0	412,500	1,110,176	1,109,733	1,109,265	3,741,674
2010 Bonds (Fall 2009)	15,000,000	5.50%	0	0	0	412,500	1,110,176	1,109,733	2,632,409
2011 Bonds (Fall 2010)	15,000,000	5.50%	0	0	0	0	412,500	1,110,176	1,522,676
2012 Bonds (Fall 2011)	15,000,000	5.50%	0	0	0	0	0	412,500	412,500
TOTAL ESTIMATED PRINCIPAL RETIREMENT			0	687,500	2,262,794	3,372,230	4,481,184	5,589,626	16,393,334
TOTAL DEBT SERVICE - WATER AND SEWER BONDS			12,929,324	11,494,941	12,899,119	14,091,971	15,063,443	16,177,392	82,656,190

Note: Estimated costs assume the issuance of bonds with a 25-year maturity, semi-annual interest payments, with annual level-debt payments. Amounts do not include bond issuance costs or debt reserves.

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1 **AN ORDINANCE MAKING APPROPRIATIONS FOR THE**
2 **FISCAL YEAR BEGINNING JULY 1, 2007 AND ENDING JUNE**
3 **30, 2008 IN THE SUM OF \$1,721,976,371 FOR OPERATIONS**
4 **AND \$621,483,501 IN INTERFUND TRANSFERS AND**
5 **REGULATING THE PAYMENT OF MONEY OUT OF THE CITY**
6 **TREASURY, AS AMENDED**

7 WHEREAS, the City Manager has heretofore submitted an Annual Budget for the City for the fiscal year
8 beginning July 1, 2007, and ending June 30, 2008, and it is necessary to appropriate sufficient funds to cover
9 said budget;

10
11 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH,
12 VIRGINIA:

13
14 **Sec. 1.** That the amounts named aggregating \$2,343,459,872 consisting of \$621,483,501 in interfund
15 transfers and \$1,721,976,371 for operations, are hereby appropriated subject to the conditions hereinafter set
16 forth for the use of departments, and designated funds of the city government, and for the purposes hereinafter
17 mentioned, as set forth in the Annual Operating Budget, which is hereby incorporated by reference, for the fiscal
18 year beginning July 1, 2007, and ending June 30, 2008, a summary of which is attached to this ordinance as
19 "Attachment A – Appropriations."

20
21 **Sec. 2.** That in accordance with Section 5.04 of the City Charter, Estimated Revenue in support of
22 Appropriations is set forth in said Annual Operating Budget, with a summary of Estimated Revenue in Support of
23 Appropriations attached to this ordinance as "Attachment B – Revenues."

24
25 **Sec. 3.** With the exception of the School Operating Fund, the total number of full-time permanent
26 positions shall be the maximum number of positions authorized for the various departments of the City during the
27 fiscal year, except for changes or additions authorized by the Council or as hereinafter provided. The City
28 Manager may from time to time increase or decrease the number of part-time or temporary positions provided the
29 aggregate amount expended for such services shall not exceed the respective appropriations made therefore.
30 The City Manager is further authorized to make such rearrangements of positions within and between the
31 departments as may best meet the needs and interests of the City.

32
33 **Sec. 4.** To improve the effectiveness and efficiencies of the government in service delivery, the City
34 Council hereby authorizes the City Manager or his designee to transfer appropriated funds and existing positions
35 throughout the fiscal year as may be necessary to implement organizational adjustments that have been
36 authorized by the City Council. Unless otherwise directed by the City Council, such organizational adjustments
37 shall be implemented on such date or dates as the City Manager determines, in his discretion, to be necessary to
38 guarantee a smooth and orderly transition of existing organizational functions. The City Manager shall make a
39 report each year to the City Council identifying the status and progress of any such organizational adjustments.

40
41 **Sec. 5.** All current and delinquent collections of local taxes shall be credited to the General Fund and,
42 where appropriate, to any special service district special revenue fund or any tax increment financing funds
43 created by City Council. Transfers shall be made from the General Fund to the respective designated funds to
44 which a special levy is made in the amount of collection for each specially designated fund.

45
46 **Sec. 6.** All balances of the appropriations payable out of each fund of the City Treasury at the close
47 of business for the fiscal year ending on June 30, 2008, unless otherwise provided for, are hereby declared to be
48 lapsed into the fund balance of the respective funds, except the School Operating Fund which shall lapse into the
49 General Fund Balance, and may be used for the payment of the appropriations that may be made in the
50 appropriation ordinance for the fiscal year beginning July 1, 2008. However, there shall be retained in the
51 General Fund an undesignated fund balance of 8% to 12% of the following year's budgeted revenues, for
52 contingency and emergency situations, not to be used to support appropriations approved in the ordinance for
53 the fiscal year beginning July 1, 2007, except upon subsequent authorization by City Council.

55 **Sec. 7.** That the City's debt management policies for the Water and Sewer Enterprise fund shall
56 serve as a basis for developing financial strategies for the water and sanitary sewer system based on the
57 following guidelines: (a) for the Water and Sewer Fund, the goal of retaining working capital equal to 80% to
58 100% of one year's operating expense shall be pursued; (b) for the Water and Sewer Fund, the goal shall be for
59 debt service coverage on its water and sewer revenue bonds at not less than 1.50 times and, on a combined
60 basis, including water and sewer general obligation bonds, at no less than 1.20 times and (c) for the Water and
61 Sewer Fund, contributions from non-borrowed funds, on a five-year rolling average basis, will be sought for
62 approximately 25% of the annual capital program for the water and sewer system.
63

64 **Sec. 8.** All balances of appropriations in each fund which support authorized obligations or are
65 encumbered at the close of the business for the fiscal year ending on June 30, 2008, are hereby declared to be
66 reappropriated into the fiscal year beginning July 1, 2008, and estimated revenues adjusted accordingly.
67

68 **Sec. 9.** No department or agency for which appropriations are made under the provisions of this
69 ordinance shall exceed the amount of such appropriations except with the consent and approval of the City
70 Council first being obtained. It is expressly provided that the restrictions with respect to the expenditure of the
71 funds appropriated shall apply only to the totals for each Appropriation Unit included in this ordinance and does
72 not apply to Interfund Transfers.
73

74 **Sec. 10.** The City Manager or the Director of Management Services is hereby authorized to approve
75 transfers of appropriations in an amount up to \$100,000 between any Appropriation Units included in this
76 ordinance. The City Manager shall make a monthly report to the City Council of all transfers between \$25,000
77 and \$100,000. In addition, the City Manager may transfer, in amounts necessary, appropriations from all
78 Reserves for Contingencies except Reserve for Contingencies – Regular, within the intent of the Reserve as
79 approved by City Council.
80

81 **Sec. 11.** The City Manager or the Director of Management Services is hereby authorized to establish
82 and administer budgeting within Appropriation Units consistent with best management practices, reporting
83 requirements, and the programs and services adopted by the City Council.
84

85 **Sec. 12.** The City Manager or the Director of Management Services is hereby authorized to change
86 the Estimated Revenues included in this ordinance to reflect expected collections. If the Estimated Revenue in
87 support of an Operating Appropriation Unit declines, the City Manager or the Director of Management Services is
88 hereby authorized to reduce, subject to any other provision of law, those appropriations to equal the decline in
89 Estimated Revenue. The City Manager shall give prior notice to the City Council of any reduction to total
90 appropriations exceeding \$100,000. The notice to City Council shall identify the basis and amount of the
91 appropriation reduction and the Appropriation Units affected. The accounting records of the City will be
92 maintained in a manner that the total of Estimated Revenue is equal to the total of the Appropriation Units for
93 each of the City's funds. The City Manager or the Director of Management Services is hereby authorized to
94 transfer any excess appropriations to the Reserve for Contingencies after all anticipated expenditures for which
95 those funds were appropriated have been incurred. Nothing in this section shall be construed as authorizing any
96 reduction to be made in the amount appropriated in this ordinance for the payment of interest or principal on the
97 bonded debt of the City Government.
98

99 **Sec. 13.** Allowances made from the appropriations made in this ordinance by any or all of the City
100 departments, bureaus, or agencies, to any of their officers and employees for expenses on account of the use by
101 such officers and employees of their personal automobiles in the discharge of their official duties shall not exceed
102 thirty-nine cents (\$0.39) per mile of actual travel for the first 15,000 miles and fifteen cents (\$0.15) per mile for
103 additional miles of such use within the fiscal year; for fiscal year 2007-08, allowances shall not exceed forty-two
104 cents (\$0.42) per mile of actual travel for the first 15,000 miles and fifteen cents (\$0.15) per mile for additional
105 miles of such use within the 2007-08 fiscal year.
106

107 **Sec. 14.** In the event of an emergency and under emergency circumstances wherein the City Council
108 cannot reasonably hold a meeting, the City Manager is authorized to transfer and expend appropriated sums
109 from any budget account to ensure that the emergency is handled as efficiently and expeditiously as possible.
110 Immediately following the expenditure of funds under this provision, and as soon as the City Council can

111 reasonably meet under the existing circumstances, the City Manager shall notify the City Council of the reason
112 for such action, how funds were expended, and present to the City Council for adoption an emergency
113 appropriations ordinance that sets forth what measures are required to ensure that funds are forthwith restored to
114 the appropriate accounts and that the budget is balanced at the end of the fiscal year in which the emergency
115 expenditures occurred.

116
117 An emergency is defined for the purposes of this provision as an event that could not have been
118 reasonably foreseen at the time of the adoption of the budget, and in which (i) an immediate threat to the public
119 health, safety or welfare is involved, such as clean-up after a hurricane, and/or (ii) immediate action is required to
120 protect or preserve public properties.

121
122 **Sec. 15.** All travel expense accounts shall be submitted on forms approved by the Director of
123 Finance and according to regulations approved by the City Council. Each account shall show the dates
124 expenses were incurred or paid; number of miles traveled; method of travel; hotel expenses; meals; and
125 incidental expenses. The Director of Finance is specifically directed to withhold the issuance of checks in the
126 event expense accounts are submitted for "lump-sum" amounts.

127
128 **Sec. 16.** That projections have been prepared and considered for fiscal year 2007-08, the second
129 year of the biennial budget, and such projections shall form the basis for the fiscal year 2007-08 operating
130 budget. The City Manager will modify these as appropriate and will present a proposed fiscal year 2007-08
131 budget to City Council for review and subsequent adoption.

132
133 ~~Section 17. On March 28, 2006, the City Council adopted an ordinance appropriating \$15,000,000 for~~
134 ~~FY 2006-07 to comply with the Base Realignment and Closure Commission requirements regarding Naval Air~~
135 ~~Station Oceana. The \$15,000,000 is included in both the Operating Budget and Capital Improvement Program~~
136 ~~ordinances as summarized in Attachment A to both ordinances. Adoption of the Operating Budget and Capital~~
137 ~~Improvement Program ordinances incorporates this appropriation into the FY 2006-07 budget.~~

138
139 **Sec. 18 17.** Violation of this ordinance may result in disciplinary action by the City Manager against the
140 person or persons responsible for the management of the Appropriation Unit in which the violation occurred.

141
142 **Sec. 19 18.** This ordinance shall be effective on July 1, 2007.

143
144 **Sec. 20 19.** If any part of this ordinance is for any reason declared to be unconstitutional or invalid,
145 such decision shall not affect the validity of the remaining parts of this ordinance.

146
147 Adopted by the Council of the City of Virginia Beach, Virginia, on this the 15th day of May, 2007.

148
149 Requires an affirmative vote by a majority of the members of City Council.

150

City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment A - Appropriations

FY 2007-08
Adopted

002 General Fund

Agriculture	956,756
Audit Services	505,347
Benefits Administration	312,458
Board of Equalization	19,318
Circuit Court	969,166
City Attorney	3,632,946
City Clerk	590,797
City Manager	3,580,751
City Real Estate Assessor	2,661,031
City Treasurer	4,904,996
Clerk of the Circuit Court	2,617,655
Commissioner of the Revenue	3,701,243
Commonwealth's Attorney	6,233,924
Communications and Information Technology	20,264,163
Community Organization Grants	698,710
Convention and Visitor Bureau	4,254,815
Convention and Visitor Bureau (Major Projects)	5,560,918
Cultural Activities	1,743,169
Director of Finance	4,810,612
Economic Development	2,085,944
Emergency Medical Services	6,430,086
Employee Special Benefits	3,753,458
Fire	37,819,791
General District Court	329,171
General Registrar	1,443,392
Health	3,380,499
Housing and Neighborhood Preservation	1,719,476
Human Resources	4,684,956
Human Services	90,423,929
Human Services Integration - Information Technology	628,815
Independent Financial Services	147,903
Juvenile Probation	2,295,390
Juvenile and Domestic Relations District Court	155,480
Library	16,159,377
Magistrates	140,181
Management Services	3,995,452
Mass Transit Operations	2,333,635
Municipal Council	575,376
Museums	817,782
Parks and Recreation	13,722,830
Planning and Community Development	9,775,142
Police	78,580,165
Public Works	78,739,271
Regional Participation	1,991,132
Reserve for Contingencies	33,222,840
Revenue Reimbursements	14,077,398
Transfer to Other Funds	545,542,101
Vehicle Replacements	4,528,945
Wetlands Board of Virginia Beach	14,204
Zoning Board of Appeals	43,304

Fund 002 Appropriation Totals 1,027,576,200

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment A - Appropriations**

FY 2007-08
Adopted

108 School Instructional Technology Fund

Instructional Technology

6,636,000
Fund 108 Appropriation Totals 6,636,000

109 School Vending Operations Fund

Education - Athletic

915,000
Fund 109 Appropriation Totals 915,000

112 School Communication Tower Technology Fund

Instructional Technology

560,000
Fund 112 Appropriation Totals 560,000

114 School Cafeteria Fund

Education - Cafeteria

26,349,312
Fund 114 Appropriation Totals 26,349,312

115 School Operating Fund

Administration, Attendance, and Health

Instruction

Less: City Reduction

Operations and Maintenance

Pupil Transportation

24,368,610
559,642,494
(11,367,776)
98,565,877
33,767,508
Fund 115 Appropriation Totals 704,976,713

116 School Grants Fund

Education - Grants

54,956,635
Fund 116 Appropriation Totals 54,956,635

117 School Textbook Fund

Education - Textbook

7,239,776
Fund 117 Appropriation Totals 7,239,776

119 School Athletic Special Revenue Fund

Education - Athletic

4,749,056
Fund 119 Appropriation Totals 4,749,056

130 Law Library Fund

Library (Law Library)

Reserve for Contingencies

Transfers to Other Funds

355,195
14,030
60,000
Fund 130 Appropriation Totals 429,225

134 E-911 Communications Special Revenue Fund

Communications and Information Technology

Reserve for Contingencies

Transfer to Other Funds

9,707,516
3,823,424
1,247,522
Fund 134 Appropriation Totals 14,778,462

142 DEA Seized Property Special Revenue Fund

Commonwealth's Attorney

160,000
Fund 142 Appropriation Totals 160,000

143 Access Channel Support Special Revenue Fund

Communications and Information Technology

270,721
Fund 143 Appropriation Totals 270,721

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment A - Appropriations**

FY 2007-08
Adopted

146 Police Extraditions Special Revenue Fund

Police (Airplane Enterprise)	580,272
Police (Extraditions)	234,512
Fund 146 Appropriation Totals	814,784

147 Federal Sectional 8 Program Special Revenue Fund

Housing and Neighborhood Preservation (Section 8 Housing)	150,000
Housing and Neighborhood Preservation (Section 8)	13,974,025
Reserve for Contingencies	45,174
Fund 147 Appropriation Totals	14,169,199

148 Comprehensive Services Act Special Revenue Fund

Human Services	10,966,233
Reserve for Contingencies	2,195
Fund 148 Appropriation Totals	10,968,428

149 Sheriff's Department Special Revenue Fund

Reserve for Contingencies	328,931
Sheriff and Corrections	31,027,948
Fund 149 Appropriation Totals	31,356,879

150 Inmate Services Special Revenue Fund

Reserve for Contingencies	5,825
Sheriff and Corrections (Inmate Services)	570,940
Transfer to Other Funds	274,551
Fund 150 Appropriation Totals	851,316

151 Parks and Recreation Special Revenue Fund

Parks and Recreation	23,768,532
Public Works	2,654,674
Reserve for Contingencies	1,068,556
Transfer to Other Funds	69,540
Fund 151 Appropriation Totals	27,561,302

152 Tourism Growth Investment Fund

Convention and Visitor Bureau (TGIF)	2,932,369
Museums (TGIF)	50,500
Parks and Recreation (TGIF)	31,313
Planning and Community Development (TGIF)	384,501
Public Works (TGIF)	727,967
Reserve for Contingencies	226,841
Transfer to Other Funds	13,717,463
Fund 152 Appropriation Totals	18,070,954

