

City of Virginia Beach Community for a Lifetime



CITY OF VIRGINIA BEACH
ADOPTED BIENNIAL RESOURCE MANAGEMENT PLAN
FISCAL YEARS 2008-09 AND 2009-10
SECOND YEAR AMENDMENTS

VIRGINIA BEACH

COMMUNITY FOR A LIFETIME

**City of Virginia Beach
Biennial Resource Management Plan
Fiscal Years 2008-09 and 2009-10**

Adopted Second Year Amendments



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Virginia Beach

Special Performance Measures Recognition

For the Biennium Beginning

July 1, 2008

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, 2008 and completing June 30, 2010**. 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 and City Council for their important contributions to priority setting; City Department Directors; participating appointed and elected officials; the Media and Communications Group who assisted with budget communication; and Sue Curcio from Media and Communications Group, who designed the document cover. Their efforts were greatly appreciated. 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, Ron Berkebile, David Bradley, Crystal Brown, Kevin Chatellier, Meredith Ching, Kathy Cooper, Jane Doucette, Monica Dudek, Paul Harris, Lee Hedberg, Stacy Hershberger, Jonathan Hobbs, Beth Kavanaugh, Twila Leavitt, Jeannie Lyons, Michael Maher, 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 style with a large initial 'C'.

Catheryn R. Whitesell, Director
Department of Management Services

Table of Contents

City Organization and Information	1
City Manager’s Message for the Adopted Biennial Resource Management Plan	2
City Manager’s Message for the Revised Biennial Resource Management Plan	5
Schedule of Workshops and Public Hearings	13
 Operating Budget Summaries	
City and Schools Revenue Summary	1 - 1
Projection of General Fund Balances	1 - 2
Calculation of Undesignated General Fund Balance Reserve	1 - 2
Changes in Undesignated Fund Balances	1 - 3
Revised FY 2009-10 Selected Taxes/Fees for Virginia Beach and Other Localities.....	1 - 4
City and Schools Expenditure Summary.....	1 - 4
Expenditures for FY 2009-10.....	1 - 5
FY 2009-10 Revised Expenditure Summary	1 - 6
Major FY 2009-10 Biennial Budget Revisions	1 - 7
Compensation.....	1 - 19
Measuring Results	1 - 20
Economic Vitality.....	1 - 21
Family and Youth Opportunities	1 - 22
Quality Physical Environment.....	1 - 23
Cultural and Recreational Opportunities	1 - 24
Quality Education and Lifelong Learning	1 - 25
Safe Community	1 - 26
Quality Organization.....	1 - 27
 Capital Improvement Program Summaries	
Sources of Funding.....	2 - 1
Summary of Project Estimates	2 - 1
Functional Allocation of Resources.....	2 - 2
Capital Improvement Project by Type.....	2 - 2
Total Capital Investment FY 2007-08.....	2 - 3
FY 2009-10 Biennial Capital Improvement Program Revisions	2 - 4
 Ordinances	
Budget Ordinance for the Fiscal Year Beginning July 1, 2009 and Ending June 30, 2010	3 - 1
An Ordinance Establishing the Tax Levy on Real Estate for Fiscal Year 2010.....	3 - 14
An Ordinance Establishing the Tax Levy on Personal Property and Machinery and Tools for the Calendar Year 2010.....	3 - 16
An Ordinance to Authorize the City Manager to Submit an Annual Funding Plan to the U.S. Department of Housing and Urban Development.....	3 - 19
An Ordinance to Appropriate \$8,800,000 from the School Reserve Special Revenue Fund to the City’s FY 2008-09 General Fund Operating Budget.....	3 - 20
An Ordinance to Declare \$9,000,000 of Funding Within the Sandbridge Tax Increment Financing District as Surplus Funds in the FY 2008-09 Operating Budget	3 - 21
An Ordinance to Temporarily Suspend the Transition Area Special Revenue Fund.....	3 - 22
An Ordinance to Revise the FY 2010/FY 2014 Capital Improvement Program	3 - 23
An Ordinance Authorizing the Issuance of General Obligation Public Improvement Bonds of the City of Virginia Beach, Virginia, in the Maximum Amount of \$62,900,000 for Various Public Facilities and General Improvements	3 - 33
An Ordinance Authorizing the Issuance of Water and Sewer System Revenue Bonds of the City of Virginia Beach, Virginia, in the Maximum Amount of \$17,000,000	3 - 34

Table of Contents

Reference

Dedication of Local Revenues	4 - 1
Real Estate Tax Rate History: FY 1982-83 through FY 2009-10	4 - 2
Options to Balance the Operating Budget.....	4 - 4
Summary of Proposed Fee Adjustments	4 - 5
Additions and Reductions of Positions for FY 2009-10	4 - 6
A Resolution to Address Public Safety Pay Compression Disparities	4 - 9
Entry Level Police, Fire and Sheriff Salary Survey	4 - 11
Demographic Information	4 - 12
Relationship of the Operating Budget to the Capital Improvement Program	4 - 14
FY 2009-10 Revised Revenue Summary.....	4 - 15
FY 2009-10 Revised Personnel Summary	4 - 16
FY 2009-10 Revised Interfund Transfer Summary	4 - 17
CIP Means of Financing Summary	4 - 20
CIP Project Estimates Summary	4 - 21
CIP Computation of Bonding Limits.....	4 - 22
CIP Estimated Debt Service Costs of General Improvement Debt	4 - 23
CIP Estimated Debt Service Costs of Water and Sewer Bond Issues	4 - 24
CIP Completed Project Listing.....	4 - 25
CIP Deleted Project Listing.....	4 - 27
CIP Requested But Not Funded Project Listing	4 - 28

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 (July 2008)	431,451
Number of Registered Voters (January 2009)	288,924
Number of Homes/Residences	168,113

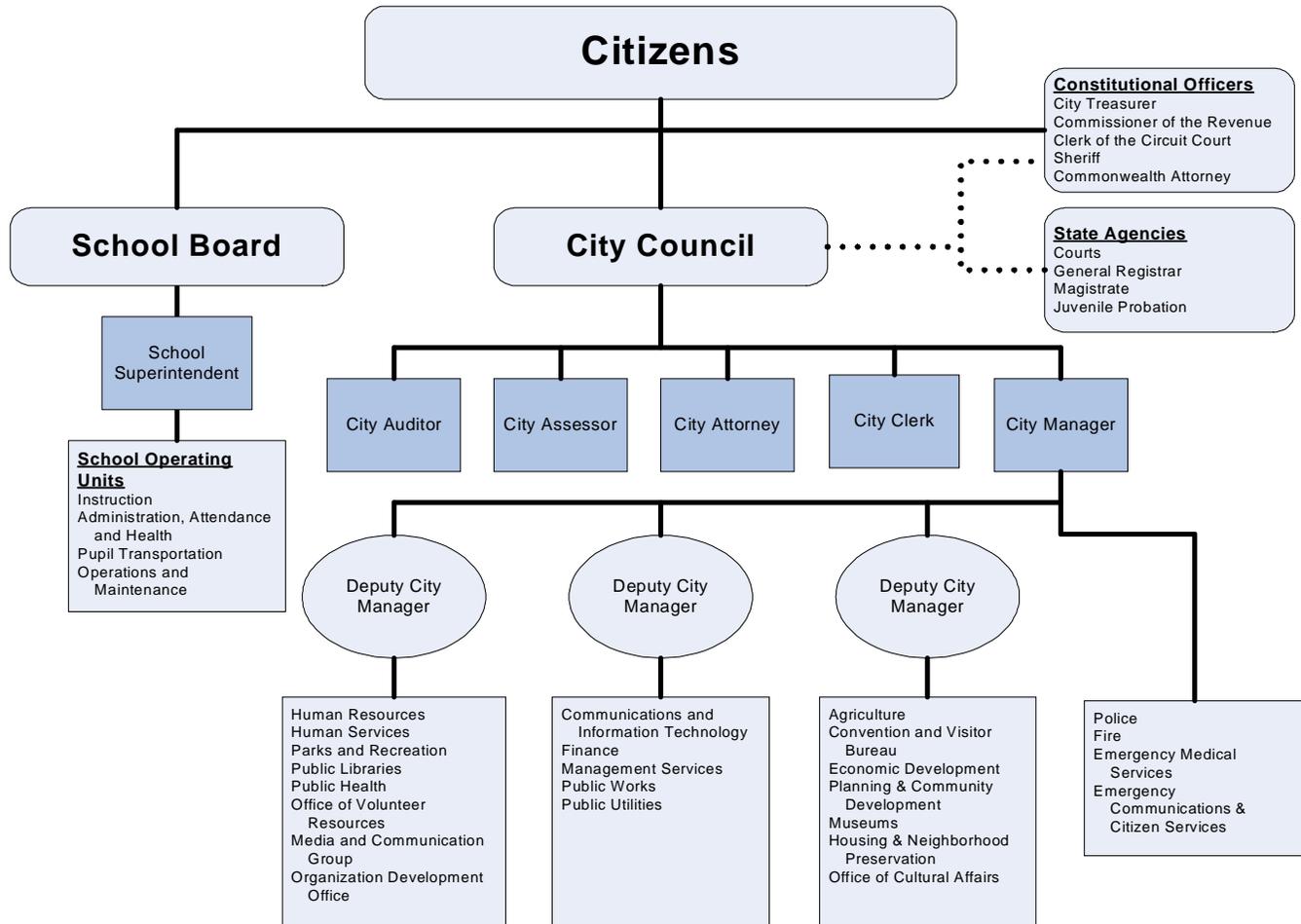
City Council Members:

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

City Council Appointees:

City Manager – James K. Spore
 City Attorney – Mark Stiles
 City Real Estate Assessor – Jerald Banagan
 City Clerk – Ruth Hodges Fraser
 City Auditor – Lyndon Remias

Operating Structure





City of Virginia Beach

VBgov.com

OFFICE OF THE CITY MANAGER
 (757) 385-4242
 FAX (757) 427-5626
 TTY: 711

MUNICIPAL CENTER
 BUILDING 1
 2401 COURTHOUSE DRIVE
 VIRGINIA BEACH, VA 23456-9001

May 29, 2009

The Honorable William D. Sessoms, Jr., Mayor
 Members of City Council

Subject: Adopted FY 2009-10 Resource Management Plan Amendments

Dear Mayor and Council Members:

The Revised FY 2009-10 Resource Management Plan Amendments were presented to City Council on March 24, 2009. From discussions that occurred during five City Council workshops and two public hearings, the plan has been modified to address community concerns and issues. The plan you adopted on May 12, 2009, includes \$1,763,292,679 for the FY 2009-10 Operating Budget and \$236,429,109 for the FY 2009-10 Capital Budget. The following adjustments were made by City Council to the Operating Budget.

Changes to Appropriations

Reinstatement of three of the four positions in Consumer Affairs	\$ 235,810
Restoration of partial funding for Constitutional Officers:	
Sheriff	888,953
Treasurer	21,000
Commissioner of Revenue	18,500
Clerk of the Court	33,000
Wireless internet service for public safety vehicles	250,000
Restoration of Sister Cities' program	13,260
Partial funding of Salary/Managed Attrition Program	- 100,000
Reduce HRT subsidy (their receipt of Federal Stimulus funding)	- 97,333
Savings in electrical costs	- 685,487
Restoration of School Operating Budget (Stimulus funding)	31,163,815
Total	\$ 31,741,518

Changes to Revenue

Fund Balance – Sheriff Special Revenue Fund	\$ 652,703
Elimination of non-resident library fee	-75,000
Schools:*	
State Stimulus funding	6,185,930
Federal Stimulus funding	27,454,252
Less: School Special Reserve Fund	-2,476,367
Total	\$ 31,741,518

*Note: Schools provided additional funding to City landscaping; thereby reinstating 7 FTE's in Parks and Recreation

Categories	FY 2008-09 Adjusted Budget	FY 2009-10 Proposed Budget	FY 2009-10 Adopted Budget
City Operations	\$ 731,640,600	\$ 727,743,667	\$ 728,321,370
City Debt Service	100,027,282	102,225,759	102,225,759
City Pay-As-You-Go	56,078,423	54,884,677	54,884,677
Total City	887,746,305	884,854,103	885,431,806
School Operation	822,429,375	800,621,168	833,677,199
School Debt Service	41,154,429	44,183,674	44,183,674
City Manager Adjustment	-	1,892,216	-
Schools Pay-As-You-Go	13,936,308	-	-
Total Schools	877,520,112	846,697,058	877,860,873
Total Operating Budget	\$ 1,765,266,417	\$ 1,731,551,161	\$ 1,763,292,679

Two major changes were made to the Capital Budget:

Additions:

Norfolk Southern Right-of-Way Acquisition	\$ 10,000,000
Kellam High School Replacement Project	10,300,000
Total	\$ 20,300,000

Offsetting Amounts:

General Fund – Fund Balance	\$ 10,000,000
State Stimulus funding	15,936,308
State Lottery funding	3,900,000
Less: School Special Reserve Fund	-9,536,308
Total	\$ 20,300,000

Type of Financing	FY 2008-09 Amended CIP	FY 2009-10 Proposed CIP	FY 2009-10 Adopted CIP
Schools	\$ 73,471,916	\$ 52,369,308	\$ 62,669,308
Roadways	53,078,655	56,303,747	66,303,747
Buildings	19,580,289	16,778,606	16,778,606
Parks and Recreation	10,438,358	10,325,175	10,325,175
Utilities	39,349,131	46,526,159	46,526,159
Coastal	8,563,402	7,690,938	7,690,938
Economic and Tourism Development	21,458,649	20,880,578	20,880,578
Communications & Information Technology	24,802,977	5,254,598	5,254,598
Total Capital Improvement Program	\$ 250,743,377	\$ 216,129,109	\$ 236,429,109

City Council also addressed issues that were expressed at the public hearings including:

Animal Control Shelter – Already included in the budget is enhanced vaccination services and the addition of an Animal Shelter Manager position. Funding is included in the FY 2009-10 Capital Budget to complete the necessary design work necessary to move this project to construction in FY 2010-11. During the City Council's reconciliation discussion, Council members expressed concerns over the rising cost of this facility driven in part by supporter expectations and State requirements. City Council expressed an interest in working with staff to design and construct a reasonably priced facility that will be an improvement over the old shelter.

Union Kempsville Museum – The Department of Museums will operate the facility and is looking forward to providing unique programming for this facility. The department is reallocating existing staff and resources among the historic homes to accomplish this task along with increasing their use of volunteers.

Fire Education Program – At reconciliation City Council members wanted assurances that staff would be able to sustain this program through a combination of remaining staff and an enhanced reliance on volunteers. City Council requested a staff briefing prior to the beginning of the new fiscal year.

Burton Station Water and Sewer Initiative – As part of the Strategic Growth Area initiative, staff will begin design in FY 2009-10 for extending water and sewer services into the Burton Station neighborhood with funding for construction in FY 2010-11.

We believe the approved Resource Management Plan successfully balanced the need for increased demand for services, while reducing the tax burden on Virginia Beach residents during these difficult economic times. With this Resource Management Plan serving as part of the foundation, we remain steadfast in our goal of making Virginia Beach a “Community for a Lifetime” for our citizens.

With Pride in Our City,



James K. Spore
City Manager



City of Virginia Beach

OFFICE OF THE CITY MANAGER
(757) 385-4242
FAX (757) 427-5626
TTY: 711

VBgov.com
MUNICIPAL CENTER
BUILDING 1
2401 COURTHOUSE DRIVE
VIRGINIA BEACH, VA 23456-9001

March 24, 2009

The Honorable William D. Sessoms, Jr., Mayor
Members of City Council

Subject: Revised FY 2009-10 Resource Management Plan Amendments

Dear Mayor and Council Members:

As we update the adopted FY 2009-10 Operating Budget, the national, state, and local economies are at major economic crossroads. Many economists indicate that the current recession is the most severe since the Great Depression, and many believe the economy has not yet reached bottom. Recent news indicating the national unemployment rate is currently at 8.1% - its highest rate in more than 25 years - seems to offer credibility to their grim predictions.

Only one time in the history of the City of Virginia Beach has a Proposed Budget included a decrease in revenue: the Budget in FY 1991-92 dropped 1.7% from the previous fiscal year. Our projected revenue decrease from FY 2008-09 is 1.9%, which is the highest decrease in City history. When compared to the original FY 2009-10 Operating Budget adopted last May, the decrease is 3.8%. Still, even with the continuing drumbeat of bad news, I believe a silver lining exists. For years, our City Council has understood the importance of financial sustainability. Our fiscal decisions have not only focused on the current fiscal year, but we continually look towards the future. The ultimate reward for our policy of fiscal sustainability is our ability to weather these difficult times, and our stewardship is recognized with the AAA bond rating our City currently maintains.

Preparing the Budget in an uncertain economic environment creates a challenging paradox. On one hand, we need to continue efforts to streamline our government and ensure that we reduce the tax burden on families who may be experiencing similar financial difficulties. On the other hand, increased governmental services will be requested by many of these same families. Unlike the private sector, the demand for our services will not decline - they continue to increase. Some families may need our Department of Human Services to provide counseling services or apply for financial assistance if their jobs are lost. They may use our libraries to research jobs and fill out applications; they may need lower cost opportunities for family fun such as parks and recreation centers. They may take an adult education class through our School System to learn a new trade. If an unfortunate situation occurs, our Police, Fire, and Emergency Medical Services professionals will be there to provide their unparalleled and oftentimes heroic services to a family in need.

Previous City Council decisions, like securing our long-term water future through the Lake Gaston water supply project, creating jobs and living opportunities through the Town Center project, and building enhanced tourist amenities like the Convention Center, the Verizon Amphitheater and the Virginia Aquarium, are part of the strong foundation that our City is built upon. These decisions were based on a collective City Council vision that focused on the future of the City and not just the next fiscal year. Balancing this year's Budget has been more difficult than any our City has encountered before, not just because of declining revenues. We need to balance the increasing demand for our services with the decreasing capacity of our community to pay for the services. We need to balance our ability to address the immediate revenue shortfall with a long-term fiscal strategy of economic growth and financial stabilization meeting City Council's long-term goals.

Engaging City Council Earlier in the Process

Knowing that preparing this Operating Budget would be incredibly difficult, we engaged your guidance earlier than in previous Budgets. As far back as November 2008, City and School's staff provided an overview of the financial environment over the next five years. On January 13 of this year, David Bradley provided an overview of how Virginia Beach compares to the five largest cities in Hampton Roads. Generally, the presentation concluded that Virginia Beach is the lowest-cost provider of quality services in the region and that we have the lowest overall tax rates in the region. The presentation did note that we still charge less than other cities in fees and charges for services as a proportion of overall revenue.

On January 27, Catheryn Whitesell summarized the projections of several of our revenue streams and offered options (labeled A through S) for a total of 19 possible alternatives for balancing the Budget. These alternatives included changing dedicated revenue sources for a year, eliminating the proposed 2.5% salary increase, and raising certain tax rates (these alternatives are summarized in the Reference on page 4 - 4). This Proposed Budget and Capital Improvement Program used many of these options.

On February 9 and 10, the Constitutional Officers, City Council appointees, as well as the Department Directors presented rankings of their City programs to City Council. City Council agreed with the rankings or in some cases reprioritized the rankings to reflect the community's goals. Again, this information and discussion was instrumental in the development of this Budget and Capital Improvement Program.

Operating Budget

As we developed the Operating Budget, we were guided by the following strategies: (1) minimize the impact on service delivery and programs; (2) maintain the City's strong financial position; (3) protect the future viability of the City's economy; (4) balance the deficit across departments, employees, taxpayers, and revenue dedications; and (5) to be mindful of long-term infrastructure needs in the Capital Improvement Program.

As mentioned previously, the estimated revenue decrease of 1.9% as compared to FY 2008-09 is the largest in the City's history. Because we use a Biennial Budget, we need to bring the second year budget, FY 2009-10, down by 3.8% to meet anticipated revenues. The following table summarizes the Revised Operating Budget:

Categories	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	FY 2009-10 Revised Budget	Percentage Change
City Operations	\$ 731,640,600	\$ 740,542,531	\$ 727,743,667	
City Debt Service	100,027,282	104,263,203	102,225,759	
City Pay-As-You-Go	56,078,423	66,566,123	54,884,677	
Total City	887,746,305	911,371,857	884,854,103	- 2.9%
School Operations	822,429,375	830,114,677	800,621,168	
School Debt Service	41,154,429	43,831,667	44,183,674	
City Manager Adjustment	-	-	1,892,216	
Schools Pay-As-You-Go	13,936,308	13,936,308	-	
Total Schools	877,520,112	887,882,652	846,697,058	- 4.6%
Total Operating Budget	\$1,765,266,417	\$1,799,254,509	\$1,731,551,161	-3.8%

The City's portion of the total Budget is decreasing by 2.9% as compared to the Approved FY 2009-10 Budget, while the School's Budget is decreasing by 4.6%. Included in the School's Budget is a \$1.9 million adjustment that reflects a slight change in revenue projections from the City/School Revenue Sharing Formula that was not appropriated by the School Board due to the fact that information was available late in their budget process.

As the table below illustrates, when the Federal stimulus funding and unallocated State funding that has not been appropriated by the Schools is added to the School's FY 2009-10 Revised Budget it would actually grow by 1%. At the time of preparing this letter, the Schools are not sure if this funding will be restricted by use, which means it could be restricted to special programs or the Capital Improvement Program. If this funding can be applied to the School's Operating Budget, it will allow Schools to maintain their current Budget with a slight increase as compared to the approved FY 2009-10 Operating Budget. Since this funding may not be recurring, the School Board will have to determine the appropriate allocation of funding between their Operating Budget and Capital Improvement Program.

Categories	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	FY 2009-10 Revised Budget	Percentage Change
Schools Total Budget	\$877,520,112	\$887,882,652	\$846,697,058	
Unallocated State School Funding	-	-	1,225,069	
Unallocated Federal School Funding	-	-	48,616,827	
Total Schools Capacity	\$877,520,112	\$887,882,652	\$896,538,954	+1.0%

Unfortunately, the City will not receive the same impact from the Federal stimulus funding or the State Budget. Since the School System may be able to meet many of its current objectives due to the increased stimulus package and declining enrollment, we are recommending that the City Council approve returning \$8.8 million of the School System's FY 2008 Reversion funding to the City to avoid significant reductions in City services at a time of increasing demand and to shore up our road maintenance program. I also am recommending that the City Council direct the City/School Revenue Sharing Formula Committee to work over the next twelve months to benchmark the Revenue Sharing Formula to student enrollment or other service demand indicators with a goal of completing this work by January 31, 2010, in time for budget discussions about FY 2011.

To allow the Schools more flexibility in addressing their changing fiscal environment, we are recommending that the City allocate School funding in one lump-sum amount rather than the previous allocation based on categories. The School's Budget is addressed in more detail on page ten.

As was previously mentioned, we used several of the options outlined to City Council on January 27th. The following is a summary of the options in the update to the FY 2009-10 Operating Budget:

- **Option A** - Moved GASB45 annual required contribution towards retiree health care liability to the Health Insurance Fund (the Schools also moved their \$2.9 million share). This saved the City's General Fund \$4 million; however, without a permanent shift in how this obligation is financed, this must be viewed as a one-time strategy.
- **Option B** - Changing dedicated funding sources: In addition to using \$8.8 million of school reversion funding noted above, the Tourism Growth and Investment Fund (TGIF) and the Major Projects Fund (pays the debt service for the Convention Center, Sandler Center, and additional Marine Science Museum parking) will each provide \$1 million to the General Fund in FY 2009-10. The Agricultural Reserve Program (ARP) will contribute \$4 million to the General Fund. Based on current projections, this will not have an adverse impact on the fiscal viability of these funds; however again, this is a one-time strategy. We are also recommending the elimination of the dedication of real estate tax growth to transition area infrastructure.
- **Option C** - Eliminate the proposed 2.5% pay raise for all employees (Schools also did not provide a pay raise) - to be discussed in more detail later. This saved the City \$8.8 million and the School System \$17.8 million.
- **Option F** - Reduce pay-as-you-go financing to the CIP by \$10 million and replace with fund balance. The \$10 million pay-as-you-go will be returned to the General Fund. The School Board used \$13.9 million of reversion funds to replace Formula revenues in their Capital Improvement Program. We believe that our strong financial position allows us to make this decision and still adhere to our fund balance targets. In addition, \$4 million of the \$8.8 million in School Reversion funding will be used to provide funding to road maintenance. This use of fund balance in the CIP is not sustainable long term.
- **Option L** - Reduced travel and training expenditures by 10% across the board. This saved over \$200,000.
- **Option S** - Reduce lower priority programs and services. Unfortunately, we will not be able to provide all services at the level of years past. In many instances, we used the ranking list from your February 9th and 10th workshops as a guide in making reductions. Overall, there are 54.65 FTE's less than the FY 2009-10 Operating Budget approved by City Council in May of 2008.

More detail will be provided later in the document, but some of the reductions include: closing the Municipal Reference Library at the Municipal Center and moving its remaining function to the Meyera E. Oberndorf Central Library; eliminating City Page and Beach Magazine; eliminating Consumer Affairs (only two other cities in the Commonwealth have this service), citizens will use the State office for their consumer related issues; reducing Community Organization Grants by 50%; reducing tuition reimbursement by 50%; eliminating the Transition Area Program due to declining real estate values in that area of the City; and reducing employee recognition programs.

Obviously, some of these recommendations are short-term (i.e., substituting pay-as-you-go with fund balance); however, our strong past and current fiscal strategies have put us in a position to

avoid draconian cuts and ensure the continuity of key services. This strategy is predicated on a belief that the economy, both nationally and locally will begin to improve in the second half of the fiscal year. If this proves to not be the case, we may need to make mid-year corrections. We will carefully monitor the situation and, as always, keep City Council informed.

The most important thing to note is, we balanced the Operating Budget with no requests for additional tax rate increases or service reductions that will be perceptible to the public.

Consistent with recommendations from the Blue Ribbon Committee related to fee increases, we are proposing some fee adjustments in Parks and Recreation and the establishment of a new library fee of \$40 for non-residents of the City. As shown in the following table, **the average family in Virginia Beach would actually pay about \$157 less when compared to FY 2008-09.** Although the tax rates are not changing, on average homeowners will experience about a 4% decrease in the value of their homes, and in many cases, their vehicles will decrease in value at a higher rate than in years past. The table also includes previous City Council-approved increases in water/sewage charges and storm water charges:

Comparison of Annual Tax Burden on Families

Revenue Source	FY 2008-09	FY 2009-10
Real Estate Tax	\$2,308.66	\$2,224.16
Personal Property Tax	244.11	155.08
Electric Utility Tax	36.00	36.00
Gas Utility Tax	36.00	36.00
Virginia Telecommunications Tax	70.68	70.68
Water Utility Tax	36.00	36.00
Restaurant Tax	251.48	251.48
Admissions Tax	25.69	25.69
Vehicle License Decal	52.00	52.00
Storm Water Utility Fee	73.37	80.67
Residential Refuse Fee	None	None
Water & Sewer	509.52	518.52
Total Tax Impact	\$3,643.51	\$3,486.28
Reduction in Taxes		(\$157.23)

I would also like to note that in a few instances we were able to add some resources: including a new Animal Shelter Manager and Veterinarian program; enhanced cold case squad that will help the Police department address older cases that have not been solved; aggressive defibrillator replacement program; and expanded programs with 100% revenue coverage in Housing and Human Services. Responding to the Audit of Communications and Information Technology requested by City Council last summer, we have separated the Emergency Communications Center (E911) and the Citizen Services Center (311) into the Department of Emergency Communications and Citizen Services. Also responding to City Council's direction to begin implementing the Strategic Growth Area (SGA) plans that have been approved (Burton Station and Resort Area) or are in process this year (Pembroke/Town Center and Newtown), we have established a new SGA office.

One issue that we have not addressed in the revised Budget is any resulting impact related to the regional operation of SPSA. If any alternatives for its operation are implemented that requires the City to increase its financial role beyond our current capped rate, it is

recommended that City Council consider the implementation of a garbage fee, which would require a lead time of about eight months to have a billing system in place to bill residents. The estimate for the pre-work needed to accomplish this is \$250,000 and is not included in this budget.

Compensation

I would like to address employee compensation and the reduction in positions in more detail. We solicited input on two occasions last fall from employees representing multiple departments. They were asked what is important to them in the area of compensation. They indicated that their top three issues related to City benefits and pay are: (1) health care contribution for plan participants; (2) retirement – fully paid by the City; and (3) no employee layoffs. I am pleased to report that the Budget is able to support all three issues. The revised Budget maintains its financial contribution to employee health care (\$5,400 per full-time employee) at a time when many employers are cutting back on their contributions. We will also maintain our contribution to employee retirement costs. The Budget, while reducing positions, does not lay off a single employee. Of the 54.65 net positions being eliminated, approximately half are filled. These employees will be transitioned to other jobs, and no employee will be laid off from their employment with the City.

As discussed earlier, no pay increases for City or School employees are included in the revised Operating Budget for FY 2009-10. This will be the first year since FY 1991-92 where City employees will not receive a pay raise. In some cases, our dedicated employees will be asked to do more with less due to increasing demand for services. Not providing a well deserved pay increase is not the ideal solution. However, I believe it is very important that we maintain current compensation levels and do not increase employees' financial hardship. As a result, we do not propose furloughs or any other reduction in overall compensation.

Schools

While we propose an \$8.8 million reduction to the Schools Reserve Fund, their Operating Budget is funded at the level approved by the School Board. In order to balance the FY 2009-10 Budget, the School Board cut or modified several programs and services. Some of the major changes include the reduction of 55.3 positions (mostly through attrition), elimination of cost of living and step increases for employees, elimination of the Galaxy after-school program at the Tri-Campus, the return of the division's four year-round schools to a traditional schedule, the delay of the planned expansion of the Advancement Via Individual Determination (AVID) program, saving energy through reducing temperatures in buildings, using existing textbooks in many instances, and modification of the behind-the-wheel component of driver's education by employing paraprofessionals instead of certified teachers and increasing tuition for these classes to recover costs.

Like the City, the School Board replaced pay-as-you-go financing for capital projects with funding from the School Special Reserve Fund. Loss of State construction funding and lottery proceeds may delay some School construction projects if the system cannot replace these funds with Federal stimulus funding. Additionally, like the City, the School's contribution to the GASB 45 liability will be funded by the Health Care Reserve Fund.

As stated on page seven, when the School Board adopted its Budget on March 3rd, Board Members were aware of additional funding that, due to timing and limited information, could not be included in the School's updated FY 2009-2010 Budget. This funding is comprised of \$1.9 million of City Revenue Sharing Formula funds, \$1.2 million in additional State funding, and \$48.6 million in Federal stimulus funding. It is the School Board's intent to allocate this funding and notify the City Council before the City Council reconciles the Budget and Capital Improvement Program on May 5th.

Capital Improvement Program

Declining State revenues will take a particular toll on the Schools and Roadway programs. The State has reduced School construction funding and retained lottery funding instead of providing it to the localities, which has an impact on the School's Capital Improvement Program. The State has totally eliminated roadway construction funding, and that change will have a significant impact on our local transportation network.

The Capital Improvement Program for the Virginia Beach School System is reduced by \$82.7 million over the next five years. The plan includes no State lottery or construction funds and no pay-as-you-go financing over the first three years. The projects most significantly impacted by these funding decreases are the replacement of Kellam High School and Princess Anne Middle School and the John B. Dey Elementary School Modernization project. It is possible that these projects could receive a portion of the unallocated Federal stimulus funds received by the School System.

While the City is applying for Federal stimulus (the American Recover and Reinvestment Act of 2009) funding to offset the total elimination of State roadway construction funding, we have only been notified of \$10.6 million to be used for the Witchduck I project (capital project #2-931). Because of budgetary reductions at the State level, VDOT funding for the Urban Construction Initiative (UCI) program has been totally eliminated for the period FY 2009-10 through FY 2013-14. This results in a loss of the remaining \$13 million in funding directly appropriated by the City for roadway projects and the loss of \$37.5 million in legacy funding provided by VDOT. As a result, construction schedules for Witchduck Road – Phase II and Nimmo Parkway – Phase V-A will be delayed at least three years. Other projects delayed beyond FY 2014 include Elbow Road – Phase II, Laskin Road – Phase II, and Indian River Road – Phase VII. Funding was transferred from these projects to ensure that higher City Council priority projects could continue to be funded and remain on schedule.

Overall, the remaining sections of the Capital Budget for FY 2009-10 did not change dramatically for the six-year plan adopted by City Council last May. The following provides a summary of the revised CIP.

Capital Budget Overview (FY 2009-10 Only)

	Approved FY 2009-10	Revised FY 2009-10
Schools	\$ 63,023,302	\$ 52,369,308
Roadways	41,770,615	56,303,747
Buildings	15,617,797	16,778,606
Parks and Recreation	10,234,173	10,325,175
Utilities	45,916,159	46,526,159
Coastal	7,690,938	7,690,938
Economic and Tourism Development	20,120,578	20,880,578
Communications and Information Technology	5,308,760	5,254,598
Total CIP	\$ 209,682,322	\$ 216,129,109

In a few instances, we are adding some funding: (1) as a follow-up to the briefing on March 3 regarding the Roadway Reconstruction/Resurfacing Program, we are able to add \$4 million in repaving and reconstruction funding to the Roadways CIP; (2) additional funding is also added to two roadway projects, Laskin Road Gateway – Phase IA, to address revised costs and \$10.6 million from Federal stimulus for Witchduck Road - Phase I; (3) funding of \$150,000 (\$100,000) from the Aquarium Foundation will be available for the Aquarium/Owls Creek Master Plan; (4)

due to the elimination of operating costs associated with the Sportsplex and US Field Hockey, we created a project for a renewal and replacement program for both facilities; and (5) \$200,000 (using ARP Fund Balance) will help initiate a historic acquisition revolving fund.

Closing Thoughts

We predicated the underlying assumptions of this Budget on the economy making a slow recovery beginning around January 2010. This projection is consistent with recent information provided by the Federal Reserve Board and non-partisan organizations like Kiplinger. It also is consistent with the thoughts of local economists that we brought together, along with leaders from other Hampton Roads cities, to discuss economic trends impacting our communities. Obviously, any analysis of the current economy will require constant diligence on the part of our staff to ensure that we monitor revenues closely.

We believe it will be increasingly difficult to forecast trends beyond the succeeding budget year, so we are proposing several changes to our fiscal policies. First, we are proposing the elimination of the Biennial Budget. When the taskforce recommended the use of a Biennial Budget system, they noted that it would only prove effective if the economy and revenue streams remained relatively stable. The significant changes we are experiencing in the second year of the biennium is making it extremely difficult to manage the Budget in an effective manner. This change will allow us to fully concentrate on any new issues that confront the City each year; however, as in the past, we will use the Five Year Forecast as an important component of looking beyond the next fiscal year. Second, I have also asked staff to develop a financial strategy document based on City Council guidance to serve as a foundation for future decisions related to the funding of key services and Capital Improvement Projects. A key component of the strategy will be a review of our debt indicators. We are also proposing the elimination of the real estate above base level requirement report that was originally proposed by former Councilmember Schmidt. This analysis was intended to show how the City proposed to use additional real estate tax revenues gained solely from rising home values. Given the poor state of the real estate market this analysis will yield little benefit over the next several years. And finally, we want to build upon the February work of City Council and the Departments to jointly prioritize programs and services so that we focus resources on services that are important to the City Council and the community.

In closing, I am as optimistic about the future of Virginia Beach as I have ever been. Your steadfast vision has positioned the City to be a leader in our region during the economic recovery. As you review the proposed update to the FY 2009-10 Operating Budget, I would encourage you to stay true to your goals, to look not only at the next fiscal year, but also the impact of your collective resource decisions on the next 5, 10, and 15 years. Those decisions will truly determine our destiny as a Community for a Lifetime. In the meantime, this revised Budget draws upon increased operating efficiencies throughout the entire organization, unprecedented collaboration with Schools, reliance upon our solid financial performance and subsequent reserves to close the \$103 million Budget gap (\$48 million City and \$55 million Schools) without compromising services to the community or increasing tax rates. As you review the proposed update to the FY 2009-10 Operating Budget, we stand ready to provide additional information and respond to your questions.

With Pride in Our City,



James K. Spore
City Manager

Schedule of Workshops and Public Hearings

Date/Time	Event	Location
Tuesday, March 24 th @ 6:00 PM	Presentation of the Proposed FY 2008-09 and FY 2009-10 Biennial Resource Management Plan Second Year Amendments	Council Chambers
Tuesday, April 7 th	Council Workshop	Council Conference Room
Tuesday, April 14 th	Council Workshop	Council Conference Room
Thursday, April 16 th @ 6:00 PM	Public Hearing	Green Run High School Auditorium
Tuesday, April 21 st	Council Workshop	Council Conference Room
Tuesday, April 28 th	Council Workshop	Council Conference Room
Tuesday, April 28 th @ 6:00 PM	Public Hearing	Council Chambers
Tuesday, May 5 th	Reconciliation Workshop	Council Conference Room
Tuesday, May 12 th @ 6:00 PM	Public Hearing and Adoption of the FY 2008- 09 and FY 2009-10 Biennial Resource Management Plan Second Year Amendments	Council Chambers

Table of Contents

Operating Budget Summaries

City and Schools Revenue Summary	1 - 1
Projection of General Fund Balance.....	1 - 2
Calculation of Undesignated General Fund Balance Reserve.....	1 - 2
Changes in Undesignated Fund Balances.....	1 - 3
Revised FY 2009-10 Selected Taxes/Fees for Virginia Beach and Other Localities	1 - 4
City and School's Expenditure Summary.....	1 - 4
Expenditures for FY 2009-10	1 - 5
FY 2009-10 Revised Expenditure Summary.....	1 - 6
Major FY 2009-10 Biennial Budget Revisions.....	1 - 7
Compensation	1 - 19
Measuring Results.....	1 - 20
Economic Vitality	1 - 21
Family and Youth Opportunities	1 - 22
Quality Physical Environment.....	1 - 23
Cultural and Recreational Opportunities	1 - 24
Quality Education and Lifelong Learning	1 - 25
Safe Community	1 - 26
Quality Organization	1 - 27

Operating Budget

The table below illustrates the change in the Operating Budget in comparison to the FY 2009-10 Approved Budget (figures in millions):

City and Schools Revenue Summary

	FY 2007-08 Actuals	Biennial Budget		FY 2009-10 Revised			% of Change
		FY 2008-09 Total Adjusted Budget	FY 2009-10 Total Approved Budget	City	Schools	Total	
Real Estate*	\$484.6	\$504.9	\$516.1	\$252.6	\$245.4	\$498.0	-3.5%
Personal Property	128.6	136.9	144.1	59.1	62.2	121.3	-15.8%
General Sales	54.1	56.0	58.4	24.9	26.2	51.1	-12.5%
Utility Tax	24.9	25.4	25.8	12.5	13.2	25.7	-0.4%
VA Telecom**	22.5	23.6	23.3	15.1	8.6	23.7	1.7%
Business License	41.8	43.2	46.9	19.8	20.8	40.6	-13.4%
Cable Franchise	5.0	5.5	5.5	2.9	3.0	5.9	7.3%
Restaurant Tax	48.1	48.7	51.1	49.8	--	49.8	-2.5%
Amusement Tax	5.0	5.6	5.8	5.3	--	5.3	-8.6%
Hotel Room Tax	23.6	24.1	24.9	23.9	--	23.9	-4.0%
Cigarette Tax	11.5	13.2	12.9	12.9	--	12.9	0.0%
Fund Balance	22.2	17.8	11.2	18.4	5.1	23.5	109.8%
Utility Fees	103.9	108.8	114.6	113.1	--	113.1	-1.3%
Other Revenue	135.4	131.1	135.3	93.8	32.1	125.9	-6.9%
State Revenue	487.1	513.6	519.0	134.7	366.7	501.4	-3.4%
Federal Revenue	100.3	106.9	104.4	46.6	94.6	141.2	35.2%
Total:	\$1,698.6	\$1,765.3	\$1,799.3	\$885.4	\$877.9	\$1,763.3	-2.0%

*Includes real estate revenue from TIFs. As a result, Real Estate in this display is not reflective of the City/School Revenue Sharing Formula.

**A portion of the Virginia Telecommunications includes revenues to support the City's E-911 operations.

The current poor economic conditions are unprecedented, and the City's revenues reflect that. Total revenues are projected to decrease by 0.1% from the adjusted FY 2008-09 budget, which is only the second time in the City's history the budget declined, and decreased by 2.0% from the originally approved FY 2009-10 budget. The real estate market serves as a significant driver behind the decrease. Only two years removed from the four-consecutive years of unparalleled real estate appreciation, assessments will actually decrease in value. The City has only experienced one other decline in real estate revenue since record keeping began, and the drop in FY 2009-10 of -3.5% easily dwarfs the -0.2% drop off in FY 1992-93. The deteriorating housing market has an adverse impact on consumer-related expenditures as well. Personal Property, General Sales, Meal, and Hotel taxes are also performing at or near historical lows. The failing economy also means less State revenue, which is projected to decline by 3.4% from the original FY 2009-10 budget. Federal revenue represents one of the few growing revenues and it is tied to programs in Housing, Human Services, and Education (Federal stimulus monies). Due to these unprecedented economic conditions, the City will rely on various sources of fund balance (analogous to States accessing "rainy day" funds) for short-term use to mitigate drastic service reductions/structural budget changes until economic conditions return to normalcy. Based on National and State forecasts, there is an expectation that the local economy will begin to improve midway through the fiscal year.

With the continued economic slowdown, the City of Virginia Beach has continued to take prudent measures to meet our fiscal responsibilities. Departments were asked to cut their already austere budgets. The City's General Fund Balance projection for the current fiscal year 2009, shown below indicates that the City will have approximately 8.53% of Undesignated Fund Balance as compared to FY 2009-10 revenues. The City's policy is 8 to 12% of next year's revenue with a goal of 10%.

Projection of General Fund Balance

Beginning Fund Balance at July 1, 2008 (CAFR)		\$ 193,065,041
Add: Revenues:		
• FY 2008-09 General Fund Revenues-Revised Estimate	\$1,042,602,518	
• School Reserves	8,800,000	
• Surplus from Sandbridge TIF	<u>9,000,000</u>	<u>1,060,402,518</u>
Total Fund Balance and Revenues		\$1,253,467,559
Less: Anticipated FY 2008-09 Expenditures:		
• Operating Expenditures	\$ 499,740,144	
• School Operations*	339,239,378	
• Other Transfers	257,133,705	
• SPSA Forbearance Cost	<u>11,200,000</u>	<u>1,107,313,227</u>
Total Projected Fund Balance at June 30, 2009		\$ 146,154,332
Less: Anticipated Uses of Fund Balance:		
• Loans, Advances, and Prepays	\$ 11,300,000	
• Encumbrances	5,700,000	
• General Fund Use for Future Programs	6,949,371	
• School's Share of Reduced Funding Formula Revenues	- 5,650,087	
• General Fund Operations	4,800,000	
• Norfolk Southern Right-of-Way	10,000,000	
• FY 2009-10 Capital Budget	<u>23,912,998</u>	<u>57,012,282</u>
Total Estimated Undesignated Fund Balance at June 30, 2009		\$ <u>89,142,050</u>

Calculation of Undesignated General Fund Balance Reserve

Projected FY 2009-10 General Fund Revenues		\$ <u>1,044,777,284</u>
Undesignated Fund Balance as a Percentage of FY 2009-10 Revenues		<u><u>8.53%</u></u>

* Reflects full transfer to Schools

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

	General	Special Revenue	Schools	Enterprise and Utilities	General Debt	Capital Project	Gift	Total All Funds
Estimated Undesignated Fund Balances at June 30, 2009	89,142,050	71,616,173	30,350,756	115,367,920	-	-	-	306,476,899
Add: Estimated Reserved Fund Balances at June 30, 2009	57,012,282	19,620,424	12,562,623	16,661,627	13,694,427	-	189,080	119,740,463
Total Estimated Fund Balances at June 30, 2009	146,154,332	91,236,597	42,913,379	132,029,547	13,694,427	-	189,080	426,217,362
Add: Estimated FY 2009-10 Revenues	1,044,777,284	173,756,283	828,624,161	129,918,154	125,081,967	54,884,677	117,912	2,357,160,438
Less: Estimated FY 2009-10 Expenditures and Interfund Transfers	1,049,577,284	184,342,394	833,677,199	130,018,154	128,009,417	54,884,677	117,912	2,380,627,037
Total Fund Balances at June 30, 2010	141,354,332	80,650,486	37,860,341	131,929,547	10,766,977	-	189,080	402,750,763
Less: Estimated Reserved Fund Balances at June 30, 2010	57,012,282	19,620,424	12,562,623	16,661,627	13,694,427	-	189,080	119,740,463
Total Estimated Undesignated Fund Balances at June 30, 2010	84,342,050	61,030,062	25,297,718	115,267,920	(2,927,450)	-	-	283,010,300
Change in Undesignated Fund Balances	(4,800,000)	(10,586,111)	(5,053,038)	(100,000)	(2,927,450)	-	-	(23,466,599)

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, which 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. In the City's financial report, the amounts in the Gift Funds are included in the General Fund or in a Special Revenue Fund. In this schedule, the Gift Funds are shown separately with the balances of the other funds adjusted accordingly.

The following table compares the current tax rates for the various Hampton Roads communities and illustrates that the Virginia Beach tax rates compare favorably.

Revised FY 2009-10 Selected Taxes/Fees for Virginia Beach and Other Localities

City	Real Estate (per \$100 / A.V.)	Personal Property (Vehicles & Business)	Personal Property * (Machinery and Tools)	Automobile License	Meal	Admissions	Cigarette (per pack)	Hotel
Virginia Beach	0.89	3.70	0.33	25.00	5.5%	10.0%	0.61	8.0%
Chesapeake	1.05	4.08	0.64	23.00	5.5%	10.0%	0.50	8.0%
Norfolk	1.11	4.25	1.70	26.00	6.5%	10.0%	0.65	8.0%
Portsmouth	1.21	5.00	1.50	25.00	6.5%	10.0%	0.60	8.0%
Suffolk	0.91	4.25	0.63	20.00	6.5%	10.0%	0.50	8.0%
Hampton	1.04	4.25	1.23	28.00	6.5%	10.0%	0.65	8.0%
Newport News	1.10	4.25	1.25	26.00	6.5%	7.5%	0.65	7.5%

* Reflects the effective tax rate (tax rate multiplied by percentage of property assessed for tax purposes).

City and School's Expenditure Summary

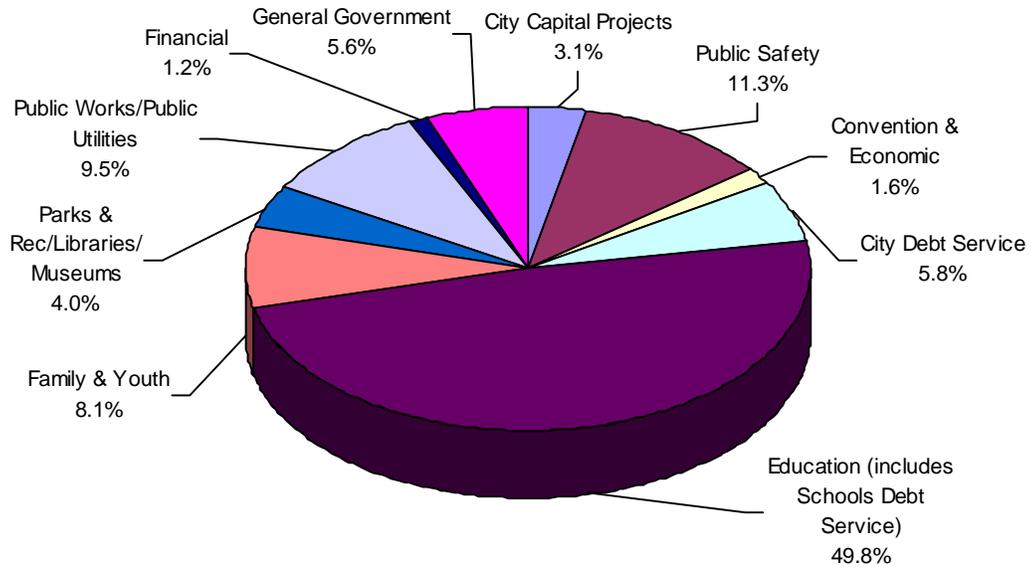
	FY 2007-08	Biennial Budget		FY 2009-10 Adopted			
		FY 2008-09	FY 2009-10				
	Total Actuals	Total Adjusted Budget	Total Approved Budget	City	Schools	Total	% Change
Salaries	\$766.1	\$802.4	\$835.3	\$321.8	\$470.1	\$791.9	-5.2%
Fringe Benefits	268.4	274.4	278.4	108.9	155.0	263.9	-5.2%
Operating Expenses	371.5	454.4	432.6	283.6	205.6	489.2	13.1%
Capital Outlay	20.0	12.1	12.1	7.0	3.0	10.0	-17.4%
Debt Service	118.5	141.2	148.1	102.2	44.2	146.4	-1.1%
Pay-As-You-Go*	61.9	70.0	80.8	54.9	-	54.9	-32.1%
Reserves	-	10.8	12.0	7.0	-	7.0	-41.7%
City Manager Adjustment	9.3	-	-	-	-	0.0	0.0%
Totals:	\$1,615.7	\$1,765.3	\$1,799.3	\$885.4	\$877.9	\$1,763.3	-2.0%

*This reflects the amount of annual revenue appropriated to the CIP

As we review expenditures, **we see that all of the major areas are decreasing in the Adopted FY 2009-10 Budget** (see pages 1-6 and 4-16 for complete expenditure and position summaries). This reduction is due largely to the overall loss in revenue the City has experienced from the impact on the local economy of the national recession. Salaries and fringe benefits have decreased by eliminating the pay increases for City and School employees, which was originally included in the second year of the Biennium as well as reducing positions. Pay-as-you-go financing to the Capital Improvement Program has been reduced and replaced with Fund Balance for the City. The City and School's GASB45 payment has also been moved to the Health Insurance Fund for FY 2009-10.

The pie graph chart below, illustrates the breakdown of the \$1.76 billion budget by major service areas. As can be seen, 49.8% goes to education and the next largest amount goes to Public Safety and Public Works respectively. The national financial crisis and negative growth in major revenue streams has meant a net reduction of over 99.95 positions for both City and Schools (see pages 4-6 for a full list of position additions and reductions).

Expenditures for FY 2009-10



City of Virginia Beach, Virginia Fiscal Year 2009-10 Revised Expenditure Summary

Department Name	FY 2007-08 Actuals	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	% Change	FY 2009-10 Total Adopted	% Change
Agriculture	916,773	1,042,014	1,009,032	-3.2%	1,019,961	1.1%
Capital Projects	49,742,528	56,078,423	66,566,123	18.7%	54,884,677	-17.5%
City Auditor	539,256	541,393	545,068	0.7%	576,573	5.8%
City Manager	3,625,131	3,619,081	3,702,821	2.3%	3,069,307	-17.1%
City Real Estate Assessor	2,826,568	3,142,332	3,213,787	2.3%	3,133,422	-2.5%
City Treasurer	5,037,415	5,193,384	5,257,326	1.2%	5,186,382	-1.3%
Commissioner of the Revenue	3,885,346	3,929,241	4,008,111	2.0%	3,942,320	-1.6%
Commonwealth's Attorney	7,262,036	8,010,576	8,097,827	1.1%	7,887,501	-2.6%
Communications and Information Technology	17,974,187	20,564,191	20,953,619	1.9%	21,903,513	4.5%
Convention and Visitor Bureau	23,677,507	24,840,363	25,512,972	2.7%	24,886,332	-2.5%
Courts and Courts' Support	6,210,180	6,733,320	6,820,291	1.3%	6,759,424	-0.9%
Debt Service	78,243,682	100,027,282	104,263,203	4.2%	102,225,759	-2.0%
Economic Development	3,000,115	4,137,535	4,149,992	0.3%	3,856,775	-7.1%
Education	816,755,773	877,520,112	887,882,652	1.2%	877,860,873	-1.1%
Emergency Communications and Citizen Services	10,197,546	10,579,505	10,813,072	2.2%	9,168,294	-15.2%
Emergency Medical Services	7,165,538	7,301,342	7,475,968	2.4%	7,552,217	1.0%
FY 2008 Outstanding Encumbrances	8,069,023	0	0	0.0%	0	0.0%
Finance	4,805,180	4,420,631	4,546,228	2.8%	5,022,497	10.5%
Fire	42,241,859	43,308,729	44,446,717	2.6%	43,252,979	-2.7%
General Registrar	1,354,019	1,379,042	1,271,821	-7.8%	1,264,732	-0.6%
Health	3,232,255	3,399,228	3,498,846	2.9%	3,453,359	-1.3%
Housing and Neighborhood Preservation	22,161,397	22,938,865	21,254,956	-7.3%	25,613,824	20.5%
Human Resources	4,395,298	4,636,972	4,736,383	2.1%	4,536,071	-4.2%
Human Services	89,908,112	111,415,624	115,431,495	3.6%	114,232,805	-1.0%
Law	3,719,805	3,894,926	3,985,293	2.3%	3,875,841	-2.7%
Legislative	1,184,519	1,209,226	1,227,505	1.5%	1,213,268	-1.2%
Library	15,963,313	16,873,619	17,232,219	2.1%	16,904,665	-1.9%
Management Services	3,677,867	4,164,595	4,010,821	-3.7%	4,034,514	0.6%
Museums	7,814,897	9,173,990	9,784,824	6.7%	9,631,189	-1.6%
Non-Departmental	35,115,129	31,185,201	32,554,778	4.4%	31,830,370	-2.2%
Parks and Recreation	39,715,598	42,983,859	43,823,805	2.0%	42,497,222	-3.0%
Planning and Community Development	13,242,919	14,005,331	14,193,992	1.3%	13,948,469	-1.7%
Police	86,695,598	87,605,689	89,417,705	2.1%	87,716,784	-1.9%
Public Utilities	66,411,552	68,464,336	70,009,890	2.3%	68,837,653	-1.7%
Public Works	94,273,782	97,016,660	98,167,633	1.2%	98,349,569	0.2%
Reserve for Contingencies	0	15,630,979	11,976,527	-23.4%	6,969,217	-41.8%
Future C.I.P. Commitments	0	11,529,372	11,587,914	0.5%	10,200,140	-12.0%
Sheriff and Corrections	34,671,966	36,769,449	35,823,293	-2.6%	35,994,181	0.5%
TOTAL EXPENDITURES	<u>1,615,713,669</u>	<u>1,765,266,417</u>	<u>1,799,254,509</u>	<u>1.9%</u>	<u>1,763,292,679</u>	<u>-2.0%</u>

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Agriculture:</u>		
Full funding of Director's position and a Cooperative Extension Agent that was initially funded too low based on actual salaries.	87,194	
Reduction of contracted security guard services at the Farmers Market by an average of 6 hours per day.	(7,431)	
Elimination of an Office Assistant in the Agricultural Reserve program. The job functions will be absorbed by existing staff members.	(52,338)	(1.00)
<u>City Auditor:</u>		
Salary and benefit adjustments within the office.	41,345	
<u>City Manager:</u>		
Establish a 0.5 FTE in the Office of Volunteer Resources. Funds for this position already exist in Volunteer Resources budget; therefore, the creation of this part time position is cost neutral.	-	0.50
Elimination of Beach Magazine, City Page and three Media Communications Coordinator positions. Elimination of Beach Magazine and City Page reduces the means of communication between the City and the citizens. The personnel reduction will require a partial shift of workload to contracted media services, will increase workloads for other positions and require a greater reliance on media positions in various departments.	(501,953)	(3.00)
Transfer of an Administrative Specialist position from City Manager's Office to the Fire Department for coordination of the Community Emergency Response Team (CERT) program.	(49,243)	(1.00)
<u>City Real Estate Assessor:</u>		
Additional funding for ongoing maintenance costs of Revenue Assessment and Collection System (RACS) software charges.	25,000	
Reduction in various operating budget accounts, including training and supplies.	(34,709)	
<u>City Treasurer:</u>		
On August 12, 2008 City Council approved the transfer of the Residential Parking Permit program from the Parking Enterprise Fund to the City Treasurer's Office. Revenues from the program are also transferred to the General Fund.	47,691	1.00
Reduction in manpower in collections unit, which could result less revenues for the City. The amount of delinquencies will likely increase.	(21,014)	
<u>Citywide:</u>		
Elimination of compensation increases.	(8,865,942)	

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Citywide (continued):</u>		
Reduction in Virginia Retirement System (VRS) Life Insurance costs due to a slightly lower rate approved as a part of the State's budget.	(77,020)	
Move the City's portion of the GASB45 liability to the Health Insurance Fund, which has sufficient fund balance to cover the City and School's portion.	(4,000,000)	
10% Reduction to all training and travel budgets.	(220,498)	
Suspension of Transition Area Special Revenue Fund.	(748,977)	
Reduction in capital projects pay-as-you-go funding, including substitution of fund balance of the General Fund (\$10 million); Schools (\$13.9 million); Water and Sewer (\$0.5 million); reduction in dedicated funding for Parks and Recreation (\$0.8 million); Storm Water Utility (\$0.3 million).	(25,617,754)	
Transfer from Major Projects and General Fund to the Central Business TIF - South.	500,000	
Increased funding for electrical charges and fuel in a dedicated reserve.	1,000,000	
Reduction in Debt Service for ARP and Water and Sewer.	(1,685,437)	
Reduction in Reserve for Contingencies, primarily Sandbridge and Town Center TIFs, Agriculture Reserve program, and Tourism Growth Investment Fund (TGIF).	(2,992,084)	
<u>Commissioner of the Revenue:</u>		
Additional funding for postal services based on previous levels of usage and additional part-time Account Clerk for the DMV Select unit (100% supported by fee revenue).	37,500	0.44
Reduction in part-time manpower, necessitating permanent staff to process State income. This will slow the processing of other office functions, possibly affecting customer service levels.	(18,903)	
<u>Commonwealth's Attorney:</u>		
Two full-time positions (Attorney and Victim Witness Caseworker) approved by Council in mid-year FY 2008-09 added from an expired grant.	135,792	2.00
Reduction of services in Consumer Affairs Office including the elimination of one full-time position. The department ranked this program farthest from its mission. This service is offered by the State and Virginia Beach is one of a few communities that provided local services. The impact of not funding this service may be that citizens could experience delays in addressing complaints.	(96,000)	(1.00)

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Commonwealth's Attorney (continued):</u>		
Transferred one full-time Microcomputer Systems Analyst position to Communications and Information Technology to enhance maintenance and technology support.	(80,765)	(1.00)
<u>Communications and Information Technology:</u>		
Subscription/Wide Area Network services provided citywide are increasing based on customer demand. This cost is charged back to department budgets based on usage.	88,319	
Increased city-wide computer maintenance costs from the purchase of additional computers. (The purchasing departments were decreased by \$828 per computer to reflect the actual cost of providing licensing, maintenance and ongoing services.)	75,348	
Reduction in various operating accounts, including training, print shop, hardware and software maintenance and support, and telecommunications costs.	(423,673)	
Additional Microcomputer Systems Analyst transferred from the Commonwealth's Attorney's Office to increase efficiency and provide enhanced maintenance and support.	80,765	1.00
One additional Systems Analyst and two additional Programmer/Analyst positions transferred from Human Services to support computer systems more efficiently.	254,353	3.00
Transfer Emergency Communications and Citizen Services functions to the newly established department in Safe Community. This decreases Communications and Information Technology's budget accordingly.	(9,125,309)	(126.00)
Elimination of one Systems Analyst in Application Support. This will affect the maintenance and implementation of software systems across the City's business areas.	(66,987)	(1.00)
Elimination of one Systems Engineer in the System Support unit. This will delay computer replacement and desktop software implementations and upgrades.	(73,381)	(1.00)
Elimination of one Account Clerk position in the Business Center, which will reduce the overall accuracy and effectiveness of administrative services provided.	(34,604)	(1.00)
Elimination of one Geospatial Information Systems (GIS) Data Analyst, which will delay the implementation of Automatic Vehicle Location (AVL) and In-Vehicle Mapping (IVM) and other GIS projects and may increase contractual costs over the long term.	(57,783)	(1.00)

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Communications and Information Technology (continued):</u>		
Increased contracted manpower for the Business Center to improve efficiencies.	15,259	
<u>Convention and Visitor Bureau:</u>		
Reduction in operating and maintenance accounts in the Virginia Beach Convention Center budget to reflect current convention-related revenues.	(356,635)	(1.82)
On August 12, 2008 City Council approved the transfer of the Residential Parking Permit program from the Parking Enterprise Fund to the City Treasurer's Office. Revenues from the program were also transferred to the General Fund.	(47,691)	(1.00)
Elimination of Event Supervisor and Stagehand positions with the workload absorbed within existing staff.	(127,368)	(2.00)
Increased funding for the Neptune Festival (\$50,000) resulting in a total of \$250,000.	50,000	
<u>Courts and Courts' Support:</u>		
Clerk of the Circuit Court: City operating budget reduction in contracted manpower with the workload absorbed within existing staff.	(33,831)	
<u>Economic Development:</u>		
Funding for the Strategic Growth Area Plan is being moved from the Operating Budget to the Capital Improvement Program.	(500,000)	
Reduction in operating accounts, including travel, minority business initiatives, and advertising.	(28,979)	
Elimination of Administrative Specialist position, which will result in the elimination of research within the department.	(74,382)	(1.00)
Additional funding for Town Center Special Service District Parking Operations (100% funded by SSD revenue).	301,347	
Additional funding for the Central Business District TIF (100% funded by TIF-generated revenues).	300,000	

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Education:</u>		
Operations and Other Funds - Historically, the School's operating budget was displayed categorically (Administration, Attendance, Health, Instruction, Transportation, and Operations and Maintenance). For FY 2009-10, the City Council approved, at the School Board's request, lump sum funding for the operating budget. The Education budget experienced a slight net increase due to additional \$33.2 million in American Recovery and Reinvestment Act (ARRA) Grant Funds (Federal Stimulus), and cost savings associated with the initiation of a more aggressive energy savings program. These were partially offset by expenditure reductions due to declining enrollment, elimination of the proposed 3.5% salary increase, returning four year-round schools to the traditional school calendar, elimination of some vacant positions, elimination of the Galaxy After School Program, and the delay in the expansion of the Advancement Via Individual Determination (AVID) program.	3,562,522	(55.30)
<u>Emergency Communications and Citizen Services:</u>		
A new Emergency Communications and Citizen Services department was established based on the Audit Report and the direction of City Council. Adjustments were made to the Communications and Information Technology Department budget to account for transferring the E-911 and 311 functions to the new department. An additional position was added to provide administrative support to the new director.	9,168,294	127.00
<u>Emergency Medical Services:</u>		
Funding for utility costs for Great Neck Volunteer Resque Squad	12,912	
Replacement of defibrillators that are beyond their useful life (8 years), and are no longer serviceable by the manufacturer. This funding provides for approximately 10 replacements for units averaging 12 years old.	200,000	
Reduces lifeguard contract costs through identification of efficiencies.	(40,500)	
Eliminates clerical and Emergency Medical Technician Instruction Supervisors training overtime. Reduces by 50% contracted manpower for staffing Fire/Emergency Medical Services Training Center reception desk, which may be vacant at times, if volunteers cannot be identified.	(22,403)	
<u>Finance:</u>		
The Division of Motor Vehicles (DMV) STOP program is designed to collect revenues on delinquent taxes. Revenues will increase to offset 100% of expenditures.	446,955	
Elimination of the Capital Assets Inventory Specialist and addition of contracted manpower to improve efficiencies.	(32,868)	(1.00)

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Finance (continued):</u>		
Additional Financial Analyst and Accountant III. The Financial Analyst will be assigned to Payroll to assist with the new payroll system; the Accountant III will assist with compliance activities in the Comptroller's Office.	157,395	2.00
<u>Fire:</u>		
Eliminate one full-time Administrative Specialist that serves as the Grants Specialist for the department, and two part-time (1 FTE) Code Inspector positions. Some duties of the Grant Specialist will be distributed to the existing program managers that directly oversee each grant. Likewise, Fire Marshall's existing staff will absorb the duties of the part-time Code Inspectors.	(87,741)	(2.00)
Elimination of one Life Safety Education Specialist position, with a corresponding decrease in Life Safety Education program services.	(49,861)	(1.00)
Transfers an Administrative Specialist position from the Office of Volunteer Services for coordination of the Community Emergency Response Team (CERT) program.	49,243	1.00
Delay hiring 12 firefighter recruits (4 per shift) to staff a new ladder truck at Thalia Fire and Rescue Station until November 2010 (FY 2010-11). This will allow 8 months of training prior to opening of the replacement station. Purchase of the new ladder truck (funded in capital project #3-371, Fire Apparatus - Phase II) will also be delayed.	(304,942)	(12.00)
Reduction in various Fire Department operating accounts, which will delay purchase of various operational supplies and equipment for the fire stations and/or crews. This reduction was in lieu of affecting front-line personnel over-time compensation.	(75,000)	
<u>General Registrar:</u>		
Reduction in electronic poll books; 5 poll books will be purchased instead of 10.	(12,596)	
Additional funding for Electoral Board member salaries (supported by State revenue).	19,544	
<u>Health:</u>		
Reduced funding for the Maternity program. Funding for services to clients of this program may be available through the emergency Medicaid program, depending on each applicants eligibility to participate in this Federal program.	(37,167)	
<u>Housing and Neighborhood Preservation:</u>		
Reductions in various operating accounts that can be achieved through efficiencies.	(83,421)	