156 Police Services Special Revenue Fund

Police	20,400
Fund 156 Appropriation Totals	20,400

157 Sandbridge Special Service District Special Revenue Fund

Transfer to Other Funds	2,904,786
Fund 157 Appropriation Totals	2,904,786

158 EMS State Four-for-Life Special Revenue Fund

Emergency Medical Services	305,000
Fund 158 Appropriation Totals	305,000

159 Fire Programs Special Revenue Fund

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment A - Appropriations**

	FY 2007-08 Adopted
Fire (Fire Programs)	596,420
Reserve for Contingencies	3,739
Fund 159 Appropriation Totals	600,159
<u>161 Agriculture Reserve Program Special Revenue Fund</u>	
Agriculture (Agricultural Reserve Program)	209,508
Reserve for Contingencies	6,003
Reserve for Future Commitments	1,261,468
Transfer to Other Funds	5,812,897
Fund 161 Appropriation Totals	7,289,876
<u>163 Tourism Advertising Program Special Revenue Fund</u>	
Convention and Visitor Bureau (Tourism Advertising)	9,638,456
Reserve for Contingencies	53,295
Transfer to Other Funds	55,724
Fund 163 Appropriation Totals	9,747,475
<u>165 Lynnhaven Mall Tax Increment Financing Fund</u>	
Reserve for Contingencies	241,056
Tax Increment Financing	1,856,718
Fund 165 Appropriation Totals	2,097,774
<u>166 Sandbridge Tax Increment Financing Fund</u>	
Reserve for Future Commitments	10,312,775
Fund 166 Appropriation Totals	10,312,775
<u>167 Arts and Humanities Commission Special Revenue Fund</u>	
Arts and Humanities Commission	443,818
Fund 167 Appropriation Totals	443,818
<u>169 Central Business District - South TIF (Town Center) Fund</u>	
Reserve for Future Commitments	963,607
Transfer to Other Funds	3,033,870
Fund 169 Appropriation Totals	3,997,477
<u>170 Virginia Aquarium Special Revenue Fund</u>	
Museums (Virginia Marine Science Museum)	7,065,130
Reserve for Contingencies	133,704
Fund 170 Appropriation Totals	7,198,834
<u>172 Open Space Special Revenue Fund</u>	
Parks and Recreation (Open Space)	180,676
Public Works (Open Space)	15,300
Reserve for Contingencies	14,328
Reserve for Future Commitments	473,457
Transfer to Other Funds	4,674,405
Fund 172 Appropriation Totals	5,358,166
<u>173 Major Projects Special Revenue Fund</u>	
Public Works (Major Projects)	340,901
Reserve for Contingencies	24,019
Transfer to Other Funds	21,066,868
Fund 173 Appropriation Totals	21,431,788

City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment A - Appropriations

FY 2007-08
Adopted

174 Town Center Special Tax District

Reserve for Contingencies	283,564
Town Center Special Tax District	1,198,228
Transfer to Other Funds	40,427
Fund 174 Appropriation Totals	1,522,219

175 Golf Course Special Revenue Fund

Parks and Recreation (Golf Courses)	2,503,393
Reserve for Contingencies	137,350
Transfer to Other Funds	200,000
Fund 175 Appropriation Totals	2,840,743

176 Transition Area Special Revenue Fund

Reserve for Future Commitments	370,606
Fund 176 Appropriation Totals	370,606

180 Community Development Special Revenue Fund

Community Development Block Grants	1,470,850
Housing and Neighborhood Preservation	1,114,608
Reserve for Contingencies	52,624
Transfer to Other Funds	125,592
Fund 180 Appropriation Totals	2,763,674

181 CD Loan and Grant Fund

Community Development Block Loan and Grants	979,456
Fund 181 Appropriation Totals	979,456

182 Federal Housing Assistance Grant Fund

Federal HOME Grants	1,443,865
Fund 182 Appropriation Totals	1,443,865

183 Grants Consolidated Fund

Commonwealth's Attorney - Grants	299,409
Fire Grants	1,011,052
Housing and Neighborhood Grants	1,047,387
Human Services	1,194,005
Police (Uniform Patrol Grant)	57,598
Public Works Grants	15,000
Reserve for Contingencies	182,124
Social Services Grants	714,672
Fund 183 Appropriation Totals	4,521,247

185 Mental Health Grants Fund

Human Services	212,276
Human Services (Substance Abuse Grants)	509,735
Mental Health Grants	1,127
Substance Abuse Grants	6,314
Transfer to Other Funds	4,799
Fund 185 Appropriation Totals	734,251

187 Marine Science Museum Grants Fund

Museum Grants	31,000
Fund 187 Appropriation Totals	31,000

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment A - Appropriations**

FY 2007-08
Adopted

241 Water and Sewer Fund

Debt Service	14,486,826
Public Utilities	67,314,489
Reserve for Contingencies	2,879,200
Transfer to Other Funds	12,079,485
Fund 241 Appropriation Totals	96,760,000

253 Parking Enterprise Fund

Convention and Visitor Bureau (Parking)	1,973,850
Reserve for Contingencies	362,249
Transfer to Other Funds	849,131
Fund 253 Appropriation Totals	3,185,230

255 Storm Water Utility Enterprise Fund

Debt Service	1,284,195
Public Works (Storm Water Operations)	9,998,013
Reserve for Contingencies	562,812
Transfer to Other Funds	9,724,340
Fund 255 Appropriation Totals	21,569,360

302 General Debt Fund

Debt Service	118,659,525
Fund 302 Appropriation Totals	118,659,525

460 School General Revenue Capital Projects Fund

School Capital Projects	13,108,658
Fund 460 Appropriation Totals	13,108,658

540 General Government Capital Projects Fund

Buildings Capital Projects	3,150,787
Coastal Capital Projects	4,438,799
Communications and Information Technology Projects	925,000
Economic and Tourism Development Capital Projects	9,749,821
Parks and Recreation Capital Projects	9,916,220
Roadways Capital Projects	7,584,313
Fund 540 Appropriation Totals	35,764,940

541 Water and Sewer Capital Projects Fund

Water and Sewer Capital Projects	6,250,000
Fund 541 Appropriation Totals	6,250,000

555 Storm Water Capital Projects Fund

Storm Water Capital Projects	7,727,588
Fund 555 Appropriation Totals	7,727,588

908 City Beautification Fund

Parks and Recreation	10,200
Fund 908 Appropriation Totals	10,200

909 Library Gift Fund

Library Gift	5,600
Fund 909 Appropriation Totals	5,600

City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment A - Appropriations

FY 2007-08
Adopted

911 Parks and Recreation Gift Fund

Parks and Recreation (Gift Fund)

77,720
Fund 911 Appropriation Totals 77,720

950 Circuit Court Clerk Technology Fund

Circuit Court

35,700
Fund 950 Appropriation Totals 35,700

Total Appropriations for all Funds

2,343,459,872

Less Interfund Transfers

621,483,501

Net Appropriations Totals

1,721,976,371

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment B - Revenues**

FY 2007-08
Adopted

002 General Fund

Revenue from Local Sources	
General Property Taxes	613,337,886
Other Local Taxes	254,850,855
Permits, Privilege Fees, and Regulatory Licenses	5,113,543
Fines and Forfeitures	5,468,683
From the Use of Money and Property	10,009,136
Charges for Services	10,080,634
Miscellaneous Revenue	1,815,274
Revenue from the Commonwealth	
Other Sources from the Commonwealth	90,033,076
Revenue from the Federal Government	25,044,258
Transfers from Other Funds	11,822,855
Fund 002 Revenue Totals	<u>1,027,576,200</u>

108 School Instructional Technology Fund

Specific Fund Reserves	
	6,636,000
Fund 108 Revenue Totals	<u>6,636,000</u>

109 School Vending Operations Fund

Revenue from Local Sources	
From the Use of Money and Property	15,000
Miscellaneous Revenue	400,000
Specific Fund Reserves	500,000
Fund 109 Revenue Totals	<u>915,000</u>

112 School Communication Tower Technology Fund

Revenue from Local Sources	
From the Use of Money and Property	260,000
Specific Fund Reserves	300,000
Fund 112 Revenue Totals	<u>560,000</u>

114 School Cafeteria Fund

Revenue from Local Sources	
Charges for Services	13,678,637
Revenue from the Commonwealth	
Other Sources from the Commonwealth	331,167
Revenue from the Federal Government	10,663,491
Specific Fund Reserves	1,676,017
Fund 114 Revenue Totals	<u>26,349,312</u>

115 School Operating Fund

Revenue from Local Sources	
From the Use of Money and Property	465,000
Charges for Services	1,761,594
Miscellaneous Revenue	472,000
Revenue from the Commonwealth	
State Shared Sales Tax	76,188,327
Other Sources from the Commonwealth	275,447,976
Revenue from the Federal Government	14,771,131
Transfers from Other Funds	335,870,685
Fund 115 Revenue Totals	<u>704,976,713</u>

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment B - Revenues**

FY 2007-08
Adopted

116 School Grants Fund

Revenue from Local Sources	
Miscellaneous Revenue	2,620,752
Revenue from the Commonwealth	
Other Sources from the Commonwealth	12,222,748
Revenue from the Federal Government	40,113,135
Fund 116 Revenue Totals	54,956,635

117 School Textbook Fund

Revenue from Local Sources	
From the Use of Money and Property	100,000
Charges for Services	6,000
Miscellaneous Revenue	2,590,546
Revenue from the Commonwealth	
Other Sources from the Commonwealth	4,543,230
Fund 117 Revenue Totals	7,239,776

119 School Athletic Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	45,000
Charges for Services	484,348
Miscellaneous Revenue	4,195,708
Specific Fund Reserves	24,000
Fund 119 Revenue Totals	4,749,056

130 Law Library Fund

Revenue from Local Sources	
From the Use of Money and Property	6,587
Charges for Services	285,123
Transfers from Other Funds	137,515
Fund 130 Revenue Totals	429,225

134 E-911 Communications Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	44,775
Charges for Services	725,000
Revenue from the Commonwealth	
Other Sources from the Commonwealth	9,064,853
Transfers from Other Funds	4,943,834
Fund 134 Revenue Totals	14,778,462

142 DEA Seized Property Special Revenue Fund

Revenue from the Commonwealth	
Other Sources from the Commonwealth	160,000
Fund 142 Revenue Totals	160,000

143 Access Channel Support Special Revenue Fund

Revenue from Local Sources	
Miscellaneous Revenue	244,975
Specific Fund Reserves	25,746
Fund 143 Revenue Totals	270,721

146 Police Extraditions Special Revenue Fund

Revenue from the Commonwealth	
Other Sources from the Commonwealth	814,784
Fund 146 Revenue Totals	814,784

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment B - Revenues**

FY 2007-08
Adopted

147 Federal Sectional 8 Program Special Revenue Fund

Revenue from Local Sources	
Miscellaneous Revenue	15,000
Revenue from the Federal Government	13,020,210
Transfer from Other Funds	314,494
Specific Fund Reserves	819,495
Fund 147 Revenue Totals	14,169,199

148 Comprehensive Services Act Special Revenue Fund

Revenue from Local Sources	
Charges for Services	2,500
Miscellaneous Revenue	830,500
Revenue from the Commonwealth	
Other Sources from the Commonwealth	6,262,069
Transfer from Other Funds	3,873,359
Fund 148 Revenue Totals	10,968,428

149 Sheriff's Department Special Revenue Fund

Revenue from Local Sources	
Charges for Services	1,845,265
Miscellaneous Revenue	37,960
Revenue from the Commonwealth	
Other Sources from the Commonwealth	17,671,324
Revenue from the Federal Government	321,200
Transfer from Other Funds	11,481,130
Fund 149 Revenue Totals	31,356,879

150 Inmate Services Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	15,000
Charges for Services	830,491
Transfer from Other Funds	5,825
Fund 150 Revenue Totals	851,316

151 Parks and Recreation Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	1,149,204
Charges for Services	10,399,517
Miscellaneous Revenue	39,600
Revenue from the Federal Government	1,000
Transfer from Other Funds	15,750,597
Specific Fund Reserves	221,384
Fund 151 Revenue Totals	27,561,302

152 Tourism Growth Investment Fund

Revenue from Local Sources	
Permits, Privilege Fees, and Regulatory Licenses	72,091
Fines and Forfeitures	555,172
From the Use of Money and Property	535,173
Transfer from Other Funds	16,908,518
Fund 152 Revenue Totals	18,070,954

156 Police Services Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	20,400
Fund 156 Revenue Totals	20,400

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment B - Revenues**

FY 2007-08
Adopted

157 Sandbridge Special Service District Special Revenue Fund

Revenue from Local Sources	
General Property Taxes	802,294
Other Local Taxes	431,895
From the Use of Money and Property	24,404
Transfer from Other Funds	1,060,974
Specific Fund Reserves	585,219
Fund 157 Revenue Totals	2,904,786

158 EMS State Four-for-Life Special Revenue Fund

Revenue from the Commonwealth	
Other Sources from the Commonwealth	305,000
Fund 158 Revenue Totals	305,000

159 Fire Programs Special Revenue Fund

Revenue from the Commonwealth	
Other Sources from the Commonwealth	600,159
Fund 159 Revenue Totals	600,159

161 Agriculture Reserve Program Special Revenue Fund

Transfer from Other Funds	4,789,876
Specific Fund Reserves	2,500,000
Fund 161 Revenue Totals	7,289,876

163 Tourism Advertising Program Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	33,442
Charges for Services	450,950
Miscellaneous Revenue	40,000
Transfer from Other Funds	9,223,083
Fund 163 Revenue Totals	9,747,475

165 Lynnhaven Mall Tax Increment Financing Fund

Revenue from Local Sources	
General Property Taxes	2,097,774
Fund 165 Revenue Totals	2,097,774

166 Sandbridge Tax Increment Financing Fund

Revenue from Local Sources	
General Property Taxes	10,066,322
From the Use of Money and Property	246,453
Fund 166 Revenue Totals	10,312,775

167 Arts and Humanities Commission Special Revenue Fund

Revenue from the Commonwealth	
Other Sources from the Commonwealth	5,000
Transfers from Other Funds	438,818
Fund 167 Revenue Totals	443,818

169 Central Business District - South TIF (Town Center) Fund

Revenue from Local Sources	
General Property Taxes	3,926,373
From the Use of Money and Property	71,104
Fund 169 Revenue Totals	3,997,477

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment B - Revenues**

FY 2007-08
Adopted

170 Virginia Aquarium Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	26,500
Charges for Services	5,978,715
Miscellaneous Revenue	789,886
Transfers from Other Funds	403,733
Fund 170 Revenue Totals	7,198,834

172 Open Space Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	428,414
Transfers from Other Funds	3,929,752
Specific Fund Reserves	1,000,000
Fund 172 Revenue Totals	5,358,166

173 Major Projects Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	843,303
Transfers from Other Funds	16,729,920
Specific Fund Reserves	3,858,565
Fund 173 Revenue Totals	21,431,788

174 Town Center Special Tax District

Revenue from Local Sources	
General Property Taxes	1,522,219
Fund 174 Revenue Totals	1,522,219

175 Golf Course Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	231,400
Charges for Services	2,609,343
Fund 175 Revenue Totals	2,840,743

176 Transition Area Special Revenue Fund

Transfers from Other Funds	370,606
Fund 176 Revenue Totals	370,606

180 Community Development Special Revenue Fund

Revenue from the Federal Government	1,860,501
Transfers from Other Funds	903,173
Fund 180 Revenue Totals	2,763,674

181 CD Loan and Grant Fund

Revenue from the Federal Government	679,456
Non-Revenue Receipts	300,000
Fund 181 Revenue Totals	979,456

182 Federal Housing Assistance Grant Fund

Revenue from the Federal Government	1,393,865
Non-Revenue Receipts	50,000
Fund 182 Revenue Totals	1,443,865

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment B - Revenues**

FY 2007-08
Adopted

183 Grants Consolidated Fund

Revenue from Local Sources	
Charges for Services	85,507
Revenue from the Commonwealth	
Other Sources from the Commonwealth	1,335,289
Revenue from the Federal Government	2,658,849
Non-Revenue Receipts	44,680
Transfers from Other Funds	396,922
Fund 183 Revenue Totals	<u>4,521,247</u>

185 Mental Health Grants Fund

Revenue from Local Sources	
Charges for Services	3,000
Revenue from the Commonwealth	
Other Sources from the Commonwealth	260,942
Revenue from the Federal Government	470,309
Fund 185 Revenue Totals	<u>734,251</u>

187 Marine Science Museum Grants Fund

Revenue from the Federal Government	31,000
Fund 187 Revenue Totals	<u>31,000</u>

241 Water and Sewer Fund

Revenue from Local Sources	
From the Use of Money and Property	2,033,181
Charges for Services	90,500,351
Miscellaneous Revenue	230,360
Non-Revenue Receipts	3,647,043
Transfers from Other Funds	249,065
Specific Fund Reserves	100,000
Fund 241 Revenue Totals	<u>96,760,000</u>