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Housing and Neighborhood Preservation (continued):</u>		
Decreases in estimated revenue from loans and fees earned from Community Development Block Grant funds due to decreased housing activity.	(36,250)	
Increased estimated revenue from the HOME program funds for additional housing assistance.	50,000	
Increased estimated revenue from Federal Section 8 revenue due to additional federal funding for rental housing assistance Housing Choice Voucher program.	4,614,966	
Reduced administrative support and analysis that will be absorbed to the extent possible within existing staff.	(77,385)	(1.00)
<u>Human Resources:</u>		
Reduced Occupational Safety Manager position to entry level.	(26,000)	
Reduced funding in training, print shop, postal services and e-learning.	(17,428)	
Elimination of HR Analyst in Staffing and Compensation Services, which will shift work to other staff members.	(55,948)	(1.00)
<u>Human Services:</u>		
Elimination of the State and Local Hospitalization program. The General Assembly eliminated this program to cover indigent hospitalization, which required local matching funds.	(100,470)	
Elimination of grant-funded positions including one full-time Accountant position and part-time (2.0 FTE) Social Worker positions. There were corresponding revenue reductions. Service impacts are not anticipated as these were not filled positions.	(66,988)	(3.00)
Elimination of an Operations Coordinator, Office Assistant, part-time Counselors and supplies at the Juvenile Detention Center.	(292,881)	(5.73)
Elimination of Quality Assurance Clinician, Administrative Assistant and Mental Retardation Assistant positions.	(134,710)	(3.00)
Reduction in Emergency Support for Mental Retardation Clients - This will reduce the funds available to provide short term supports to individuals on our waiting list for Medicaid waiver services. This will impact consumers in need of supported residential, day support and employment services.	(68,187)	
Shifting one Systems Analyst and two Programmer/Analysts to ComIT.	(254,353)	(3.00)
Reduction in Contractual Services and Software Maintenance Expenses in the Administrative division which will freeze software enhancements for reporting tools.	(47,367)	

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Human Services (continued):</u>		
Reduction of Contractual Mental Health Services and Medical Supplies in Mental Health and Substance Abuse division - Reduction of 780 contracted psychiatric therapy hours provided to 40 seriously mentally ill individuals. Reduction of medical supplies and prevention training that will impact 60 consumers with Mental Health and Substance Abuse disabilities. This will also increase the potential for longer waiting lists.	(97,700)	
Reduction in Contractual Services for the Social Services division which affects City supplements for in-home companion services to the elderly. Current income eligibility requirements is 60% of the State median income. Services to 29 elderly residents will be terminated in order to bring expenditures back in line with State allocations.	(136,124)	
Additional Child Care, Foster Care & Adoption Services (100% offset by State revenue).	601,143	
Mandated Outpatient Treatment (100% offset by State revenue).	397,790	6.05
Mental Health Child & Youth Services (100% offset by State revenue).	75,000	
Jail Diversion program (100% offset by State revenue).	147,000	
<u>Law:</u>		
Salary and benefit adjustments within the office.	(22,217)	
<u>Library:</u>		
The Municipal Reference Library is being relocated to Central Library. Savings will be realized with little or no disruption in service delivery.	(164,000)	(2.00)
Ready to Learn program - Program was inadvertently not included in the second year of the biennium FY 2009-10 budget.	28,968	
Collection Management - This will replace funding for books and other library materials that have been reduced over the past two fiscal years.	75,000	
Increased bandwidth to remote library internal network computers. Staff has experienced reduced productivity from the lack of bandwidth at each of the remote sites. The increase will be offset by revenue generated from the E-Rate program.	29,370	
<u>Management Services:</u>		
Elimination of one Administrative Specialist position. New software and realignment of duties will allow the office to maintain services.	(65,556)	(1.00)
Emergency Medical Services building lease was added by City Council during FY 2008-09. This lease is also needed for FY 2009-10.	156,556	

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Management Services (continued):</u>		
Eliminate the Citywide My Idea Works program. This eliminates the coordination of city-wide employee suggestions, while maintaining departmental suggestion programs. This program was ranked farthest from the core mission of the department.	(13,260)	
<u>Museums:</u>		
Additional Veterinary Technician position to perform certain medical procedures on the Aquarium animals by City staff and will reduce the reliance on contractual veterinary services.	37,100	1.00
Reduction of various operating accounts.	(11,039)	
Increase in minimum wage based on Federal law. This increase is effective July 2009.	3,617	
Reduction of an Educator position at the Lynnhaven House.	(49,861)	(1.00)
<u>Non-Departmental:</u>		
Reduction in original budgeted cost of retiree health care based on current trends in expenditures and decreased number of new retirees.	(150,000)	
Reduction in original budgeted cost of Elderly and Disabled Tax Relief due to declining real estate assessments.	(350,000)	
Appropriates the remaining fund balance for Arts and Humanities Commission from closed out Special Revenue Fund.	37,237	
Additional funding for Contemporary Arts Center Utility grant.	18,650	
Reduction in Sandler Center catering contract.	(12,000)	
Reduction in education support staff costs from the Virginia Arts Festival to plan and execute educational programming. Existing staff will be utilized.	(17,792)	
50% reduction in Tuition Reimbursement program. Given rising tuition costs, this will mean lower reimbursements to employees for classes and fewer employees will be able to participate in the program. This program was ranked lower by the department.	(218,484)	
Elimination of Peer Recognition and Class Act Awards for employees; limited Employee Service Awards program (recognition of longevity with the City). This program was ranked lower by the department.	(60,000)	
50% reduction in Community Organization Grant-Incentives program. Due to reduced number of grant applications, no adverse service impact is expected for FY 2009-10. This program was ranked lower by the department.	(169,672)	

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Non-Departmental (continued):</u>		
Creation of a Strategic Growth Area Office to address the coordination and implementation of the various SGA plans.	194,650	2.00
<u>Parks and Recreation:</u>		
Elimination of coordination of the Boy's Baseball program due to duplication of services with private leagues.	(23,155)	
Minor reductions in various operating accounts for Landscape Services.	(80,451)	
Reduction, through reclassifying, in part-time recreation positions that can be achieved through efficiencies.	(73,415)	(2.09)
Funding for part-time positions impacted by Federal increase in minimum wage that is effective July 2009.	36,873	
Elimination of Sportsplex Operating Budget due to private management contact for operations.	(346,607)	(2.00)
Reduction of positions to entry level.	(54,920)	
<u>Planning and Community Development:</u>		
Increased funding to Hampton Roads Transit the Tourism Growth Investment Fund (TGIF). There are no new services being provided; this increase is the result of union contract pay raises, reduction in State funding, and Virginia Beach fare box revenues being down.	136,009	
Reduced funding for the Zoning Board of Appeals. The Zoning Board of Appeals meets fewer times throughout the years, as a result, fewer supplies and materials are needed.	(6,014)	
Elimination of one Planning Aide and one Code Inspector position. A decrease in work demand related in the decline in home construction will allow for the responsibilities of these positions to be absorbed by other employees.	(114,787)	(2.00)
Reduced funding for media advertisements, print shop charges, and postal services resulting from more efficient operational processes.	(48,845)	
<u>Police:</u>		
Funding for a new Animal Care Shelter Manager position, which was added by City Council in FY 2008-09. This position is going to manage and oversee the care of animals and operations of the animal control shelter.	91,591	1.00
Contractual funding for veterinary services to provide medical treatment to shelter animals and administer animal inoculations.	130,000	

Major FY 2009-10 Biennial Budget Revisions

<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
<u>Police (continued):</u>		
Funding of two part-time positions (FTE) for a Cold Case Squad, responsible for reopening, reviewing and pursuing the City's unsolved cases. The City currently has 1 full-time Cold Case Detective.	44,290	1.00
Elimination of one Public Safety Analyst and one Office Assistant. The loss of these positions will cause workload increases for some other employees; however, the Police Department has a strategy to reorganize and shift these work responsibilities to the appropriate positions.	(129,669)	(2.00)
Reduce funding due to the postponed hiring of 3 vacant sworn positions in the Police Department. These positions are not being cut; however, they are to remain unfilled in the upcoming fiscal year. These are 3 of the current 25 vacancies in the Police Department. The Police Department has operated with as many as 70 vacancies in the past.	(262,682)	
Reduction to various operating supplies accounts.	(100,000)	
<u>Public Utilities:</u>		
Reduction in Lake Gaston power costs - Electrical costs did not increase at the rate that was originally anticipated.	(200,000)	
Reduction in Water Services contract - The biennial rate was lower than the original estimate.	(350,000)	
Reduction in Rolling Stock Reserve - Vehicle replacements budgeted in a reserve were reduced to reflect lower revenue estimates.	(303,000)	
Reduction in Energy/Fuel Reserve - The stabilization of fuel prices enabled a reduction in this reserve.	(46,338)	
<u>Public Works:</u>		
Transfer of seven positions in the Mosquito Control operation from the General Fund to the Storm Water Utility Fund. This will be paid for within the SWU Fund by reducing the transfer from the Fund to capital project #7-067, Primary System Infrastructure Improvements.	(290,000)	
Elimination of a Survey Aide II position in the Public Works/Surveys.	(42,784)	(1.00)
Additional computer licensing and maintenance for the INFOR Project Management System.	22,500	
Continuation of a pilot Boardwalk Recycling program. This program is being funded in the Tourism Growth and Investment Fund (TGIF).	50,000	
Reduced funding for heating oil. With the continuation of energy conservation controls being implemented within HVAC systems, it is anticipated that energy efficiencies will enable heating needs to continue to be met.	(30,000)	

Major FY 2009-10 Biennial Budget Revisions

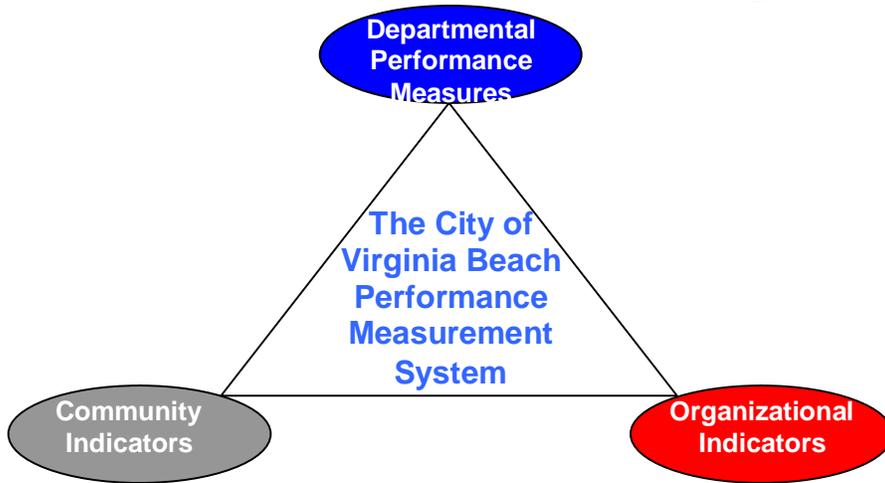
<u>Department/Reduction</u>	<u>Amount</u>	<u>Positions</u>
Public Works (continued):		
Reduced funding for contracted custodial services. The custodial staff will maintain current levels of cleaning services; however, time spent on specialized cleanings such as routine carpet maintenance, floor buffing, polishing, and stripping may be reduced.	(20,000)	
Reduction of funding for Waste Management overtime. The overtime budget for Waste Collection is based on the number of holidays that need to be worked, with an average cost of around \$30,000 per day.	(74,395)	
Reduction of funding for contracted manpower in Beach Operations. Summer contract workforce will be reduced by six contract positions and cause trash collection crews to remain on the resort beach approximately one hour longer. Trash at the residential beaches will be collected every other day during the summer season.	(38,000)	
Reduction in funding for contracted manpower in Engineering. These funds are used to supplement customer service and administrative support functions. Reducing the funds could delay the processing of documents.	(20,000)	
Elimination of a Waste Management Operator II position. With the decline in usage of yard debris trailers as a result of an increase in fees charged for that service, this position can be eliminated.	(41,331)	(1.00)
Elimination of an Engineer position. This will reduce in-house capability to perform computer traffic analyses and studies or to verify the appropriateness of such studies performed by others, and the review of development plans and Capital Improvement Program plans will require more time as there will be fewer staff to perform those reviews.	(80,437)	(1.00)
Elimination of an Engineer position. This will result in the loss of in-house cost estimating services; elimination of a consolidated approach to obtaining and tracking regional transportation funding and curtailing of proactive management of developing viable candidate City transportation projects for regional funding.	(112,537)	(1.00)
Elimination of the Traffic Management Center Supervisor position. The full implementation of the Traffic Management Center has been delayed lessening the need for this position.	(90,228)	(1.00)
Elimination of a Painter position. This will reduce the output of the Paint Shop by approximately 124,000 square feet per year, resulting in an increase in the backlog of work.	(57,272)	(1.00)
Additional funding for a rolling stock equipment for the waste disposal site. It is anticipated that the cost of the equipment will be reimbursed by Southeastern Public Service Authority.	510,000	
Increased funding for electrical charges and fuel.	1,314,513	

Compensation

Given the unprecedented economic conditions and corresponding decline in revenues, the City is unable to provide pay raises to employees. This will represent only the second time in the last eighteen years in which the City was unable to fund salary increases. The Schools also will not provide pay raises to teachers and other employees. The City will not, however, layoff any employee. Of the 44.65 City FTEs eliminated, and any filled positions will be transitioned to other vacant positions. Declining real estate assessments will mean lower taxes for employees that own a home. The declining Personal Property tax base will also mean more tax relief. Lastly, the low inflationary environment and tax cuts (\$400 for individuals and \$800 for married couple families) passed by Congress and signed by the President will benefit employees as well as all residents.

Though not a direct compensation cost for employees, it is worth noting that the City pays on behalf of each full time employee's retirement (16.48%), life insurance (0.79%), and \$5,400 for health care. Also included is \$4 million for the FY 2009-10 payment for GASB45 requirements.

Measuring Results



Evaluating the performance of any organization has intuitive appeal, and performance measurement has long been a staple of the public and private sectors. There are many ways to measure or evaluate the performance of a local government, and Virginia Beach has been proactive and thorough in its efforts to measure and monitor the performance of our government since 1972.

The City uses three types of measures in order to track the City's performance. Community indicators, which are the broadest type, are measures that assess

the overall condition of the City. These measures are influenced by not only the City of Virginia Beach, but also the State and Federal Government, non-profit organizations, and private service providers. Community indicators can, and often do, impact organizational measures and performance measures. Organizational measures are used to assess performance at the organizational level. These measures are used to gauge the overall "health" of the municipal government organization. Performance measures provide detail about the delivery of a specific City program or service.

For comparative purposes, the City tracks each of the three types of performance data each year. This data is used to monitor and evaluate the progress of the community, the organization, and each program and service as conditions change. Due to the broad scope of community indicators, these indicators may reflect trends and issues beyond the influence or control of a local government. In these cases, the indicators convey educational information about the quality of life and trends in our City. The City also uses each of the three types of measures to compare service levels and costs with other communities when comparable data is available. Monitoring performance data is also crucial in determining progress in achieving the goals set by City Council. The City Council's goals are to:

Create a Financially Sustainable City Providing Excellent Services

Grow the Economy

Improve Transportation Systems

Revitalize Neighborhoods and Plan for the Future

Be a Competitive, First Class Resort for Residents, Businesses, and Tourists

City programs are grouped into common "business areas" which relate to one or more of these goals. For example, the departments supporting economic vitality work to "grow the economy", while the departments supporting quality physical environment work to "improve transportation systems" among other programs. These business areas are designed to foster a closer working relationship within the City organization, while focusing efforts on attainment of the City Council's goals.

For each business area community indicators, a comparison of selected community indicators, and key departmental performance measures related to the business area are provided.

Economic Vitality

This business area is supported by the departments of Convention and Visitor Bureau, Economic Development, Agriculture, and Housing and Neighborhood Preservation.

Community Indicators

Over the past five years, income has risen steadily and property values have risen sharply. After several years of decreasing unemployment, the rate increased in 2008, but is still well below the national average. Property values are declining and income growth is expected to slow due to the national recession. With the downturn in the national economy, it is anticipated that several of these indicators may continue to decline.

	2002	2003	2004	2005	2006	2007	2008
Per Capita Income	\$ 32,347	\$ 34,021	\$ 36,004	\$ 38,317	\$ 40,396	Data NA	Data NA
Median Household Income	\$ 53,540	\$ 52,175	\$ 55,781	\$ 58,545	\$ 61,333	\$ 61,462	Data NA
In-Migrant's Income as a Percent of Out-Migrant's Income	92.0%	92.9%	91.6%	92.0%	94.1%	96.2%	Data NA
Unemployment Rate	3.5%	3.6%	3.4%	3.3%	2.9%	2.7%	3.8%
Visitors Who Respond they are Very Likely to Return Within the Next Two Years	73.6%	68.0%	73.9%	70.2%	77.3%	73.1%	75.0%
Change in Total Real Estate Assessments	5.8%	8.7%	8.4%	13.3%	22.0%	21.7%	19.2%
Appreciation in Real Estate Assessments	4.3%	6.5%	6.6%	11.5%	19.8%	19.6%	18.5%
Change in Value of Commercial Real Estate	4.5%	2.7%	3.7%	9.9%	11.6%	9.8%	11.0%
Change in Value of Residential Real Estate	4.1%	7.0%	7.2%	11.5%	21.7%	22.2%	20.7%
Developable Land North of the Greenline (in acres)	Data NA	Data NA	4,660	4,560	4,518	4,475	Data NA

Note: This data does not show the assessment decline experienced in 2009

Community Indicator Comparison

The City's unemployment rate remains lowest in Hampton Roads while per capita income remains the highest. Even with the lowest unemployment rate, Virginia Beach had the only reduction in total employment in 2007. Virginia Beach has also retained the highest bond ratings of any Hampton Roads community.

	Year	Virginia Beach	Chesa-peake	Norfolk	Ports-mouth	Suffolk	Hampton	Newport News
Unemployment Rate ¹	CY 2008	3.8%	4.0%	5.6%	5.4%	4.3%	5.0%	4.8%
Change in Total Employment	CY 2007	-0.5%	0.8%	0.6%	0.2%	2.7%	0.5%	0.8%
Per Capita Income	CY 2006	\$40,396	\$35,305	\$31,459	\$28,866	\$31,399	\$31,057	\$28,990
Bond Rating - Moody's	FY 2008	Aa1	Aa2	A1	A1	Aa3	Aa2	Data NA
Bond Rating - Standard & Poor's	FY 2008	AAA	AA+	AA	AA-	A+	AA	Data NA
Bond Rating - Fitch	FY 2008	AA+	Data NA	AA	AA-	AA-	AA	Data NA

¹ These figures include preliminary data for the month of December 2008

Key Business Area Performance Measures

	Actual			Adopted	Approved	Revised
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10
Graffiti Cases	Data NA	314	249	344	344	300
Section 8 Program Participants	1,800	1,750	2,006	1,900	1,900	1,850
New Employment Opportunities	1,300	1,300	1,500	1,300	1,500	1,500
Hotel Room Nights Generated (Group Tour)	85,000	90,000	92,000	94,000	96,000	92,000
Return on City Investment in Resort Area	15.8%	13.7%	17.7%	15.0%	18.0%	20.0%
Number of Acres in the ARP	7,250	7,260	7,491	8,260	8,760	8,760

Family and Youth Opportunities

The departments of Human Services and Health support this business area.

Community Indicators

The percent of the population receiving food stamps has increased from 2002 to 2008. As the economy slows, there are concerns that there will be increased demands on the City's Health and Human Services Departments.

	2002	2003	2004	2005	2006	2007	2008
Percent of Population Receiving Food Stamps ¹	2.9%	3.2%	3.7%	3.9%	3.8%	3.9%	4.2%
Low Birth Weight Babies as a Percentage of Total Births	7.7%	7.7%	8.7%	8.4%	8.4%	8.5%	Data NA
Number of Births to Teenage Mothers Per 1,000 Population	28.9	33.2	28.8	24.6	26.9	16.2	Data NA
Percent of Students Receiving Free or Reduced Lunch	26.1%	30.3%	31.3%	29.0%	26.4%	30.8%	27.2%
School Dropout Rate	0.8%	1.6%	1.6%	1.3%	1.2%	1.2%	1.2%

¹Percent of Population Receiving Food Stamps listed above is based on calendar year data and differs from the figure for FY 2008 shown below

Community Indicator Comparison

The City of Virginia Beach has the lowest percentage of the population on food stamps and possesses the second lowest infant mortality rate among the cities in Hampton Roads.

	Year	Virginia Beach	Chesapeake	Norfolk	Portsmouth	Suffolk	Hampton	Newport News
Percent of Population Receiving Food Stamps	FY 2008	4.0%	5.9%	13.5%	14.9%	9.3%	8.8%	11.5%
Infant Mortality Rate	CY 2007	7.4	12.3	16.4	7.3	10.0	8.0	9.0

Key Business Area Performance Measures

	Actual			Adopted	Approved	Revised
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10
Temporary Assistance to Needy Families (TANF) Cases	1,267	1,140	1,065	1,125	1,180	1,125
Food Stamps Cases	7,403	7,256	7,734	8,140	8,350	9,760
Child Protective Services Complaints Investigated	3,200	2,737	2,591	2,810	2,910	2,715
Average Months in Foster Care	30.7	31.9	34.8	35.0	36.0	36.0
Percent of Welfare Recipients Who Obtained Employment	56.6%	51.4%	62.0%	59.0%	60.0%	60.0%
Children Receiving Immunizations	4,522	5,766	4,990	6,000	6,000	6,000
Restaurant Inspections Performed	5,823	5,457	5,806	6,000	6,000	6,000
Cost Per Contact-Senior Service Patients	\$18.50	\$20.81	\$19.67	\$21.86	\$22.51	\$22.51
Cost Per Restaurant Inspection	\$4.07	\$4.34	\$4.08	\$4.73	\$4.73	\$4.73

Quality Physical Environment

The departments of Planning and Community Development, Public Works, and Public Utilities support this business area.

Community Indicators

The continued reduction of state funds for road and transportation projects is having adverse impacts on the City's transportation infrastructure. Residential recycling was impacted significantly in FY 2007-08 with the closure of SPSA's yard waste recycling facility. On a positive note, the amount of open space in the City per 1,000 population has remained steady with the slight population increase that occurred in 2008.

	2002	2003	2004	2005	2006	2007	2008
Citizen Satisfaction with Appearance	Data NA ¹	89.2%	Data NA ¹	91.4%	Data NA ¹	95.6%	Data NA ¹
Open Space Acreage Per 1,000 Population	12.86	13.42	13.52	13.73	14.14	15.54	15.54
Percent of Roads in the Two Lowest Grades for Transportation Efficiency	Data NA ²	Data NA ²	Data NA ²	Data NA ²	18.0%	18.2%	18.8%
Percent of Street System Meeting Minimum Physical Condition Rating	Data NA ²	Data NA ²	Data NA ²	Data NA ²	79.0%	74.0%	73.0%
Mass Transit Ridership (in millions)	1.915	1.745	1.997	2.005	2.034	2.020	2.004
Percent of Residential Waste Stream Recycled	32.0%	31.0%	31.0%	31.0%	32.0%	33.0%	17.0%
Visitor's Perception of City's Appearance ³	1.43	1.51	1.50	1.56	1.60	1.56	1.51

¹ Based on responses to Citizen Survey, survey not conducted in these fiscal year's

² New measures, data for prior years is not available

³ Based on 4 point scale, 1 = *extremely visually appealing*, 2 = *quite visually appealing*, 3 = *slightly visually appealing*, 4 = *not at all visually appealing*

Key Business Area Performance Measures

	Actual			Adopted	Approved	Revised
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10
Waste Collections Made to Residential Customers	6,448,000	6,405,152	6,424,236	6,474,000	6,500,000	6,500,000
Tons of Waste Recycled	39,195	39,587	40,305	39,587	39,983	38,000
Roadway Resurfacing Cycle	24.1 Years	20.6 Years	30.0 Years	20.6 Years	21.7 Years	22.0 Years
Water Quality Samples Taken	2,750	2,700	2,700	2,700	2,700	1,847
Linear Feet of Sanitary Sewer Pipe Rehabilitated, Replaced, or Repaired	16,500	33,195	40,000	43,000	46,000	46,000.0
Sanitary Sewer System Defects Per 1,000 Miles of Main	710	550	550	550	550	525
On-Time Arrival of Sanitary Sewer Crew-Within 2 Hours of Call	95.0%	95.0%	95.0%	95.0%	95.0%	94.9%
Sanitary Sewer Overflows Reported Per 100 Miles of Main	6.8	4.8	4.3	4.1	3.9	3.9
Water Meters Replaced	5,765	7,000	7,000	7,000	7,000	7,000
Building Permits Issued	42,572	50,708	40,743	47,400	47,400	30,000
Zoning Inspections Performed	33,059	32,988	21,940	27,500	27,500	27,500

Cultural & Recreational Opportunities

The departments of Museums, Parks and Recreation and Cultural Affairs office support this business area.

Community Indicators

After declining for six straight years, recreation center attendance is increased in 2008 while attendance at the City's museums and historic home sites grew for the fourth year in a row.

	2002	2003	2004	2005	2006	2007	2008
Citizen Satisfaction with Museums, Aquarium, & Cultural Arts Activities	Data NA ¹	94.2%	Data NA ¹	93.8%	Data NA ¹	94.0%	Data NA ¹
Citizen Satisfaction with Recreation Centers	Data NA ¹	95.6%	Data NA ¹	94.0%	Data NA ¹	96.8%	Data NA ¹
Park Attendance	2,061,186	2,353,710	2,355,298	2,513,179	2,817,724	3,713,490	2,961,012
Recreation Center Attendance	1,763,658	1,731,538	1,720,727	1,703,088	1,609,047	1,575,539	1,636,823
Attendance at Historic Homes/Museums/IMAX Theater	Data NA	Data NA	Data NA	780,728	826,828	836,707	830,000
Number of Open Space Acres Acquired	22.0	5.2	112.4	18.0	99.8	5.6	19.9
Percentage of Population with Recreation Facility Cards	11.0%	11.2%	11.4%	10.0%	10.0%	9.7%	9.6%

¹ Based on responses to Citizen Survey, survey not conducted in these fiscal year's

Community Indicator Comparison

Virginia Beach provides the highest ratio of full service recreation center space, but has the second lowest amount of park acreage per capita.

	Year	Virginia Beach	Chesa-peake	Norfolk	Ports-mouth	Suffolk	Hampton	Newport News
Square Feet of Full Service City Recreation Center Space Per 10,000 Population	FY 2007	8,939	0	318	0	0	2,057	4,384
Acres of Parkland Per 10,000 Population	FY 2008	40.2	94.3	24.9	41.2	147.1	124.1	496.1

Key Business Area Performance Measures

	Actual			Adopted	Approved	Revised
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10
School Visits at Historic Homes	12,344	11,935	9,853	11,200	11,200	11,200
Student Visits to the Aquarium	55,239	46,347	39,992	60,000	65,000	65,000
Visitors to the IMAX Theater	194,985	179,860	144,771	198,000	215,000	215,000
Visitors to the Virginia Aquarium	620,299	643,091	577,356	660,000	715,000	715,000
IMAX Theater Revenue	\$1,033,816	\$1,016,932	\$770,627	\$1,042,550	\$1,119,690	\$1,119,690
Virginia Aquarium Revenue	\$5,806,657	\$6,043,288	\$5,371,930	\$7,327,000	\$7,803,642	\$7,803,642
Arts and Cultural Grants Awarded	40	36	36	34	34	34
Event Days at the Sandler Center	0	0	296	317	326	326
Mowing Cycles for Divided Roadways	24.5	15.3	17.4	18.0	18.0	18.0
Park Visits	2,817,724	3,713,490	2,961,012	3,370,784	3,471,908	3,000,000
Satisfaction with Parks	92.8%	92.8%	95.0%	95.0%	95.0%	95.0%

Quality Education and Lifelong Learning

This business area is supported by the Schools and the Library Department.

Community Indicators

With education a top priority of the City, most of these indicators are performing well but are relatively level. However, on-line services through the library increased significantly during FY 2007-08.

	2002	2003	2004	2005	2006	2007	2008
Percentage of Public Elementary Schools Fully Accredited	56.3%	78.2%	98.2%	100.0%	100.0%	100.0%	100.0%
Percentage of Public Middle Schools Fully Accredited	26.7%	93.3%	93.3%	100.0%	100.0%	100.0%	100.0%
Percentage of Public High Schools Fully Accredited	58.3%	84.6%	84.6%	100.0%	100.0%	100.0%	100.0%
High School Graduates Who Plan to Continue their Education	85.4%	83.6%	82.1%	84.4%	84.4%	84.9%	83.7%
Percent of Adults Over Age 25 that Have an Undergraduate Degree	30.3%	30.5%	33.5%	31.0%	31.0%	32.4%	Data NA
Percent of Adults Over Age 25 that Have a Graduate Degree	9.4%	10.2%	11.6%	10.0%	11.0%	11.0%	Data NA
Elementary School Attendance Rate	96.0%	95.5%	95.9%	95.9%	96.0%	95.9%	96.2%
High School Graduation Rate	77.7%	80.3%	81.5%	82.5%	82.7%	82.7%	83.0%
Library Visitation - In Person	1,327,869	1,367,785	1,538,178	1,572,800	1,622,871	1,798,632	1,998,324
Library Visitation - Virtual	268,905	314,614	403,602	477,055	466,482	538,103	1,111,638
Number of High School Industry Certifications	Data NA	Data NA	1,238	1,795	2,032	3,130	4,081

Community Indicator Comparison

Virginia Beach has the second highest pass rate for the English Reading Standards of Learning test. Residents are also utilizing library materials at a high rate, while the books per capita are relatively low due to the libraries aggressive collection management program.

	Year	Virginia Beach	Chesa-peake	Norfolk	Ports-mouth	Suffolk	Hampton	Newport News
Library Book Circulation Per Capita	FY 2007	6.2	8.9	3.6	3.8	3.0	4.2	3.8
Library Books Per Capita	FY 2007	2.1	3.3	2.7	3.7	2.8	2.0	2.3
Percentage of 5th Graders Who Passed the English Reading Standards of Learning	FY 2008	92%	94%	87%	86%	88%	84%	86%

Key Business Area Performance Measures

	Actual			Adopted	Approved	Revised
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10
Drop Out Rate	1.2%	1.2%	1.2%	1.0%	1.0%	1.0%
Student Enrollment	73,448	71,721	70,682	69,771	69,118	68,807
Percentage of Students Enrolled in Gifted Program	11.0%	11.9%	12.1%	12.0%	12.0%	12.0%
Mean Math Scores	505	504	510	500	500	500
Mean Verbal Scores	497	496	500	500	500	500
Ready to Learn Pre-School Attendance	1,996	1,038	34,363	17,000	18,000	34,500
Library Program Attendance	80,556	73,072	85,841	72,387	75,514	79,355
Circulation and In-Library Use	5,684,000	5,877,000	6,279,652	5,601,000	6,117,000	7,473,302

Safe Community

This business area includes Police, Fire, Emergency Medical Services, Courts, the Commonwealth's Attorney's Office, and Sheriff and Corrections.

Community Indicators

The violent crime rate has dropped over the past two years and Virginia Beach continues to be the safest City of its size in the Country. In spite of this fact, the perception of neighborhood safety has declined in recent years, while the perception of safety by public school students has risen over the same period of time.

	2002	2003	2004	2005	2006	2007	2008
Percent of Residents Who Believe their Neighborhood is Safe	Data NA ¹	96.4%	Data NA ¹	94.8%	Data NA ¹	92.8%	Data NA ¹
Violent Crimes Per 1,000 Population	2.3	2.3	2.3	2.8	2.9	2.6	2.4
Perception of Safety in Public Schools by 5th Grade Students ²	79.7%	79.5%	82.2%	81.8%	83.2%	92.8%	93.5%
Perception of Safety in Public Schools by 8th Grade Students	54.0%	54.4%	52.6%	52.8%	50.8%	67.1%	68.7%
Perception of Safety in Public Schools by 12th Grade Students	69.2%	65.8%	66.0%	65.8%	68.9%	87.4%	82.1%

¹ Based on responses to Citizen Survey, survey not conducted in these fiscal year's

² Prior to 2006-07, students in grades 4, 7, and 11 rated their level of agreement on a five-point scale to the item "I feel safe and secure at school." The percentages reported in the table reflect the percentage of students Agreeing or Strongly Agreeing to the item. Beginning in 2006-07, students in grades 5, 8, and 12 rated their level of agreement on a four-point scale to the item "This school provides a safe and orderly place for students to learn." The percentages reported in the table reflect the percentage of students Agreeing or Strongly Agreeing.

Community Indicator Comparison

Virginia Beach has the lowest overall crime rate, violent crime rate, and Property crime rate in Hampton Roads.

	Year	Virginia Beach	Chesa-peake	Norfolk	Ports-mouth	Suffolk	Hampton	Newport News
Violent Crime Rate	CY 2007	2.6	4.6	8.2	8.3	4.1	3.6	6.8
Property Crime Rate	CY 2007	29.9	34.3	49.1	52.5	31.2	35.0	41.6
Average Daily Jail Population	FY 2007	1,544	1,072	1,757	573	Data NA	480	678

Key Business Area Performance Measures

	Actual			Adopted	Approved	Revised
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10
Cost Per Inmate Per Day	\$56.97	\$57.24	\$60.48	\$60.14	\$61.64	\$63.93
Response Time for Emergency Police Calls	6.3	6.5	6.3	6.4	6.4	6.4
Clearance Rate for Violent Crimes	51.5%	54.2%	57.8%	55.0%	55.0%	55.0%
Arson Incidents	163	158	165	170	170	170
Clearance Rate for Arson Cases	59.0%	23.0%	21.5%	20.0%	20.0%	20.0%
Percentage of Time 9 Ambulances are Staffed	85.0%	84.0%	86.0%	80.0%	80.0%	88.0%
Children Placed in Less Secure Detention	240	254	233	255	255	255
General District Criminal Cases Tried Per Judge	3,365	3,319	3,476	3,659	3,732	3,732
Processes Conducted by Magistrates	43,264	43,751	43,055	37,157	38,272	38,272
Complaints Handled by City Consumer Affairs Office	905	620	391	500	550	550
Conviction Rate for Domestic Violence	67.0%	64.0%	78.0%	65.0%	65.0%	70.0%
Conviction Rate for Violent Felonies	97.0%	97.0%	97.0%	95.0%	95.0%	97.0%

Quality Organization

The Quality Organization business area is supported by the departments of City Council, City Clerk, City Manager, City Attorney, Finance, Human Resources, City Treasurer (elected official), Commissioner of the Revenue (elected official), City Real Estate Assessor, General Registrar, Management Services, Communications and Information Technology, and Office of the City Auditor.

Community Indicators

As a percentage of per capita income, the cost of delivering government services remained relatively flat from 2002 to 2006.

	2002	2003	2004	2005	2006	2007	2008
Citizen Satisfaction with Services	Data NA ¹	93.2%	Data NA ¹	92.6%	Data NA ¹	93.4%	Data NA ¹
Value of Volunteer Service (in millions)	\$15.9	\$16.6	\$16.3	\$16.4	\$14.1	\$14.5	\$13.2
Per Capita Government Expenditures as a Percent of Per Capita Income	6.7%	6.6%	6.9%	6.8%	6.8%	Data NA	Data NA
Number of Full-Time Equivalent Employees Per 1,000 Population	14.4	14.5	17.4	15.2	15.8	16.0	16.2

¹ Based on responses to Citizen Survey, survey not conducted in these fiscal year's

Community Indicator Comparison

Virginia Beach has the lowest total government expenditures per capita and the second lowest debt per capita in the Hampton Roads area.

	Year	Virginia Beach	Chesapeake	Norfolk	Portsmouth	Suffolk	Hampton	Newport News
Total Government Expenditures Per Capita	FY 2008	\$3,036.09	\$3,199.03	\$3,445.04	\$3,428.70	\$3,037.87	\$3,229.39	\$3,383.23
Real Estate Assessment to Actual Property Sales Ratio	CY 2006	63.1%	95.6%	70.5%	79.9%	87.0%	81.0%	70.1%
Voter Turnout Rate	Nov-08	70.2%	74.8%	71.2%	75.9%	74.9%	74.7%	69.7%
Municipal Debt Per Capita	FY 2008	\$2,249.00	\$3,341.43	\$4,398.00	\$4,111.67	\$4,044.65	\$2,292.69	\$4,902.62

Key Business Area Performance Measures

	Actual			Adopted	Approved	Revised
	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10
Leased Space (in square feet)	250,146	257,646	257,646	272,646	272,646	317,650
Percentage of Capital Program Funded by Cash	53.3%	58.2%	59.3%	58.2%	55.7%	59.7%
Citizens Who Feel Safe in their Neighborhood	Data NA	92.8%	Data NA	95.0%	Data NA	Data NA
Cost Per Hour for In-House Attorney Services	\$97	\$106	\$115	\$108	\$108	\$118
Citizen Complaints to Human Rights Commission	32	23	20	25	30	20
Qualified Employees Hired Within 60 Days	65.0%	70.0%	61.0%	65.0%	70.0%	65.0%
Registered Voters	261,000	264,537	267,576	280,000	275,000	280,000
Civil Insurance Claims Against the City	1,125	1,450	898	1,450	1,450	810
Workman's Compensation Claims Filed	1,325	1,325	1,207	1,325	1,325	1,150
Calls Received by 911	239,419	227,788	231,676	285,000	285,000	285,000
Priority 1 Calls Processed in 120 Seconds or Less	79.0%	81.0%	84.0%	85.0%	85.0%	85.0%
Business License Audits	3,000	1,879	2,200	2,500	3,000	2,000
Yield on City Investments	4.0%	5.1%	4.3%	4.3%	4.3%	1.1%
Real Estate Parcels Assessed Per Appraiser	8,659	9,000	8,659	5,990	5,990	7,900
Value of Volunteer Hours	\$14.1 Million	\$14.5 Million	\$13.2 Million	\$17.1 Million	\$17.1 Million	\$15.0 Million

Table of Contents

Capital Improvement Program Summaries

Sources of Funding.....	2 - 1
Summary of Project Estimates	2 - 1
Functional Allocation of Resources	2 - 2
Capital Improvement Project by Type.....	2 - 2
Total Capital Investment FY 2007-08	2 - 3
FY 2009-10 Biennial Capital Improvement Program Revisions	2 - 4

Capital Improvement Program

The Capital Improvement Program identifies the funding needed for construction of City facilities, modernization of Schools, acquisition of major pieces of equipment and computer systems, construction of roadways, infrastructure maintenance, and economic development projects. This program covers a six-year period from FY 2008-09 through FY 2013-14, although the second year (i.e. the capital budget) is appropriated. The remaining years are for planning purposes. The following table provides a snapshot of revenue sources and the functional allocation for the adopted Capital Improvement Program over the six year period.

Sources of Funding

Type of Financing	Total Resources	Appropriations to Date*	Biennium		Years 3 thru 6
			Amended Year 1	Capital Budget Year 2	
			FY 2008-09	FY 2009-10	
Pay-As-You-Go **	\$ 712,741,736	\$ 275,954,223	\$ 75,631,599	\$ 54,884,677	\$ 306,271,237
General Fund Undesignated Fund Balance	155,376,233	68,638,454	14,259,232	33,912,998	38,565,549
Other Fund Balance/Retained Earnings	199,758,097	130,777,047	25,864,065	22,414,321	20,702,664
State	242,455,718	166,530,305	25,216,913	11,525,000	39,183,500
Federal	49,107,945	10,337,637	12,194,000	26,576,308	-
Bonds/Lease Purchases	873,420,850	366,473,731	93,489,005	83,902,805	329,555,309
Other	30,077,773	21,524,210	4,088,563	3,213,000	1,252,000
Total Financing - All Sources	\$ 2,262,938,352	\$ 1,040,235,607	\$ 250,743,377	\$ 236,429,109	\$ 735,530,259

* Appropriations to date and FY 2008-09 reflect allocations from previous years, much of which have already been spent.

** Reflects pay-as-you-go financing supported revenues in the Operating Budget that are dedicated and/or State revenue that is transferred to the CIP.

Due to the decline in real estate, personal property and other General Fund revenues because of the economic recession, the City and School System pulled pay-as-you-go funding back into their Operating Budgets and replaced that funding with the use of fund balance. As a strategy to mitigate some of the pay-as-you-go reductions to the Capital Improvement Program, the City has increased its use of fund balance of roughly \$24 million. Also reflected in FY 2009-10 is \$26.6 million in federal stimulus funding for Roadways (\$10.6 million) and Schools (\$16 million) from the American Recovery and Reinvestment Act. State revenues, particularly for transportation have decreased substantially.

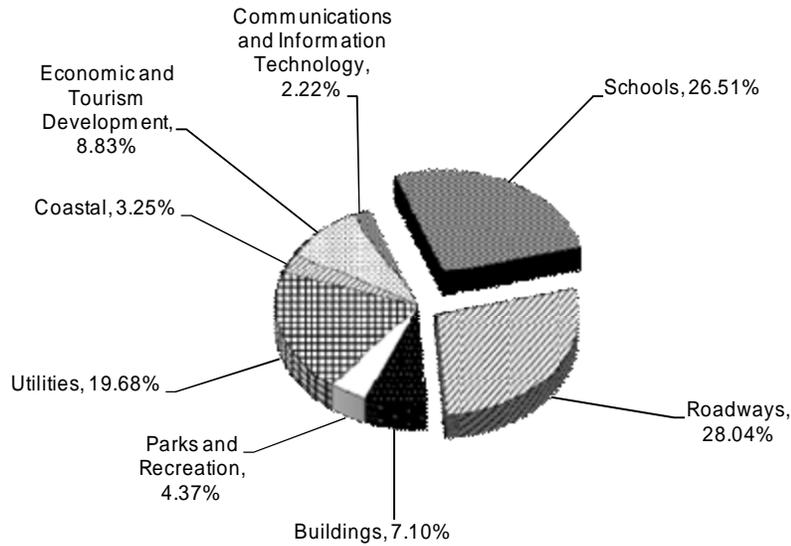
During the next fiscal year, the City will spend over \$236 million on its capital construction needs, with \$63 million going to School construction and another \$66 million into transportation.

Summary of Project Estimates

Project Class	Estimated Total Cost	Appropriations to Date	Biennium		Years 3 thru 6
			Amended Year 1	Capital Budget Year 2	
			FY 2008-09	FY 2009-10	
Schools	\$ 576,437,033	\$ 273,261,953	\$ 73,471,916	\$ 62,669,308	\$ 167,033,856
Roadways	569,022,084	260,621,664	53,078,655	66,303,747	189,018,018
Buildings	155,932,898	77,437,065	19,580,289	16,778,606	42,136,938
Parks and Recreation	87,510,821	26,552,892	10,438,358	10,325,175	40,194,396
Utilities	426,319,712	195,088,126	39,349,131	46,526,159	145,356,296
Coastal	134,026,425	87,207,415	8,563,402	7,690,938	30,564,670
Economic and Tourism Development	201,879,384	78,973,563	21,458,649	20,880,578	80,566,594
Communications and Information Technology	111,809,995	41,092,929	24,802,977	5,254,598	40,659,491
Total Capital Improvement Program	\$ 2,262,938,352	\$ 1,040,235,607	\$ 250,743,377	\$ 236,429,109	\$ 735,530,259

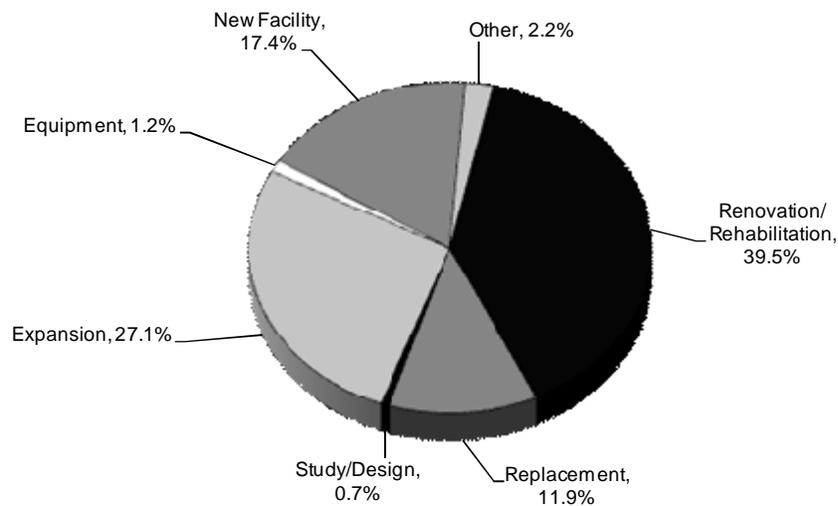
The graph below shows the percentage of funding allocated to the various functional areas for the amended second year (FY 2009-10) of the Capital Improvement Program. Combined, Roadways and Schools receive about 55% of the funding.

Functional Allocation of Resources



Over the Capital Improvement Program, projects that focus on the rehabilitation, renewal, and replacement of current City assets represent an investment of roughly \$935 million from FY 2008-09 through FY 2013-14. The following graph illustrates the distribution of capital improvement projects by type for FY 2009-10.

Capital Improvement Project by Type

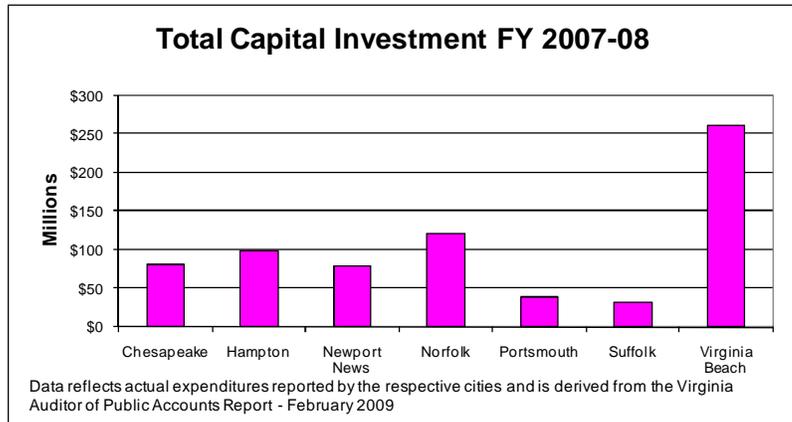


As depicted in the graph, the primary focus of the Capital Improvement Program continues to be maintaining, updating, renovating and replacing aging infrastructure; the renovation, replacement and expansion categories alone represent roughly 79% of the total funding. However, the reduced revenue from both the stressed economy

and the significant reductions approved by the General Assembly has affected the City's ability to address the ongoing infrastructure demands of our maturing City.

It is important to note that there are several City Council and citizen requests that are not moving forward given the condition of the economy and the City's debt limitations. Most notably is the Williams Farm Community Recreation Center project that is in the preliminary design phase at this time. An additional \$300,000 is provided in FY 2009-10 to bring design to \$1.1 million to complete approximately one third of the design work necessary to ready the project for a possible design/build proposal should funding become available in FY 2010-11. Funding is not available to construct, staff or operate an additional center at this time. There also are no funds budgeted to construct the Virginia Aquarium Animal Care Annex or the Adoption Friendly Animal Shelter.

Despite the funding constraints and slowing economic trends, it is worthwhile to emphasize that the proposed capital program does represent the City and School's commitment to maintaining infrastructure and public facilities. Based on the State Auditor of Public Accounts, the City has the largest Capital Improvement Program of any City in the State. The analysis of the most recent information available indicates that the FY 2007-08 Capital Improvement Program for our City at \$261 million was within \$10 million of the investment being made by Chesapeake, Norfolk, Portsmouth and Suffolk combined (totaling \$271 million). We are providing significant annual investment in rehabilitating and upgrading aging public infrastructure and facilities; but the City is still struggling to make ample progress toward eliminating the \$3 billion backlog of City and School capital needs.



Changes to FY 2009-10 in the Capital Improvement Program are detailed in pages following this summary.

FY 2009-10 Biennial Capital Improvement Program Revisions

<u>Business Area/Project Number and Name/Change</u>	<u>Amount (\$)</u>
Economic Vitality	
<u>Economic and Tourism Development</u>	
9.058 Rudee Inlet Connector Walk This project will construct a concrete walkway at Rudee Loop to connect the boardwalk to the marina and is funded by the Tourism Growth Investment Fund.	260,000
9.081 Strategic Growth Area Program The increase reflects a transfer of \$500,000 from the Economic Development Department's operating budget to this capital project to provide an annual funding level of \$3.5 million.	500,000
Total Economic Vitality	<u>760,000</u>
Safe Community	
<u>Buildings</u>	
3.133 Fire Training Center Improvements - Phase III Includes appropriation of the remaining fund balance from the Fire Programs Fund that was closed out in FY 2008-09. These State funds would be used for improvements to the Fire and Emergency Medical Services (EMS) training facility located at 927 South Birdneck Road to accommodate the rapidly growing numbers of members needing didactic and practical training.	2,028,599
3.371 Fire Apparatus - Phase II Delays purchase and funding for the Fire ladder truck for the Thalia Fire and Rescue Station to FY 2010-11. Also there is a delay in hiring the 12 Firefighter Recruits for the ladder truck.	(1,317,448)
<u>Communications and Information Technology</u>	
3.086 CIT - EMS - Handheld Field Reporting This project funds an interface reporting system form EMS between the City's Dispatching system and area hospitals.	450,000
Total Safe Community	<u>1,161,151</u>
Quality Physical Environment	
<u>Roadways</u>	
2.021 Rural Road Improvements This project received the fund balance from the Transition Area Special Revenue Fund to enhance the schedule to upgrade substandard rural roads in the City. The Transition Area Special Revenue Fund is proposed to be eliminated.	296,121
2.025 Witchduck Road - Phase II This project transferred funds to higher priority roadway projects.	(2,168,000)
2.031 Street Reconstruction This project received funding from General Fund fund balance to expand the schedule of street reconstruction.	2,000,000
2.048 Princess Anne Road/Kempsville Road Intersection Improvements This project lost \$1.1 million in State funding and \$7.5 million was transferred to other roadway projects in FY 2009-10. Lost funding was restored by transfers of prior years' funding from other projects.	(8,622,013)

FY 2009-10 Biennial Capital Improvement Program Revisions

<u>Business Area/Project Number and Name/Change</u>	<u>Amount (\$)</u>
Quality Physical Environment	
<u>Roadways (continued)</u>	
2.089 Southeastern Parkway and Greenbelt (Partial) This project transferred funding to Laskin Road Gateway - Phase I-A (#2.143) to advance the schedule of the Laskin Road Gateway project.	(1,000,000)
2.121 Nimmo Parkway - Phase V-A This project transferred funds to higher priority roadway projects and is delayed beyond FY 2013-14.	(393,789)
2.129 Pavement Maintenance Program Phase II This project received funding from General Fund fund balance to expand the pavement maintenance schedule.	2,000,000
2.143 Laskin Road Gateway - Phase I-A This project received funding from Southeastern Parkway and Greenbelt (Partial) (#2.089) and from retained earnings in the Water and Sewer Fund to advance the project's schedule.	5,054,900
2.157 Lynnhaven Parkway - Phase IX Additional funding was provided by transfers from other roadway projects. Right-of-way costs are higher than originally anticipated.	3,000,000
2.173 Norfolk Southern Right-of-Way Acquisition This project provides for the City's portion of funding for the acquisition of the Norfolk Southern right-of-way by the City. It is anticipated that the remaining funding will be provided by the State (\$20 million) and HRT (\$5 million). The existing right-of-way corridor is variable in width from 66 feet to 90 feet and extends a total distance of approximately 11 miles.	10,000,000
2.305 Princess Anne Road - Phase IV This project received funding in transfers from other roadway projects to cover the cost of higher than anticipated right-of-way costs.	10,006,800
2.931 Witchduck Road - Phase I Funding was transferred from this project to 3 other projects: \$900,000 to Beach Garden Park - Kilborne Court and Holly Road Improvements (#7.049), \$300,000 to Williams Farm Community Recreation Center Design (#4.072), and \$300,000 to CIT - City Human Resources/Payroll System (#3.280). This project also lost \$1.9 million in State funding and transferred \$2.9 million to other roadway projects, but received \$10.6 million in funding through the American Recovery and Reinvestment Act (federal stimulus funding).	4,359,113
<u>Water and Sewer</u>	
5.601 First Colonial Road/Virginia Beach Boulevard Intersection Improvements This decrease reflects the reallocation of funds from the Water Utility project at First Colonial Road and Virginia Beach Boulevard to the Auxiliary Power Program for Sewer Pump Stations.	(110,000)
6.601 First Colonial Road/Virginia Beach Boulevard Intersection Improvements This decrease reflects the reallocation of funds from the Sewer Utility project at First Colonial Road and Virginia Beach Boulevard to the Auxiliary Power Program for Sewer Pump Stations.	(170,000)

FY 2009-10 Biennial Capital Improvement Program Revisions

<u>Business Area/Project Number and Name/Change</u>	<u>Amount (\$)</u>
Quality Physical Environment	
<u>Water and Sewer (continued)</u>	
6.613 Auxiliary Power Program - Sewer Pump Stations - Phase II This increase reflects the reallocation of funds from the Water and Sewer Utility projects at First Colonial Road and Virginia Beach Boulevard to the Auxiliary Power Program for Sewer Pump Stations.	280,000
<u>Storm Water</u>	
7.049 Beach Garden Park - Kilborne Court and Holly Road Improvements This new project is for drainage, roadway, and sidewalk improvements for Kilborne Court and Holly Road related to vehicular and pedestrian access to Beach Garden Park. The improvements include replacement of culverts on Kilborne Court with a prefabricated bridge, removal and replacement of approximately 3,100 linear feet of pavement for Kilborne Court and Holly Road; and installation of new pavement, curb and gutter, and sidewalks. This project is funded by a transfer from Witchduck Road - Phase I (#2.931). The transfer represents a portion of the overall \$1.8 million cost of the project, with other funding being provided by Virginia Beach Middle School Replacement (#1.234) and Beach Garden Park - Kilborne Court and Holly Road Improvements in the Water Utility section of the Capital Improvement Program (#5.011).	900,000
7.067 Primary System Infrastructure Improvements The transfer from the Storm Water Utility Fund to this project was reduced to provide funding within the Storm Water Utility Fund for seven Mosquito Control positions previously funded through the General Fund. Approximately two miles (10% of the yearly goal) of off-road ditch system will shift from an eight-year cleaning cycle to a nine to ten-year cycle.	(290,000)
Total Quality Physical Environment	25,143,132
Cultural and Recreational Opportunities	
<u>Buildings</u>	
3.147 Historic Property Acquisition Revolving Fund Establishes a new capital project to allow the Virginia Beach Historic Preservation Commission to initiate a historic property acquisition revolving fund and implement a systematic preservation strategy in Virginia Beach. This project will provide for the purchase, preservation and marketing of historically significant property to buyers interested in preserving and restoring historic structures.	200,000
3.148 Aquarium and Owl Creek Master Plan Provides funding for a 10-year plan for future development of the Aquarium and Owl Creek area. Will provide a thorough assessment of Owl Creek and the Aquarium's current buildings, systems and grounds, the Aquarium's exhibit themes, ticketing, transportation, guest services, campus design, staffing and economic impact. Total cost of this study is \$150,000, of which the Virginia Aquarium and Marine Science Center Foundation will provide \$100,000 to the City, and the Department of Parks and Recreation will fund \$50,000 from capital project #4-055, Open Space Park Development and Maintenance.	100,000
3.278 Virginia Aquarium Renewal and Replacement - Phase II Additional funding to replace the aviary net (\$250,000) that is beyond its useful life with a stainless steel mesh net, and two aviary pools (\$75,000) that have severe erosion at their bases. Funded using fund balance (\$149,658) from the Virginia Aquarium Special Revenue Fund and reallocating \$175,342 from capital project #3-292, Virginia Aquarium Animal Care Annex (Partial).	325,000

FY 2009-10 Biennial Capital Improvement Program Revisions

<u>Business Area/Project Number and Name/Change</u>	<u>Amount (\$)</u>
Cultural and Recreational Opportunities	
<u>Buildings (continued)</u>	
3.292 Virginia Aquarium Animal Care Annex (Partial) Reallocates funds from this project to capital project #3-278, Virginia Aquarium Renewal and Replacement - Phase II for various Aquarium related building renovations and exhibit replacements. This reallocation is in addition to the shifting of prior years' allocations of \$673,016 from this project to a new project, capital project #3-146, Virginia Aquarium Building Systems Rehabilitation and Renewal - Phase I. This leaves the Aquarium Animal Care Annex project funded at \$1,865,566 for part of the previous site acquisition of 38-acres (\$1,665,566), and other costs (\$200,000). The total estimated project cost for the Annex is \$13 million, but may be reduced approximately \$2 million if the most appropriate site is acquired.	(175,342)
<u>Parks and Recreation</u>	
4.013 Community Recreation Centers Repairs and Renovations - Phase II Reflects declining real estate tax revenues associated with the Recreation Center dedication. Funding provided in FY 2009-10 is \$4,363,207.	(662,053)
4.016 Parks and Special Use Facilities Development and Renovations - Phase II Reflects declining real estate tax revenues associated with the Outdoor Initiative dedication. Funding provided in FY 2009-10 is \$889,395.	(89,518)
4.070 Open Space Program Site Acquisition - Phase II State grant funding from the Virginia Department of Land Conservation Foundation to partially reimburse the City's purchase of land adjacent to the Adam Thoroughgood House.	125,000
4.072 Williams Farm Community Recreation Center Design Additional funds are provided to advance design funding for project formerly named "Preliminary Design for New Bayside Community Center." Total project funding is now \$1.1 million for design. No funding is available for construction of this project or its operating costs.	300,000
4.080 Sportsplex Renewal and Replacement - Phase I Funding for a new project for future maintenance and renewal of Sportsplex. This funding was transferred to the Capital Improvement Program from an allocation for the Sportsplex that was funded in the Parks and Recreation operating budget.	417,573
Total Cultural and Recreational Opportunities	<u>540,660</u>
Quality Education and Lifelong Learning	
<u>Schools</u>	
1.026 College Park Elementary School Replacement Advancing funding from FY 2010-11.	5,056,979
1.106 Kellam High School Portion of project being deferred to future years due to lost State revenue.	(5,410,973)
Total Quality Education and Lifelong Learning	<u>(353,994)</u>

FY 2009-10 Biennial Capital Improvement Program Revisions

<u>Business Area/Project Number and Name/Change</u>	<u>Amount (\$)</u>
Quality Organization	
<u>Communications and Information Technology</u>	
3.052 CIT - IT Service Continuity Provides funding for computer system extensions and improvements, disaster recovery, and emergency equipment replacement. Funding comes from unused Information Technology funds from the previous year.	390,555
3.119 CIT - Cable Access Infrastructure Replacement Cable Access fund balance reconciliation moved to equip public, education, and government operations.	245,283
3.124 CIT - COPS Interoperable Communications Technology Grant - Phase II Funding reduced to reflect City Council action during FY 2008-09 that advanced some of the regional cities' contributions by one year.	(1,440,000)
3.280 CIT - City Human Resources/Payroll System Additional funding transferred from capital project #2-931 Witchduck Road Phase I to complete consulting work for the implementation of this project. This brings the total project cost to \$10,583,061.	300,000
Total Quality Organization	<u>(504,162)</u>
Total All Business Areas	<u>26,746,787</u>

Table of Contents

Operating Budget Ordinances

Budget Ordinance for the Fiscal Year Beginning July 1, 2009 and Ending June 30, 2010	3 - 1
An Ordinance Establishing the Tax Levy on Real Estate for Fiscal Year 2010	3 - 14
An Ordinance Establishing the Tax Levy on Personal Property and Machinery and Tools for the Calendar Year 2010	3 - 16
An Ordinance to Authorize the City Manager to Submit an Annual Funding Plan to the U.S. Department of Housing and Urban Development	3 - 19
An Ordinance to Transfer \$8,800,000 from the School Reserve Special Revenue Fund to the City's FY 2008-09 General Fund Operating Budget	3 - 20
An Ordinance to Declare \$9,000,000 of Funding Within the Sandbridge Tax Increment Financing District as Surplus Funds in the FY 2008-09 Operating Budget	3 - 21
An Ordinance to Temporarily Suspend the Transition Area Special Revenue Fund	3 - 22

Capital Improvement Program Ordinances

An Ordinance to Revise the FY 2010/FY 2014 Capital Improvement Program	3 - 23
An Ordinance Authorizing the Issuance of General Obligation Public Improvement Bonds of the City of Virginia Beach, Virginia, in the Maximum Amount of \$62,900,000 for Various Public Facilities and General Improvements	3 - 33
An Ordinance Authorizing the Issuance of Water and Sewer System Revenue Bonds of the City of Virginia Beach, Virginia, in the Maximum Amount of \$17,000,000	3 - 34

Note: The ordinances listed below were included in the proposed document but were not adopted on May 12, 2009. The Resolution regarding the biennial process was deferred to June 9, 2009 by consent. The Ordinance to change the City Code was deferred indefinitely by consent.

A Resolution to Adopt the Budget Through an Annual Rather Than Biennial Process

An Ordinance to Eliminate Section 2-186.1 of the City Code of the City of Virginia Beach, Virginia

1 **AN ORDINANCE MAKING APPROPRIATIONS FOR THE**
2 **FISCAL YEAR BEGINNING JULY 1, 2009 AND ENDING JUNE**
3 **30, 2010 IN THE SUM OF \$ 1,763,292,679 FOR OPERATIONS**
4 **AND \$617,334,358 IN INTERFUND TRANSFERS AND**
5 **REGULATING THE PAYMENT OF MONEY OUT OF THE CITY**
6 **TREASURY, AS AMENDED**
7

8 WHEREAS, the City Manager has heretofore submitted an Annual Budget for the City for the fiscal year
9 beginning July 1, 2009, and ending June 30, 2010, and it is necessary to appropriate sufficient funds to cover
10 said budget;

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

14
15 **Sec. 1.** That the amounts named aggregating \$2,380,627,037 consisting of \$617,334,358
16 in interfund transfers and \$1,763,292,679 for operations, are hereby appropriated subject to the conditions
17 hereinafter set forth for the use of departments, and designated funds of the City government, and for the
18 purposes hereinafter mentioned, as set forth in the Annual Operating Budget, which is hereby incorporated by
19 reference, for the fiscal year beginning July 1, 2009, and ending June 30, 2010, a summary of which is attached
20 to this ordinance as "Attachment A – Appropriations."