253 Parking Enterprise Fund

Revenue from Local Sources	
Permits, Privilege Fees, and Regulatory Licenses	30,000
From the Use of Money and Property	55,000
Charges for Services	2,501,000
Transfers from Other Funds	299,230
Specific Fund Reserves	300,000
Fund 253 Revenue Totals	<u>3,185,230</u>

255 Storm Water Utility Enterprise Fund

Revenue from Local Sources	
From the Use of Money and Property	120,130
Charges for Services	15,780,459
Revenue from the Commonwealth	
Other Sources from the Commonwealth	5,599,945
Transfers from Other Funds	68,826
Fund 255 Revenue Totals	<u>21,569,360</u>

302 General Debt Fund

Transfers from Other Funds	118,659,525
Fund 302 Revenue Totals	<u>118,659,525</u>

**City of Virginia Beach, Virginia
Fiscal Year 2007-08 Budget Ordinance
Attachment B - Revenues**

FY 2007-08
Adopted

460 School General Revenue Capital Projects Fund

Transfers from Other Funds

13,108,658
Fund 460 Revenue Totals 13,108,658

540 General Government Capital Projects Fund

Transfers from Other Funds

35,764,940
Fund 540 Revenue Totals 35,764,940

541 Water and Sewer Capital Projects Fund

Transfers from Other Funds

6,250,000
Fund 541 Revenue Totals 6,250,000

555 Storm Water Capital Projects Fund

Transfers from Other Funds

7,727,588
Fund 555 Revenue Totals 7,727,588

908 City Beautification Fund

Revenue from Local Sources

Miscellaneous Revenue

10,200
Fund 908 Revenue Totals 10,200

909 Library Gift Fund

Revenue from Local Sources

Miscellaneous Revenue

5,600
Fund 909 Revenue Totals 5,600

911 Parks and Recreation Gift Fund

Revenue from Local Sources

Miscellaneous Revenue

77,720
Fund 911 Revenue Totals 77,720

950 Circuit Court Clerk Technology Fund

Revenue from Local Sources

Charges for Services

35,700
Fund 950 Revenue Totals 35,700

Revenue Sources Totals

2,343,459,872

Less Interfund Transfers

621,483,501

Net Revenue Totals

1,721,976,371

1 **AN ORDINANCE TO REVISE CATEGORICAL APPROPRIATIONS**
2 **FOR THE SCHOOL OPERATING FUND AND AMEND THE CITY'S**
3 **FY 2007-08 OPERATING BUDGET AND FY 2007-08 CAPITAL**
4 **IMPROVEMENT BUDGET AS REQUESTED BY THE SCHOOL**
5 **BOARD**
6

7 WHEREAS, the City's FY 2007-08 Operating Budget as approved by City Council on May 15, 2007,
8 required a \$10,920,916 reduction to total school funding; and
9

10 WHEREAS, to achieve a portion of this reduction, the School Board desires to decrease the General
11 Fund transfer to a school project in the Capital Improvement Program for various site acquisitions; and
12

13 WHEREAS, additional state revenues in the amount of \$1,185,414 is available for school operations;
14 and
15

16 WHEREAS, the transfer from the School Operating fund to the School Athletic Special Revenue Fund
17 will be decreased by \$67,411; and
18

19 WHEREAS, a resolution to revise the categorical appropriations in the School Operating Fund, reduce
20 the General Fund transfer to the School Operating Fund, and to reduce the funds available to the Schools
21 other special revenue funds was approved by the School Board on May 22, 2007; and
22

23 WHEREAS, a resolution to decrease the General Fund transfer to the Capital Improvement Program
24 for student various site acquisitions was approved by the School Board on May 22, 2007.
25

26 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH,
27 VIRGINIA:
28

- 29 1. That the following adjustments are hereby allocated to the following categories in the FY 2007-08
30 School Operating Budget:
31 (a) appropriations to the Instruction category are decreased by \$3,917,522, resulting in a total
32 appropriation of \$555,724,972; and
33 (b) appropriations to the Administration, Attendance and Health category are decreased by
34 \$179,576, resulting in a total appropriation of \$24,189,034; and
35 (c) appropriations to the Pupil Transportation category are decreased by \$2,876,468, resulting in
36 a total appropriation of \$30,891,040; and
37 (d) appropriations to the Operations and Maintenance category are decreased by \$2,208,796,
38 resulting in a total appropriation of \$96,357,081.
39
40 2. That the General Fund transfer to the Capital Improvement Program is hereby decreased by
41 \$1,000,000, resulting in a total transfer from the General Fund of \$12,108,658. And that
42 appropriations to Capital Project 1-006, Various Site Acquisitions – Phase I are decreased by
43 \$1,000,000 accordingly.
44
45 3. That \$1,185,000 in additional state revenues is hereby appropriated to the FY 2007-08 School
46 Operating budget.
47
48 4. That \$67,411 in appropriations to the School Athletic Special Revenue Fund is hereby reduced in
49 the FY 2007-08 Schools budget, with local revenue decreased accordingly, resulting in a total
50 appropriation of \$4,681,645.
51
52

53 Requires an affirmative vote by a majority of the members of City Council.
54

55 Adopted by the Council of the City of Virginia Beach, Virginia, on the 12th day of June, 2007.

1 **AN ORDINANCE ESTABLISHING THE TAX LEVY ON REAL**
2 **ESTATE FOR FISCAL YEAR 2008**

3 BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:
4

5 **Sec. 1. Amount of Levy on Real Estate.**

6 There shall be levied and collected for fiscal year 2008 taxes for general purposes on all real estate,
7 including all separate classifications of real estate set forth in the Code of Virginia, not exempt from taxation and
8 not otherwise provided for in this ordinance, at the rate of eighty-nine ~~ninety-nine~~ cents (~~\$0.99~~) (\$0.89) on each
9 one hundred dollars (\$100) of assessed valuation thereof. The real property tax rate that has been prescribed in
10 this section shall be applied on the basis of one hundred percentum of the fair market value of such real property,
11 except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of the Code
12 of Virginia.
13

14 **Sec. 2. Amount of Levy on "Certified Pollution Control Equipment and Facilities" Classified as**
15 **Real Estate, "Certified Storm Water Management Developments and Property,"**
16 **"Certified Solar Energy Recycling Equipment, Facilities or Devices" Classified as Real**
17 **Estate, and "Environmental Restoration Sites," Real Estate Improved by Erosion**
18 **Controls, and Certain Wetlands and Riparian Buffers.**

19 In accordance with Sections 58.1-3660 (A), 58.1-3660.1, 58.1-3661, 58.1-3664, 58.1-3665 and 58.1-3666
20 of the Code of Virginia, there shall be levied and collected for general purposes for fiscal year 2008, taxes on all
21 real estate (a) certified by the Commonwealth of Virginia as "Certified Pollution Control Equipment and Facilities,"
22 (b) certified by the Department of Environmental Quality as "Certified Storm Water Management Developments
23 and Property," (c) certified as provided by Code of Virginia Section 58.1-3661 as "Certified Solar Energy
24 Equipment, Facilities or Devices," or "Certified Recycling Equipment, Facilities or Devices," (d) defined by Code of
25 Virginia Section 58.1-3664 as an "Environmental Restoration Site," (e) improved to control erosion as defined by
26 Code of Virginia § 58.1-3665, or (f) qualifying as wetlands and riparian buffers as described by Code of Virginia §
27 58.1-3666, not exempt from taxation, at a rate of eighty-nine ~~ninety-nine~~ cents (~~\$0.99~~) (\$0.89) on each one
28 hundred dollars of assessed valuation thereof. The real property tax rates imposed in this section shall be applied
29 on the basis of one hundred percentum of fair market value of such real property except for public service
30 property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.
31

32 **Sec. 3. Amount of Levy on Real Estate Within the Sandbridge Special Service District.**

33 There shall be levied and collected for fiscal year 2008, taxes for the special purpose of providing beach
34 and shoreline restoration and management at Sandbridge on all real estate within the Sandbridge Special Service
35 District, not exempt from taxation, at the rate of six cents (\$.06) on each one hundred dollars (\$100) of assessed
36 value thereof. This real estate tax rate shall be in addition to the real estate tax rate set forth in Section 1 of this
37 ordinance. The real estate tax rate imposed herein shall be applied on the basis of one hundred percentum of the
38 fair market value of such real property except for public service real property, which shall be on the basis as
39 provided in Section 58.1-2604 of the Code of Virginia.
40

41 **Sec. 4. Amount of Levy on Real Estate Within the Town Center Special Service District.**

42 For the special purpose of operating and maintaining the parking garage and providing enhanced
43 services for the plaza and public spaces within the boundaries of the service district at the Town Center, as well
44 as other additional services authorized by Virginia Code § 15.2-2403, there shall be levied and collected for fiscal
45 year 2008, taxes on all real estate within the Town Center Special Service District, not exempt from taxation, at
46 the rate of fifty-seven ~~cents~~ (~~\$.57~~) (\$.50) on each one hundred dollars (\$100) of assessed value thereof. This real
47 estate tax rate shall be in addition to the real estate tax set forth in Section 1 of this ordinance. The real estate tax
48 rate imposed herein shall be applied on the basis of one hundred percentum of the fair market value of such real
49 property, except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of
50 the Code of Virginia.
51

52 **Sec. 5. Severability.**

53 If any portion of this ordinance is for any reason declared to be unconstitutional or invalid, such decision
54 shall not affect the validity of the remaining portions of this ordinance.
55

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Sec. 6. Effective date.

The effective date of this ordinance shall be July 1, 2007.

Adopted by the City Council of the City of Virginia Beach, Virginia on this 15th day of May, 2007.

Requires an affirmative vote by a majority of the members of City Council.

1 **AN ORDINANCE ESTABLISHING THE TAX LEVY ON**
2 **PERSONAL PROPERTY AND MACHINERY AND TOOLS FOR**
3 **THE CALENDAR YEAR 2008**

4 BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

5
6 **Sec. 1. Amount of Levy on Tangible Personal Property.**

7 In accordance with Chapter 35 of Title 58.1 of the Code of Virginia, taxes shall be levied and
8 collected for general purposes for the calendar year 2008 on all tangible personal property, including all separate
9 classifications of personal property set forth in the Code of Virginia, not exempt from taxation and not otherwise
10 provided for in this ordinance, at the rate of three dollars and seventy cents (\$3.70) on each one hundred dollars
11 (\$100) assessed valuation thereof.

12 Specific categories of personal property taxed at this rate include, but are not limited to, the
13 following:

14 a. aircraft and flight simulators as described in Code of Virginia § 58.1-3506 (A) (2) and (3) ;
15 b. antique motor vehicles as described in Code of Virginia § 58.1-3506 (A) (4) ;
16 c. heavy construction equipment as described in Code of Virginia § 58.1-3506 (A) (6) ;
17 d. computer equipment as described in Code of Virginia § 58.1-3506 (A) (9) ;
18 e. tangible personal property as described in (a) Code of Virginia § 58.1-3660 as "certified
19 pollution control equipment and facilities" or (b) Code of Virginia § 58.1-3661 as "certified solar equipment,
20 facilities or devices and certified recycling equipment, facilities or devices"; and

21 f. personal vehicles as described in § 58.1-3524 of the Code of Virginia. Taxes shall be
22 levied and collected for general purposes for the calendar year 2008 on the assessed value of all personal
23 vehicles not otherwise exempted from taxation in this ordinance, subject to the following:

24 1. Any personal vehicle with a total assessed value of \$1,000 or less will be levied no tax.
25 2. Any personal vehicle with an assessed value of between \$1,001 and \$20,000 will be
26 levied ~~39.7%~~ 36.2% of the computed tax based on the total assessed value of the vehicle. Reimbursement is
27 expected from the state under the Personal Property Tax Relief Act equal to the remaining ~~60.3%~~ 63.8% of the
28 computed tax on the first \$20,000 of assessed value.

29 3. Any personal vehicle with an assessed value of over \$20,000 will be levied ~~39.7%~~ 36.2%
30 of the computed tax based on the first \$20,000 of assessed value and 100% of the computed tax based on the
31 assessed value in excess of \$20,000. Reimbursement is expected from the state under the Personal Property
32 Tax Relief Act equal to the remaining ~~60.3%~~ 63.8% of the computed tax on the first \$20,000 of assessed value.

33 4. Pursuant to authority conferred in Item 503.D of the 2005 Virginia Appropriations Act, the
34 City Treasurer is authorized to issue a supplemental personal property tax bill, in the amount of 100% of the tax
35 due without regard to any former entitlement to state relief, plus applicable penalties and interest, to any taxpayer
36 whose taxes with respect to a qualifying vehicle for tax year 2005 or any prior tax year remain unpaid on
37 September 1, 2006, or such earlier date as reimbursement with respect to such bill is no longer available from the
38 Commonwealth, whichever earlier occurs. Penalties and interest with respect to bills issued pursuant to this
39 section shall be computed on the entire amount of tax owed. Interest shall be computed from the original due
40 date of the tax.

41
42 **Sec. 2. Amount of Levy on Manufactured Homes.**

43 In accordance with Section 58.1-3506 (A) (8) of the Code of Virginia, there shall be levied and
44 collected for general purposes for the calendar year 2008 taxes on all vehicles without motive power, used or
45 designated to be used as manufactured homes, as defined by Section 36-85.3 of the Code of Virginia, at the rate
46 of ~~ninety-nine~~ eighty-nine cents (~~\$0.99~~ \$0.89) on each one hundred dollars (\$100) of assessed valuation thereof.

47
48 **Sec. 3. Amount of Levy on All Boats or Watercraft Weighing Five Tons or More.**

49 In accordance with Section 58.1-3506 (A) (1) of the Code of Virginia, there shall be levied and
50 collected for general purposes for the calendar year 2008 taxes on all boats or watercraft weighing five (5) tons or
51 more, except as provided for in Section 5 of this ordinance, at the rate of one dollar and fifty cents (\$1.50) on each
52 one hundred dollars (\$100) of assessed valuation thereof.

53
54 **Sec. 4. Amount of Levy on Machinery and Tools.**

55 In accordance with Section 58.1-3507 of the Code of Virginia, there shall be levied and collected
56 for general purposes for the calendar year 2008 taxes on machinery and tools, including machinery and tools
57 used directly in the harvesting of forest products or semiconductor manufacturing, not exempt from taxation, at
58 the rate of one dollar (\$1.00) on each one hundred dollars (\$100) of assessed valuation thereof. As provided by
59 Code of Virginia § 58.1-3506 (B) , the following personal property shall also be taxed at the rate of machinery and
60 tools:

- 61 a. all tangible personal property used in research and development businesses, as described in
62 Code of Virginia § 58.1-3506 (A) (5) ;
- 63 b. generating or cogenerating equipment, as described in Code of Virginia § 58.1-3506 (A) (7) ; and
- 64 c. all motor vehicles, trailers and semitrailers with a gross vehicle weight of 10,000 pounds or more
65 used to transport property for hire by a motor carrier engaged in interstate commerce, as
66 described in Code of Virginia § 58.1-3506 (A) (23) .

67
68 **Sec. 5. Amount of Levy on Privately Owned Pleasure Boats and Watercraft Used for Recreational**
69 **Purposes Only.**

70 In accordance with Sections 58.1-3506 (A) (10) , (A) (26) , and (A) (27) of the Code of Virginia,
71 there shall be levied and collected for general purposes for the calendar year 2008 taxes on all privately owned
72 pleasure boats and watercraft used for recreational purposes only, at the rate of one millionth of one cent
73 (\$.000001) on each one hundred dollars (\$100) of assessed valuation thereof.

74
75 **Sec. 6. Amount of Levy on Privately Owned Camping Trailers, Privately Owned Travel Trailers, and**
76 **Motor Homes Used for Recreational Purposes Only, and Privately Owned Horse Trailers.**

77 In accordance with Sections 58.1-3506 (A) (16) and (A) (28) of the Code of Virginia, there shall
78 be levied and collected for general purposes for the calendar year 2008 taxes at the rate of one dollar and fifty
79 cents (\$1.50) on each one hundred dollars (\$100) of assessed valuation thereof on the following property: (a) all
80 privately owned camping trailers and motor homes as defined in Section 46.2-100 of the Code of Virginia and
81 privately owned travel trailers as defined in Code of Virginia § 46.2-1900, that are used for recreational purposes
82 only; and (b) privately owned trailers as defined in § 46.2-100 of the Code of Virginia that are designed and used
83 for the transportation of horses, except those trailers described in subdivision (A) (11) of § 58.1-3505 of the Code
84 of Virginia.