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

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

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

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

46
47 **Sec. 6.** All balances of the appropriations payable out of each fund of the City Treasury at the close
48 of business for the fiscal year ending on June 30, 2010, unless otherwise provided for, are hereby declared to be
49 lapsed into the fund balance of the respective funds, except the School Operating Fund which shall lapse into the
50 General Fund Balance, and may be used for the payment of the appropriations that may be made in the
51 appropriation ordinance for the fiscal year beginning July 1, 2010. However, there shall be retained in the
52 General Fund an undesignated fund balance of 8% to 12% of the following year's budgeted revenues, for
53 contingency and emergency situations, not to be used to support appropriations approved in the ordinance for
54 the fiscal year beginning July 1, 2009, except upon subsequent authorization by City Council.
55

56 **Sec. 7.** That the City's debt management policies for the Water and Sewer Enterprise Fund shall
57 serve as a basis for developing financial strategies for the water and sanitary sewer system based on the
58 following guidelines: (a) for the Water and Sewer Fund, the goal of retaining working capital equal to 80% to
59 100% of one year's operating expense shall be pursued; (b) for the Water and Sewer Fund, the goal shall be for
60 debt service coverage on its water and sewer revenue bonds at not less than 1.50 times and, on a combined
61 basis, including water and sewer general obligation bonds, at no less than 1.20 times and (c) for the Water and
62 Sewer Fund, contributions from non-borrowed funds, on a five-year rolling average basis, will be sought for
63 approximately 25% of the annual capital program for the water and sewer system.
64

65 **Sec. 8.** All balances of appropriations in each fund which support authorized obligations or are
66 encumbered at the close of the business for the fiscal year ending on June 30, 2010, are hereby declared to be
67 reappropriated into the fiscal year beginning July 1, 2010, and estimated revenues adjusted accordingly.
68

69 **Sec. 9.** No department or agency for which appropriations are made under the provisions of this
70 ordinance shall exceed the amount of such appropriations except with the consent and approval of the City
71 Council first being obtained. It is expressly provided that the restrictions with respect to the expenditure of the
72 funds appropriated shall apply only to the totals for each Appropriation Unit included in this ordinance and does
73 not apply to Interfund Transfers.
74

75 **Sec. 10.** The City Manager or the Director of Management Services is hereby authorized to approve
76 transfers of appropriations in an amount up to \$100,000 between any Appropriation Units included in this
77 ordinance. The City Manager shall make a monthly report to the City Council of all transfers between \$25,000
78 and \$100,000. In addition, the City Manager may transfer, in amounts necessary, appropriations from all
79 Reserves for Contingencies except Reserve for Contingencies – Regular, within the intent of the Reserve as
80 approved by City Council.
81

82 **Sec. 11.** The City Manager or the Director of Management Services is hereby authorized to establish
83 and administer budgeting within Appropriation Units consistent with best management practices, reporting
84 requirements, and the programs and services adopted by the City Council.
85

86 **Sec. 12.** The City Manager or the Director of Management Services is hereby authorized to change
87 the Estimated Revenues included in this ordinance to reflect expected collections. If the Estimated Revenue in
88 support of an Operating Appropriation Unit declines, the City Manager or the Director of Management Services is
89 hereby authorized to reduce, subject to any other provision of law, those appropriations to equal the decline in
90 Estimated Revenue. The City Manager shall give prior notice to the City Council of any reduction to total
91 appropriations exceeding \$100,000. The notice to City Council shall identify the basis and amount of the
92 appropriation reduction and the Appropriation Units affected. The accounting records of the City will be
93 maintained in a manner that the total of Estimated Revenue is equal to the total of the Appropriation Units for
94 each of the City's funds. The City Manager or the Director of Management Services is hereby authorized to
95 transfer any excess appropriations to the Reserve for Contingencies after all anticipated expenditures for which
96 those funds were appropriated have been incurred. Nothing in this section shall be construed as authorizing any
97 reduction to be made in the amount appropriated in this ordinance for the payment of interest or principal on the
98 bonded debt of the City Government.
99

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

106 **Sec. 14.** In the event of an emergency and under emergency circumstances wherein the City Council
107 cannot reasonably hold a meeting, the City Manager is authorized to transfer and expend appropriated sums
108 from any budget account to ensure that the emergency is handled as efficiently and expeditiously as possible.
109 Immediately following the expenditure of funds under this provision, and as soon as the City Council can
110 reasonably meet under the existing circumstances, the City Manager shall notify the City Council of the reason
111 for such action, how funds were expended, and present to the City Council for adoption an emergency

112 appropriations ordinance that sets forth what measures are required to ensure that funds are forthwith restored to
113 the appropriate accounts and that the budget is balanced at the end of the fiscal year in which the emergency
114 expenditures occurred.

115
116 An emergency is defined for the purposes of this provision as an event that could not have been
117 reasonably foreseen at the time of the adoption of the budget, and in which (i) an immediate threat to the public
118 health, safety or welfare is involved, such as clean-up after a hurricane, and/or (ii) immediate action is required to
119 protect or preserve public properties.

120
121 **Sec. 15.** All travel expense accounts shall be submitted on forms approved by the Director of Finance
122 and according to regulations approved by the City Council. Each account shall show the dates expenses were
123 incurred or paid; number of miles traveled; method of travel; hotel expenses; meals; and incidental expenses.
124 The Director of Finance is specifically directed to withhold the issuance of checks in the event expense accounts
125 are submitted for "lump-sum" amounts.

126
127 **Sec. 16.** Violation of this ordinance may result in disciplinary action by the City Manager against the
128 person or persons responsible for the management of the Appropriation Unit in which the violation occurred.

129
130 **Sec. 17.** Funds in the amount of \$366,814 are hereby appropriated to the School Health Insurance
131 Internal Service Fund from the fund balance of the Health Insurance Trust Fund. This change allows the Health
132 Insurance Trust Fund to be removed from the accounting records. The Health Insurance Trust Fund originally
133 included the premiums for City employees' health insurance before these premiums were consolidated with
134 School employees' health insurance premiums in the School Health Insurance Internal Service Fund.

135
136 **Sec. 18.** The City Manager and School Board are authorized to expend funds related to the City and
137 School's GASB45 liability in the School Health Insurance Internal Service Fund.

138
139 **Sec. 47 19.** This ordinance shall be effective on July 1, 2009.

140
141 **Sec. 48 20.** If any part of this ordinance is for any reason declared to be unconstitutional or invalid, such
142 decision shall not affect the validity of the remaining parts of this ordinance.

143
144 Adopted by the Council of the City of Virginia Beach, Virginia, on this the 12th day of May, 2009.

145
146 *Requires an affirmative vote by a majority of all the members of City Council.*

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment A - Appropriations**

FY 2009-10
Adopted

002 General Fund

Agriculture	860,134
Benefits Administration	824,814
Board of Equalization	19,130
Circuit Court	998,897
City Attorney	3,875,841
City Auditor	576,573
City Clerk	626,129
City Manager	3,069,307
City Real Estate Assessor	3,114,292
City Treasurer	5,186,382
Clerk of the Circuit Court	2,788,828
Commissioner of the Revenue	3,942,320
Commonwealth's Attorney	7,424,710
Communications and Information Technology	21,903,513
Community Organization Grants	525,662
Convention and Visitor Bureau	9,939,621
Cultural Activities	2,512,233
Director of Finance	5,022,497
Economic Development	2,045,444
Emergency Communications and Citizen Services	9,168,294
Emergency Medical Services	7,228,263
Employee Special Benefits	4,656,199
Fire	42,642,222
General District Court	320,995
General Registrar	1,264,732
Health	3,453,359
Housing and Neighborhood Preservation	1,750,830
Human Resources	4,536,071
Human Services	112,146,368
Independent Financial Services	153,878
Juvenile Probation	2,357,474
Juvenile and Domestic Relations District Court	162,320
Library	16,675,646
Magistrates	130,910
Management Services	4,034,514
Mass Transit Operations	2,907,059
Municipal Council	587,139
Museums	9,600,189
Parks and Recreation	13,691,224
Planning and Community Development	10,145,290
Police	87,645,513
Public Works	84,616,871
Regional Participation	2,071,573
Reserve for Contingencies	2,752,750
Revenue Reimbursements	15,928,947
Strategic Growth Area	194,650
Transfer to Other Funds	530,329,643
Vehicle Replacements	3,111,914
Wetlands Board of Virginia Beach	14,331
Zoning Board of Appeals	41,789
	<hr/>
	Fund 002 Appropriation Totals 1,049,577,284

Education

* Education

	833,677,199
	<hr/>
Education Appropriation Totals	833,677,199

*This provides lump-sum funding for Education.

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment A - Appropriations**

	<u>FY 2009-10 Adopted</u>
<u>130 Law Library Fund</u>	
Library (Law Library)	223,307
Reserve for Contingencies	5,300
Transfers to Other Funds	60,000
Fund 130 Appropriation Totals	<u>288,607</u>
<u>142 DEA Seized Property Special Revenue Fund</u>	
Commonwealth's Attorney	160,000
Fund 142 Appropriation Totals	<u>160,000</u>
<u>147 Federal Sectional 8 Program Special Revenue Fund</u>	
Housing and Neighborhood Preservation (Section 8 Housing)	1,742,664
Housing and Neighborhood Preservation (Section 8)	16,081,642
Fund 147 Appropriation Totals	<u>17,824,306</u>
<u>149 Sheriff's Department Special Revenue Fund</u>	
Sheriff and Corrections	35,325,573
Fund 149 Appropriation Totals	<u>35,325,573</u>
<u>150 Inmate Services Special Revenue Fund</u>	
Reserve for Contingencies	1,551
Sheriff and Corrections (Inmate Services)	668,608
Transfer to Other Funds	274,551
Fund 150 Appropriation Totals	<u>944,710</u>
<u>151 Parks and Recreation Special Revenue Fund</u>	
Parks and Recreation	25,727,995
Public Works	2,694,270
Reserve for Contingencies	83,502
Fund 151 Appropriation Totals	<u>28,505,767</u>
<u>152 Tourism Growth Investment Fund</u>	
Convention and Visitor Bureau (TGIF)	3,284,763
Cultural Affairs (TGIF)	50,500
Parks and Recreation (TGIF)	33,210
Planning and Community Development (TGIF)	590,000
Public Works (TGIF)	835,161
Transfer to Other Funds	14,381,277
Fund 152 Appropriation Totals	<u>19,174,911</u>
<u>157 Sandbridge Special Service District Special Revenue Fund</u>	
Transfer to Other Funds	3,336,076
Fund 157 Appropriation Totals	<u>3,336,076</u>
<u>158 EMS State Four-for-Life Special Revenue Fund</u>	
Transfer to Other Funds	854
Fund 158 Appropriation Totals	<u>854</u>
<u>161 Agriculture Reserve Program Special Revenue Fund</u>	
Agriculture (Agricultural Reserve Program)	159,827
Future C.I.P. Commitments	700,140
Transfer to Other Funds	7,034,647
Fund 161 Appropriation Totals	<u>7,894,614</u>

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment A - Appropriations**

FY 2009-10
Adopted

163 Tourism Advertising Program Special Revenue Fund

Convention and Visitor Bureau (Tourism Advertising)	9,992,642	
Transfer to Other Funds	56,838	
	<u>10,049,480</u>	Fund 163 Appropriation Totals

165 Lynnhaven Mall Tax Increment Financing Fund

Reserve for Contingencies	103,527	
Tax Increment Financing	2,050,000	
	<u>2,153,527</u>	Fund 165 Appropriation Totals

166 Sandbridge Tax Increment Financing Fund

Future C.I.P. Commitments	9,000,000	
Transfer to Other Funds	868,924	
	<u>9,868,924</u>	Fund 166 Appropriation Totals

167 Arts and Humanities Commission Special Revenue Fund

Transfer to Other Funds	37,237	
	<u>37,237</u>	Fund 167 Appropriation Totals

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

Future C.I.P. Commitments	500,000	
Reserve for Contingencies	119,880	
Transfer to Other Funds	5,681,054	
	<u>6,300,934</u>	Fund 169 Appropriation Totals

172 Open Space Special Revenue Fund

Parks and Recreation (Open Space)	406,402	
Public Works (Open Space)	15,300	
Transfer to Other Funds	4,898,134	
	<u>5,319,836</u>	Fund 172 Appropriation Totals

173 Major Projects Special Revenue Fund

Transfer to Other Funds	22,051,701	
	<u>22,051,701</u>	Fund 173 Appropriation Totals

174 Town Center Special Tax District

Reserve for Contingencies	283,564	
Town Center Special Tax District	1,873,331	
	<u>2,156,895</u>	Fund 174 Appropriation Totals

175 Golf Course Special Revenue Fund

Parks and Recreation (Golf Courses)	2,486,191	
Reserve for Contingencies	59,043	
Transfer to Other Funds	289,550	
	<u>2,834,784</u>	Fund 175 Appropriation Totals

180 Community Development Special Revenue Fund

Community Development Block Grants	1,395,723	
Housing and Neighborhood Preservation	1,290,743	
Reserve for Contingencies	741	
Transfer to Other Funds	128,104	
	<u>2,815,311</u>	Fund 180 Appropriation Totals

181 CD Loan and Grant Fund

Community Development Block Loan and Grants	746,336	
	<u>746,336</u>	Fund 181 Appropriation Totals

City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment A - Appropriations

FY 2009-10
Adopted

182 Federal Housing Assistance Grant Fund

Federal HOME Grants	1,528,449
	1,528,449
Fund 182 Appropriation Totals	1,528,449

183 Grants Consolidated Fund

Commonwealth's Attorney Grants	302,791
Emergency Medical Services Grants	323,954
Fire (Fire Programs)	610,757
Housing and Neighborhood Grants	1,077,437
Human Services	1,317,960
Police (Uniform Patrol Grant)	71,271
Public Works Grants	15,000
Reserve for Contingencies	104,915
Social Services Grants	768,477
Transfer to Other Funds	400,000
	4,992,562
Fund 183 Appropriation Totals	4,992,562

187 Marine Science Museum Grants Fund

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

241 Water and Sewer Fund

Debt Service	16,389,014
Public Utilities	68,837,653
Reserve for Contingencies	3,281,998
Transfer to Other Funds	13,985,245
	102,493,910
Fund 241 Appropriation Totals	102,493,910

253 Parking Enterprise Fund

Convention and Visitor Bureau (Parking)	1,669,306
Reserve for Contingencies	11,669
Transfer to Other Funds	866,776
	2,547,751
Fund 253 Appropriation Totals	2,547,751

255 Storm Water Utility Enterprise Fund

Debt Service	2,011,002
Public Works (Storm Water Operations)	10,150,967
Reserve for Contingencies	160,777
Transfer to Other Funds	12,653,747
	24,976,493
Fund 255 Appropriation Totals	24,976,493

302 General Debt Fund

Debt Service	128,009,417
	128,009,417
Fund 302 Appropriation Totals	128,009,417

540 General Government Capital Projects Fund

Buildings Capital Projects	3,234,536
Coastal Capital Projects	6,214,818
Communications and Information Technology Projects	3,016,000
Economic and Tourism Development Capital Projects	5,880,578
Parks and Recreation Capital Projects	9,900,175
Roadways Capital Projects	8,336,291
	36,582,398
Fund 540 Appropriation Totals	36,582,398

541 Water and Sewer Capital Projects Fund

Water and Sewer Capital Projects	7,500,000
	7,500,000
Fund 541 Appropriation Totals	7,500,000

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment A - Appropriations**

	<u>FY 2009-10 Adopted</u>
<u>555 Storm Water Capital Projects Fund</u>	
Storm Water Capital Projects	<u>10,802,279</u>
Fund 555 Appropriation Totals	<u>10,802,279</u>
 <u>908 City Beautification Fund</u>	
Parks and Recreation	<u>20,400</u>
Fund 908 Appropriation Totals	<u>20,400</u>
 <u>909 Library Gift Fund</u>	
Library Gift	<u>5,712</u>
Fund 909 Appropriation Totals	<u>5,712</u>
 <u>911 Parks and Recreation Gift Fund</u>	
Parks and Recreation (Gift Fund)	<u>91,800</u>
Fund 911 Appropriation Totals	<u>91,800</u>
 Total Appropriations for all Funds	
Less Interfund Transfers	<u>2,380,627,037</u>
Net Appropriations Totals	<u>617,334,358</u>
	<u>1,763,292,679</u>

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment B - Revenues**

FY 2009-10
Adopted

002 General Fund

Revenue from Local Sources	
General Property Taxes	599,594,310
Other Local Taxes	255,516,845
Permits, Privilege Fees, and Regulatory Licenses	4,329,835
Fines and Forfeitures	7,942,961
From the Use of Money and Property	9,824,843
Charges for Services	16,768,366
Miscellaneous Revenue	4,557,551
Revenue from the Commonwealth	
Other Sources from the Commonwealth	107,006,368
Revenue from the Federal Government	23,033,419
Transfers from Other Funds	16,202,786
Specific Fund Reserves	4,800,000
Fund 002 Revenue Totals	<u>1,049,577,284</u>

Education

Revenue from Local Sources	
From the Use of Money and Property	995,000
Charges for Services	19,607,171
Miscellaneous Revenue	11,487,901
Revenue from the Commonwealth	
State Shared Sales Tax	72,941,384
Other Sources from the Commonwealth	293,751,478
Revenue from the Federal Government	94,633,121
Transfers from Other Funds	335,208,106
Specific Fund Reserves	5,053,038
Education Revenue Totals	<u>833,677,199</u>

130 Law Library Fund

Revenue from Local Sources	
From the Use of Money and Property	7,087
Charges for Services	281,520
Fund 130 Revenue Totals	<u>288,607</u>

142 DEA Seized Property Special Revenue Fund

Revenue from the Commonwealth	
Other Sources from the Commonwealth	160,000
Fund 142 Revenue Totals	<u>160,000</u>

147 Federal Sectional 8 Program Special Revenue Fund

Revenue from Local Sources	
Miscellaneous Revenue	24,000
Revenue from the Federal Government	17,702,204
Transfer from Other Funds	98,102
Fund 147 Revenue Totals	<u>17,824,306</u>

149 Sheriff's Department Special Revenue Fund

Revenue from Local Sources	
Charges for Services	2,288,255
Miscellaneous Revenue	37,960
Revenue from the Commonwealth	
Other Sources from the Commonwealth	19,381,205
Revenue from the Federal Government	321,200
Transfer from Other Funds	12,644,250
Specific Fund Reserves	652,703

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment B - Revenues**

	FY 2009-10 Adopted
	Fund 149 Revenue Totals 35,325,573
<u>150 Inmate Services Special Revenue Fund</u>	
Revenue from Local Sources	
From the Use of Money and Property	15,000
Charges for Services	929,710
	Fund 150 Revenue Totals 944,710
<u>151 Parks and Recreation Special Revenue Fund</u>	
Revenue from Local Sources	
From the Use of Money and Property	1,084,782
Charges for Services	10,979,797
Miscellaneous Revenue	37,000
Revenue from the Federal Government	1,000
Transfer from Other Funds	16,403,188
	Fund 151 Revenue Totals 28,505,767
<u>152 Tourism Growth Investment Fund</u>	
Revenue from Local Sources	
Permits, Privilege Fees, and Regulatory Licenses	72,091
Fines and Forfeitures	583,278
From the Use of Money and Property	523,040
Transfer from Other Funds	17,208,652
Specific Fund Reserves	787,850
	Fund 152 Revenue Totals 19,174,911
<u>157 Sandbridge Special Service District Special Revenue Fund</u>	
Revenue from Local Sources	
General Property Taxes	755,302
Other Local Taxes	863,538
From the Use of Money and Property	80,680
Transfer from Other Funds	1,589,432
Specific Fund Reserves	47,124
	Fund 157 Revenue Totals 3,336,076
<u>158 EMS State Four-for-Life Special Revenue Fund</u>	
Specific Fund Reserves	854
	Fund 158 Revenue Totals 854
<u>161 Agriculture Reserve Program Special Revenue Fund</u>	
Transfer from Other Funds	4,824,373
Specific Fund Reserves	3,070,241
	Fund 161 Revenue Totals 7,894,614
<u>163 Tourism Advertising Program Special Revenue Fund</u>	
Revenue from Local Sources	
From the Use of Money and Property	48,442
Charges for Services	306,950
Miscellaneous Revenue	40,000
Transfer from Other Funds	9,443,263
Specific Fund Reserves	210,825
	Fund 163 Revenue Totals 10,049,480
<u>165 Lynnhaven Mall Tax Increment Financing Fund</u>	
Revenue from Local Sources	
General Property Taxes	2,153,527
	Fund 165 Revenue Totals 2,153,527

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment B - Revenues**

FY 2009-10
Adopted

166 Sandbridge Tax Increment Financing Fund

Revenue from Local Sources	
General Property Taxes	9,369,273
From the Use of Money and Property	260,188
Specific Fund Reserves	239,463
Fund 166 Revenue Totals	9,868,924

167 Arts and Humanities Commission Special Revenue Fund

Specific Fund Reserves	37,237
Fund 167 Revenue Totals	37,237

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

Revenue from Local Sources	
General Property Taxes	5,729,830
From the Use of Money and Property	71,104
Transfers from Other Funds	500,000
Fund 169 Revenue Totals	6,300,934

172 Open Space Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	100,411
Transfers from Other Funds	3,985,256
Specific Fund Reserves	1,234,169
Fund 172 Revenue Totals	5,319,836

173 Major Projects Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	762,790
Transfers from Other Funds	17,143,266
Specific Fund Reserves	4,145,645
Fund 173 Revenue Totals	22,051,701

174 Town Center Special Tax District

Revenue from Local Sources	
General Property Taxes	1,660,420
From the Use of Money and Property	196,475
Transfers from Other Funds	300,000
Fund 174 Revenue Totals	2,156,895

175 Golf Course Special Revenue Fund

Revenue from Local Sources	
From the Use of Money and Property	186,524
Charges for Services	2,648,260
Fund 175 Revenue Totals	2,834,784

180 Community Development Special Revenue Fund

Revenue from Local Sources	
Charges for Services	70,000
Revenue from the Federal Government	1,932,626
Transfers from Other Funds	812,685
Fund 180 Revenue Totals	2,815,311

181 CD Loan and Grant Fund

Revenue from the Federal Government	521,336
Non-Revenue Receipts	225,000
Fund 181 Revenue Totals	746,336

**City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment B - Revenues**

FY 2009-10
Adopted

182 Federal Housing Assistance Grant Fund

Revenue from the Federal Government	1,403,449	
Non-Revenue Receipts	125,000	
	<u>1,528,449</u>	Fund 182 Revenue Totals

183 Grants Consolidated Fund

Revenue from Local Sources		
Charges for Services	65,000	
Revenue from the Commonwealth		
Other Sources from the Commonwealth	2,852,503	
Revenue from the Federal Government	1,665,602	
Transfers from Other Funds	409,457	
	<u>4,992,562</u>	Fund 183 Revenue Totals

187 Marine Science Museum Grants Fund

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

241 Water and Sewer Fund

Revenue from Local Sources		
From the Use of Money and Property	2,177,974	
Charges for Services	96,377,637	
Miscellaneous Revenue	259,373	
Non-Revenue Receipts	3,314,693	
Transfers from Other Funds	264,233	
Specific Fund Reserves	100,000	
	<u>102,493,910</u>	Fund 241 Revenue Totals

253 Parking Enterprise Fund

Revenue from Local Sources		
From the Use of Money and Property	87,000	
Charges for Services	2,201,948	
Transfers from Other Funds	258,803	
	<u>2,547,751</u>	Fund 253 Revenue Totals

255 Storm Water Utility Enterprise Fund

Revenue from Local Sources		
From the Use of Money and Property	160,000	
Charges for Services	19,337,715	
Revenue from the Commonwealth		
Other Sources from the Commonwealth	5,406,916	
Transfers from Other Funds	71,862	
	<u>24,976,493</u>	Fund 255 Revenue Totals

302 General Debt Fund

Transfers from Other Funds	125,081,967	
Specific Fund Reserves	2,927,450	
	<u>128,009,417</u>	Fund 302 Revenue Totals

540 General Government Capital Projects Fund

Transfers from Other Funds	36,582,398	
	<u>36,582,398</u>	Fund 540 Revenue Totals

541 Water and Sewer Capital Projects Fund

Transfers from Other Funds	7,500,000	
	<u>7,500,000</u>	Fund 541 Revenue Totals

City of Virginia Beach, Virginia
Fiscal Year 2009-10 Budget Ordinance
Attachment B - Revenues

FY 2009-10
Adopted

555 Storm Water Capital Projects Fund

Transfers from Other Funds

10,802,279
Fund 555 Revenue Totals 10,802,279

908 City Beautification Fund

Revenue from Local Sources
Miscellaneous Revenue

20,400
Fund 908 Revenue Totals 20,400

909 Library Gift Fund

Revenue from Local Sources
Miscellaneous Revenue

5,712
Fund 909 Revenue Totals 5,712

911 Parks and Recreation Gift Fund

Revenue from Local Sources
Miscellaneous Revenue

91,800
Fund 911 Revenue Totals 91,800

Revenue Sources Totals
Less Interfund Transfers
Net Revenue Totals

2,380,627,037
617,334,358
1,763,292,679

1 **AN ORDINANCE ESTABLISHING THE TAX LEVY ON REAL**
2 **ESTATE FOR FISCAL YEAR 2010**

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 2010 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 cents (\$0.89) on each one hundred dollars
9 (\$100) of assessed valuation thereof. The real property tax rate that has been prescribed in this section shall be
10 applied on the basis of one hundred percentum of the fair market value of such real property, except for public
11 service real property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.
12

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

18 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
19 of the Code of Virginia, there shall be levied and collected for general purposes for fiscal year 2010, taxes on all
20 real estate (a) certified by the Commonwealth of Virginia as "Certified Pollution Control Equipment and Facilities,"
21 (b) certified by the Department of Environmental Quality as "Certified Storm Water Management Developments
22 and Property," (c) certified as provided by Code of Virginia Section 58.1-3661 as "Certified Solar Energy
23 Equipment, Facilities or Devices," or "Certified Recycling Equipment, Facilities or Devices," (d) defined by Code
24 of Virginia Section 58.1-3664 as an "Environmental Restoration Site," (e) improved to control erosion as defined
25 by Code of Virginia § 58.1-3665, or (f) qualifying as wetlands and riparian buffers as described by Code of
26 Virginia § 58.1-3666, not exempt from taxation, at a rate of eighty-nine cents (\$0.89) on each one hundred dollars
27 of assessed valuation thereof. The real property tax rates imposed in this section shall be applied on the basis of
28 one hundred percentum of fair market value of such real property except for public service property, which shall
29 be on the basis as provided in Section 58.1-2604 of the Code of Virginia.
30

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

32 There shall be levied and collected for fiscal year 2010, taxes for the special purpose of providing beach
33 and shoreline restoration and management at Sandbridge on all real estate within the Sandbridge Special
34 Service District, not exempt from taxation, at the rate of six cents (\$0.06) on each one hundred dollars (\$100) of
35 assessed value thereof. This real estate tax rate shall be in addition to the real estate tax rate set forth in Section
36 1 of this ordinance. The real estate tax rate imposed herein shall be applied on the basis of one hundred
37 percentum of the fair market value of such real property except for public service real property, which shall be on
38 the basis as provided in Section 58.1-2604 of the Code of Virginia.
39

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

41 For the special purpose of operating and maintaining the parking garage and providing enhanced
42 services for the plaza and public spaces within the boundaries of the service district at the Town Center, as well
43 as other additional services authorized by Virginia Code § 15.2-2403, there shall be levied and collected for fiscal
44 year 2009, taxes on all real estate within the Town Center Special Service District, not exempt from taxation, at
45 the rate of forty-five cents (\$0.45) on each one hundred dollars (\$100) of assessed value thereof. This real estate
46 tax rate shall be in addition to the real estate tax set forth in Section 1 of this ordinance. The real estate tax rate
47 imposed herein shall be applied on the basis of one hundred percentum of the fair market value of such real
48 property, except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of
49 the Code of Virginia.
50

51 **Sec. 5. Severability.**

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

55 **Sec. 6. Effective Date.**

56 The effective date of this ordinance shall be July 1, 2009.

57

58 Adopted by the City Council of the City of Virginia Beach, Virginia on this 12th day of May, 2009.

59

60 *Requires an affirmative vote by a majority of all 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 2010**

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 2010 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); , (4) and (5)~~ ;
15 b. antique motor vehicles as described in Code of Virginia § 58.1-3506 (A) ~~(4)~~ (6) ;
16 c. heavy construction equipment as described in Code of Virginia § 58.1-3506 (A) ~~(6)~~ (8);
17 d. computer equipment as described in Code of Virginia § 58.1-3506 (A) ~~(9)~~ (11) ;
18 e. tangible personal property as described in (a) Code of Virginia § 58.1-3660 as “certified pollution
19 control equipment and facilities” or (b) Code of Virginia § 58.1-3661 as “certified solar equipment, facilities or
20 devices and certified recycling equipment, facilities or devices”; and
21 f. personal vehicles as described in § 58.1-3524~~3~~ of the Code of Virginia (~~such statute referring to~~
22 ~~personal vehicles as “qualified vehicles”~~). Taxes shall be levied and collected for general purposes for the
23 calendar year 2010 on the assessed value of all personal vehicles not otherwise exempted from taxation in this
24 ordinance, subject to the following:

- 25 1. Any personal vehicle with a total assessed value of \$1,000 or less will be levied no tax.
26 2. Any personal vehicle with an assessed value of between \$1,001 and \$20,000 will be levied
27 ~~42.5%~~ 30% of the computed tax based on the total assessed value of the vehicle. Reimbursement is expected
28 from the state under the Personal Property Tax Relief Act equal to the remaining ~~57.5%~~ 70% of the computed tax
29 on the first \$20,000 of assessed value.

- 30 3. Any personal vehicle with an assessed value of over \$20,000 will be levied ~~42.5%~~ 30% of the
31 computed tax based on the first \$20,000 of assessed value and 100% of the computed tax based on the
32 assessed value in excess of \$20,000. Reimbursement is expected from the state under the Personal Property
33 Tax Relief Act equal to the remaining ~~57.5%~~ 70% of the computed tax on the first \$20,000 of assessed value.

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

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

44 ~~In accordance with Section 58.1-3506 (A) (8) of the Code of Virginia, t~~ There shall be levied and
45 collected for general purposes for the calendar year 2010 taxes on all vehicles without motive power, used or
46 designated to be used as manufactured homes, as defined by Section 36-85.3 of the Code of Virginia, at the rate
47 of eighty-nine cents (\$0.89) on each one hundred dollars (\$100) of assessed valuation thereof. Such property
48 declared a separate class of tangible personal property in Section 58.1-3506 (A) (10).

49
50 **Sec. 3. Amount of Levy on All Boats or Watercraft Weighing Five Tons or More Used for Business**
51 **Purposes Only.**

52 ~~In accordance with Section 58.1-3506 (A) (1) of the Code of Virginia, t~~ There shall be levied and
53 collected for general purposes for the calendar year 2010 taxes on all boats or watercraft used for business
54 purposes only weighing less than five (5) and weighing five (5) tons or more, except as provided for in Section ~~5~~ 6
55 of this ordinance, at the rate of one dollar and fifty cents (\$1.50) on each one hundred dollars (\$100) of assessed

56 valuation thereof. Such property declared a separate class of tangible personal property in Sections 58.1-3506
57 (A) (35) and (A) (36).

58
59 **Sec. 4. Amount of Levy on All Boats or Watercraft Not Used Solely for Business Purposes.**

60 There shall be levied and collected for general purposes for the calendar year 2010 taxes on all
61 boats or watercraft not used solely for business purposes weighing less than five (5) tons, and weighing five (5)
62 tons or more, except as provided for in Section 6 of this ordinance, at the rate of one dollar and fifty cents (\$1.50)
63 on each one hundred dollars (\$100) of assessed valuation thereof. Such property declared a separate class of
64 tangible personal property in Sections 58.1-3506 (A) (1) (a) and (A) (1) (b).

65
66 **Sec. 4 5. Amount of Levy on Machinery and Tools.**

67 In accordance with Section 58.1-3507 of the Code of Virginia, there shall be levied and collected
68 for general purposes for the calendar year 2010 taxes on machinery and tools, including machinery and tools
69 used directly in the harvesting of forest products or semiconductor manufacturing, not exempt from taxation, at
70 the rate of one dollar (\$1.00) on each one hundred dollars (\$100) of assessed valuation thereof. As provided by
71 Code of Virginia § 58.1-3506 (B) , the following personal property shall also be taxed at the rate of machinery and
72 tools:

- 73 a. all tangible personal property used in research and development businesses, as described in Code of
74 Virginia § 58.1-3506 (A) ~~(5)~~ (7);
75 b. generating or cogenerating equipment, as described in Code of Virginia § 58.1-3506 (A) ~~(7)~~
76 (9); and
77 c. all motor vehicles, trailers and semitrailers with a gross vehicle weight of 10,000 pounds or more used
78 to transport property for hire by a motor carrier engaged in interstate commerce, as described in
79 Code of Virginia § 58.1-3506 (A) ~~(23)~~ (25).

80
81 **Sec. 5 6. Amount of Levy on Privately Owned Pleasure Boats and Watercraft Used for Recreational**
82 **Purposes Only.**

83 ~~In accordance with Sections 58.1-3506 (A) (26), and (A) (27) of the Code of Virginia, t~~ There shall
84 be levied and collected for general purposes for the calendar year 2010 taxes on all privately owned pleasure
85 boats and watercraft used for recreational purposes only, at the rate of one millionth of one cent (\$.000001) on
86 each one hundred dollars (\$100) of assessed valuation thereof. Such property declared a separate class of
87 tangible personal property in Sections 58.1-3506 (A) (12), (A) (28), and (A) (29).

88
89 **Sec. 6 7. Amount of Levy on Privately Owned Camping Trailers, Privately Owned Travel Trailers,**
90 **and Motor Homes Used for Recreational Purposes Only, and Privately Owned Horse Trailers.**

91 ~~In accordance with Sections 58.1-3506 (A) (28) of the Code of Virginia, t~~ There shall be levied
92 and collected for general purposes for the calendar year 2010 taxes at the rate of one dollar and fifty cents
93 (\$1.50) on each one hundred dollars (\$100) of assessed valuation thereof on the following property: (a) all
94 privately owned camping trailers and motor homes as defined in Section 46.2-100 of the Code of Virginia and
95 privately owned travel trailers as defined in Code of Virginia § 46.2-1900, that are used for recreational purposes
96 only; and (b) privately owned trailers as defined in § 46.2-100 of the Code of Virginia that are designed and used
97 for the transportation of horses, except those trailers described in subdivision (A) (11) of § 58.1-3505 of the Code
98 of Virginia. Such property declared a separate class of tangible personal property in Sections 58.1-3506 (A) (18)
99 and (A) (30).

100
101 **Sec. 7 8. Amount of Levy on One Motor Vehicle Owned and Regularly Used by a Disabled Veteran.**

102 ~~In accordance with Section 58.1-3506 (A) (17) of the Code of Virginia, t~~ There shall be a reduced
103 tax, levied and collected for general purposes for the calendar year 2010 at the rate of one dollar and fifty cents
104 (\$1.50) on each one hundred dollars (\$100) of assessed valuation, on one (1) motor vehicle owned and regularly
105 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
106 who is permanently and totally disabled as certified by the Department of Veterans' Affairs. Any motor vehicles in
107 addition to the one (1) so taxed shall not qualify for the taxation at the rate established herein, and shall be taxed
108 at the rate or rates applicable to that class of property. To qualify, the veteran shall provide a written statement to
109 the Commissioner of the Revenue from the Department of Veterans' Affairs that the veteran has been so
110 designated or classified by the Department of Veterans' Affairs as to meet the requirements of Section 58.1-3506

111 (A) ~~(17)~~ (19), and that his or her disability is service connected. Such property declared a separate class of
112 tangible personal property in Section 58.1-3506 (A) (19).

113
114 **Sec. 8 9. Amount of Levy on a Motor Vehicle Owned and Used Primarily by or for Someone at**
115 **Least Sixty-Five Years of Age or Anyone Found to be Permanently and Totally Disabled.**

116 a. In accordance with Sections 58.1-3506.1 et seq. of the Code of Virginia, there shall be a reduced tax,
117 levied and collected for general purposes for calendar year 2010, at the rate of three dollars (\$3.00) on each one
118 hundred dollars (\$100.00) of assessed valuation, on one (1) automobile or pickup truck owned and used primarily
119 by or for anyone at least sixty-five years of age or anyone found to be permanently and totally disabled, as
120 defined in Section 58.1-3506.3 of the Code of Virginia, subject to the following conditions:

121 1. The total combined income received, excluding the first \$7,500 of income, from all sources
122 during calendar year 2009 by the owner of the motor vehicle shall not exceed twenty-two thousand dollars
123 (\$22,000).

124 2. The owner's net financial worth, including the present value of all equitable interests, as of
125 December 31 of calendar year 2009, excluding the value of the principal residence and the land, not exceeding
126 one (1) acre, upon which it is situated, shall not exceed seventy thousand dollars (\$70,000).

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

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

134
135 **Sec. 9 10. Assessed Value Determination.**

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

139
140 **Sec. 40 11. Severability.**

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

143
144 **Sec. 44 12. Effective Date.**

145 This ordinance shall be effective January 1, 2010.

146
147 Adopted by the Council of the City of Virginia Beach, Virginia, on this 12th day of May, 2009.

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

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

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

7
8 WHEREAS, there is federal assistance available for the support of Community Development and Housing
9 activities directed toward specific objectives, such as eliminating deteriorated conditions in low and moderate
10 income neighborhoods that are detrimental to the public health, safety, and welfare, as well as improving the
11 City's housing stock and community services, along with other related activities; and

12
13 WHEREAS, as a prerequisite to receiving the above-referenced federal assistance, the City of Virginia
14 Beach has developed an Annual Funding Plan for submission to the Department of Housing and Urban
15 Development and has created the necessary mechanisms for its implementation in compliance with federal and
16 local directives;

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

20 That the City Manager is hereby authorized and directed, as the executive and administrative head of the
21 City, to submit the City's FY 2010 Annual Funding Plan (the "Plan") and amendments thereto, along with
22 understandings and assurances contained therein and such additional information as may be required, to the
23 Department of Housing and Urban Development to permit the review, approval, and funding of the Plan.

24
25 Adopted by the Council of the City of Virginia Beach, Virginia, on this 12th day of May, 2009.

1 **AN ORDINANCE TO TRANSFER \$8,800,000 FROM THE**
2 **SCHOOL RESERVE SPECIAL REVENUE FUND TO THE**
3 **CITY'S FY 2008-09 GENERAL FUND OPERATING BUDGET**

4 WHEREAS, on May 6, 2003, the City Council established the Special Revenue Fund – School Reserve;

5
6 WHEREAS, due to unprecedented poor economic conditions, various sources of fund balance are
7 available for short-term use to mitigate structural budget changes until economic conditions return to normalcy;
8 and

9
10 WHEREAS, the School Reserve Special Revenue Fund has sufficient funds and \$8,800,000 is available
11 to address community needs.

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

15
16 That \$ 8,800,000 from the School Reserve Special Revenue Fund is hereby transferred to the City's FY
17 2008-09 General Fund Operating Budget.

18
19 BE IT FURTHER ORDAINED: That this ordinance shall be effective on June 30, 2009.

20
21 Adopted by the City Council of the City of Virginia Beach, Virginia, on this 12th day of May, 2009.

1 **AN ORDINANCE TO DECLARE \$ 9,000,000 OF FUNDING**
2 **WITHIN THE SANDBRIDGE TAX INCREMENT FINANCING**
3 **DISTRICT AS SURPLUS FUNDS IN THE FY 2008-09**
4 **OPERATING BUDGET**

5 WHEREAS, the Sandbridge Tax Increment Financing District (Sandbridge TIF) and the Sandbridge
6 Special Service District (Sandbridge SSD), were established to provide a funding source for beach and shoreline
7 restoration and management at Sandbridge;
8

9 WHEREAS, an analysis of the Sandbridge TIF and the Sandbridge SSD occurs annually to ensure that
10 funding is adequate for long-term beach and shoreline restoration and management along Sandbridge;
11

12 WHEREAS, current projections indicate that the Sandbridge TIF and Sandbridge SSD have sufficient
13 funding to meet long-term obligations for beach and shoreline restoration and management;
14

15 WHEREAS, projections also indicate that the funding available exceeds the long-term obligations of the
16 project; and
17

18 WHEREAS, \$ 9,000,000 is available as an unencumbered appropriation in the FY 2008-09 Sandbridge
19 TIF Reserve for Future Commitments.
20

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

- 23 (1) That \$ 9,000,000 of funding within the Sandbridge TIF is hereby declared to be in excess of the
24 long-term obligations for beach and shoreline restoration and management and is hereby declared
25 surplus.
26 (2) That \$ 9,000,000 is hereby transferred within the FY 2008-09 Operating Budget from the
27 Sandbridge TIF to the General Fund – Unappropriated Real Estate Tax Revenues.
28

29 BE IT FURTHER ORDAINED: That this ordinance shall be effective on June 30, 2009.
30

31 Adopted by the City Council of the City of Virginia Beach, Virginia, on this 12th day of May, 2009.

1 **AN ORDINANCE TO TEMPORARILY SUSPEND THE TRANSITION**
2 **AREA SPECIAL REVENUE FUND**

3 WHEREAS, as a result of City Council accepting and approving the report of the Virginia Beach
4 Transition Area Technical Advisory Committee, staff subsequently established a Transition Area Special Revenue
5 Fund to earmark revenues generated within the Transition Area for future roadway projects;
6

7 WHEREAS, due to the lack of construction activity in the transition area, a minimal amount of revenue
8 has been generated;
9

10 WHEREAS, due to poor economic conditions the State has significantly reduced Virginia Department of
11 Transportation funding to our City; and
12

13 WHEREAS, the Capital Budget for FY 2009-10 appropriates \$296,121 of the FY 2007-08 Fund Balance
14 of the Transition Area Special Revenue Fund to Capital Project #2-021 Rural Road Improvements; and
15

16 WHEREAS, staff recommends prioritizing and funding roadway needs overall rather than separately
17 within the Transition Area.
18

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

- 22 (1) The Transition Area Special Revenue Fund is suspended; and
23 (2) Staff will provide City Council with alternatives to address infrastructure needs associated with further
24 development in the Transition Area.
25

26 BE IT FURTHER ORDAINED: That the effective date of this ordinance shall be May 12, 2009.
27

28 Adopted by the Council of the City of Virginia Beach, Virginia, on this 12th day of May, 2009.

1 **AN ORDINANCE TO REVISE THE FY 2010/FY 2014 CAPITAL**
2 **IMPROVEMENT PROGRAM AND TO APPROPRIATE**
3 **\$236,429,109 FOR THE FY 2010 CAPITAL BUDGET SUBJECT**
4 **TO FUNDS BEING PROVIDED FROM VARIOUS SOURCES**
5 **SET FORTH HEREIN**

6 WHEREAS, the City Manager, on March 24, 2009, presented to City Council the Capital Improvement
7 Program for fiscal years 2010 through 2014;

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 2010 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 2010 through 2014 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 \$236,429,109 for capital projects in the Capital
29 Budget for the 2010 fiscal year, as set forth in said Capital Improvement Program, are hereby appropriated, by
30 project and subject to the conditions set forth herein. The amount of funding for individual projects is set forth
31 in "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 2010 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, the addition of capital projects, and changes in project scope
42 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
47 school projects, must be certified as to the availability of funds by the Director of Finance prior to the initiation
48 of work 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
56 Capital Improvement Program adopted by the City Council.

57
58 **Section 9.** That to ensure timely completion of water and sewer projects, appropriations for water and
59 sewer companion projects may be transferred between these projects by the City Manager (or designee).
60 "Companion projects" mean water and sewer projects having the same name or project scope and description
61 with the exception of "water" or "sewer" being in the title and/or project scope and description.

62
63 **Section 10.** That the City Manager or the Director of Management Services is hereby authorized to
64 change, subject to any applicable restriction of law or of any bonds or bond issue, the financing sources for the
65 various capital projects included in this or previous ordinances to reflect effective utilization of the financing
66 sources and actual collections and/or realized revenues. If the financing sources in support of capital projects
67 decline, the City Manager or the Director of Management Services is authorized to reduce, subject to any
68 applicable restriction of law or of any bonds or bond issue, those appropriations to equal the changed financing
69 source. The City Manager must give prior notice to the City Council of any reductions to total appropriations
70 exceeding \$100,000. The notice to City Council shall identify the basis and amount of the appropriation
71 reduction and the capital projects affected. The accounting records of the City will be maintained in a manner
72 where the total of financing sources is equal to the total appropriations for each of the City's capital projects
73 funds.

74 **Section 11.** That the funding sources and/or appropriations for the following capital improvement
75 projects should be amended.

76 ~~(a) That the funding source for an appropriation of \$9,851,250 to CIP #9-018, "Convention Center~~
77 ~~Replacement," is hereby changed from contribution from the State to fund balance of the Major Projects Fund.~~

78
79 ~~(a) (b) That the funding source for an appropriation of \$700,000 \$204,072.11 to CIP #6-103, "Lake~~
80 ~~Ridge Interceptor Force Main," is hereby changed from contribution from HRSD to retained earnings of the~~
81 ~~Water and Sewer Utility Fund.~~

82 ~~(c) That the funding source for an appropriation of \$81,141 to CIP #4-972, "Red Wing Golf Course~~
83 ~~Renovation and Expansion (Partial)," is hereby changed from transfer from the Golf Course Special Revenue~~
84 ~~Fund to fund balance from the Golf Course Special Revenue Fund.~~

85
86 ~~(b) That the appropriation and related funding sources from donations, SPSA and State contributions~~
87 ~~totaling \$607,033.14 to CIP # 3-005, "Underground Storage Tanks – City", are hereby reduced, and the funding~~
88 ~~source changed to \$7,429.61 in miscellaneous revenue.~~

89
90 ~~(c) That the funding source for an appropriation of \$697,305 to CIP #3-441, "Corrections Center Addition~~
91 ~~III/Building Maintenance & Landscape Relocation", is hereby changed from State Jail Construction to State~~
92 ~~Contribution 2004.~~

93
94 ~~(d) That the appropriation and related funding sources from State Contributions to 9-010 totaling~~
95 ~~\$503,640.68 to CIP #9-010, "Virginia Marine Science Museum – Phase III (Design), are hereby reduced and~~
96 ~~changed to \$246,359.32 in State Contribution 2004.~~

97
98 ~~(e) That the funding source for an appropriation of \$2,700,000 to CIP #9-704, "Beach Erosion Control~~
99 ~~and Hurricane Protection, is hereby reduced and changed from Federal Contribution to \$1,772,287.42 in State~~
100 ~~Contribution 2004 and \$927,712.58 in interest on bank deposits.~~

101
102 ~~(f) That the funding source for an appropriation of \$1,149,295 to CIP #1-234, "Virginia Beach Middle~~
103 ~~School Replacement," is hereby changed from charter bonds to \$1,006,140 Virginia Public School Authority~~
104 ~~subsidy, and \$143,155 premium from sale of bonds, and \$1,149,295 of charter bonds are added to CIP #2-~~
105 ~~143, "Laskin Road Gateway-Phase I-A."~~

106
107 ~~(g) That the appropriation from State Contribution 2008 to CIP #2-048, "Princess Anne Road/Kempsville~~
108 ~~Road Intersection Improvements", is hereby increased by \$380,150.~~

109

110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132

(h) That the appropriation from State Contribution 2009 to CIP #2-048, "Princess Anne Road/Kempsville Road Intersection Improvements", is hereby increased by \$2,331,557.

Section 12. That the Capital Improvement Program debt management policies contained and included in the Resource Management Plan document shall be the policy guidelines of the City, and the City Manager shall annually report on the status of those guidelines and the projected impact of the proposed Capital Improvement Program on those guidelines, such information to be included in the Resource Management Plan submittal. The City Manager may propose modifications to those policies and guidelines through the Resource Management Plan.

Section 13. That subject to the appropriation of sufficient funds within a capital project, the acquisition of real property necessary for the project is authorized by means of voluntary negotiation with willing sellers.

Section 14. That violation of this ordinance shall result in the City Manager taking disciplinary action against the person or persons responsible for the capital project in which the violation occurred.

Section 15. That if any portion of this ordinance is for any reason declared to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 16. That this ordinance shall be in effect from the date of its adoption; however, appropriations for the FY 2010 Capital Budget shall be effective on July 1, 2009.

Adopted by the City Council of the City of Virginia Beach, Virginia on this 12th day of May, 2009.

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2009-10
<u>Economic Vitality</u>		
<u>Economic and Tourism Development</u>		
9.058	Rudee Inlet Connector Walk	\$ 260,000
9.060	Oceana & Interfacility Traffic Area Conformity & Acquisition	15,000,000
9.081	Strategic Growth Area Program	3,500,000
9.141	Economic Development Investment Program (On-Going)	2,120,578
	Total Economic and Tourism Development Projects	<u>\$ 20,880,578</u>
	Total Economic Vitality Projects	<u>\$ 20,880,578</u>
<u>Safe Community</u>		
<u>Buildings</u>		
3.054	Animal Control & K-9 Unit Replacements	\$ 2,616,600
3.133	Fire Training Center Improvements - Phase III	2,428,599
3.365	Fire Facility Rehabilitation and Renewal - Phase II	731,747
3.371	Fire Apparatus - Phase II	1,326,278
	Total Building Projects	<u>\$ 7,103,224</u>
<u>Communications and Information Technology</u>		
3.086	CIT - EMS - Handheld Field Reporting (Partial)	\$ 450,000
3.094	CIT - Police - Telestaff T&M Module	539,760
3.142	CIT - Communications Infrastructure Replacement - Phase II	2,716,000
	Total Communications and Information Technology Projects	<u>\$ 3,705,760</u>
	Total Safe Community Projects	<u>\$ 10,808,984</u>
<u>Quality Physical Environment</u>		
<u>Roadways</u>		
2.021	Rural Road Improvements	\$ 396,121
2.031	Street Reconstruction	2,150,000
2.048	Princess Anne Road/Kempsville Road Intersection Improvement (First Cities)	4,137,708
2.052	Traffic Signal Rehabilitation	100,000
2.072	First Colonial Road/Virginia Beach Boulevard Intersection Improvement	1,133,000
2.089	Southeastern Parkway & Greenbelt (Partial)	98,384
2.118	Shore Drive Corridor Improvements - Phase IV	1,200,000
2.129	Pavement Maintenance Program Phase II	10,028,305
2.143	Laskin Road Gateway - Phase I-A	8,854,900
2.157	Lynnhaven Parkway - Phase IX (VDOT)	3,000,000
2.160	City Wide Street Lighting Improvements - Phase II	60,000
2.173	Norfolk Southern Right-of-Way Acquisition	10,000,000
2.263	Major Bridge Rehabilitation	660,000
2.268	Wetlands Mitigation Banking	50,000
2.300	Traffic Safety Improvements - Phase III	1,158,380
2.305	Princess Anne Road- Phase IV (VDOT)	11,129,836
2.931	Witchduck Road - Phase I (First Cities Project)	12,147,113
	Total Roadways Projects	<u>\$ 66,303,747</u>

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2009-10
<u>Quality Physical Environment</u>		
<u>Buildings</u>		
3.359	Building Modernizations, Renewals and Replacements (Partial)	\$ 100,000
3.366	Various Buildings HVAC Rehabilitation and Renewal - Phase II	1,345,334
3.367	Various Buildings Rehabilitation and Renewal - Phase II	3,830,390
3.368	Various Site Acquisitions	2,000,000
	Total Buildings Projects	<u>\$ 7,275,724</u>
<u>Water Utility</u>		
5.084	System Expansion Cost Participation Agreements - Phase II	\$ 50,000
5.086	Comprehensive Water Master Planning - Phase V	200,000
5.167	Water Tank Upgrade Program - Phase III	100,000
5.302	Potable Wells Evaluation Program - Phase II	275,000
5.303	Water Quality Program - Phase III	100,000
5.404	Computerized Mapping & Infrastructure Management - Phase II	50,000
5.405	Customer Information System Version Migration	600,000
5.501	Water Pumping Station and Tank Upgrade Program-Phase I	203,000
5.602	Princess Anne Road/Kempsville Road Intersection Improvements	740,000
5.708	Resort Area Neighborhood Revitalization	100,000
5.801	Various Water Infrastructure Maintenance Program- Phase II	50,000
5.802	Utility Crossings Condition Assessment	50,000
5.804	Water Line Extension, Replacement and Rehabilitation Program	50,000
5.805	Water System Aging Infrastructure Program - Phase I	200,000
5.806	Backflow Prevention & Cross-Connection Control Pgm -Phase II	100,000
5.944	Princess Anne Road Water Improvements Phase IV (VDOT)	2,700,000
5.951	Water Tap Installation Program	185,000
5.952	Water Pump Station Flow Monitoring and Data Storage	210,000
5.967	Water Resources Investigation & Planning - Phase I	100,000
	Total Water Utility Projects	<u>\$ 6,063,000</u>
<u>Sewer Utility</u>		
6.019	Resort Area Neighborhood Revitalization	\$ 800,000
6.031	Sewer Appurtenances Evaluation & Improvements	50,000
6.041	Pump Station Modifications - Phase V	6,000,000
6.061	Comprehensive Emergency Response & Planning - Phase II	50,000
6.070	Infiltration, Inflow, & Rehabilitation - Phase V	6,500,000
6.085	Sanitary Sewer Aging Infrastructure Program - Phase II	400,000
6.089	Comprehensive Sewer Master Planning - Phase IV	500,000
6.106	Various Roadway/Storm Water Coordination - Phase V	100,000
6.148	System Expansion Cost Participation Agreements - Phase II	100,000
6.149	Princess Anne Sewer Force Main Phase IV (VDOT)	210,000
6.203	Lotus Gardens Sewer Improvements - 51% Program	25,000
6.404	Computerized Mapping & Infrastructure Management - Phase II	50,000
6.405	Customer Information System Version Migration	600,000
6.411	CIT - Service Area Master Planning & Info. System (SAMPIS)	50,000
6.451	Engineering Services - Various Projects	50,000
6.502	Private Sanitary Sewer Pump Station Abandonment Program	300,000
6.505	Princess Anne Plaza Rehabilitation - Phase II	1,300,000
6.506	Sanitary Sewer System Revitalization Program - Phase I	3,000,000
6.602	Princess Anne Road/Kempsville Road Intersection Improvements	550,000
6.603	Witchduck Road - Phase I Sewer Improvements	350,000
6.612	Pump Station Wet Well Revitalization	700,000

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2009-10
<u>Quality Physical Environment</u>		
<u>Sewer Utility (Continued)</u>		
6.613	Auxiliary Power Program - Sewer Pump Stations - Phase II	680,000
6.801	Various Sewer Infrastructure Maintenance Support - Phase II	\$ 50,000
6.802	Utility Crossings Condition Assessment Program	50,000
6.804	Sanitary Sewer Regulatory Compliance Program - Phase I	4,522,000
6.951	Sewer Tap Installation Program	435,000
6.952	Sewer Pump Station Flow Monitoring and Data Storage	1,015,000
6.973	Sanitary Sewer Capacity Program - Phase I	500,000
	Total Sewer Utility Projects	\$ 28,937,000
<u>Storm Water Utility</u>		
7.004	Storm Water Infrastructure Rehabilitation	\$ 2,789,700
7.005	North Lake Holly Watershed	1,837,500
7.016	South Lake Holly Watershed	1,000,000
7.049	Beach Garden Park - Kilborne Court & Holly Road Improvements	900,000
7.063	Neighborhood Storm Water Infrastructure Improvements	400,000
7.067	Primary System Infrastructure Improvements	810,000
7.091	Residential Drainage Cost Participation Program	50,000
7.152	Lake Management	536,280
7.153	Lynnhaven Watershed Restoration	522,635
7.183	Storm Water Quality Enhancements	2,680,044
	Total Storm Water Utility Projects	\$ 11,526,159
<u>Coastal</u>		
8.002	Beach Profile Monitoring Program	\$ 25,000
8.003	Landfill #2 Phase I Closure	687,536
8.004	Various Minor Dredging Projects	50,000
8.007	Rudee Inlet Outer Channel Maintenance Dredging	270,000
8.008	Beach Replenishment	1,476,120
8.023	Sandbridge Beach Access Improvements & Sand Management	225,000
8.110	Eastern Branch Lynnhaven River Dredging	517,282
8.282	Sandbridge Beach Restoration	3,980,000
8.830	Rudee Inlet Federal Dredging	460,000
	Total Coastal Projects	\$ 7,690,938
	Total Quality Physical Environment Projects	\$ 127,796,568

Cultural and Recreational Opportunities

<u>Buildings</u>		
3.103	Heritage Building - Maintenance Program	\$ 150,000
3.147	Historic Property Acquisition Revolving Fund	200,000
3.148	Aquarium/Owl Creek Master Plan	100,000
3.278	Virginia Aquarium Renewal and Replacement - Phase II	325,000
3.292	Virginia Aquarium Animal Care Annex (Partial)	124,658
		\$ 899,658
<u>Parks and Recreation</u>		
4.013	Community Rec Centers Repairs and Renovations - Phase II	\$ 4,363,207
4.016	Parks & Special Use Facilities Development & Renovation - Phase II	889,395
4.017	Golf Courses Equipment & Infrastructure - Phase II	200,000

Attachment A - Capital Budget Appropriations

Project Number	Projects	Appropriations FY 2009-10
<u>Cultural and Recreational Opportunities</u>		
<u>Parks and Recreation (Continued)</u>		
4.018	Greenways, Scenic Waterways & Natural Areas - Phase II	150,000
4.023	Neighborhood Parks Acquisition and Development - Phase II	150,000
4.024	Park Playground Renovations - Phase II	\$ 480,000
4.036	Tennis Court Renovations - Phase II	400,000
4.055	Open Space Park Development and Maintenance	1,900,000
4.063	Athletic Fields Lighting & Renovations - Phase II	200,000
4.070	Open Space Program Site Acquisition - Phase II	625,000
4.072	Williams Farm Community Recreation Center Design	300,000
4.080	Sportsplex Renewal & Replacement - Phase I	417,573
4.309	Mount Trashmore District Park Renovations - Phase II	250,000
Total Parks and Recreation Projects		<u>\$ 10,325,175</u>
Total Cultural and Recreational Opportunities Projects		<u>\$ 11,224,833</u>
<u>Quality Education and Lifelong Learning</u>		
<u>Schools</u>		
1.001	Renovations and Replacements - Energy Management	\$ 850,000
1.019	Great Neck Middle School Replacement	17,000,000
1.026	College Park Elementary School Replacement	12,056,979
1.078	Pupil Transportation Services Maintenance Facility	3,948,477
1.085	Renaissance Academy	4,614,807
1.099	Renovations and Replacements - Grounds - Phase II	800,000
1.103	Renovations and Replacements - HVAC Systems - Phase II	3,700,000
1.104	Renovations and Replacements - Reroofing - Phase II	2,650,000
1.105	Renovations and Replacements - Various - Phase II	1,060,000
1.106	Kellam High School	13,958,783
1.232	Tennis Court Renovations	265,000
1.234	Virginia Beach Middle School Replacement	1,765,262
Total Schools Projects		<u>\$ 62,669,308</u>
3.262	TCC Expansion/Operation Smile Headquarters	\$ 1,500,000
Total Buildings Projects		<u>\$ 1,500,000</u>
Total Quality Education and Lifelong Learning Projects		<u>\$ 64,169,308</u>
<u>Quality Organization</u>		
<u>Communications and Information Technology Projects</u>		
3.052	CIT- IT Service Continuity	\$ 390,555
3.119	CIT - Cable Access Infrastructure Replacement	558,283
3.124	CIT - COPS Interoperable Communications Technology Grant - Phase II	50,000
3.280	CIT - City Human Resources/Payroll System	300,000
3.340	CIT - Telecommunications Replacement	250,000
Total Communications and Information Technology Projects		<u>\$ 1,548,838</u>
Total Quality Organization Projects		<u>\$ 1,548,838</u>
Total Capital Budget		<u>\$ 236,429,109</u>

Attachment B - Financing Sources

Financing Sources	Capital Budget FY 2009-10
Federal Contribution	\$ 26,576,308
Franchise Fees	313,000
Fund Balance - General Fund	33,912,998
Fund Balance - Other	3,459,421
Fund Balance - School Reserve Fund	4,400,000
General Appropriations	37,008,518
General Obligation Bonds	66,902,805
Interest Income - Schools Capital Projects	2,500,000
Other Localities	50,000
Private Contribution	100,000
Retained Earnings - Water and Sewer	14,554,900
State Contribution	11,525,000
Storm Water Utility Fund	10,626,159
Water and Sewer Bonds	17,000,000
Water and Sewer Fund	7,500,000
Total Financing Sources	<u>\$ 236,429,109</u>

Attachment C – Transfers

Projects		Appropriations Prior to FY 2009-2010
<u>Quality Physical Environment</u>		
<u>Roadway Projects</u>		
Transfer To:		
2.048	Princess Anne Road/Kempsville Road Intersection Improvements (First Cities)	\$ 10,000,000
2.073	Buckner Boulevard Extended	300,000
2.116	Shore Drive Corridor Improvements - Phase II (Partial)	100,000
2.143	Laskin Road Gateway - Phase I-A	4,200,000
2.305	Princess Anne Road- Phase IV (VDOT)	2,358,526
2.931	Witchduck Road - Phase I (Revenue Reduction)	1,378,474
	Total Transfer To:	<u>\$ 18,337,000</u>
Transfer From:		
2.072	First Colonial Road/Virginia Beach Boulevard Intersection Improvements	\$ 300,000
2.107	Seaboard Road	4,200,000
2.117	Shore Drive Corridor Improvements - Phase III (Partial)	100,000
2.165	Laskin Road - Phase II (First Cities Project)	3,000,000
2.256	Indian River Road - Phase VII (First Cities Project)(Partial)	7,000,000
2.931	Witchduck Road - Phase I (2008 State Contribution)	3,737,000
	Total Transfer From:	<u>\$ 18,337,000</u>
<u>Water and Sewer Utility Projects</u>		
Transfer To:		
5.006	Water Appurtenances Location & Improvements	\$ 100,000
5.088	Small Line Improvements - Phase V	450,000
5.089	Various Roadway/Storm Water Coordination - Phase V	300,000
5.092	Landstown Yard Improvements - Phase III	450,000
5.400	Fire Hydrant Program - Phase II	50,000
5.501	Water Pumping Station and Tank Upgrade Program-Phase I	647,725
6.019	Resort Area Neighborhood Revitalization	700,000
6.069	Birdneck Road Sewer Improvements - Phase II (VDOT)	10,000
6.138	Landstown Yard Improvements - Phase III	450,000
6.505	Princess Anne Plaza Rehabilitation - Phase II	600,000
6.613	Auxiliary Power Program - Sewer Pump Stations - Phase II	220,000
	Total Transfers From:	<u>\$ 3,977,725</u>
Transfer From:		
5.207	Laskin Road Water Improvements – Phase I (VDOT)	\$ 3,499,041
5.710	19th Street Corridor Water Improvements	275,000
6.081	Laskin Road Phase II & Gateway Improvements	203,684
	Total Transfer To:	<u>\$ 3,977,725</u>
<u>Storm Water Projects</u>		
Transfer To:		
7.902	North Beach Drainage	\$ 5,070,000
	Total Transfers To:	<u>\$ 5,070,000</u>

Attachment C – Transfers

Projects		Appropriations Prior to FY 2009-2010
Transfer From:		
7.016	South Lake Holly Watershed	\$ 2,200,000
7.063	North Lake Holly Watershed	900,000
7.091	Residential Drainage Cost Participation Program	200,000
7.152	Lake Management	200,000
7.160	Thalia Creek Tributary Restoration (Partial)	768,335
7.183	Storm Water Quality Enhancements	801,665
		Total Transfers From: <u>\$ 5,070,000</u>

Cultural and Recreational Opportunities

Buildings

Transfer To:		
3.146	Virginia Aquarium Building Systems Rehabilitation & Renewal - Phase I	\$ 673,016
		Total Transfers To: <u>\$ 673,016</u>

Transfer From:		
3.292	Virginia Aquarium Animal Care Annex (Partial)	\$ 673,016
		Total Transfers From: <u>\$ 673,016</u>

Various Business Areas

Transfer To:		
8.005	Western Branch Lynnhaven River Maintenance Dredging	\$ 1,500,000
		Total Transfer To: <u>\$ 1,500,000</u>

Transfer From:		
3.021	Fire and Rescue Station - Thalia	\$ 1,500,000
		Total Transfer From: <u>\$ 1,500,000</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 \$62,900,000 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 \$62,900,000, 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 \$62,900,000 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 \$62,900,000, 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 the City Clerk is directed to make a copy of this ordinance continuously available for
38 inspection by the general public during normal business hours at the City Clerk's office from the date of adoption
39 hereof through the date of the issuance of the Bonds.
40

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

44 8. That this ordinance shall be in full force and effective from its passage.
45

46 Adopted by the Council of the City of Virginia Beach, Virginia on this 12th day of May, 2009.
47

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

1 **AN ORDINANCE AUTHORIZING THE ISSUANCE OF WATER AND**
2 **SEWER SYSTEM REVENUE BONDS OF THE CITY OF VIRGINIA**
3 **BEACH, VIRGINIA, IN THE MAXIMUM AMOUNT OF \$17,000,000**

4 WHEREAS, the City of Virginia Beach, Virginia (the "City"), desires to authorize the issuance of water and
5 sewer system revenue bonds in the maximum amount of \$17,000,000 for financing improvements and expansions to
6 the City's water and sewer system (the "System"), as permitted by the City Charter without submitting the question of
7 their issuance to the qualified voters.
8

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

10
11 1. That it is hereby determined to be necessary and expedient for the City to continue its program of
12 improving and extending the System, which will promote the public welfare of the City and its inhabitants and will
13 facilitate the orderly growth, development, and general welfare of the City, and to finance the costs thereof through the
14 borrowing of \$17,000,000 and issuing the City's revenue bonds therefore.
15