85
86 **Sec. 7. Amount of Levy on One Motor Vehicle Owned and Regularly Used by a Disabled Veteran.**

87 In accordance with Section 58.1-3506 (A) (17) of the Code of Virginia, there shall be a reduced
88 tax, levied and collected for general purposes for the calendar year 2008 at the rate of one dollar and fifty cents
89 (\$1.50) on each one hundred dollars (\$100) of assessed valuation, on one (1) motor vehicle owned and regularly
90 used by a veteran who has either lost, or lost the use of, one or both legs, or an arm or a hand, or who is blind, or
91 who is permanently and totally disabled as certified by the Department of Veterans' Affairs. Any motor vehicles in
92 addition to the one (1) so taxed shall not qualify for the taxation at the rate established herein, and shall be taxed
93 at the rate or rates applicable to that class of property. To qualify, the veteran shall provide a written statement to
94 the Commissioner of the Revenue from the Department of Veterans' Affairs that the veteran has been so
95 designated or classified by the Department of Veterans' Affairs as to meet the requirements of Section 58.1-3506
96 (A) (17) , and that his or her disability is service connected.

97
98 **Sec. 8. Amount of Levy on a Motor Vehicle Owned and Used Primarily by or for Someone at Least**
99 **Sixty-Five Years of Age or Anyone Found to be Permanently and Totally Disabled.**

100 a. In accordance with Sections 58.1-3506.1 et seq. of the Code of Virginia, there shall be a reduced
101 tax, levied and collected for general purposes for calendar year 2008, at the rate of three dollars (\$3.00) on each
102 one hundred dollars (\$100.00) of assessed valuation, on one (1) automobile or pickup truck owned and used
103 primarily by or for anyone at least sixty-five years of age or anyone found to be permanently and totally disabled,
104 as defined in Section 58.1-3506.3 of the Code of Virginia, subject to the following conditions:

105 1. The total combined income received, excluding the first \$7,500 of income, from all
106 sources during calendar year 2007 by the owner of the motor vehicle shall not exceed twenty-two thousand
107 dollars (\$22,000).

108 2. The owner's net financial worth, including the present value of all equitable interests, as
109 of December 31 of calendar year 2007, excluding the value of the principal residence and the land, not exceeding
110 one (1) acre, upon which it is situated, shall not exceed seventy thousand dollars (\$70,000).

111 3. All income and net worth limitations shall be computed by aggregating the income and
112 assets, as the case may be, of a husband and wife who reside in the same dwelling and shall be applied to any
113 owner of the motor vehicle who seeks the benefit of the preferential tax rate permitted under this ordinance,
114 irrespective of how such motor vehicle may be titled.

115 b. Any such motor vehicle owned by a husband and wife may qualify if either spouse is sixty-five or
116 over or if either spouse is permanently and totally disabled, and the conditions set forth in subsection (a) have
117 been satisfied.

118
119 **Sec. 9. Assessed Value Determination.**

120 In accordance with Section 58.1-3103 of the Code of Virginia, personal property mentioned in the
121 above sections shall be assessed at actual fair market value, to be determined by the Commissioner of the
122 Revenue for the City of Virginia Beach.

123
124 **Sec. 10. Severability.**

125 If any portion of this ordinance is for any reason declared to be unconstitutional or invalid, such
126 decision shall not affect the validity of the remaining portions of this ordinance.

127
128 **Sec. 11. Effective Date.**

129 This ordinance shall be effective January 1, 2008.

130
131 Adopted by the Council of the City of Virginia Beach, Virginia, on this 15th day of May, 2007.

132 *Requires an affirmative vote by a majority of the members of City Council.*
133

1 **AN ORDINANCE TO AUTHORIZE THE CITY**
2 **MANAGER TO SUBMIT AN ANNUAL FUNDING PLAN**
3 **TO THE U.S. DEPARTMENT OF HOUSING AND**
4 **URBAN DEVELOPMENT**

5 WHEREAS, the United States Congress has established legislation designated as the Housing and
6 Community Development Act of 1974 that sets forth the development of viable urban communities as a national
7 goal;

8
9 WHEREAS, there is federal assistance available for the support of Community Development and Housing
10 activities directed toward specific objectives, such as eliminating deteriorated conditions in low and moderate
11 income neighborhoods that are detrimental to the public health, safety, and welfare, as well as improving the
12 City's housing stock and community services, along with other related activities; and

13
14 WHEREAS, as a prerequisite to receiving the above-referenced federal assistance, the City of Virginia
15 Beach has developed an Annual Funding Plan for submission to the Department of Housing and Urban
16 Development and has created the necessary mechanisms for its implementation in compliance with federal and
17 local directives;

18
19 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH,
20 VIRGINIA:

21 That the City Manager is hereby authorized and directed, as the executive and administrative head of the
22 City, to submit the City's FY 2008 Annual Funding Plan (the "Plan") and amendments thereto, along with
23 understandings and assurances contained therein and such additional information as may be required, to the
24 Department of Housing and Urban Development to permit the review, approval, and funding of the Plan.

25
26 Adopted by the Council of the City of Virginia Beach, Virginia, on this 15th day of May, 2007.

1 **AN ORDINANCE TO AMEND THE CITY CODE PERTAINING**
2 **TO THE EXEMPTION OR DEFERRAL OF REAL ESTATE**
3 **TAXES FOR ELDERLY OR DISABLED PERSONS BY**
4 **INCREASING INCOME AND NET WORTH LIMITS**

5 SECTIONS AMENDED: §§ 35-64 AND 35-67

6 BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

7 That Sections 35-64 and 35-67 of the City Code are hereby amended and reordained to read as follows:

8
9 **Sec. 35-64. General prerequisites to grant; effect of residency in hospital, nursing home, etc.**

10 (a) Either the exemption, deferral or freeze, but not more than one (1), as provided for in this division
11 shall be granted to persons subject to the following provisions:

- 12 (1) The title to the property for which exemption, deferral or freeze is claimed is held, or partially
13 held, on June thirtieth immediately preceding the taxable year, by the person or persons
14 claiming exemption, deferral or freeze and is occupied as the sole dwelling of such person or
15 persons.
- 16 (2) The head of the household occupying the dwelling and owning title or partial title thereto or
17 either spouse in a dwelling jointly held by a husband and wife is either permanently and
18 totally disabled or is sixty-five (65) years of age or older on June thirtieth of the year
19 immediately preceding the taxable year; provided, however, that a dwelling jointly held by a
20 husband and wife may qualify if either spouse is over sixty-five (65) years of age.
- 21 (3) For the tax exemption programs, the total combined income received from all sources during
22 the preceding calendar year by: (i) the owner or owners of the dwelling who use it as their
23 principal residence and (ii) the owner's or owners' relatives who live in the dwelling, shall not
24 exceed ~~sixty-two~~ ~~forty-six~~ thousand one hundred dollars ~~(\$62,000)~~ ~~(\$46,100.00)~~ provided that
25 the first ten thousand dollars (\$10,000.00) of income of each relative, other than a spouse of
26 the owner, who is living in the dwelling, shall not be included in such total: and provided
27 further that the first ten thousand dollars (\$10,000.00) or any portion thereof of income
28 received by a permanently and totally disabled owner shall not be included in such total.
- 29 (4) For the tax freeze program, the total combined income received from all sources during the
30 preceding calendar year by: (i) the owner or owners of the dwelling who use it as their
31 principal residence and (ii) the owner's or owners' relatives who live in the dwelling, shall not
32 exceed ~~fifty-~~ ~~sixty-two~~ thousand dollars ~~(\$52,000.00)~~ ~~(\$62,000)~~; provided that the first ten
33 thousand dollars (\$10,000.00) of income of each relative, other than a spouse of the owner,
34 who is living in the dwelling, shall not be included in such total; and provided that the first ten
35 thousand dollars (\$10,000.00) or any portion thereof of income received by a permanently
36 and totally disabled owner shall not be included in such total.
- 37 (5) For the tax exemption programs, the net combined financial worth, including equitable
38 interests, as of December thirty-first of the year immediately preceding the taxable year, of
39 the owners, and of the spouse of any owner, excluding the value of the dwelling and the land
40 (not exceeding one acre) upon which it is situated, shall not exceed three hundred and fifty
41 thousand dollars \$350,000.00.
- 42 (6) For the tax freeze program, the net combined financial worth, including equitable interests, as
43 of December thirty-first of the year immediately preceding the taxable year, of the owners,
44 and of the spouse of any owner, excluding the value of the dwelling and the land (not
45 exceeding one acre) upon which it is situated, shall not exceed three hundred and fifty
46 thousand dollars \$350,000.00.
- 47 (7) For the tax deferral program, the total combined income received from all sources during the
48 preceding calendar year by: (i) the owner or owners of the dwelling who use it as their
49 principal residence and (ii) the owner's or owners' relatives who live in the dwelling, shall not
50 exceed ~~fifty-~~ sixty two thousand dollars ~~(\$52,000.00)~~ (\$62,000) provided that the first ten
51 thousand dollars (\$10,000.00) of income of each relative, other than a spouse of the owner,
52 who is living in the dwelling, shall not be included in such total; and provided further that the
53 first ten thousand dollars (\$10,000.00) or any portion thereof of income received by a
54 permanently and totally disabled owner shall not be included in such total.

- 55 (8) For the tax deferral program, the net combined financial worth, including equitable interests,
 56 as of December thirty-first of the year immediately preceding the taxable year, of the owners,
 57 and of the spouse of any owner, excluding the value of the dwelling and the land (not
 58 exceeding one acre) upon which it is situated, shall not exceed three hundred and fifty
 59 thousand dollars (\$350,000.00).
 60 (9) The dwelling is occupied.

61

62 **Sec. 35-67. Amount of exemption.**

63 When a person claiming exemption under this division conforms to the standards and does not exceed
 64 the limitations contained in this division, the tax exemption shall be as shown on the following schedule:

65 *Total income,*
 66 *All Sources*

	<u>Income</u>	<u>Tax Exemption</u>
67	\$0.00 - \$34,000.00 <u>\$0.00 - \$46,000.00</u>	100%
68	\$34,000.01 - \$36,900.00 <u>\$46,000.01 - \$50,000.00</u>	80%
69	\$36,900.01 - \$40,000.00 <u>\$50,000.01 - \$54,000.00</u>	60%
70	\$40,000.01 - \$42,900.00 <u>\$54,000.01 - \$58,000.00</u>	40%
71	\$42,900.01 - \$46,100.00 <u>\$58,000.01 - \$62,000.00</u>	20%

72 No lien shall accrue as a result of the amount certified as exempt.

73
 74 BE IT FURTHER ORDAINED: That this ordinance shall be effective on July 1, 2007.

75
 76 Adopted by the City Council of the City of Virginia Beach, Virginia, on this 15th day of May, 2007.

1 **AN ORDINANCE TO DECLARE \$ 8,750,000 OF FUNDING WITHIN**
2 **THE SANDBRIDGE TAX INCREMENT FINANCING DISTRICT AS**
3 **SURPLUS FUNDS IN THE FY 2006-07 OPERATING BUDGET**

4 WHEREAS, the Sandbridge Tax Increment Financing District (Sandbridge TIF) and the Sandbridge
5 Special Service District (Sandbridge SSD), were established to provide a funding source for beach and shoreline
6 restoration and management at Sandbridge;
7

8 WHEREAS, an analysis of the Sandbridge TIF and the Sandbridge SSD occurs annually to ensure that
9 funding is adequate for long-term beach and shoreline restoration and management along Sandbridge;
10

11 WHEREAS, current projections indicate that the Sandbridge TIF and Sandbridge SSD have sufficient
12 funding to meet long-term obligations for beach and shoreline restoration and management;
13

14 WHEREAS, projections also indicate that the funding available exceeds the long-term obligations of the
15 project;
16

17 WHEREAS, \$ 8,750,000 is available as an unencumbered appropriation in the FY 2006-07 Sandbridge
18 TIF Reserve for Future Commitments.
19

20 NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH,
21 VIRGINIA:

- 22 (1) That \$ 8,750,000 of funding within the Sandbridge TIF is hereby declared to be in excess of the
23 long-term obligations for beach and shoreline restoration and management and is hereby
24 declared surplus.
25 (2) That \$ 8,750,000 is hereby transferred within the FY 2006-07 Operating Budget from the
26 Sandbridge TIF to the General Fund – Unappropriated Real Estate Tax Revenues.
27

28 BE IT FURTHER ORDAINED: That this ordinance shall be effective on June 30, 2007.
29

30 Adopted by the City Council of the City of Virginia Beach, Virginia, on this 15th day of May, 2007.

1 **AN ORDINANCE TO AMEND THE FUNDING SOURCES FOR**
2 **THE AGRICULTURE RESERVE PROGRAM BY LOWERING**
3 **THE AMOUNT OF REAL ESTATE TAX REVENUE**

4 WHEREAS, on May 9, 1995, the City Council adopted the Agricultural Lands Preservation Ordinance,
5 establishing the Agricultural Reserve Program (the "Program") for the preservation of agricultural lands within the
6 City, and the City Council initially dedicated a one and one-half cent increase in the real estate tax to finance the
7 Agricultural Reserve Program; and
8

9 WHEREAS, on May 11, 2004, the City Council lowered the dedicated amount of real estate tax from one
10 and one-half cent to one cent, and
11

12 WHEREAS, on May 9th, 2006, the City Council lowered the dedicated amount of real estate tax from one
13 cent to nine tenths of one cent, and
14

15 ~~WHEREAS, a financial analysis indicates that the dedicated amount of real estate tax can be lowered~~
16 ~~from one and one-half cents to one nine tenths of one cent, (\$0.009 cents) and this revenue stream will be~~
17 ~~sufficient to meet current and projected obligations of the program.~~
18

19 NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH,
20 VIRGINIA:
21 That, subject to appropriation, the following revenue sources will be used to pay the costs of the Agricultural
22 Reserve Program:
23

- 24 1. One Nine tenths cent (\$0.009) of the Real Estate Tax;
- 25 2. Such other General Fund Revenues as may be committed by City Council in support of the
26 Agricultural Reserve Program; and
- 27 3. Agricultural Reserve Program Fund Balance and any other revenues attributable to the Special
28 Revenue Fund.

29
30 Adopted by the Council of the City of Virginia Beach, Virginia, on this the 15th day of May, 2007.

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AN ORDINANCE TO RE-ESTABLISH THE RED LIGHT PHOTO ENFORCEMENT PROGRAM, AND TO APPROPRIATE \$305,000 IN ESTIMATED REVENUE TO THE POLICE DEPARTMENT'S FY 2007-08 OPERATING BUDGET TO ADMINISTER THE RED LIGHT PHOTO ENFORCEMENT PROGRAM

WHEREAS, the Virginia General Assembly approved a bill to allow cities and counties with populations of 10,000 or more to install photo-monitoring systems at intersections with traffic signals; and

WHEREAS, the Governor has signed the bill to allow for the Red Light Photo Enforcement Program to enforce traffic light signals; and

WHEREAS, the City of Virginia Beach wishes to institute this program effective July 1, 2007;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

1. That the Red Light Photo Enforcement Program is hereby re-established; and

The effective date of this ordinance shall be July 1, 2007.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 15th Day of May, 2007.

Requires an affirmative vote by a majority of the members of the City Council.