16 2. That pursuant to the City Charter and the Public Finance Act of 1991, there are hereby authorized to be
17 issued water and sewer system revenue bonds of the City in the maximum amount of \$17,000,000 to provide funds,
18 together with other available funds, for financing the costs of improvements and expansions to the System.
19

20 3. That the bonds shall bear such date or dates, mature at such time or times not exceeding 40 years from
21 their dates, bear interest, be in such denominations and form, be executed in such manner and be sold at such time or
22 times and in such manner as the Council may hereafter provide by appropriate resolution or resolutions.
23

24 4. That the System is an undertaking from which the City may derive a revenue. The bonds shall be limited
25 obligations of the City, payable as to principal, premium, if any, and interest solely from the revenues derived by the
26 City from the System, and shall not be included within the otherwise authorized indebtedness of the City. The bonds
27 shall not be deemed to create or constitute an indebtedness of, or a pledge of the faith and credit of, the
28 Commonwealth of Virginia or of any country, city, town, or other political subdivision of the Commonwealth, including
29 the City. The issuance of the bonds and the undertaking of the covenants, conditions, and agreements to be
30 contained in resolutions to be adopted or agreements to be entered into hereafter shall not directly, indirectly, or
31 contingently obligate the Commonwealth, the City, or any other political subdivision of the Commonwealth to levy and
32 collect any taxes whatsoever or make any appropriation therefore, except from the revenues pledged to the payment
33 of the principal of and premium, if any, and interest on the bonds.
34

35 5. That such resolutions to be adopted and agreements to be entered into hereafter authorizing the issuance
36 of the bonds and providing the details thereof shall contain appropriate covenants requiring the City to fix, charge, and
37 collect such rates, fees, and other charges for the use of and the services furnished by the System and to revise the
38 same from time to time and as often as shall be necessary so as to produce sufficient net revenues to pay principal of
39 and premium, if any, and interest on the bonds as the same become due and to provide a margin of safety therefor.
40 Such resolutions and agreements shall also include such additional covenants, agreements, and other terms as are
41 customary for the protection of the holders of water and sewer revenue obligations.
42

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

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

50 8. That this ordinance shall be in full force and effect from its passage.
51

52 Adopted by the Council of the City of Virginia Beach, Virginia on this 12th day of May, 2009.
53

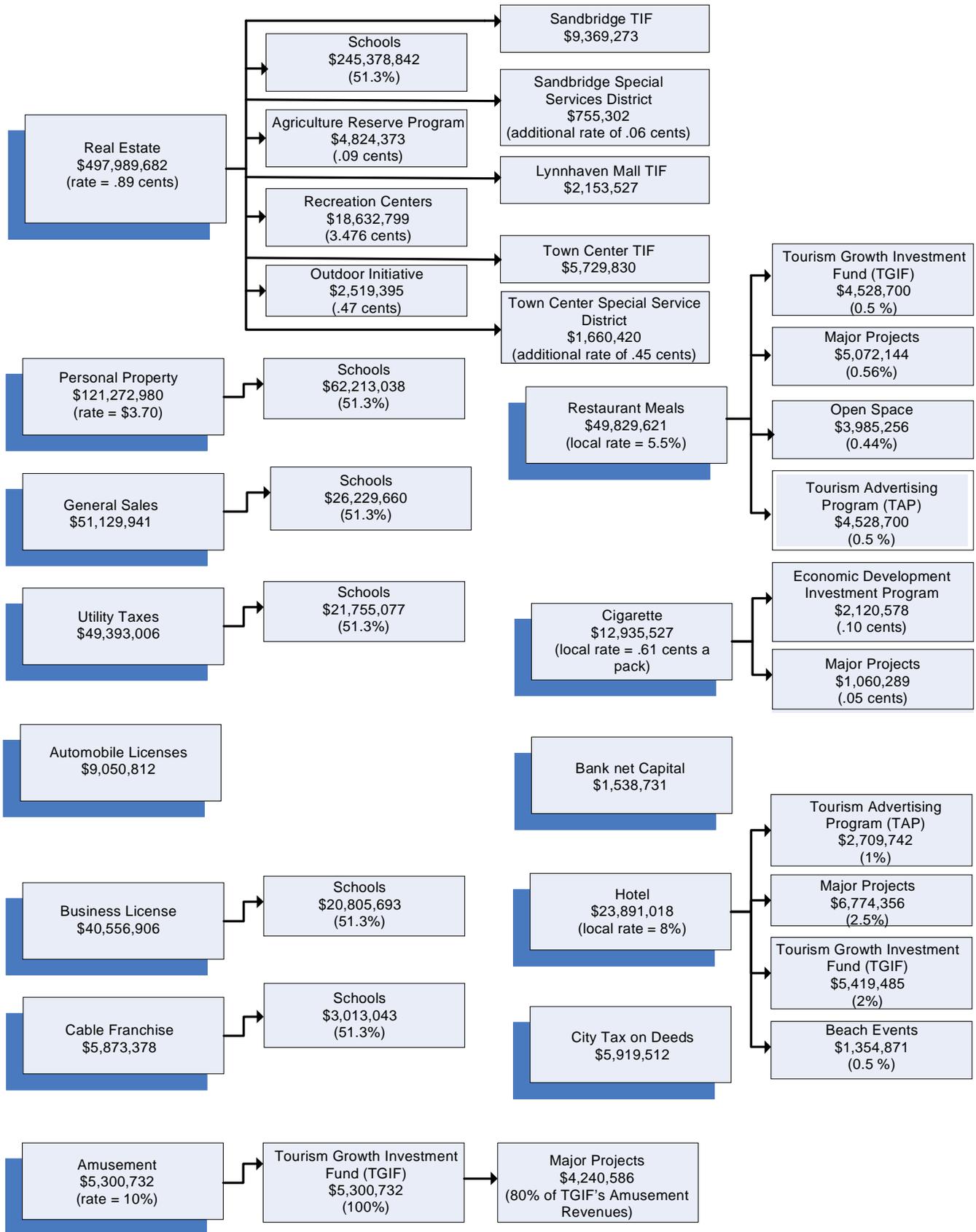
54 *Requires an affirmative vote by a majority of all the members of the City Council.*

Table of Contents

Reference

Dedication of Local Revenues	4 - 1
Real Estate Tax Rate History: FY 1982-83 through FY 2009-10	4 - 2
Options to Balance the Operating Budget.....	4 - 4
Summary of Proposed Fee Adjustments	4 - 5
Additions and Reductions of Positions for FY 2009-10	4 - 6
A Resolution to Address Public Safety Pay Compression Disparities	4 - 9
Entry Level Police, Fire and Sheriff Salary Survey	4 - 11
Demographic Information	4 - 12
Relationship of the Operating Budget to the Capital Improvement Program	4 - 14
FY 2009-10 Revised Revenue Summary.....	4 - 15
FY 2009-10 Revised Personnel Summary.....	4 - 16
FY 2009-10 Revised Interfund Transfer Summary.....	4 - 17
CIP Means of Financing Summary	4 - 20
CIP Project Estimates Summary	4 - 21
CIP Computation of Bonding Limits.....	4 - 22
CIP Estimated Debt Service Costs of General Improvement Debt	4 - 23
CIP Estimated Debt Service Costs of Water and Sewer Bond Issues	4 - 24
CIP Completed Project Listing.....	4 - 25
CIP Deleted Project Listing.....	4 - 27
CIP Requested But Not Funded Project Listing	4 - 28

Dedication of Local Revenues



City of Virginia Beach
Real Estate Tax Rate History: FY 1982-83 through FY 2009-10

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 Capital Improvement Program 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 Capital Improvement Program)
	\$ 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 Capital Improvement Program (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 Capital Improvement Program (now included in formula)
	<u>\$ 1.1400</u>	
1994-95	\$ 1.1400	
	\$ 1.1400	Rate from Previous Fiscal Year
1995-96	\$ 0.0330	School Capital Improvement Program (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 2009-10

Fiscal Year	Rate	Notes
	\$ 1.1880	Rate from Previous Fiscal Year
1996-97	<u>\$ 0.0320</u>	School Operating Budget (now included in 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>	
2008-09	\$0.89	
2009-10	\$0.89	

Options to Balance the Operating Budget

Used		
Yes	No	
<input checked="" type="checkbox"/>		Option A • Move all of the GASB45 payment (Retiree Health Care Liability) to Health Insurance Fund.
<input checked="" type="checkbox"/>		Option B • Change City Council dedicated revenues for one year and review for appropriate funding levels with the next Biennial Budget.
<input checked="" type="checkbox"/>		Option C • Eliminate the proposed 2.5% pay raise for all employees.
	<input checked="" type="checkbox"/>	Option D • Unpaid Furloughs – Each full-time employee would have to take an unpaid day sometime during the 12 months.
	<input checked="" type="checkbox"/>	Option E • Eliminate salary supplements for Constitutional Officer State positions.
<input checked="" type="checkbox"/>		Option F • Reduce pay-as-you-go financing to the Capital Improvement Program and replace with fund balance.
	<input checked="" type="checkbox"/>	Option G • Defer all or a portion of the FY 2009 bond sale (occurs in the spring).
	<input checked="" type="checkbox"/>	Option H • Across-the-board reductions.
	<input checked="" type="checkbox"/>	Option I • Reduce all operating accounts by 1%.
	<input checked="" type="checkbox"/>	Option J • Defer vehicle replacement for one year.
	<input checked="" type="checkbox"/>	Option K • Maintain City Council's policy of not replacing or supplanting State funding reductions.
<input checked="" type="checkbox"/>		Option L • Reduce travel and training accounts.
	<input checked="" type="checkbox"/>	Option M • Reduce contracted manpower.
	<input checked="" type="checkbox"/>	Option N • Raise real estate tax by 1¢.
	<input checked="" type="checkbox"/>	Option O • Raise personal property tax on vehicles by 10¢.
	<input checked="" type="checkbox"/>	Option P • Institute a monthly garbage fee.
	<input checked="" type="checkbox"/>	Option Q • Budget for attrition (assume some level of position turnover for each department).
<input checked="" type="checkbox"/>		Option R • Increase City reliance on existing fees by 1% thereby recouping more program/service costs through fees.
<input checked="" type="checkbox"/>		Option S • Review program and service rankings for possible reductions/eliminations.

Summary of Proposed Fee Adjustments

Department	Old Fee	New Fee	Notes
Parks & Recreation			
• Athletics	\$100 Half Day \$150 Full Day	\$125 Half Day \$175 Full Day	Reservation of tournament quality fields at Princess Anne Athletic Complex and City View Park
• Parks & Natural Areas	\$50 Half Day \$100 Full Day	\$60 Half Day \$120 Full Day	Shelter reservations
• Recreation Centers	\$65	\$85	Surfing program fee
• Recreation Centers	\$18 Reduced Fee \$30 Full Fee \$60 Business Fee	\$21 Reduced Fee \$35 Full Fee \$69 Business Fee	Room rentals hourly rates at six recreation centers
• Recreation Centers	\$15 Community Service \$20 Exclusive Use \$30 Business	\$17 Community Service \$23 Exclusive Use \$35 Business	Pool lap lane hourly rentals at six recreation centers
• Recreation Centers	\$150 Half Day Rehearsal \$225 All Day Rehearsal \$300 Performance	\$173 Half Day Rehearsal \$259 All Day Rehearsal \$345 Performance	Kempsville theater rental rates
• Recreation Centers	\$50 Community Service \$75 Exclusive Use \$100 Business	\$58 Community Service \$86 Exclusive Use \$115 Business	Gym hourly rentals at six recreation centers
• Recreation Centers	\$75 Community Service \$86 Exclusive Use \$90 Business	\$100 Community Service \$115 Exclusive Use \$120 Business	Gym hourly rentals prior to 11:00 am on Sunday
• Therapeutic Recreation	\$50	\$59	Weekly charge for All Star and Champions camps

Additions and Reductions of Positions for FY 2009-10

The chart below indicates the overall change in City positions (both additions and reductions) in FY 2009-10 as a result of the current budget.

Department	FTE Additions	FTE Reductions	Net Change from FY 2009-10
Agriculture		<ul style="list-style-type: none"> • Office Assistant (1 FTE) 	(1.00 FTE)
City Manager	<ul style="list-style-type: none"> • Office Assistant (.5 FTE) 	<ul style="list-style-type: none"> • Media & Communications Coordinator (3 FTE) • Administrative Specialist I (1 FTE Transferred to Fire Department) 	(3.50 FTE)
City Treasurer	<ul style="list-style-type: none"> • Clerk Typist: Transferred from Convention and Visitors Bureau (1 FTE) 		1.00 FTE
Commissioner of the Revenue	<ul style="list-style-type: none"> • Account Clerk (.44 FTE) 		0.44 FTE
Communications and Information Technology (ComIT)	<ul style="list-style-type: none"> • System Analyst II: Transferred from Human Services (1 FTE) • Program Analyst II: Transferred from Human Services (2 FTE) • Transferred from Emergency Communications Due to Department Reorganization (6 FTE) • Microcomputer System Analyst: Transferred from Commonwealth's Attorney (1 FTE) 	<ul style="list-style-type: none"> • Systems Analyst I (1 FTE) • GIS Data Analyst (1 FTE) • Systems Engineer I (1 FTE) • Account Clerk I (1 FTE) 	6.00 FTE
Commonwealth's Attorney	<ul style="list-style-type: none"> • Assistant Commonwealth's Attorney (1 FTE) • Victim Witness Caseworker (1 FTE) 	<ul style="list-style-type: none"> • Consumer Protection Officer (1 FTE) • Microcomputer System Analyst: Transferred to ComIT (1 FTE) 	0.00 FTE
Convention & Visitors Bureau		<ul style="list-style-type: none"> • Events Supervisor (1 FTE) • Stagehand (1 FTE) • Clerk Typist: Transferred to City Treasurer (1 FTE) • Custodial I (1.82 FTE) 	(4.82 FTE)

Additions and Reductions of Positions for FY 2009-10

Department	FTE Additions	FTE Reductions	Net Change from FY 2009-10
Economic Development		<ul style="list-style-type: none"> • Administrative Specialist II (1 FTE) 	(1.00 FTE)
Emergency Communications	<ul style="list-style-type: none"> • Executive Assistant (1 FTE) 	<ul style="list-style-type: none"> • Transferred to ComIT Due to Department Reorganization (6 FTE) 	(5.00 FTE)
Finance	<ul style="list-style-type: none"> • Accountant III (1 FTE) • Financial Analyst (1 FTE) 	<ul style="list-style-type: none"> • Capital Assets Inventory Specialist (1 FTE) 	1.00 FTE
Fire	<ul style="list-style-type: none"> • Administrative Specialist I: Transferred from City Managers Office (1 FTE) 	<ul style="list-style-type: none"> • Administrative Specialist I (1 FTE) • Code Inspector I (1 FTE) • Fire Fighter Recruit (12 FTE) • Life Safety Education Specialist (1 FTE) 	(14.00 FTE)
Housing		<ul style="list-style-type: none"> • Administrative Analyst (1 FTE) 	(1.00 FTE)
Human Resources		<ul style="list-style-type: none"> • Human Resources Analyst I (1 FTE) 	(1.00 FTE)
Human Services	<ul style="list-style-type: none"> • MHR Clinician III (1.05 FTE) • MHR Clinician II (4 FTE) • MHR Supervisor I (1 FTE) 	<ul style="list-style-type: none"> • Quality Assurance Clinician III (1 FTE) • Operations Coordinator (1 FTE) • Office Assistant (1 FTE) • JDC Counselor (3.73 FTE) • Accountant III (1 FTE) • Social Worker I (1.5 FTE) • Social Worker II (.5 FTE) • Administrative Assistant (1 FTE) • MR Assistant (1 FTE) • System Analyst II: Transferred to ComIT (1 FTE) • Program Analyst II: Transferred to ComIT (2 FTE) 	(8.68 FTE)
Library		<ul style="list-style-type: none"> • Library Information Specialist II (1 FTE) • Office Assistant II (1 FTE) 	(2.00 FTE)
Management Services		<ul style="list-style-type: none"> • Administrative Specialist I (1 FTE) 	(1.00 FTE)
Museums	<ul style="list-style-type: none"> • Veterinarian Technician (1 FTE) 	<ul style="list-style-type: none"> • Museum Educator II (1 FTE) 	0.00 FTE

Additions and Reductions of Positions for FY 2009-10

Department	FTE Additions	FTE Reductions	Net Change from FY 2009-10
Parks and Recreation		<ul style="list-style-type: none"> • Recreation Specialist II (1 FTE) • Carpenter II (1 FTE) • As a Result of Departmental Reorganization Reduced Equivalent of (2.09 FTE) 	(4.09 FTE)
Planning		<ul style="list-style-type: none"> • Planning Aide (1 FTE) • Code Inspector II (1 FTE) 	(2.00 FTE)
Police	<ul style="list-style-type: none"> • Cold Case Detective (1 FTE) • Animal Care Shelter Manager (1 FTE) 	<ul style="list-style-type: none"> • Office Assistant (1 FTE) • Public Safety Analyst (1 FTE) 	0.00 FTE
Public Works		<ul style="list-style-type: none"> • Survey Aide (1 FTE) • Waste Operator II (1 FTE) • Engineer III (1 FTE) • Engineer III (1 FTE) • Traffic Center Supervisor (1 FTE) • Painter (1 FTE) 	(6.00 FTE)
Non-Departmental	<ul style="list-style-type: none"> • Administrative Services Manager III (1 FTE) • Administrative Technician (1 FTE) 		2.00 FTE
Total:	28.99 FTE	(73.64 FTE)	(44.65 FTE)

* Replacing contracted personnel

ALTERNATE VERSION

REQUESTED BY COUNCILMEMBERS DIEZEL AND WOOD

1 A RESOLUTION TO ADDRESS PUBLIC
2 SAFETY PAY COMPRESSION DISPARITIES

3 WHEREAS, the safety of Virginia Beach's citizens is
4 greatly enhanced by the City retaining its experienced public
5 safety employees; and

6 WHEREAS, pay compression has led many experienced public
7 safety employees to leave the City workforce to pursue positions
8 with other employers, including the federal government and the
9 private sector.

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

12 That the City Manager is hereby directed to incorporate into
13 the budget process the following considerations, across the public
14 safety pay and classification ranges, utilizing the current City
15 pay plans:

16 1. To prevent future pay compression in the public safety
17 pay and classification plans, pay adjustments shall be applied to
18 all employees and ranges;

19 2. For both fiscal year 06-07 and fiscal year 07-08,
20 adjustments based on years of service and years in grade shall be
21 made to the current public safety pay and classification plans, at
22 a maximum cost of \$4.5 million per fiscal year;

23 3. Prior to December 1, 2007, a revised step plan shall be
24 submitted to Council for review and discussion so it may be
25 considered as part of the fiscal year 08-09 budget;

26 4. Even if the above steps fail to alleviate supervisory pay
27 compression, such compression shall be alleviated within three
28 years of identification;

29 5. Future market salary surveys shall be restricted
30 initially to Hampton Roads communities; and

31 6. Proposed budgets shall include an annual summary of
32 entry-level public safety salaries in surrounding Hampton Roads
33 communities.

34 Adopted by the Council of the City of Virginia Beach,
35 Virginia, on the 7th day of February, 2006.

APPROVED AS TO LEGAL SUFFICIENCY



City Attorney's Office

CA-9909
H/P&A/OrdRes/Public Safety Compensation RES.doc
February 7 2006
R-4

Entry Level Police, Fire and Sheriff Salary Survey As of December 18, 2008

Locality	Police Officer Recruit				Police Officer			
	Min	Mid	Max	Title	Min	Mid	Max	Title
Virginia Beach	36,995	45,319	53,643	Police Officer Recruit	38,868	47,614	56,359	Police Officer
Chesapeake	37,494	46,278	55,061	Police Officer Trainee	39,182	48,361	57,540	Police Officer
Hampton	36,500	39,238	41,975	Police Public Safety Recruit	38,550	50,738	62,925	Police Patrol Officer
Newport News	36,000	37,175	38,350	Police Officer Recruit	38,000	40,150	42,300	Police Officer
Norfolk	36,500	36,500	36,500	Police Officer Recruit	39,390	48,928	58,466	Police Officer
Portsmouth	31,411	41,620	51,828	Police Officer Trainee	32,983	43,702	54,420	Police Officer
Suffolk	35,083	43,854	52,625	Police Officer I	36,722	45,903	55,083	Police Officer II

Locality	Firefighter Recruit				Firefighter			
	Min	Mid	Max	Title	Min	Mid	Max	Title
Virginia Beach	36,995	45,319	53,643	Firefighter Recruit	38,868	47,614	56,359	Firefighter
Chesapeake	37,494	46,278	55,061	Firefighter Trainee	39,182	48,361	57,540	Firefighter/EMT
Hampton	36,500	39,238	41,975	Firefighter Recruit	38,550	50,738	62,925	Firefighter
Newport News	36,000	37,175	38,350	Firefighter/Medic Recruit				No Match*
Norfolk	35,195	35,195	35,195	Firefighter Recruit	36,743	46,327	55,911	Firefighter/EMT - Enhanced
Portsmouth	31,411	41,620	51,828	Firefighter Trainee	32,983	43,702	54,420	Firefighter
Suffolk	35,083	43,854	52,625	Firefighter I	36,722	45,903	55,083	Firefighter II

Note: No match*. Newport News Fire Academy graduates are required to attain EMT-Intermediate certification.

Virginia Beach and Norfolk Fire Academy graduates are required to attain EMT-Enhanced. EMT-Enhanced is a lower level than Intermediate. Virginia Beach compensates Fire employees with EMT-Intermediate certification two pay ranges above the Firefighter level (Firefighter/Medic). Virginia Beach Firefighter/Medic is a better match to Newport News' Firefighter.

Locality	Deputy Sheriff Recruit				First Level Deputy Sheriff			
	Min	Mid	Max	Title	Min	Mid	Max	Title
Virginia Beach	35,213			Deputy Sheriff	36,621	43,136	51,058	Deputy Sheriff (minimum reflects 4% merit after 15 months)
Chesapeake	37,494	46,278	55,061	Deputy Sheriff Trainee	39,182	48,361	57,540	Deputy Sheriff
Hampton	31,434			Deputy Sheriff	34,263			Deputy Sheriff (minimum reflects 9% increase to base salary after 13 months)
Newport News	30,970			Deputy I	32,210	41,248	50,285	Deputy II
Norfolk				No Recruit Level	30,792	39,575	48,358	Deputy Sheriff
Portsmouth	28,234			Deputy Sheriff	33,144	40,603	52,973	Deputy Sheriff (minimum reflects 9.7% regrade and \$2,171 supplement at the end of first year and completion of the academy - NOTE: proposal to cut the \$2,171 July 2009)
Suffolk				No Recruit Level	35,083	43,854	52,625	Deputy Sheriff

Chesapeake and Newport News are the only jurisdictions that reported a separate trainee or recruit title for deputies while in training. Chesapeake's trainee is assigned to a pay range, though they are promoted to Deputy Sheriff before they reach the pay range maximum (similar to our Police Officer Recruit). Newport News has a flat salary for the Deputy I that is used for deputies in training.

Virginia Beach, Hampton, and Portsmouth do not have a separate trainee title. However, these cities provide a specific percentage pay increase upon completion of training, and use this percentage increase as the reported minimum for the Deputy Sheriff upon completion of training. The midpoint shown for the First Level Deputy is based on the minimum and maximum assigned to the title.

Demographic Information

The table below highlights available information from the last three Censuses for Virginia Beach as well as the Census' 2006 American Community Survey:

Demographic Characteristic	1980	1990	2000	2005-07*
Sex:				
Male	50.8%	50.8%	49.5%	48.9%
Female	49.2%	49.2%	50.5%	51.1%
Age:				
Below 18	30.7%	28.0%	27.5%	26.0%
65+	4.5%	5.9%	8.4%	9.8%
Peak Earning Years (Age 35 to 54)	23.1%	24.9%	30.5%	31.1%
Median Age	26.9	28.9	32.7	35.2
Dependency Population (Under 18 and 65+)	35.2%	33.9%	35.9%	35.8%
Race:				
White	86.5%	80.5%	71.4%	70.3%
Black/African American	10.0%	13.9%	19.0%	19.5%
American Indian/Alaskan	.2%	.4%	.4%	.2%
Asian/Hawaiian/Pacific	2.5%	4.3%	5.0%	5.5%
Other Race	.7%	.9%	1.5%	1.3%
Two or More Races**	N/A	N/A	2.7%	3.2%
Hispanic***	2.0%	3.1%	4.2%	5.4%
Households:				
Family Household	79.2%	75.4%	71.8%	69.5%
Married Couple Family	66.6%	62.9%	55.7%	52.2%
Female Householder	10.3%	9.5%	12.4%	13.4%
Non-Family Household	20.9%	24.6%	28.2%	30.5%
Households with Children under 18	N/A	44.8%	42.1%	38.3%
Housing Occupancy: Owner	64.2%	62.5%	65.6%	68.6%
Renter	35.8%	37.5%	34.4%	31.4%
Average Household Size	2.97	2.82	2.70	2.62
Average Family Size	3.35	3.21	3.21	3.12
Migration:				
% Who Lived in Virginia Beach 5 Years Ago	56.0%	59.9%	70.1%	N/A
Marital Status:				
Single, Never Married	26.5%	24.7%	25.5%	28.3%
Married	61.0%	58.4%	57.1%	53.0%
Separated	3.0%	5.4%	3.2%	2.5%
Widowed	4.0%	4.0%	4.7%	5.1%
Divorced	5.5%	7.6%	9.5%	11.1%
Median Household Income	\$20,203	\$36,271	\$48,705	\$62,477
Median Family Income	\$21,809	\$39,112	\$53,242	\$71,012
Poverty:				
Persons	8.9%	5.9%	6.5%	7.0%
Families	7.7%	4.3%	5.1%	5.2%
Children Under 18	13.0%	7.6%	8.6%	10.4%
65+	10.3%	8.0%	4.7%	4.9%
Female Householder	38.9%	20.2%	18.9%	19.1%
With Children	45.8%	26.5%	23.1%	25.5%

Demographic Information

Demographic Characteristic	1980	1990	2000	2005-07*
Housing Expenses:				
Owner Expenses Exceeding 30% of Income	26.3%	30.7%	27.4%	32.6%
Renter Expenses Exceeding 30% of Income	37.8%	39.0%	37.9%	47.5%
Percent of Homeowners Mortgage Free	11.1%	11.4%	13.9%	17.4%
Education Attainment:				
High School Graduate	80.0%	88.0%	90.4%	92.1%
College Graduate	22.4%	25.5%	28.1%	31.1%
Labor Force:				
Total Labor Force Population Rate	71.2%	76.8%	72.9%	64.9%
Total Female Participation Rate	55.8%	65.9%	65.5%	63.8%
% of Labor Force in Armed Forces	18.2%	18.6%	13.3%	10.1%
% Unemployed	5.3%	4.7%	4.1%	4.1%
Percent Who Drive Alone	67.5%	78.4%	82.0%	80.8%
Percent Who Car Pool	21.2%	12.0%	10.8%	9.6%
Mean Travel Time	21.9 min.	22.7 min.	23.9 min.	22.5 min.

Notes:

* Represents three-year average from American Community Survey

** New category in 2000

*** Can be of any race

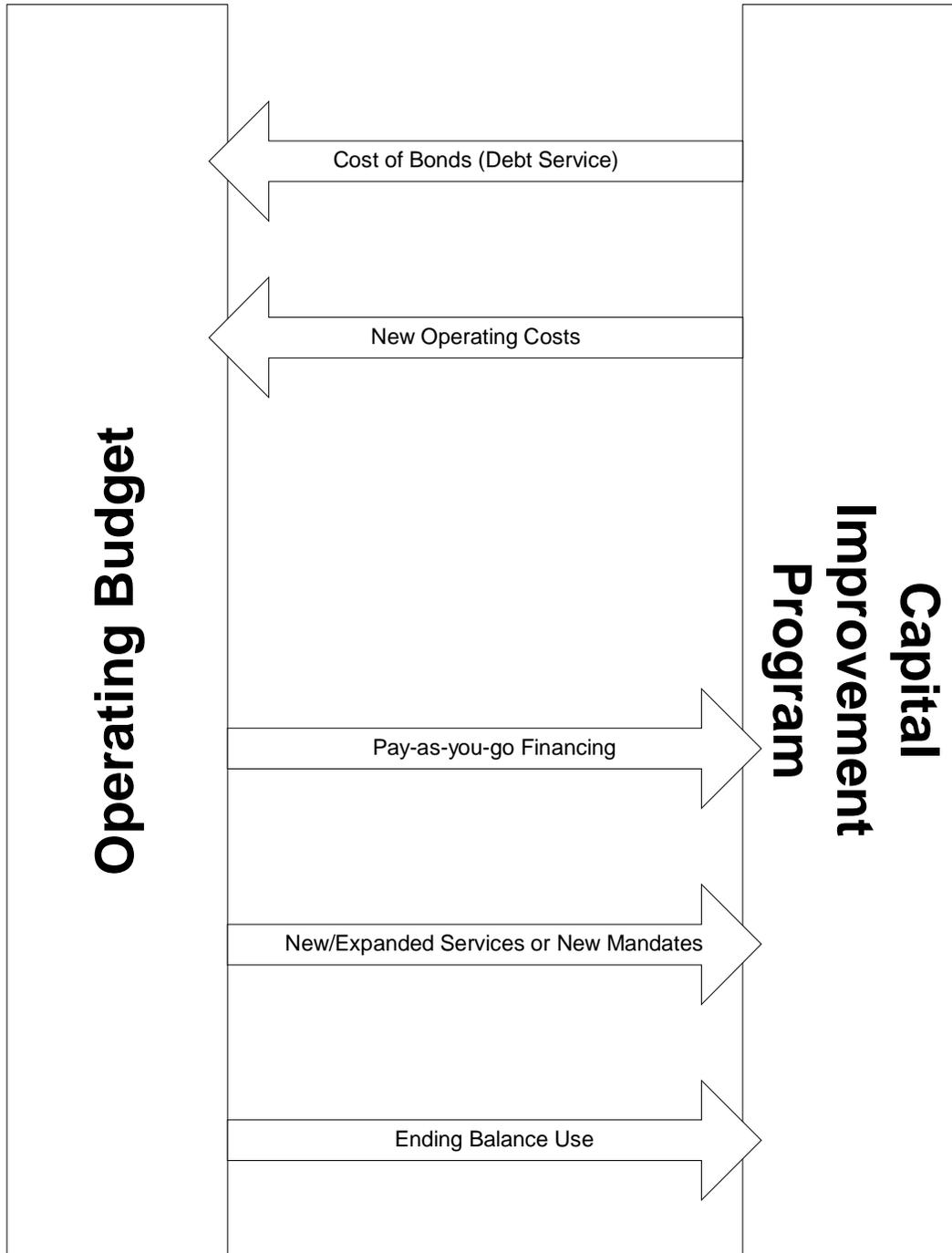
Totals may not equal 100% due to rounding

Source: Census Bureau

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.