1 **AN ORDINANCE AMENDING THE ORDINANCE**
2 **CREATING THE TOWN CENTER SPECIAL SERVICE**
3 **DISTRICT BY MODIFYING THE DISTRICT'S**
4 **BOUNDARIES**

5 WHEREAS, by ordinance adopted May 14, 2002 (Ordinance #2699B), the City Council of
6 the City of Virginia Beach established the Town Center Special Service District to provide an
7 enhanced level of City services and maintenance for public infrastructure at the Town Center;
8

9 WHEREAS, by ordinance adopted September 27, 2005(Ordinance #2896N), the City
10 Council amended the boundaries of the Town Center Special Service District as previously
11 defined in Ordinance #2699B; and
12

13 WHEREAS, after conducting a public hearing, the City Council has determined that it
14 would be in the best interests of the City and its citizens to expand the Town Center Special
15 Service District to provide additional, more complete and more timely services to the public
16 facilities and areas in the Town Center, as described in the ordinance adopted on May 14, 2002.
17

18 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA
19 BEACH, VIRGINIA:

20 That Ordinance #2896N, "An Ordinance Amending the Town Center Special Service District," is
21 hereby amended to modify the boundaries of the Town Center Special Service District, as
22 follows:
23

24 2. Boundaries of District.
25

26 (a) The District is bounded as follows: Beginning at the southeast corner of the
27 intersection of Virginia Beach Boulevard and Market Street, moving south to the southeast corner
28 of the intersection of Bank Potomac Street and Market Street, then moving west along Bank
29 Potomac Street to the southeast corner of the intersection of Independence Boulevard and Bank
30 Potomac Street, then moving south along Independence Boulevard to the northeast corner of the
31 intersection of Independence Boulevard and Southern Boulevard, then moving east along
32 Southern Boulevard to the northeast corner of the intersection of Southern Boulevard and Market
33 Street, then moving to the north along Market Street to the northeast corner of the intersection of
34 Columbus Street and Market Street, then moving to the east along Columbus Street to the
35 northwest corner of the intersection of Columbus Street and Constitution Drive, then moving to
36 the north along Constitution Drive to the southwest corner of the intersection of Constitution Drive
37 and Virginia Beach Boulevard, then to the west along Virginia Beach Boulevard to the point of
38 beginning.
39

40 (b) Within the boundaries described above, the following area, which will not receive
41 enhanced maintenance or services, shall be excluded from the District: beginning at ~~southwest~~
42 ~~corner of the intersection of Potomac Street and Market Street, then moving west along Potomac~~
43 ~~Street to the southeast corner of the intersection of Potomac Street and Independence~~
44 ~~Boulevard, then moving south along Independence Boulevard to the northeast corner of the~~
45 ~~intersection of Independence Boulevard and Columbus Street, then moving east along Columbus~~
46 ~~Street to the northeast southwest corner of the intersection of Columbus Street and Market Street~~
47 ~~Central Park Avenue, then moving north on Market Street Central Park Avenue to the southeast~~
48 ~~southwest corner of the intersection of Market Street Central Park Avenue and Commerce Street,~~
49 ~~then moving east west on Commerce Street to the southwest corner of the intersection of~~
50 ~~Commerce Street and Central Park Avenue Market Street, then moving south on Central Park~~
51 ~~Avenue to the northwest corner of the intersection of Central Park Avenue and Columbus Street~~
52 ~~then west north along Columbus Street Market Street to the point of beginning.~~
53

54 (c) The particular boundaries of the District and the excluded areas are set forth in detail
55 in the attached map, which shall control in the event of any discrepancy between the map and the
56 description in the preceding paragraphs.

57

58 BE IT FURTHER ORDAINED:

59 That this ordinance shall be effective on May 15, 2007.

60

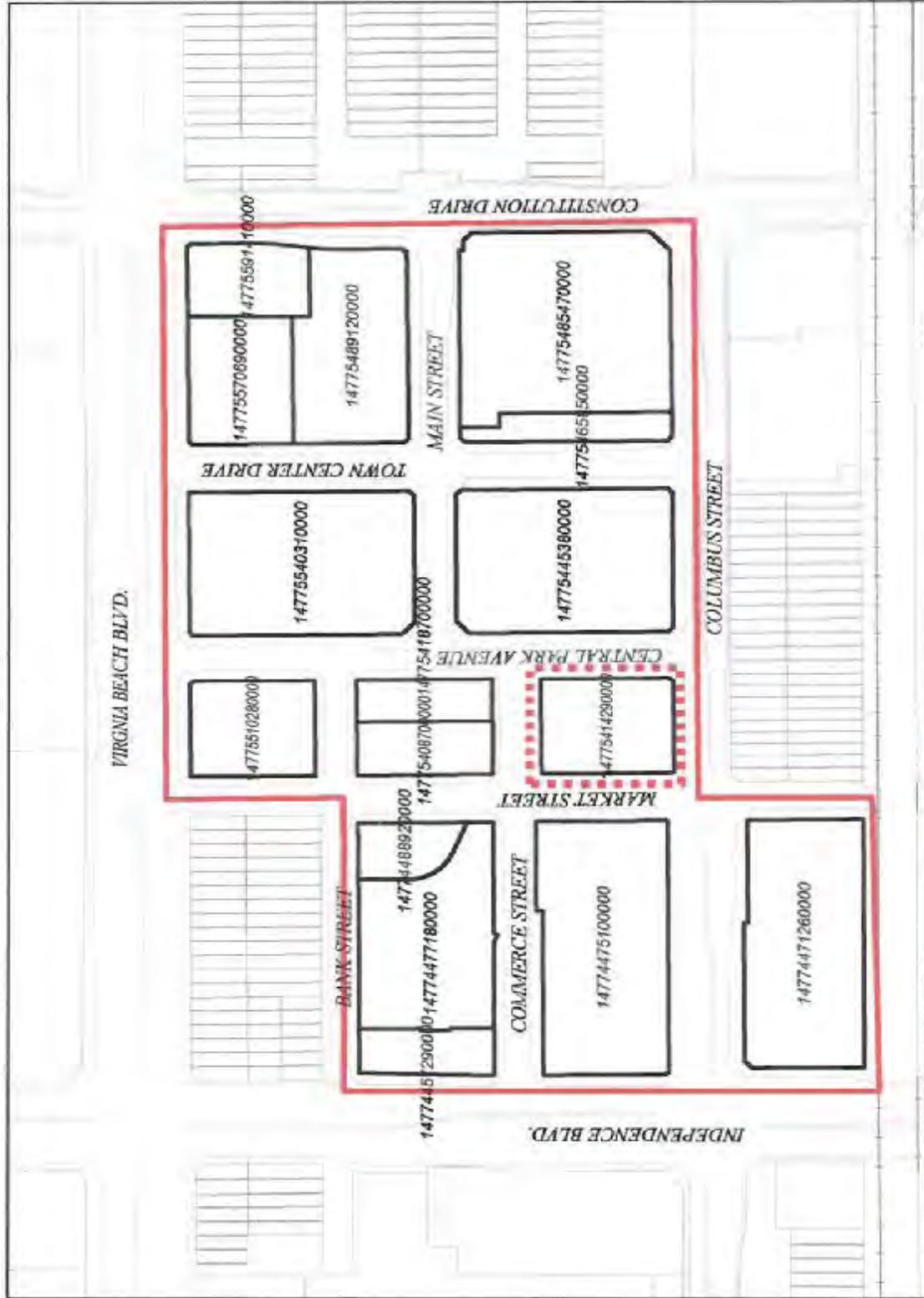
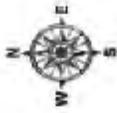
61 Adopted by the Council of the City of Virginia Beach, Virginia on the 15th day of May, 2007.

62

63 Comment: The change from Potomac Street to Bank Street reflects a street name change rather
64 than a boundary change.



Map Showing
Proposed Modifications to the
Special Service District at Town Center
May 2007



DISCLAIMER:
The data shown on this map was prepared by the City of Virginia Beach using information provided by the Virginia Beach Planning and Development Department. The City of Virginia Beach does not warrant the accuracy or completeness of the information shown on this map. The City of Virginia Beach is not responsible for any errors or omissions on this map. The City of Virginia Beach is not responsible for any damages or losses resulting from the use of this map. The City of Virginia Beach is not responsible for any claims or liabilities arising from the use of this map.

Legend
SPECIAL SERVICE DISTRICT
AREA EXCLUDED FROM
SPECIAL SERVICE DISTRICT

ComIT
Created By
The Center For GIS

1 **AN ORDINANCE TO ADOPT THE FY 2008/FY 2012 CAPITAL**
2 **IMPROVEMENT PROGRAM AND TO APPROPRIATE**
3 **\$204,514,641 FOR THE FY 2008 CAPITAL BUDGET SUBJECT**
4 **TO FUNDS BEING PROVIDED FROM VARIOUS SOURCES SET**
5 **FORTH HEREIN**

6 WHEREAS, the City Manager, on March 27, 2007, presented to City Council the Capital Improvement
7 Program for fiscal years 2008 through 2012;

8
9 WHEREAS, City Council held public hearings on the program to provide for public comment;

10
11 WHEREAS, based on public comment, City Council has determined the need for certain projects in the
12 Capital Improvement Program; and

13
14 WHEREAS, it is necessary to appropriate funds for both existing projects and projects beginning in the
15 2008 fiscal year, as set forth in said Capital Improvement Program.

16
17 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH,
18 VIRGINIA:

19
20 **Section 1.** That the Capital Improvement Program, as modified, for the construction of, or addition to,
21 capital facilities identified for fiscal years 2008 through 2012 is hereby adopted, and the projects listed therein
22 are hereby approved as capital projects.

23
24 **Section 2.** That the projects shall be financed from funds to be appropriated periodically by City Council,
25 and until funds are so provided, the projects are for planning purposes only and may be deleted, altered, or
26 rescheduled in any manner at any time by City Council.

27
28 **Section 3.** That funds in the amounts aggregating \$204,514,641 for capital projects in the Capital Budget
29 for the 2008 fiscal year, as set forth in said Capital Improvement Program, are hereby appropriated, by project
30 and subject to the conditions set forth herein. The amount of funding for individual projects is set forth in
31 "Attachment A – Capital Budget Appropriations," a copy of which is attached hereto.

32
33 **Section 4.** That in accordance with Section 2-196 of the City Code, financing sources in support of the
34 Capital Budget for the 2008 fiscal year as set forth in said Capital Improvement Program are attached to this
35 ordinance as "Attachment B – Financing Sources."

36
37 **Section 5.** That capital project funds appropriated in prior fiscal years are to be adjusted in accordance
38 with said Capital Improvement Program and reallocated as identified in "Attachment C – Transfers," a copy of
39 which is attached hereto.

40
41 **Section 6.** That additional appropriations, and the addition of capital projects, and changes in project
42 scope shall not be initiated except with the consent and approval of the City Council first being obtained, and an
43 appropriation for a project in the Capital Improvement Program shall continue in force until the purpose for
44 which it was made has been accomplished or abandoned.

45
46 **Section 7.** That all contracts awarded for approved and appropriated capital projects, exclusive of school
47 projects, must be certified as to the availability of funds by the Director of Finance prior to the initiation of work
48 on the contract.

49
50 **Section 8.** That subject to any applicable restriction of law or of any bonds or bond issue, the City
51 Manager or the Director of Management Services is authorized to approve transfers of appropriations in an
52 amount up to \$100,000 between capital projects as may best meet the needs of the City. The City Manager
53 shall make a monthly report to the City Council of all transfers between \$25,000 and \$100,000. The City
54 Manager or the Director of Management Services is hereby authorized to establish and administer the

55 budgeting of capital projects consistent with best management practices, reporting requirements and the Capital
56 Improvement Program adopted by the City Council.

57
58 **Section 9.** That the City Manager or the Director of Management Services is hereby authorized to
59 change, subject to any applicable restriction of law or of any bonds or bond issue, the financing sources for the
60 various capital projects included in this ordinance to reflect effective utilization of the financing sources. If the
61 financing sources in support of capital projects decline, the City Manager or the Director of Management
62 Services is authorized to reduce, subject to any applicable restriction of law or of any bonds or bond issue,
63 those appropriations to equal the changed financing source. The City Manager must give prior notice to the
64 City Council of any reductions to total appropriations exceeding \$100,000. The notice to City Council shall
65 identify the basis and amount of the appropriation reduction and the capital projects affected. The accounting
66 records of the City will be maintained in a manner where the total of financing sources is equal to the total
67 appropriations for each of the City's capital projects funds.

68
69 **Section 10.** That the Capital Improvement Program debt management policies contained and included in
70 the Resource Management Plan – Executive Summary document shall be the policy guidelines of the City, and
71 the City Manager shall annually report on the status of those guidelines and the projected impact of the
72 proposed Capital Improvement Program on those guidelines, such information to be included in the Resource
73 Management Plan submittal. The City Manager may propose modifications to those policies and guidelines
74 through the Resource Management Plan.

75
76 **Section 11.** That subject to the appropriation of sufficient funds within a capital project, the acquisition of
77 real property necessary for the project is authorized by means of voluntary negotiation with willing sellers.

78
79 ~~Section 12. That on March 28, 2006, the City Council adopted an ordinance appropriating \$15,000,000~~
80 ~~for FY 2006-07 to comply with the Base Realignment and Closure Commission (BRAC) requirements regarding~~
81 ~~Naval Air Station Oceana. The \$15,000,000 is included in both the Operating Budget and Capital Improvement~~
82 ~~Program ordinances as summarized in Attachment A to both ordinances. Adoption of the Operating Budget and~~
83 ~~Capital Improvement Program ordinances incorporates this appropriation into the FY 2006-07 budget.~~

84
85 **Section 132.** That violation of this ordinance shall result in the City Manager taking disciplinary action
86 against the person or persons responsible for the capital project in which the violation occurred.

87
88 **Section 143.** That if any portion of this ordinance is for any reason declared to be unconstitutional or
89 invalid, such decision shall not affect the validity of the remaining portions of this ordinance.

90
91 **Section 154.** That this ordinance shall be in effect from the date of its adoption; however, appropriations
92 for the FY 2008 Capital Budget shall be effective on July 1, 2007.

93
94 Adopted by the City Council of the City of Virginia Beach, Virginia on this 15th day of May, 2007.

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2007-08
<u>Economic Vitality</u>		
9.016	Town Center Infrastructure	650,000
9.060	Oceana & Interfacility Traffic Area Conformity & Acquisition	15,000,000
9061	17th Street Park Storage Facility	100,000
9.069	19th Street Corridor Improvements	2,500,000
9.141	Economic Development Investment Program (On-Going)	2,149,821
	Total Economic and Tourism Development Projects	20,399,821
	Total Economic Vitality Projects	20,399,821
<u>Safe Community</u>		
3.021	Fire and Rescue Station - Thalia	3,805,157
3.344	Police Fourth Precinct - Replacement	680,150
3.365	Fire Facility Rehabilitation and Renewal - Phase II	932,533
3.371	Fire Apparatus - Phase II	1,795,000
	Total Building Projects	7,212,840
3.281	CIT - Communication Infrastructure Replacement	700,000
	Total Communications and Information Technology Projects	700,000
	Total Safe Community Projects	7,912,840
<u>Quality Physical Environment</u>		
2.018	Major Intersection Improvements	500,000
2.021	Rural Road Improvements	300,000
2.031	Street Reconstruction	150,000
2.039	Computerized Traffic Signal System Upgrade/Repl. (Partial)	2,292,000
2.048	Princess Anne Rd./Kempsville Rd. Inter. Impr. (First Cities)	4,919,000
2.052	Traffic Signal Rehabilitation	350,000
2.071	Baker Road Extended	927,000
2.072	First Colonial Rd/Va. Beach Blvd. Intersection Imp.	3,922,000
2.076	Laskin Road Gateway	1,200,000
2.083	Diamond Springs Road Bridge Replacement	1,275,000
2.089	Southeastern Parkway & Greenbelt (Partial)	662,920
2.115	Shore Drive Intersections - Demonstration Project	637,499
2.121	Nimmo Parkway-Phase V-A (VDOT)	2,000,016
2.145	Wesleyan Drive (First Cities Project)	780,000
2.150	Salem Rd/Princess Anne Rd Intersection Improvement	600,000
2.161	Traffic Signal Retiming	600,500
2.168	Lesner Bridge Replacement (First Cities Project)	1,000,000
2.172	LED Traffic Signal Upgrade	100,000
2.176	Transportation Network Analysis	300,000
2.195	Princess Anne Road - Phase VII	2,900,000
2.200	Shore Drive Deomonstration Project - Phases II & III	500,000
2.208	Constitution Drive Extended	7,636,792
2.211	Traffic Calming	100,000
2.263	Major Bridge Rehabilitation (Partial)	660,000

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2007-08
<u>Quality Physical Environment</u>		
2.268	Wetlands Mitigation Banking	100,000
2.284	Pavement Maintenance Program	9,304,912
2.285	Traffic Safety Improvements - Phase II	1,250,000
2.305	Princess Anne Road- Phase IV (Ferrell - Phase II) (VDOT)	539,876
2.502	West Neck Road (Transition Area Network)	1,384,061
2.837	Various Cost Participation Projects	50,000
2.931	Witchduck Road - Phase I (Partial) (First Cities Project)	1,621,000
	Total Roadways Projects	<u>48,562,576</u>
3.366	Various Buildings HVAC Rehabilitation and Renewal - Phase II	1,073,334
3.367	Various Buildings Rehabilitation and Renewal - Phase II	2,541,287
3.368	Various Site Acquisitions	1,000,000
	Total Buildings Projects	<u>4,614,621</u>
5.064	Columbus Street Pump Station Modifications	110,000
5.067	Courthouse and Sandbridge Tank Modifications	75,000
5.084	System Expansion Cost Participation Agreements - Phase II	100,000
5.086	Comprehensive Water Master Planning - Phase V	150,000
5.087	Bayway Road Water Improvements - 51% Program	25,000
5.088	Small Line Improvements - Phase V	500,000
5.091	Water Request & Agreement (51% Program) - Phase V	50,000
5.092	Landstown Yard Improvements - Phase III	1,500,000
5.162	Backflow Prevention and Cross Connection Control Program	150,000
5.167	Water Tank Upgrade Program - Phase III	250,000
5.203	Lotus Garden Water Improvements - 51% Program	1,790,000
5.207	Laskin Road Water Improvements - Phase I (VDOT)	365,000
5.302	Potable Wells Evaluation Program - Phase II	100,000
5.303	Water Quality Program - Phase III	100,000
5.400	Fire Hydrant Program - Phase II	50,000
5.404	Computerized Mapping & Infrastructure Management - Phase II	150,000
5.405	Customer Information System Version Migration	100,000
5.451	Engineering Services - Various Projects	50,000
5.708	Resort Area Neighborhood Revitalization	800,000
5.710	19th Street Corridor Water Improvements	200,000
5.802	Utility Crossings Condition Assessment	50,000
5.803	Water Valve Connection Assessment & Maintenance	50,000
5.965	Water Resources	200,000
	Total Water Utility Projects	<u>6,915,000</u>
6.019	Resort Area Neighborhood Revitalization	1,000,000
6.065	Infiltration, Inflow, and Rehabilitation - Phase IV	1,500,000
6.066	Pump Station Modifications - Phase IV	2,978,000
6.069	Birdneck Road Sewer Improvements - Phase II (VDOT)	450,000
6.085	Sanitary Sewer Aging Infrastructure Program - Phase II	4,300,000
6.089	Comprehensive Sewer Master Planning - Phase IV	300,000
6.138	Landstown Yard Improvements - Phase III	360,000
6.139	Bayway Road Sewer Improvements - 51% Program	55,000
6.146	Sewer Requests & Agreements - Phase V (51% Program)	100,000
6.148	System Expansion Cost Participation Agreements - Phase II	1,870,000
6.203	Lotus Gardens Sewer Improvements - 51% Program	1,390,000

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2007-08
<u>Quality Physical Environment</u>		
6.404	Computerized Mapping & Infrastructure Management - Phase II	150,000
6.405	Customer Information System Version Migration	100,000
6.411	CIT - Service Area Master Planning & Info. System (SAMPIS)	250,000
6.451	Engineering Services - Various Projects	50,000
6.502	Private Sanitary Sewer Pump Station Abandonment Program	75,000
6.505	Princess Anne Plaza Rehabilitation - Phase II	1,300,000
6.506	Sanitary Sewer System Revitalization Program - Phase I	1,100,000
6.612	Pump Station Wet Well Revitalization	350,000
6.613	Auxiliary Power Program - Sewer Pump Stations - Phase II	300,000
6.710	19th Street Corridor Sewer Improvements	50,000
6.802	Utility Crossings Condition Assessment Program	50,000
6.803	Sewer Valve Condition Assessment & Maintenance	50,000
	Total Sewer Utility Projects	<u>18,128,000</u>
7.004	Storm Water Infrastructure Rehabilitation	500,000
7.024	Southern Canal/Lead Ditch and Culvert Improvements	200,000
7.027	SWM Master Planning, Analysis, and Inventory	100,000
7.031	Kempsville Greens GC Community Storm Water Bank Stabilization	125,000
7.063	Neighborhood Storm Water Infrastructure Improvements	834,640
7.067	Primary System Infrastructure Improvements	1,250,000
7.091	Residential Drainage Cost Participation Program	50,000
7.152	Lake Management	1,000,000
7.153	Lynnhaven Watershed Restoration	300,000
7.157	Lynnhaven River Environmental Restoration Study	176,000
7.159	Water Quality Participation Projects	100,000
7.183	Storm Water Quality Enhancements	750,000
7.902	North Beach Drainage	2,500,000
	Total Storm Water Projects	<u>7,885,640</u>
8.002	Beach Profile Monitoring Program	75,000
8.004	Various Minor Dredging Projects	865,000
8.005	Western Branch Lynnhaven River Maintenance Dredging	2,724,013
8.007	Rudee Inlet Outer Channel Maintenance Dredging	260,000
8.008	Beach Replenishment	1,523,389
8.014	Lynnhaven Inlet Maintenance Dredging	160,000
8.018	Outfall Improvements for 79th, 16th, and 42nd Streets	3,600,000
8.023	Sandbridge Beach Access Improvements & Sand Management	200,000
8.282	Sandbridge Beach Restoration	2,704,786
8.830	Rudee Inlet Federal Dredging	420,000
	Total Coastal Projects	<u>12,532,188</u>
	Total Quality Physical Environment Projects	<u><u>98,638,025</u></u>

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2007-08
<u>Cultural and Recreational Opportunities</u>		
4.013	Community Rec Centers Repairs and Renovations - Phase II	4,263,861
4.016	Dist/Comm. Parks/Special Use Facilities Dev. & Ren. - Phase II	1,076,379
4.017	Golf Courses Equipment & Infrastructure - Phase II	200,000
4.018	Greenways and Scenic Waterways - Phase II	200,000
4.019	New Princess Anne District Park Athletics Complex	352,000
4.023	Neighborhood Parks Acquisition and Development - Phase II	200,000
4.024	Park Playground Renovations - Phase II	450,000
4.030	Recreation Office and Storage at School Sites - Phase II	50,000
4.034	Community Recreation Centers Roof Repairs and Replacements	563,000
4.036	Tennis Court Renovations - Phase II	300,000
4.051	Stumpy Lake Golf Course Infrastructure Improvements	1,950,000
4.055	Open Space Park Development and Maintenance	1,550,000
4.063	Athletic Fields Upgrading and Lighting - Phase II	75,000
4.070	Open Space Program Site Acquisition - Phase II	500,000
4.075	Pedestrian System Improvements - Phase I	500,000
4.971	Mount Trashmore District Park Renovations	200,000
	Total Parks and Recreation Projects	<u>12,430,240</u>
	Total Cultural and Recreational Opportunities Projects	<u><u>12,430,240</u></u>
<u>Quality Education and Lifelong Learning</u>		
1.001	Renovations and Replacements - Energy Management	750,000
1.006	Various Schools Site Acquisition - Phase I	1,000,000
1.018	Newtown Road Elementary School Replacement	4,000,000
1.019	Great Neck Middle School Replacement	10,000,000
1.031	Academy Facilities Improvements	100,000
1.075	Elementary School 2007-08	1,000,000
1.078	School Bus Garage Facility Replacement / Expansion	4,500,000
1.085	Alternative Education Facility - Phase II	17,750,000
1.099	Renovations and Replacements - Grounds - Phase II	500,000
1.103	Renovations and Replacements - HVAC Systems - Phase II	1,290,376
1.104	Renovations and Replacements - Reroofing - Phase II	3,378,339
1.105	Renovations and Replacements - Various - Phase II	1,000,000
1.232	Tennis Court Renovations	100,000
1.234	Virginia Beach Middle School Replacement	12,500,000
1.235	Windsor Oaks Elementary School Replacement	3,000,000
	Total Schools Projects	<u>60,868,715</u>
3.262	Tidewater Community College Expansion	<u>2,900,000</u>
	Total Buildings Projects	<u>2,900,000</u>
	Total Quality Education and Lifelong Learning Projects	<u><u>63,768,715</u></u>
<u>Quality Organization</u>		
3.200	CIT - Revenue Assessment and Collection System	225,000
3.209	CIT - Enterprise Electronic Records Management System	750,000
3.340	CIT - Telecommunications Replacement	<u>390,000</u>
	Total Communications and Information Technology Projects	<u>1,365,000</u>
	Total Quality Organization Projects	<u><u>1,365,000</u></u>
	Total Capital Budget	<u><u>204,514,641</u></u>

Attachment B - Financing Sources

Financing Sources	Capital Budget FY 2007-08
Fund Balance - General Fund	25,393,638
Fund Balance - Other	4,006,912
General Appropriations	49,263,598
General Obligation Bonds	63,433,991
Retained Earnings - Storm Water	158,052
State Contribution	29,487,862
Storm Water Utility Fund	7,727,588
Water and Sewer Bonds	18,793,000
Water and Sewer Fund	<u>6,250,000</u>
	<u><u>204,514,641</u></u>

Attachment C – Transfers

**Appropriations
Prior to
FY 2007-2008**

Projects

Safe Community

Buildings

Transfer To:

3.344	Police Fourth Precinct – Replacement	\$69,850
3.367	Various Buildings Rehabilitation and Renewal - Phase II	66,262
	Total Transfer To:	<u>\$136,112</u>

Transfer From:

3.003	Judicial Center Parking Expansion	\$66,262
3.230	Police Fourth Precinct - Expansion and Renovation Study	69,850
	Total Transfer From:	<u>\$136,112</u>

Quality Physical Environment

Roadway Projects

Transfer To:

2.072	First Colonial Rd/Va. Beach Blvd. Intersection Imp (Revenue Reduction)	\$3,274,000
2.115	Shore Drive Intersections - Demonstration Project (Revenue Reduction)	637,499
2.149	Birdneck Road - Phase II (VDOT)	948,400
2.152	Elbow Road Extended - Phase II (First Cities Project)	1,838,885
2.208	Constitution Drive Extended	1,220,120
	Total Transfer To:	<u>\$7,918,904</u>

Transfer From:

2.025	Witchduck Road - Phase II (Partial) (First Cities Project)	\$26,000
2.072	First Colonial Rd/Va. Beach Blvd. Intersection Imp (2006 Charter Bonds).	3,274,000
2.115	Shore Drive Intersections - Demonstration Project (2006 Charter Bonds)	637,499
2.156	Laskin Road - Phase I (VDOT)	2,410,582
2.165	Laskin Road - Phase II (First Cities Project)	1,066,000
2.167	Lynnhaven Parkway - Phase XI (VDOT)	141,615
3.173	Emergency Communications/Emergency Operations Centers	260,000
3.420	Dam Neck Yard Facility Design	103,208
	Total Transfer From:	<u>\$7,918,904</u>

Water and Sewer Utility Projects

Transfer To:

5.008	Birdneck Road Water Improvements - Phase II (VDOT)	\$120,000
5.167	Water Tank Upgrade Program - Phase III	75,000
5.202	Laskin Rd-Phase II & Gateway Water Improvements (VDOT)	400,000
5.601	First Colonial Rd/Va. Beach Blvd Intersection Improvements	110,000
5.752	HVAC Improvements, 2nd Floor, Building #20	75,000
6.138	Landstown Yard Improvements - Phase III	1,140,000
6.601	First Colonial Rd/Va. Beach Blvd Intersection Improvements	170,000
6.752	HVAC Improvements, 2nd Floor, Building #20	75,000
	Total Transfer To:	<u>\$2,165,000</u>

Attachment C – Transfers

Projects		Appropriations Prior to FY 2007-2008
Transfer From:		
5.006	Water Appurtenances Location & Improvements	\$100,000
5.140	Various Roadway/Storm Water Coordination - Phase IV	150,000
5.163	Various Water Infrastructure Maintenance Support Program	500,000
5.207	Laskin Road Water Improvements - Phase I (VDOT)	365,000
5.951	Water Tap Installation Program	200,000
6.031	Sewer Appurtenances Evaluation & Improvements	150,000
6.067	Various Roadway/Storm Water Coordination - Phase IV	100,000
6.168	Various Sewer Infrastructure Maintenance Support Program	300,000
6.613	Auxiliary Power Program - Sewer Pump Stations - Phase II	200,000
6.951	Sewer Tap Installation Program	100,000
		<hr/>
Total Transfers From:		\$2,165,000

Quality Education and Lifelong Learning

Schools Projects

Transfer To:		
1.011	Equipment and Vehicle Replacement	\$249,783
1.078	School Bus Garage Facility Replacement/ Expansion	3,400,001
1.103	Renovations and Replacements - HVAC Systems - Phase II	725,000
		<hr/>
Total Transfer To:		\$4,374,784

Transfer From:		
1.001	Renovations and Replacements - Energy Management	\$974,783
1.227	Windsor Woods Elementary School Replacement	750,000
1.228	Brookwood Elementary School Replacement	1,150,001
1.233	Old Donation Center Modernization	1,500,000
		<hr/>
Total Transfer From:		\$4,374,784

Buildings

Transfer To:		
3.447	Library Renovations and Replacements	\$400,363
		<hr/>
Total Transfer To:		\$400,363

Transfer From:		
3.413	Bayside Library and Police Precinct	\$150,626
3.453	Princess Anne Area Library	249,737
		<hr/>
Total Transfer From:		\$400,363

Quality Organization

Transfer To:		
3.045	CIT - Enterprise Data & Information Mgmt Plan - Phase I	\$400,000
3.185	Fire Apparatus (Lease Purchase, FY 2005-06)	1,362,687
3.207	CIT - Phase II Permits and Inspections Interactive Internet	150,000
3.335	CIT - Electronic Ballot System - ADA Machines (Revenue Reduction)	315,000

Attachment C – Transfers

Projects		Appropriations Prior to FY 2007-2008
3.366	Various Buildings HVAC Rehabilitation and Renewal - Phase II	410,000
3.367	Various Buildings Rehabilitation and Renewal - Phase II	309,700
4.036	Tennis Court Renovations - Phase II	92,987
	Total Transfer To:	<u>\$3,040,374</u>
 Transfer From:		
3.185	Fire Apparatus (Fund Balance, General Fund budgeted in FY 2002-03)	\$1,362,687
3.335	CIT - Electronic Ballot System - ADA Machines	315,000
3.370	CIT - Voting Machine Replacements (Lease Purchase, FY 2005-06)	1,362,687
	Total Transfer From:	<u>\$3,040,374</u>

1 **AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL**
2 **OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE CITY**
3 **OF VIRGINIA BEACH, VIRGINIA, IN THE MAXIMUM AMOUNT**
4 **OF \$63,800,000 FOR VARIOUS PUBLIC FACILITIES AND**
5 **GENERAL IMPROVEMENTS**

6 WHEREAS, the City of Virginia Beach, Virginia (the "City"), desires to authorize the issuance of
7 general obligation public improvement bonds for various purposes in the maximum amount of \$63,800,000, as
8 permitted by the City Charter, without submitting the question of their issuance to the qualified voters.
9

10 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH,
11 VIRGINIA:

12 1. That it is hereby determined to be necessary and expedient for the City to construct and improve
13 various public facilities and make general improvements, all of which will promote the public welfare of the City and its
14 inhabitants and will facilitate the orderly growth, development, and general welfare of the City, and to finance the costs
15 thereof through the borrowing of up to \$63,800,000 and issuing the City's general obligation bonds therefor.
16

17 2. That, pursuant to the City Charter and the Public Finance Act of 1991, there are hereby authorized
18 to be issued general obligation public improvement bonds of the City in the maximum amount of \$63,800,000, to
19 provide funds, together with other funds that may be available, for various public improvement projects, including
20 School, Roadway, Coastal, Economic and Tourism, Building, and Parks and Recreation projects, for project activities
21 that include, but are not limited to, the following: preliminary studies and surveys, permit compliance, environmental
22 assessment, planning, design, engineering, site acquisition, relocation of residents, utility relocation, construction,
23 renovation, expansion, repair, demolition, site improvement, site work, legal services, inspection and support services,
24 furniture and equipment, and contingencies.
25

26 3. That the bonds may be issued as a separate issue at one time or in part from time to time or
27 combined with bonds authorized for other purposes and sold as part of one or more combined issues of public
28 improvement bonds.
29

30 4. That the bonds shall bear such date or dates, mature at such time or times not exceeding 40 years
31 from their dates, bear interest, be in such denominations and form, be executed in such manner and be sold at such
32 time or times and in such manner as the Council may hereafter provide by appropriate resolution or resolutions.
33

34 5. That the bonds shall be general obligations of the City for the payment of the principal, premium, if
35 any, and interest on which its full faith and credit shall be irrevocably pledged.
36

37 6. That, upon recalculation, the amount of general obligation public improvement bonds authorized by
38 City Council on May 9, 2006 was incorrect. Although the City Council authorized the issuance of general obligation
39 public improvement bonds in the maximum amount of \$63,800,000, the City was authorized to issue only \$59,800,000
40 of general obligation public improvement bonds. Therefore, the City shall issue no more than \$59,800,000 of general
41 obligation public improvement bonds based on the May 9, 2006 authorization.
42

43 7.6. That the City Clerk is directed to make a copy of this ordinance continuously available for
44 inspection by the general public during normal business hours at the City Clerk's office from the date of adoption
45 hereof through the date of the issuance of the Bonds.
46

47 8.7. That the City Clerk, in collaboration with the City Attorney, is authorized and directed to
48 immediately file a certified copy of this ordinance with the Clerk of the Circuit Court of the City of Virginia Beach.
49

50 9.8. That this ordinance shall be in full force and effective from its passage.
51

52 Adopted by the Council of the City of Virginia Beach, Virginia on this 15th day of May, 2007.
53

54 Adoption requires the affirmative vote of two-thirds of all members of the City Council.

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATER AND
SEWER SYSTEM REVENUE BONDS OF THE CITY OF VIRGINIA
BEACH, VIRGINIA, IN THE MAXIMUM AMOUNT OF \$18,793,000**

1 WHEREAS, the City of Virginia Beach, Virginia (the "City"), desires to authorize the issuance of water and
2 sewer system revenue bonds in the maximum amount of \$18,793,000 for financing improvements and expansions to
3 the City's water and sewer system (the "System"), as permitted by the City Charter without submitting the question of
4 their issuance to the qualified voters.

5
6 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:
7

8 1. That it is hereby determined to be necessary and expedient for the City to continue its program of
9 improving and extending the System, which will promote the public welfare of the City and its inhabitants and will
10 facilitate the orderly growth, development, and general welfare of the City, and to finance the costs thereof through the
11 borrowing of \$18,793,000 and issuing the City's revenue bonds therefore.

12
13 2. That pursuant to the City Charter and the Public Finance Act of 1991, there are hereby authorized to be
14 issued water and sewer system revenue bonds of the City in the maximum amount of \$18,793,000 to provide funds,
15 together with other available funds, for financing the costs of improvements and expansions to the System.

16
17 3. That the bonds shall bear such date or dates, mature at such time or times not exceeding 40 years from
18 their dates, bear interest, be in such denominations and form, be executed in such manner and be sold at such time or
19 times and in such manner as the Council may hereafter provide by appropriate resolution or resolutions.

20
21 4. That the System is an undertaking from which the City may derive a revenue. The bonds shall be limited
22 obligations of the City, payable as to principal, premium, if any, and interest solely from the revenues derived by the
23 City from the System, and shall not be included within the otherwise authorized indebtedness of the City. The bonds
24 shall not be deemed to create or constitute an indebtedness of, or a pledge of the faith and credit of, the
25 Commonwealth of Virginia or of any country, city, town, or other political subdivision of the Commonwealth, including
26 the City. The issuance of the bonds and the undertaking of the covenants, conditions, and agreements to be
27 contained in resolutions to be adopted or agreements to be entered into hereafter shall not directly, indirectly, or
28 contingently obligate the Commonwealth, the City, or any other political subdivision of the Commonwealth to levy and
29 collect any taxes whatsoever or make any appropriation therefore, except from the revenues pledged to the payment
30 of the principal of and premium, if any, and interest on the bonds.

31
32 5. That such resolutions to be adopted and agreements to be entered into hereafter authorizing the issuance
33 of the bonds and providing the details thereof shall contain appropriate covenants requiring the City to fix, charge, and
34 collect such rates, fees, and other charges for the use of and the services furnished by the System and to revise the
35 same from time to time and as often as shall be necessary so as to produce sufficient net revenues to pay principal of
36 and premium, if any, and interest on the bonds as the same become due and to provide a margin of safety therefor.
37 Such resolutions and agreements shall also include such additional covenants, agreements, and other terms as are
38 customary for the protection of the holders of water and sewer revenue obligations.

39
40 6. That the City Clerk is directed to make a copy of this ordinance continuously available for inspection by the
41 general public during normal business hours at the City Clerk's office from the date of adoption hereof through the
42 date of the issuance of the bonds.

43
44 7. That the City Clerk, in collaboration with the City Attorney, is authorized and directed to immediately file a
45 certified copy of this ordinance with the Circuit Court of the City of Virginia Beach.

46
47 8. That this ordinance shall be in full force and effect from its passage.

48
49 Adopted by the Council of the City of Virginia Beach, Virginia on this 15th day of May, 2007.

50
51 Adoption requires the affirmative vote of a majority of all members of the City Council.

1 **AN ORDINANCE TO DIRECT THE PUBLIC WORKS DEPARTMENT TO**
 2 **WORK WITH VDOT TO ADVANCE CONSTRUCTION OF CIP #2-121,**
 3 **NIMMO PARKWAY-PHASE V-A (VDOT), AND #2-305, PRINCESS ANNE**
 4 **ROAD - PHASE IV (FERRELL - PHASE II)(VDOT) AND REALLOCATE**
 5 **\$46,650,692 OF FUNDING FROM VARIOUS STATE ROADWAY**
 6 **PROJECTS TO ALLOW ADVANCEMENT OF CONSTRUCTION**

7 WHEREAS, in a recent analysis of congested local roadways, City Council identified projects,
 8 CIP #2-121, Nimmo Parkway-Phase V-A (VDOT), and #2-305, Princess Anne Road-Phase IV (Ferrell-Phase
 9 II) (VDOT), as the two most important projects to help alleviate congestion in the surrounding areas;

10 WHEREAS, in an effort to advance the construction of these two projects, it will be necessary
 11 to increase their funding, with the source coming from other state projects.

12 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VIRGINIA
 13 BEACH, VIRGINIA:

14 1. That the Public Works Department is directed to work with the Virginia Department of
 15 Transportation to reallocate VDOT funding from five state projects listed below in order to advance the
 16 construction of CIP #2-121, Nimmo Parkway-Phase V-A (VDOT), and #2-305, Princess Anne Road-Phase IV
 17 (Ferrell-Phase II) (VDOT).

18 2. That \$46,650,692 of funding within the Capital Improvement Program period is reallocated
 19 as shown below, to allow advancement of construction.

<u>Transfer To:</u>	<u>FY 2008</u>	<u>FY 2009-2012</u>
2-121 Nimmo Parkway-Phase V-A (VDOT)	\$2,000,016	\$26,373,780
2-305 Princess Anne Road-Phase IV (Ferrell-Phase II)	<u>539,876</u>	<u>17,737,020</u>
Total	<u>\$2,539,892</u>	<u>\$44,110,800</u>
<u>Transfer From:</u>		
2-152 Elbow Road Extended-Phase II (First Cities Project)	\$0	\$1,226,586
2-256 Indian River Road-Phase VII (First Cities Project)	2,000,016	21,956,184
2-156 Laskin Road-Phase I (VDOT)	0	12,099,918
2-167 Lynnhaven Parkway-Phase XI (VDOT)	0	1,446,385
2-025 Witchduck Road-Phase II (First Cities Project)	<u>539,876</u>	<u>7,381,727</u>
Total	<u>\$2,539,892</u>	<u>\$44,110,800</u>

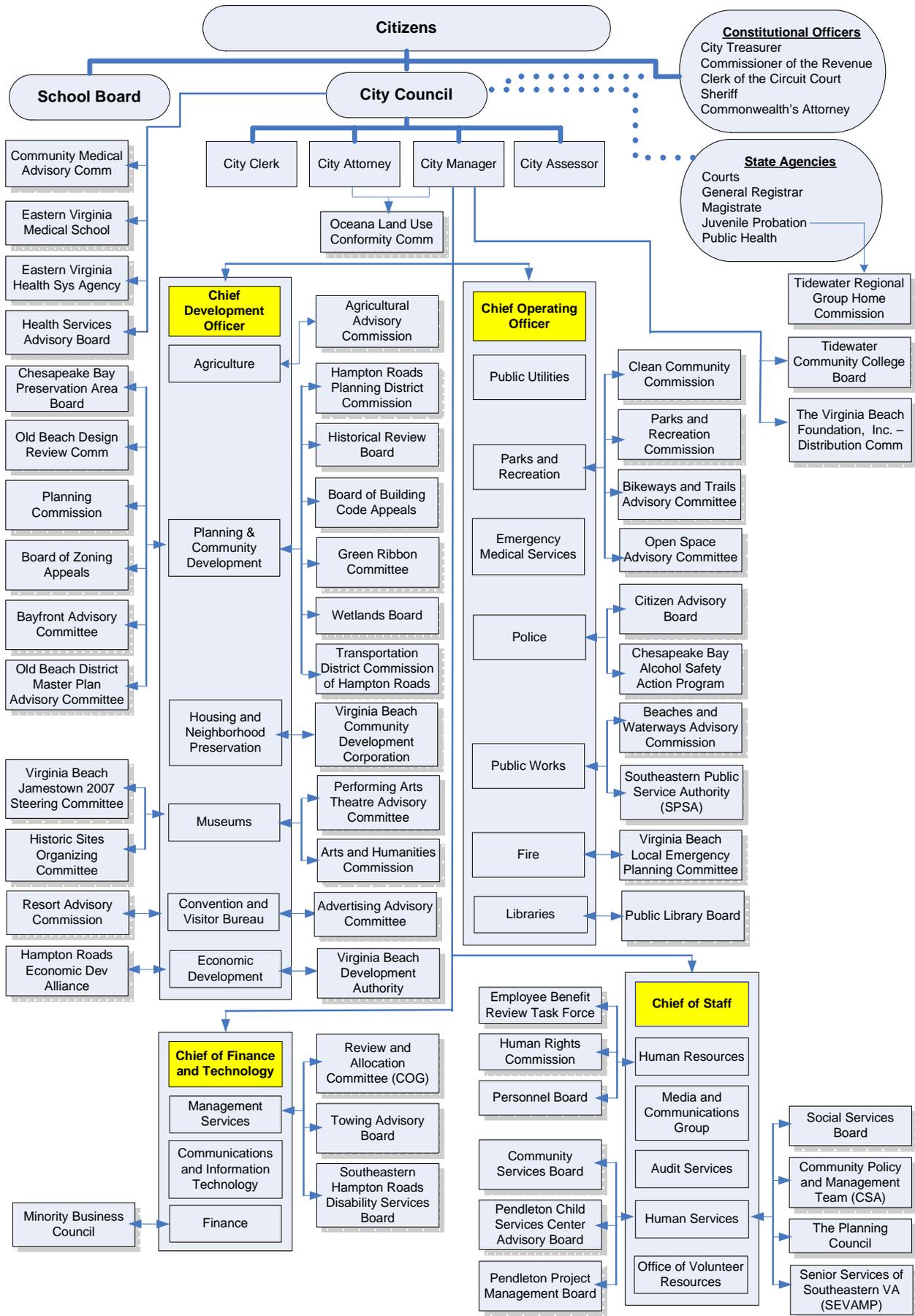
47 Adopted by the Council of the City of Virginia Beach, Virginia, on the 15th day of May, 2007.

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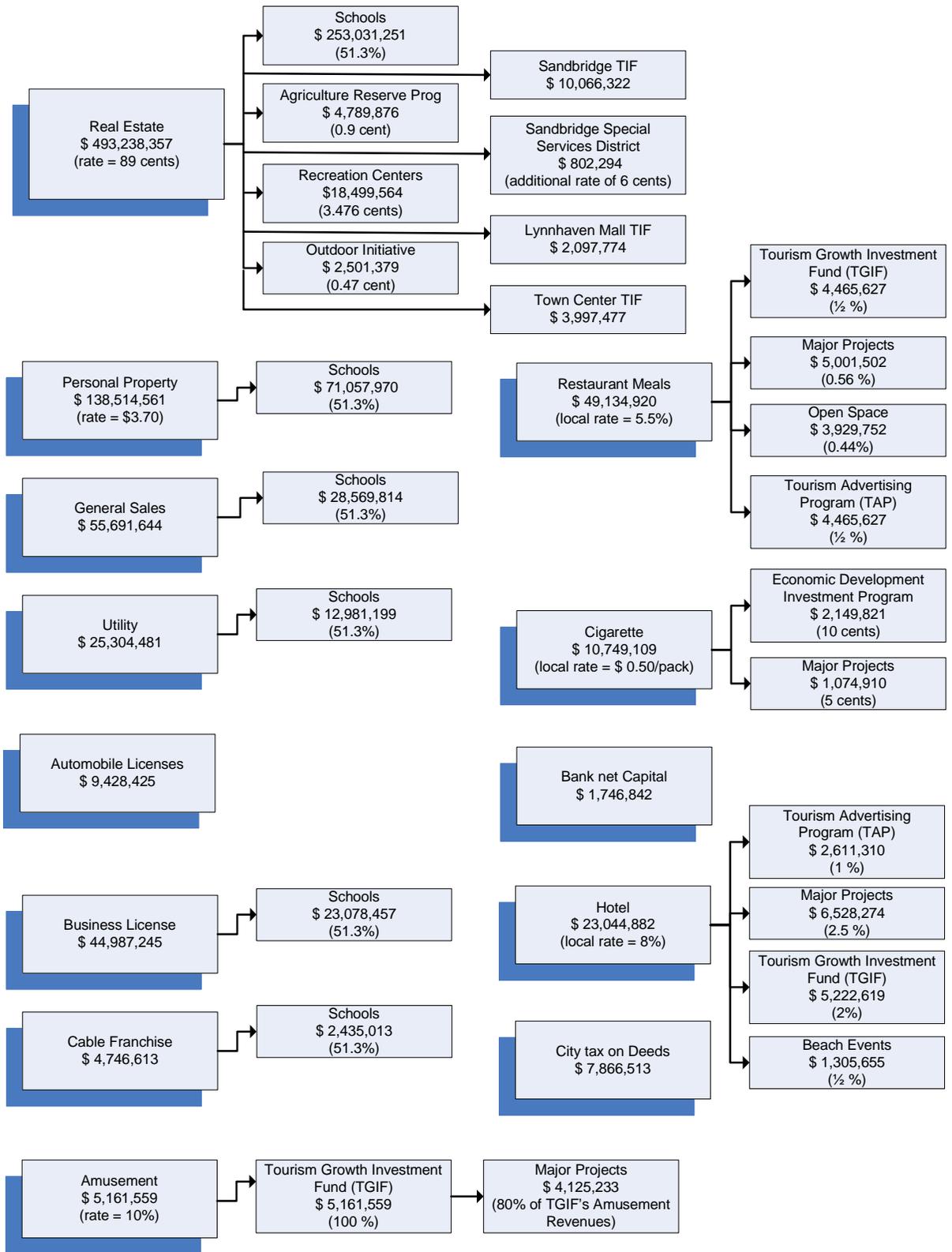
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Relationship of Boards and Commissions to Departments



Local Revenues





City Council Policy

Title: Policy for the Sharing of Certain General Fund Revenues Between the City of Virginia Beach and the Virginia Beach School Board		Index Number: 6.02
Date of Adoption: 02/25/97	Date of Revision: 01/10/06 <u>03/12/07</u>	Page 3 of 5 <u>7</u>

1.0 Purpose

The purpose of this policy is to establish a procedure for allocating to the City and the School Board, respectively, certain General Fund revenues estimated to be available in a given fiscal year.

This policy will establish a predictable, objective means of sharing local revenues and establish a balance between School programming needs and the wide range of other needs of the City. This policy will provide both the City and the School Board notification about revenue estimated to be available for fiscal year planning.

Revenues allocated to the School Board represent the City's contribution to Schools. These revenues are used to fund the local share of the School Board's operating budget, local debt service costs, and pay-as-you-go capital improvements. The remaining revenues shall be allocated to the City. Tax Increments Financing revenue and Special Service District revenue shall not be subject to the Revenue Sharing Formula. The Revenue Sharing Formula will be reviewed periodically by a committee as established in section 9.1 of this policy, and will be adjusted as necessary.

2.0 Definitions

2.1 **The City** refers to the City of Virginia Beach, exclusive of Schools.

2.2 **City Council** refers to the City of Virginia Beach City Council.

2.3 **Schools** refers to the Virginia Beach City Public Schools.

2.4 **The School Board** refers to the Virginia Beach School Board.

2.5 **Revenues subject to the formula** are defined as general fund revenues from the real estate, personal property, general sales, utility (Non-Telecommunications), ~~cellular telephone and~~ State Telecommunications, business license taxes, and from cable television franchise fees (through current 2016).

2.6 **The Revenue Sharing Formula** is the percentage formula by which Revenues Subject to the Formula are allocated between the Schools and the City.

2.7 **Budgeted Revenues** are the original estimates of revenues subject to the Revenue Sharing Formula adopted by City Council in May of each year.

2.8 **Actual revenues** are the collected revenues subject to the Revenue Sharing Formula.

3.0 **Procedure to Accomplish the Policy**

3.1 As a starting point for the fiscal year ~~2006-07~~ 2007-08 budget, the Schools will be allocated ~~51.79~~ 51.3% of the Revenues Subject to the Formula, and the City will retain ~~48.21~~ 48.7% of the Revenues Subject to the Formula. These aggregate percentages are based on the actual allocations of Revenues Subject to the Formula by City Council in fiscal year ~~2005-06~~ 2006-07 as calculated after the adoption of the budget. These percentages may be adjusted for any fiscal year ~~2006-07~~ at the discretion of the City Council. An adjustment may be necessary due to a tax increase or decrease, an increase or decrease in other revenue, or any other circumstance, at the discretion of the City Council. Immediately following the adoption of the budget for fiscal year 2006-07, the City's Department of Management Services will determine the actual percentages of Revenues Subject to the Formula allocated to Schools and retained by the City in ~~fiscal year 2006-07~~. The actual percentages of Revenues Subject to the Formula allocated to the Schools and retained by the City for ~~fiscal year 2006-07~~ shall be the starting point for allocations of Revenues Subject to the Formula for the next fiscal year ~~2007-08~~ budget. This process shall continue each year, with the City's Department of Management Services calculating the actual allocation percentages after the adoption of the budget each year, and actual percentage allocations of Revenues Subject to the Formula for each fiscal year constituting the starting point for allocations for the subsequent fiscal year.

3.2 A table showing the history of total Revenues Subject to the Formula, total Revenues Subject to the Formula allocated to the Schools, tax rates, tax rate changes, and the resulting Revenue Sharing Formula for each year is incorporated as a part of this policy in Appendix A. This table will be updated annually to reflect the most recent Revenue Sharing Formula based on the most recent budget adopted by City Council.

3.3 Preliminary revenue allocation, using the actual allocation percentages for the previous year, will be based on annual October 1 revenue estimates. Updates will be made during budget development, based on December 31 collections, and provided to both parties within 20 calendar days of the December 31 collections.

3.4 If in the development of the City biennial budget a local tax change is being considered, the City Manager will provide ~~written~~ notification to the ~~School Board~~ and Superintendent of Schools detailing the scope and magnitude of any contemplated tax rate change. The City Manager shall provide notice as early in the school budget development process as possible, preferably prior to the presentation of the Superintendent's Estimate of Needs in February.

3.5 The proportion of revenues for the City and Schools allocated based on the Revenue Sharing Formula shall not be affected by section 2-186.1 of the City Code regarding preparation of the budget using a "base budget" method. The City and the Schools recognize that it is not the intention of section 2-186.1 of the City Code to alter the Revenue Sharing Formula.

3.6 For fiscal years 2006-07 and 2007-08, Revenues Subject to the Formula will also be calculated, for informational purposes only, according to the allocation ratio for each individual revenue stream included in the Revenue Sharing Formula, taking into consideration changes to the rates for the various streams as a result of Council action. These stream-specific allocation ratios are detailed on Appendix B of this policy. At the scheduled Revenue Sharing Policy review in January 2007, the aggregate method of calculating the Schools' portion of the revenue (set forth by section 3.1 of this

policy) will be compared to the stream-specific method of calculating the Schools' portion of the revenue to ensure that the use of the aggregate percentage as described in Section 3.1 does not, exclusive of other factors, negatively impact the amount of revenue that the Schools receive. If it is determined that the allocation method described in Section 3.1, in and of itself, negatively impacts the amount of revenue that the Schools receive, definitive steps will be taken to remedy the situation.

4.0 Additional Funding-Schools

- 4.1 If the School Board determines a need for additional local funding to maintain its current level of operations or to provide for additional initiatives, it shall make a formal written request to the City Council, through its chairman, stating the purpose(s) for which the additional funding is needed, and the amount of additional funding required.
- 4.2 The City Council shall review any School Board request for additional local funding and determine if additional funding is available. If the City Council determines that additional local funding cannot be made available without an increase in local tax rates, it shall formally notify the School Board.
- 4.3 If the School Board desires to request an increase in local tax rates to generate the additional local funding requested, the School Board shall hold a public hearing on the issue of whether local tax rates should be increased to provide additional revenue for the purpose(s) identified by the School Board. Following the public hearing, if the School Board desires to request an increase in local tax rates, the School Board shall make a formal request to the City Council to increase local tax rates to a level necessary to generate the additional funding. The School Board shall make such a request in the form of an adopted School Board resolution.
- 4.4 City Council shall consider any properly submitted request by the School Board for a local tax increase and determine the appropriate action.
- 4.5 If, after deliberation and appropriate public involvement, including the consideration of a referendum in appropriate circumstances, the City Council adopts a local tax rate increase to generate the additional local funding requested by the School Board, the full amount of revenue produced by the local tax increase shall become part of the School revenue share for the fiscal year budget being developed, and for all future fiscal years.

5.0 Additional Funding-City

If the City Council determines that additional funding is needed to maintain the current level of City operations or to provide for additional initiatives in City programs or services, the City Council shall determine the appropriate action. If after deliberation and appropriate public involvement, including consideration of a referendum in appropriate circumstances, the City Council adopts a tax rate increase to generate the additional local funding for City Government programs, the full amount of revenue produced by the local tax increase shall become part of the City revenue share for the fiscal year budget being developed, and for all future fiscal years.

6.0 Tax Rate Decrease

If the City Council determines that it is in the best interest of the community to decrease the rate for any of the taxes or fees that are included in the Revenue Sharing Formula, the revenue estimates will be calculated using the lowered tax rates. The City revenue share and the Schools revenue share shall be affected by a tax rate reduction in the same proportion that budgeted revenues were shared for that fiscal year, unless otherwise specifically determined by the City Council.

7.0 Actual Revenues Deviate from Budgeted Revenues

- 7.1 If, at the end of the fiscal year, the actual revenues exceed the budgeted revenues, the amount of excess revenues shall be shared by the City and the School Board in the same proportion that budgeted revenues were shared for that fiscal year; provided that such excess revenues shall only be shared after the necessary resources for the Fund Balance Reserve Policy have been determined and fulfilled.
- 7.2 If, however, the City anticipates, at any time during the fiscal year, that actual revenues will fall below budgeted revenues, the School Board, upon notification by the City Manager of such an anticipated shortfall, will be expected to reduce expenditures in an amount equal to the School Board's proportion of a shortfall.

8.0 Unanticipated Revenues

Any increase in revenues resulting from actions of the Commonwealth of Virginia not contemplated by this policy shall not be subject to the Revenue Sharing Formula but shall be the subject of joint discussions of the City and the Schools.

9.0 Revision to Policy

- 9.1 A committee comprised of two members of City Council, two members of the School Board, the City Manager, the Superintendent of Schools, the City Chief Financial Officer, the School Chief Financial Officer and the Director of the Department of Management Services shall periodically review this policy and its application.
- 9.2 This policy shall be reviewed, and revised as appropriate or necessary,
- (a) whenever a rate change for any of the taxes included in the Revenue Sharing Formula has been adopted;
 - (b) whenever the funds made available to the School Board pursuant to this policy are not adequate to meet the State Board of Education's mandated "standards of quality";
 - (c) whenever any significant unanticipated changes occur in the level of estimated federal and state revenues available to the School Board;
 - (d) whenever any significant unanticipated changes occur in City revenues not included in the Revenue Sharing Formula; and
 - (e) periodically, but at least biennially, beginning not later than January 31, 2007.

Approved as
to Content:

Richard Whitbeck
Director of Management Services

20 March '07
Date

Approved as
to Legal Sufficiency:

John L. Allen
City Attorney

3/20/07
Date

Reviewed by:

James K. Sporn
City Manager

MARCH 20, 2007
Date

APPROVED BY
CITY COUNCIL:

Meyers E. Oberndorf
Mayor

June 12, 2007
Date

Revenue Sharing Formula Policy

Appendix A FY 1997 - 2008

Revenue	FY 1997 Rate	FY 1998 Rate	FY 1999 Rate	FY 2000 Rate	FY 2001 Rate	FY 2002 Rate	FY 2003 Rate
Real Estate Tax	1.22	231,078,016	240,968,494	253,781,350	267,618,466	282,792,433	298,785,562
RE Tax Public Service	1.22	6,099,806	5,910,744	6,160,203	6,291,653	6,649,361	7,024,086
RE Tax Delinquent	1.22	570,479	530,202	625,896	823,202	906,822	928,856
Personal Property Tax	3.70	74,621,159	75,867,261	86,321,826	88,016,364	98,021,277	100,320,466
General Sales Tax	1%	36,171,287	36,631,825	38,764,180	40,331,525	41,208,796	41,370,311
Utility Taxes - see note	*	28,816,558	29,681,023	30,270,754	31,823,732	31,908,988	31,968,743
Utility Taxes - Consumption							1,385,444
Utility Taxes - Cellular Phones	\$3**	1,807,200	1,942,740	1,711,061	1,663,132	2,017,610	3,180,901
Business License Tax	varies	22,504,867	25,521,687	25,570,088	27,880,165	29,396,269	30,815,259
Cable Franchise Tax	5%	2,969,583	3,288,292	3,393,352	3,446,326	3,754,440	4,639,462
Total Revenue in Formula	380,401,752	404,638,955	420,342,268	446,598,710	467,894,565	496,655,996	520,419,090
School Operating Transfer		182,236,233	187,703,617	199,879,794	208,189,195	225,336,750	234,934,664
Debt Service		31,079,628	31,481,013	34,607,610	36,248,916	35,688,677	38,712,634
CIP Pay-Go			2,424,339	1,037,460	2,311,304	1,000,000	1,000,000
Total School Allocation	202,121,285	213,315,861	221,608,969	235,524,864	246,749,415	262,025,427	274,647,298
Total City Allocation	178,280,467	191,323,094	198,733,299	211,073,846	221,145,150	234,630,569	245,771,792
City funding as % of total Revenue	46.87%	47.28%	47.28%	47.26%	47.26%	47.24%	47.23%
School funding as % of total Revenue	53.13%	52.72%	52.72%	52.74%	52.74%	52.76%	52.77%

* In FY 1998, residential utility tax increased from \$2.40 to \$3.00 per month for electric, gas, telephone, and water utilities. The commercial rates increased as well on a tiered basis. Because this increase was at the request of the City, 100% of the increase was allocated to the City. It was calculated that 89.1% of the total utility tax was henceforth subject to the Revenue Sharing Formula.
 ** 10% of first \$30.00.
 *** Consumption is tiered; set by State Code.

Revenue	FY 2004 Rate	FY 2005 Rate	FY 2006 Rate	FY 2007 Rate	FY 2008 Rate
Real Estate Tax	326,074,713	362,347,945 1.1964	377,664,464 1.0239	441,312,070 0.990	469,574,581 0.890
RE Tax Public Service	7,241,806	6,905,591 1.1964	5,016,179 1.0239	3,775,947 0.990	4,090,908 0.890
RE Tax Delinquent	1,016,145	1,121,572 1.1964	1,014,381 1.0239	1,014,381 0.990	1,157,836 0.890
Personal Property Tax	106,624,523	110,035,897	113,389,566	127,582,769	138,514,563
General Sales Tax	43,807,065	45,538,506	50,833,174	53,390,260	55,691,645
Utility Taxes	32,061,944	33,569,117	32,064,827	30,169,337	23,680,089
VA Telecommunications Tax					16,909,586
Utility Taxes - Consumption	1,418,695	1,641,706	1,576,053	1,585,793	1,624,392
Utility Taxes - Cellular Phones	4,372,070	5,267,578	8,466,780	7,906,182	
Business License Tax	31,958,284	34,065,874	37,140,370	40,794,218	44,987,246
Cable Franchise Tax	4,795,420	4,857,144	4,612,615	4,941,085	4,746,613
Total Revenue in Formula	559,370,665	605,350,930	631,778,409	712,472,042	760,977,459
School Operating Transfer	254,754,290	256,418,891	268,713,519	307,224,646	336,870,685
Debt Service	39,582,583	41,303,652	40,912,433	40,282,967	41,402,094
CIP Pay-Go	1,000,000	17,597,408	17,597,408	17,597,408	12,108,658
Total School Allocation	295,336,873	315,319,951	327,223,360	365,498,158	390,381,436
Total City Allocation	264,033,792	290,030,979	304,555,049	346,973,884	370,596,023
City funding as % of total Revenue	47.20%	47.91%	48.21%	48.70%	48.70%
School funding as % of total Revenue	52.80%	52.09%	51.79%	51.30%	51.30%

Revenue Sharing Formula Policy

Appendix B Historical Information

Fiscal Year	Real Estate (includes delinquent and interest on delinquent)	Utility and Utility Consumption	Personal Property (includes delinquent) *	General Sales	Cell Phone	Business License	Cable Franchise	Aggregate Percentage
1997/1998	\$1.22 46.87% City 53.13% Schools	46.87% City 53.13% Schools		46.87% City 53.13% Schools				46.87% City 53.13% Schools
1998/1999		Rate Increase requested by City 52.66% City 47.34% Schools		46.87% City 53.13% Schools				47.28% City 52.72% Schools
1999/2000		52.66% City 47.34% Schools		46.87% City 53.13% Schools				
2000/2001				46.87% City 53.13% Schools				
2001/2002				46.87% City 53.13% Schools				
2002/2003				46.87% City 53.13% Schools				
2003/2004				46.87% City 53.13% Schools				
2004/2005	\$1.1964 Reduction 100% Schools 48.04% City 51.96% Schools			46.87% City 53.13% Schools				47.91% City 52.09% Schools
2005/2006	\$1.0239 Reduction 53.13% Schools 48.59% City 51.41% Schools			46.87% City 53.13% Schools				48.21% City 51.79% Schools
2006/2007	\$0.99 48.7% City 51.3% Schools			46.87% City 53.13% Schools				48.7% City 51.3% Schools
2007/2008 Adopted	\$0.89 48.7% City 51.3% Schools			46.87% City 53.13% Schools				48.7% City 51.3% Schools

* Beginning in FY 2008 this excludes personal property taxes on boats, which under the formula goes 100% to the City.

City of Virginia Beach
Real Estate Tax Rate History: FY 1982-83 through FY 2007-08

Fiscal Year	Rate	Notes
1982-83	\$ 0.8000	
1983-84	\$ 0.8000	
1984-85	\$ 0.8000	
1985-86	\$ 0.8000	
1986-87	\$ 0.8000	
	\$ 0.8000	Rate from Previous Fiscal Year
1987-88	\$ 0.0500	Roadway Referendum (debt service and CIP pay-as-you-go)
	\$ 0.0270	School Referendum (now included in Formula)
	<u>\$ 0.8770</u>	
	\$ 0.8770	Rate from Previous Fiscal Year
1988-89	\$ 0.0380	Recreation Center Referendum (debt service and operations)
	<u>\$ 0.9150</u>	
	\$ 0.9150	Rate from Previous Fiscal Year
1989-90	\$ 0.0070	Outdoor Initiative (now included in CIP)
	\$ 0.0550	School Operation (now included in Formula)
	<u>\$ 0.9770</u>	
	\$ 0.9770	Rate from Previous Fiscal Year
1990-91	\$ 0.0060	General Government (now included in Formula)
	\$ 0.0490	School CIP (now included in Formula)
	<u>\$ 1.0320</u>	
	\$ 1.0320	Rate from Previous Fiscal Year
1991-92	\$ 0.0580	School Operations (now included in Formula)
	<u>\$ 1.0900</u>	
	\$ 1.0900	Rate from Previous Fiscal Year
1992-93	\$ 1.0900	
	\$ 1.0900	Rate from Previous Fiscal Year
1993-94	(\$0.0070)	General Government (now included in Formula)
	\$ 0.0570	School CIP (now included in Formula)
	<u>\$ 1.1400</u>	
1994-95	\$ 1.1400	
	\$ 1.1400	Rate from Previous Fiscal Year
1995-96	\$ 0.0330	School CIP (now included in Formula)
	\$ 0.0150	Agriculture Reserve Program (in FY 2005, Council reduced the dedication to \$0.01)
	<u>\$ 1.1880</u>	

City of Virginia Beach
Real Estate Tax Rate History: FY 1982-83 through FY 2007-08

Fiscal Year	Rate	Notes
	\$ 1.1880	Rate from Previous Fiscal Year
1996-97	<u>\$ 0.0320</u>	School Operating Budget (now included Formula)
	<u>\$ 1.2200</u>	
1997-98	\$ 1.2200	
1998-99	\$ 1.2200	
1999-00	\$ 1.2200	
2000-01	\$ 1.2200	
2001-02	\$ 1.2200	
2002-03	\$ 1.2200	
2003-04	\$ 1.2200	
	\$ 1.2200	Rate from Previous Fiscal Year
2004-05	<u>(\$0.0236)</u>	Tax relief due to 1/4 cent increase in Sales Tax
	<u>\$ 1.1964</u>	
	\$1.1964	Rate from Previous Fiscal Year
2005-06	<u>(\$17.25)</u>	Tax relief due to rising real estate appreciation
	<u>\$1.0239</u>	
	\$1.0239	Rate from Previous Fiscal Year
2006-07	<u>(\$0.0300)</u>	Tax relief due to rising real estate appreciation
	<u>\$0.99</u>	
	\$0.99	Rate from Previous Fiscal Year
2007-08	<u>(\$0.1000)</u>	Tax relief due to rising real estate appreciation
	<u>\$0.89</u>	

City of Virginia Beach

Relationship of the Operating Budget to the Capital Improvement Program

As this graphic illustrates, there is a close linkage between the Operating Budget and Capital Improvement Program. Decisions made in one affect the other. For example, if we decide to open a new Fire Station, we also must plan for hiring new firefighters. Likewise, if we expand recreational programs in the Operating Budget we often must construct new facilities.