City of Virginia Beach, Virginia

Fiscal Year 2009-10 Revised Revenue Summary

	FY 2007-08 Actuals	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	%	FY 2009-10 Total Adopted	%
				Change		Change
Revenue Source Summary						
Revenue from Local Sources						
General Property Taxes						
Real Estate - Current	484,576,717	504,911,497	516,100,198	2.2%	497,989,682	-3.5%
Personal Property - Current	128,584,076	136,919,364	144,145,986	5.3%	121,272,980	-15.9%
Total General Property Taxes	<u>613,160,793</u>	<u>641,830,861</u>	<u>660,246,184</u>	2.9%	<u>619,262,662</u>	-6.2%
Other Local Taxes						
General Sales Tax	54,071,427	56,040,158	58,408,216	4.2%	51,129,941	-12.5%
Utility Tax	47,362,442	49,045,450	49,011,945	-0.1%	49,393,006	0.8%
Business License	41,801,546	43,180,830	46,888,062	8.6%	40,556,906	-13.5%
Other Taxes	16,138,136	16,143,498	15,888,078	-1.6%	14,292,820	-10.0%
Automobile License	8,945,576	8,960,647	9,050,812	1.0%	9,050,812	0.0%
Cigarette Tax	11,503,774	13,199,518	12,935,527	-2.0%	12,935,527	0.0%
Amusement Tax	5,020,312	5,597,076	5,839,435	4.3%	5,300,732	-9.2%
Hotel Room Tax	23,623,107	24,133,253	24,868,324	3.0%	23,891,018	-3.9%
Restaurant Tax	48,069,618	48,745,131	51,132,960	4.9%	49,829,621	-2.5%
Total Other Local Taxes	<u>256,535,938</u>	<u>265,045,561</u>	<u>274,023,359</u>	3.4%	<u>256,380,383</u>	-6.4%
Other Local Revenue						
Permits, Privilege Fees, and Regulatory	5,143,300	5,854,200	5,759,573	-1.6%	4,401,926	-23.6%
Fines and Forfeitures	6,128,859	7,950,911	7,926,582	-0.3%	8,526,239	7.6%
From the Use of Money and Property	27,453,499	18,770,010	23,566,573	25.6%	16,581,340	-29.6%
Charges for Services	157,507,373	167,986,391	173,770,694	3.4%	171,862,329	-1.1%
Miscellaneous Revenue	13,838,397	15,017,690	14,881,074	-0.9%	16,561,697	11.3%
Total Other Local Revenue	<u>210,071,428</u>	<u>215,579,202</u>	<u>225,904,496</u>	4.8%	<u>217,933,531</u>	-3.5%
Total Revenue from Local Sources	<u>1,079,768,159</u>	<u>1,122,455,624</u>	<u>1,160,174,039</u>	3.4%	<u>1,093,576,576</u>	-5.7%
Revenue from the Commonwealth						
State Shared Sales Tax	72,904,963	75,934,465	79,779,642	5.1%	72,941,384	-8.6%
Other Sources from the Commonwealth	414,223,820	437,698,784	439,212,874	0.3%	428,398,470	-2.5%
Total Revenue from the Commonwealth	<u>487,128,783</u>	<u>513,633,249</u>	<u>518,992,516</u>	1.0%	<u>501,339,854</u>	-3.4%
Revenue from the Federal Government						
Non-Revenue Receipts	100,264,458	106,910,488	104,449,113	-2.3%	141,244,957	35.2%
Total Revenue	<u>9,201,565</u>	<u>4,478,456</u>	<u>4,489,693</u>	0.3%	<u>3,664,693</u>	-18.4%
Total Revenue	<u>1,676,362,965</u>	<u>1,747,477,817</u>	<u>1,788,105,361</u>	2.3%	<u>1,739,826,080</u>	-2.7%
Fund Reserves Summary						
Specific Fund Reserves	22,187,282	17,788,600	11,149,148	-37.3%	23,466,599	110.5%
Total Fund Reserves	<u>22,187,282</u>	<u>17,788,600</u>	<u>11,149,148</u>	-37.3%	<u>23,466,599</u>	110.5%
TOTAL FINANCING REQUIRED	<u>1,698,550,247</u>	<u>1,765,266,417</u>	<u>1,799,254,509</u>	1.9%	<u>1,763,292,679</u>	-2.0%

City of Virginia Beach, Virginia

Fiscal Year 2009-10 Revised Personnel Summary

Department Name	FY 2007-08 Actuals	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	% Change	FY 2009-10 Total Adopted	% Change
Agriculture	15.00	14.00	14.00	0.0%	13.00	-7.1%
City Manager	32.63	29.90	29.70	-0.7%	26.20	-11.8%
City Auditor	6.00	6.24	6.00	-3.8%	6.00	0.0%
City Real Estate Assessor	35.35	38.35	38.35	0.0%	38.35	0.0%
City Treasurer	77.41	76.68	75.68	-1.3%	76.68	1.3%
Commissioner of the Revenue	62.63	63.61	63.61	0.0%	64.05	0.7%
Commonwealth's Attorney	91.90	93.40	91.40	-2.1%	91.40	0.0%
Communications and Information Technology	177.80	181.80	181.80	0.0%	187.80	3.3%
Convention and Visitor Bureau	136.73	134.73	135.73	0.7%	130.91	-3.6%
Courts and Courts' Support	76.00	76.00	76.00	0.0%	76.00	0.0%
Economic Development	17.00	17.00	17.00	0.0%	16.00	-5.9%
Emergency Communications and Citizen Services	132.00	132.00	132.00	0.0%	127.00	-3.8%
Emergency Medical Services	56.50	56.50	56.50	0.0%	56.50	0.0%
Finance	63.00	57.00	57.00	0.0%	58.00	1.8%
Fire	469.66	469.84	481.84	2.6%	467.84	-2.9%
General Registrar	12.03	12.03	12.03	0.0%	12.03	0.0%
Health	11.19	11.07	11.07	0.0%	11.07	0.0%
Housing and Neighborhood Preservation	69.00	69.00	69.00	0.0%	68.00	-1.4%
Human Resources	58.13	54.13	54.13	0.0%	53.13	-1.8%
Human Services	1,075.57	1,085.14	1,082.59	-0.2%	1,073.91	-0.8%
Law	43.00	43.00	43.00	0.0%	43.00	0.0%
Legislative	18.00	18.00	18.00	0.0%	18.00	0.0%
Library	264.86	262.85	262.85	0.0%	260.85	-0.8%
Management Services	22.00	21.00	21.00	0.0%	20.00	-4.8%
Museums	152.43	151.81	151.43	-0.3%	151.43	0.0%
Non-Departmental	5.00	3.00	3.00	0.0%	5.00	66.7%
Parks and Recreation	872.72	875.15	876.25	0.1%	872.16	-0.5%
Planning and Community Development	127.00	125.00	125.00	0.0%	123.00	-1.6%
Police	1,015.02	1,006.86	1,005.86	-0.1%	1,005.86	0.0%
Public Utilities	399.50	401.50	404.50	0.7%	404.50	0.0%
Public Works	873.38	877.38	877.38	0.0%	871.38	-0.7%
Sheriff and Corrections	523.37	524.37	524.37	0.0%	524.37	0.0%
Total City Positions	<u>6,991.81</u>	<u>6,988.34</u>	<u>6,998.07</u>	<u>0.1%</u>	<u>6,953.42</u>	<u>-0.6%</u>
Education	<u>10,541.87</u>	<u>10,519.47</u>	<u>10,447.17</u>	<u>-0.7%</u>	<u>10,391.87</u>	<u>-0.5%</u>
Totals						
Total City Full-Time Positions	6,306.00	6,305.00	6,312.00	0.1%	6,279.00	-0.5%
Total City Part-Time Positions	674.81	672.34	675.07	0.4%	663.42	-1.7%
Total City Council Members	11.00	11.00	11.00	0.0%	11.00	0.0%
Total School Positions	10,541.87	10,519.47	10,447.17	-0.7%	10,391.87	-0.5%
TOTAL POSITIONS	<u>17,533.68</u>	<u>17,507.81</u>	<u>17,445.24</u>	<u>-0.4%</u>	<u>17,345.29</u>	<u>-0.6%</u>

City of Virginia Beach, Virginia

Fiscal Year 2009-10 Revised Interfund Transfer Summary

	FY 2007-08 Actuals	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	FY 2009-10 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	4,632,889	4,891,598	4,995,790	4,824,373
169 Central Business District - South TIF (Town Center) Fund	0	0	0	222,222
180 Community Development Special Revenue Fund	899,288	899,240	916,632	812,685
147 Federal Section 8 Program Special Revenue Fund	314,064	256,606	258,834	98,102
302 General Debt Fund	79,250,545	84,552,057	86,951,922	86,987,406
540 General Government Capital Projects Fund	29,510,154	33,423,191	40,444,964	29,117,398
183 Grants Consolidated Fund	332,790	371,106	393,637	408,603
150 Inmate Services Special Revenue Fund	5,825	2,421	5,069	0
130 Law Library Fund	137,515	0	0	0
173 Major Projects Special Revenue Fund	12,734,639	12,902,144	13,344,901	12,906,789
172 Open Space Special Revenue Fund	3,836,653	3,898,497	4,089,523	3,985,256
151 Parks and Recreation Special Revenue Fund	15,949,290	16,566,366	17,345,216	16,403,188
157 Sandbridge Special Service District Special Revenue Fund	80,971	73,120	74,582	74,582
460 School General Revenue Capital Projects Fund	12,108,658	13,936,308	13,936,308	0
099 School Instructional Technology Special Revenue Fund	1,437,129	0	0	0
115 School Operating Fund	306,342,658	339,239,378	348,453,570	335,208,106
149 Sheriff's Department Special Revenue Fund	13,145,265	12,956,975	12,869,445	12,394,250
555 Storm Water Capital Projects Fund	0	0	0	176,120
255 Storm Water Utility Enterprise Fund	56,371	57,498	58,648	58,648
163 Tourism Advertising Program Special Revenue Fund	9,156,038	9,351,323	9,683,912	9,443,263
152 Tourism Growth Investment Fund	16,804,380	17,696,611	18,394,294	17,208,652
176 Transition Area Special Revenue Fund	146,658	467,391	748,977	0
Total Transfers from Fund 002	<u>506,881,780</u>	<u>551,541,830</u>	<u>572,966,224</u>	<u>530,329,643</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>142 DEA Seized Property Special Revenue Fund</u>				
002 General Fund	47,919	0	0	0
Total Transfers from Fund 134	<u>47,919</u>	<u>0</u>	<u>0</u>	<u>0</u>
<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	<u>274,551</u>	<u>274,551</u>	<u>274,551</u>	<u>274,551</u>
<u>151 Parks and Recreation Special Revenue Fund</u>				
157 Sandbridge Special Service District Special Revenue Fund	3,322	0	0	0
Total Transfers from Fund 151	<u>3,322</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>152 Tourism Growth Investment Fund</u>				
302 General Debt Fund	5,793,840	6,297,781	6,073,758	6,073,758
002 General Fund	2,027,775	2,000,000	2,000,000	3,050,000
540 General Government Capital Projects Fund	1,100,000	250,000	0	260,000
173 Major Projects Special Revenue Fund	3,710,705	4,473,632	4,667,519	4,236,477
253 Parking Enterprise Fund	258,803	258,803	258,803	258,803
157 Sandbridge Special Service District Special Revenue Fund	841,661	457,032	489,025	489,025
255 Storm Water Utility Enterprise Fund	12,455	12,829	13,214	13,214
Total Transfers from Fund 152	<u>13,745,239</u>	<u>13,750,077</u>	<u>13,502,319</u>	<u>14,381,277</u>

City of Virginia Beach, Virginia
Fiscal Year 2009-10 Revised Interfund Transfer Summary

	FY 2007-08 Actuals	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	FY 2009-10 Total Adopted
<u>157 Sandbridge Special Service District Special Revenue Fund</u>				
540 General Government Capital Projects Fund	2,904,786	3,460,626	3,336,076	3,336,076
Total Transfers from Fund 157	2,904,786	3,460,626	3,336,076	3,336,076
<u>158 EMS State Four-for-Life Special Revenue Fund</u>				
183 Grants Consolidated Fund	0	0	0	854
Total Transfers from Fund 158	0	0	0	854
<u>161 Agriculture Reserve Program Special Revenue Fund</u>				
302 General Debt Fund	2,203,820	3,528,635	3,912,068	3,034,647
002 General Fund	2,523,218	0	0	4,000,000
Total Transfers from Fund 161	4,727,038	3,528,635	3,912,068	7,034,647
<u>163 Tourism Advertising Program Special Revenue Fund</u>				
002 General Fund	55,724	55,724	56,838	56,838
Total Transfers from Fund 163	55,724	55,724	56,838	56,838
<u>166 Sandbridge Tax Increment Financing Fund</u>				
540 General Government Capital Projects Fund	0	744,374	868,924	868,924
Total Transfers from Fund 166	0	744,374	868,924	868,924
<u>167 Arts and Humanities Commission Special Revenue Fund</u>				
002 General Fund	0	0	0	37,237
Total Transfers from Fund 167	0	0	0	37,237
<u>169 Central Business District - South TIF (Town Center) Fund</u>				
302 General Debt Fund	3,033,870	5,296,567	5,381,054	5,381,054
174 Town Center Special Service District	0	0	0	300,000
Total Transfers from Fund 169	3,033,870	5,296,567	5,381,054	5,681,054
<u>172 Open Space Special Revenue Fund</u>				
302 General Debt Fund	2,135,575	2,518,029	2,498,134	2,498,134
540 General Government Capital Projects Fund	2,050,000	2,400,000	2,400,000	2,400,000
Total Transfers from Fund 172	4,185,575	4,918,029	4,898,134	4,898,134
<u>173 Major Projects Special Revenue Fund</u>				
169 Central Business District - South TIF (Town Center) Fund	0	0	0	277,778
302 General Debt Fund	17,248,659	19,858,456	19,778,057	19,778,057
002 General Fund	18,574	0	0	1,000,000
157 Sandbridge Special Service District Special Revenue Fund	861,835	905,333	995,866	995,866
Total Transfers from Fund 173	18,129,068	20,763,789	20,773,923	22,051,701
<u>175 Golf Course Special Revenue Fund</u>				
002 General Fund	0	89,550	89,550	89,550
540 General Government Capital Projects Fund	200,000	200,000	200,000	200,000
Total Transfers from Fund 175	200,000	289,550	289,550	289,550
<u>180 Community Development Special Revenue Fund</u>				
002 General Fund	125,592	125,592	128,104	128,104
Total Transfers from Fund 180	125,592	125,592	128,104	128,104

City of Virginia Beach, Virginia
Fiscal Year 2009-10 Revised Interfund Transfer Summary

	FY 2007-08 Actuals	FY 2008-09 Adjusted Budget	FY 2009-10 Approved Budget	FY 2009-10 Total Adopted
<u>183 Grants Consolidated Fund</u>				
540 General Government Capital Projects Fund	0	400,000	400,000	400,000
Total Transfers from Fund 185	0	400,000	400,000	400,000
<u>241 Water and Sewer Fund</u>				
002 General Fund	5,249,363	6,331,732	6,467,857	6,485,245
541 Water and Sewer Capital Projects Fund	6,250,000	7,000,000	8,000,000	7,500,000
Total Transfers from Fund 241	11,499,363	13,331,732	14,467,857	13,985,245
<u>253 Parking Enterprise Fund</u>				
302 General Debt Fund	725,625	725,900	724,687	724,687
002 General Fund	80,526	111,134	94,439	112,130
157 Sandbridge Special Service District Special Revenue Fund	28,239	29,086	29,959	29,959
Total Transfers from Fund 253	834,390	866,120	849,085	866,776
<u>255 Storm Water Utility Enterprise Fund</u>				
302 General Debt Fund	662,042	632,501	604,224	604,224
002 General Fund	492,701	1,137,443	1,159,131	1,159,131
555 Storm Water Capital Projects Fund	7,727,588	8,200,232	10,916,159	10,626,159
241 Water and Sewer Fund	249,065	256,537	264,233	264,233
Total Transfers from Fund 255	9,131,396	10,226,713	12,943,747	12,653,747
TOTAL APPROPRIATIONS FOR ALL FUNDS	575,839,613	629,633,909	655,108,454	617,334,358

City of Virginia Beach, Virginia
Fiscal Years 2008-09 through 2013-14 Capital Improvement Program
Means of Financing Summary

Source of Funding	Total		Biennium		Unappropriated Subsequent Years			
	Programmed Funds	Approp. To Date	Amended FY 2008-09	Budget FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
<u>Operating Budget CIP Allocations</u>								
General Appropriations								
Operating Budget	38,747,123	38,497,123	250,000	0	0	0	0	0
Pay-As-You-Go	238,143,989	58,764,127	30,644,575	19,133,272	33,061,928	32,077,932	31,993,649	32,468,506
Park Acquisition (.7 R.E. Tax)	161,279	161,279	0	0	0	0	0	0
Park Acquisition (.5 R.E. Tax)	19,938,483	4,249,299	2,542,001	2,519,395	2,571,573	2,597,662	2,673,547	2,785,006
Tourism Growth Investment Fund	1,735,000	1,225,000	250,000	260,000	0	0	0	0
Cigarette Tax	37,468,931	26,399,220	882,539	2,120,578	2,078,166	2,036,603	1,995,871	1,955,954
Schools Funding Formula	74,134,307	45,886,691	14,311,308	0	0	0	4,645,436	9,290,872
VDOT Maintenance	46,889,314	4,259,426	6,590,474	6,788,188	6,991,834	7,201,589	7,417,637	7,640,166
Law Enforcement (599)	25,706,859	7,961,862	566,902	1,132,085	3,226,370	3,739,880	4,239,880	4,839,880
Fire Programs Fund	2,400,000	0	400,000	400,000	400,000	400,000	400,000	400,000
E911 Fund	3,839,100	3,839,100	0	0	0	0	0	0
Golf Course Fund	1,500,000	400,000	100,000	200,000	200,000	200,000	200,000	200,000
Sandbridge Special Service District Tax	27,447,904	6,038,593	3,460,626	3,336,076	3,460,459	3,598,482	3,715,812	3,837,856
Sandbridge Special Service District TIF	7,264,362	1,428,673	744,374	868,924	1,109,541	996,518	904,188	1,212,144
Storm Water Utility Fund	111,961,449	47,690,194	8,138,800	10,626,159	11,376,574	11,376,574	11,376,574	11,376,574
Water and Sewer Fund	76,433,636	29,933,636	7,000,000	7,500,000	8,000,000	8,000,000	8,000,000	8,000,000
Total Operating Budget CIP Allocations	713,771,736	276,734,223	75,881,599	54,884,677	72,476,445	72,225,240	77,562,594	84,006,958
<u>Policy Allocation of Year Ending Balances</u>								
Fund Balance - E-911 Fund	6,487,139	0	6,487,139	0	0	0	0	0
Fund Balance - General Fund	155,376,233	68,638,454	14,259,232	33,912,998	9,126,582	9,812,989	9,812,989	9,812,989
Fund Balance - School Reversion	71,187,403	68,437,403	2,750,000	0	0	0	0	0
Fund Balance - School Reserve Fund	4,400,000	0	0	4,400,000	0	0	0	0
Fund Balance - Other	53,845,965	40,635,395	9,048,485	3,459,421	552,664	50,000	50,000	50,000
Retained Earnings - Parking	1,250,000	0	1,250,000	0	0	0	0	0
Retained Earnings - Information	3,557,790	3,557,790	0	0	0	0	0	0
Retained Earnings - Storm Water	4,735,580	4,617,265	118,315	0	0	0	0	0
Retained Earnings - Town Center SSD	1,118,110	0	1,118,110	0	0	0	0	0
Retained Earnings - Water and Sewer	53,176,110	13,529,194	5,092,016	14,554,900	5,000,000	5,000,000	5,000,000	5,000,000
Total Policy Allocation of Year Ending	355,134,330	199,415,501	40,123,297	56,327,319	14,679,246	14,862,989	14,862,989	14,862,989
<u>Other Sources of Funding</u>								
Other Localities	19,549,427	18,549,427	950,000	50,000	0	0	0	0
Federal Contribution	49,107,945	10,337,637	12,194,000	26,576,308	0	0	0	0
Telecommunications	250,000	0	0	250,000	0	0	0	0
Franchise Fees	1,878,000	0	313,000	313,000	313,000	313,000	313,000	313,000
Interest Income-Schools Capital Projects	5,679,448	679,448	2,500,000	2,500,000	0	0	0	0
Private Contribution	288,212	188,212	0	100,000	0	0	0	0
Development Proffers	136,546	60,983	75,563	0	0	0	0	0
Sale of Property	260,000	260,000	0	0	0	0	0	0
State Contribution	242,455,718	166,530,305	25,216,913	11,525,000	7,500,000	7,500,000	10,656,834	13,526,666
Virginia Public Schools Authority	1,006,140	1,006,140	0	0	0	0	0	0
Total Other Sources of Funding	320,611,436	197,612,152	41,249,476	41,314,308	7,813,000	7,813,000	10,969,834	13,839,666
<u>Debt Financing</u>								
General Obligation Bonds								
General Improvements	641,759,280	245,331,161	64,489,005	66,902,805	68,014,722	65,356,381	61,712,656	69,952,550
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
Storm Water Utility Bonds	28,190,737	22,190,737	6,000,000	0	0	0	0	0
Water and Sewer Revenue Bonds	147,330,826	69,480,826	13,000,000	17,000,000	11,850,000	12,000,000	12,000,000	12,000,000
Energy Performance Contract	10,000,000	0	10,000,000	0	0	0	0	0
Lease-Purchase	34,585,446	17,916,446	0	0	0	0	16,669,000	0
Virginia Public School Authority	6,350,705	6,350,705	0	0	0	0	0	0
Total Debt Financing	873,420,850	366,473,731	93,489,005	83,902,805	79,864,722	77,356,381	90,381,656	81,952,550
TOTAL ALL FUNDING SOURCES	2,262,938,352	1,040,235,607	250,743,377	236,429,109	174,833,413	172,257,610	193,777,073	194,662,163

City of Virginia Beach, Virginia
Fiscal Years 2008-09 through 2013-14 Capital Improvement Program
Project Estimates Summary

Source of Funding	Total		Biennium		Unappropriated Subsequent Years			
	Programmed Funds	Approp. To Date	Amended FY 2008-09	Budget FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
<u>Economic Vitality</u>								
Economic and Tourism Development	201,879,384	78,973,563	21,458,649	20,880,578	19,078,166	20,536,603	20,495,871	20,455,954
Total Economic Vitaity	201,879,384	78,973,563	21,458,649	20,880,578	19,078,166	20,536,603	20,495,871	20,455,954
<u>Safe Community</u>								
Buildings	44,274,043	13,651,159	4,716,200	7,103,224	4,575,669	9,078,553	2,574,619	2,574,619
Communications and Information Technology	72,331,410	16,816,488	13,690,162	3,705,760	1,900,000	5,950,000	26,669,000	3,600,000
Total Safe Community	116,605,453	30,467,647	18,406,362	10,808,984	6,475,669	15,028,553	29,243,619	6,174,619
<u>Quality Physical Environment</u>								
Roadways	569,022,084	260,621,664	53,078,655	66,303,747	51,673,931	41,454,021	39,185,262	56,704,804
Buildings	65,549,532	29,406,408	11,183,922	7,275,724	5,564,250	5,322,147	3,713,562	3,083,519
Water Utility	60,247,751	27,203,701	4,300,000	6,063,000	5,450,000	7,015,000	3,766,100	6,449,950
Sewer Utility	212,733,844	85,835,878	20,792,016	28,937,000	19,400,000	17,985,000	21,233,900	18,550,050
Storm Water	153,338,117	82,048,547	14,257,115	11,526,159	11,376,574	11,376,574	11,376,574	11,376,574
Coastal	134,026,425	87,207,415	8,563,402	7,690,938	7,373,402	7,502,858	7,594,754	8,093,656
Communications and Information Technology	1,740,878	500,000	757,800	0	483,078	0	0	0
Total Quality Physical Environment	1,196,658,631	572,823,613	112,932,910	127,796,568	101,321,235	90,655,600	86,870,152	104,258,553
<u>Cultural and Recreational Opportunities</u>								
Buildings	4,633,582	2,783,924	200,000	899,658	300,000	150,000	300,000	0
Parks and Recreation	87,510,821	26,552,892	10,438,358	10,325,175	10,701,939	9,839,054	9,634,542	10,018,861
Communications and Information Technology	330,581	0	330,581	0	0	0	0	0
Total Cultural and Recreational Opportunities	92,474,984	29,336,816	10,968,939	11,224,833	11,001,939	9,989,054	9,934,542	10,018,861
<u>Quality Education and Lifelong Learning</u>								
Schools	576,437,033	273,261,953	73,471,916	62,669,308	34,540,024	34,540,024	45,719,270	52,234,538
Buildings	41,475,741	31,595,574	3,480,167	1,500,000	1,900,000	1,000,000	1,000,000	1,000,000
Total Quality Education and Lifelong Learning	617,912,774	304,857,527	76,952,083	64,169,308	36,440,024	35,540,024	46,719,270	53,234,538
<u>Family and Youth Opportunities</u>								
Communications and Information Technology	340,500	340,500	0	0	0	0	0	0
Total Family and Youth Opportunities	340,500	340,500	0	0	0	0	0	0
<u>Quality Organization</u>								
Communications and Information Technology	37,066,626	23,435,941	10,024,434	1,548,838	516,380	507,776	513,619	519,638
Total Quality Organization	37,066,626	23,435,941	10,024,434	1,548,838	516,380	507,776	513,619	519,638
TOTAL OF ALL PROJECT CLASSES	2,262,938,352	1,040,235,607	250,743,377	236,429,109	174,833,413	172,257,610	193,777,073	194,662,163

City of Virginia Beach, Virginia
Fiscal Years 2008-09 through 2013-14 Capital Improvement Program
Computation of Bonding Limits

Bond Issues	Biennium						Total		
	Year 1 FY 2008-09	Year 2 FY 2009-10	Year 3 FY 2010-11	Year 4 FY 2011-12	Year 5 FY 2012-13	Year 6 FY 2013-14			
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									
PRIOR BOND ISSUES AS OF (June 30, 2008)	58,728,108	52,656,529	54,200,952	48,061,826	45,708,407	41,031,086	300,386,908		
NEW BOND ISSUES	Amount	Rate							
2008 Bonds (Nov. 2008)	6,350,705	4.16%	0	287,963	288,773	293,342	293,836	293,900	1,457,814
2009 Bonds (Spring 2009)	66,400,000	5.50%	0	0	3,320,000	3,320,000	3,320,000	3,320,000	13,280,000
2010 Bonds (Spring 2010)	75,400,000	5.50%	0	0	0	3,770,000	3,770,000	3,770,000	11,310,000
2011 Bonds (Spring 2011)	74,500,000	5.50%	0	0	0	0	3,725,000	3,725,000	7,450,000
2012 Bonds (Spring 2012)	66,700,000	5.50%	0	0	0	0	0	3,335,000	3,335,000
2013 Bonds (Spring 2013)	63,500,000	5.50%	0	0	0	0	0	0	0
TOTAL ESTIMATED PRINCIPAL RETIREMENT	58,728,108	52,944,492	57,809,725	55,445,168	56,817,243	55,474,986	337,219,722		
TOTAL BONDING LIMITS	68,728,108	62,944,492	67,809,725	65,445,168	66,817,243	65,474,986	397,219,722		
TOTAL BONDING LIMITS - ROUNDED	68,700,000	62,900,000	67,800,000	65,400,000	66,800,000	65,400,000	397,000,000		
CHARTER BONDS ALLOCATED	64,489,005	66,902,805	68,014,722	65,356,381	61,712,656	69,952,550	396,428,119		
TOTAL ANNUAL UNALLOCATED BOND AUTHORITY	4,210,995	(4,002,805)	(214,722)	43,619	5,087,344	(4,552,550)	571,881		
PRIOR YEAR UNALLOCATED BOND AUTHORITY	366,009	0	0	0	0	0	366,009		
CUMULATIVE UNALLOCATED BOND AUTHORITY	4,577,004	574,199	359,477	403,096	5,490,440	937,890			

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 2008-09 through 2013-14 Capital Improvement Program
Estimated Debt Service Costs of General Improvement Debt

Bond Issues	Biennium						Total		
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14			
PRIOR BOND ISSUES AS OF (June 30, 2008)	83,632,226	80,791,351	73,729,681	68,758,821	64,071,393	58,249,681	429,233,153		
NEW BOND ISSUES	Amount	Rate							
2008 Bonds (Nov. 2008)	6,350,705	4.16%	0	625,192	583,125	571,875	560,625	549,375	2,890,192
2009 Bonds (Spring 2009)	66,400,000	4.13%	0	6,972,000	6,789,400	6,606,800	6,424,200	6,241,600	33,034,000
2010 Bonds (Spring 2010)	75,400,000	5.50%	0	0	7,917,000	7,709,650	7,502,300	7,294,950	30,423,900
2011 Bonds (Spring 2011)	74,500,000	5.50%	0	0	0	7,822,500	7,617,625	7,412,750	22,852,875
2012 Bonds (Spring 2012)	66,700,000	5.50%	0	0	0	0	7,003,500	6,820,075	13,823,575
2013 Bonds (Spring 2013)	63,500,000	5.50%	0	0	0	0	0	6,667,500	6,667,500
TOTAL DEBT SERVICE - NEW BOND ISSUES	0	7,597,192	15,289,525	22,710,825	29,108,250	34,986,250	109,692,042		
TOTAL DEBT SERVICE - ALL BOND ISSUES	83,632,226	88,388,543	89,019,206	91,469,646	93,179,643	93,235,931	538,925,195		
PRIOR LEASE/PURCHASES AND COPS	36,950,337	36,334,953	36,412,599	33,689,968	33,797,706	33,869,411	211,054,974		
NEW LEASE/PURCHASES	1,735,693	2,652,538	2,896,730	3,150,669	8,621,066	11,179,129	30,235,825		
TOTAL LEASE/PURCHASES AND COPS	38,686,030	38,987,491	39,309,329	36,840,637	42,418,772	45,048,540	241,290,799		
TOTAL DEBT SERVICE - ALL ISSUES	122,318,256	127,376,034	128,328,535	128,310,283	135,598,415	138,284,471	780,215,994		

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 2008-09 through 2013-14 Capital Improvement Program
Estimated Debt Service Costs of Water and Sewer Bond Issues

Bond Issues	Biennium						Total		
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14			
PRIOR BOND ISSUES AS OF (June 30, 2008)	10,636,325	10,719,740	10,582,259	10,587,766	10,556,278	10,624,616	63,706,984		
NEW BOND ISSUES	Amount	Rate							
2010 Bonds (Fall 2009)	30,000,000	5.50%	0	825,000	2,220,352	2,219,465	2,218,529	2,217,542	9,700,888
2012 Bonds (Fall 2011)	30,000,000	5.50%	0	0	0	825,000	2,220,352	2,219,465	5,264,817
2014 Bonds (Fall 2013)	30,000,000	5.50%	0	0	0	0	0	825,000	825,000
TOTAL ESTIMATED PRINCIPAL RETIREMENT	0		825,000	2,220,352	3,044,465	4,438,881	5,262,007	15,790,705	
TOTAL DEBT SERVICE - WATER AND SEWER BONDS	10,636,325		11,544,740	12,802,611	13,632,231	14,995,159	15,886,623	79,497,689	

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.

FY 2009-10 Biennial Capital Improvement Program Completed Project Listing

Projects by Business Area	Amount
Cultural & Recreational Opportunities	
<u>Buildings</u>	
3.073 Colonial Education Center Construction & Land Acquisition This project provides for the acquisition of two parcels (4401 & 4409 Wishart Road) adjacent to the Lynnhaven House including the Colonial Education Center, completion of sitework, construction of exhibits, and other improvements to the Lynnhaven House.	\$ 1,095,100
3.322 Virginia Aquarium Original Exhibit Gallery Renovation The project will renovate the Aquarium's original exhibit gallery, reconfigure the main lobby and Aquarium store, upgrade and renovate the original restroom areas, and add a family restroom. The renovation will convert existing exhibits into new live animal habitats, interactive scientific exhibits, a live coral aquarium, and add a new 120,000-gallon Red Sea aquarium as the highlight of the renovation.	21,840,188
<u>Communications and Information Technology</u>	
3.089 CIT - P&R - Field Enabling HW for Hansen End Users To provide access to the Hansen application and City standard applications (Outlook, Beachnet, City policies, Word, Excel, etc.), the hardware and software requested in this project will be deployed in the Landscape Management Division. This project would disperse workstations and semi-rugged laptops. Some laptops will be equipped with a wireless capability enabling real time reporting. Others will be used in a store forward capacity. They will be synchronized with office applications.	260,821
Total Cultural & Recreational Opportunities	\$ 23,196,109
Economic Vitality	
<u>Economic and Tourism Development</u>	
9.016 Town Center Infrastructure This project provides part of the Infrastructure costs and site acquisition for Phases I, II, and III for the Town Center project. Infrastructure will include streets, streetscapes, traffic signals, turn lanes, a plaza with a fountain, landscaping, other supporting infrastructure, and public plaza. Negotiations for public-private agreements for Phase IV of construction are underway. Streetscape improvements and utility relocation are required infrastructure around Block 2 for Phase IV.	\$ 8,684,829
Total Economic Vitality	\$ 8,684,829
Quality Organization	
<u>Communications and Information Technology</u>	
3.077 CIT - Data Center Sustainability and Risk Reduction This CIT will examine potential Building 2 Data Center facility improvements. In conjunction with a FY 2007-08 environmental study, a strategic and tactical plan will be developed to identify needed replacement/modification costs and timelines. It will provide immediate, 5 year, and 10 year recommendations.	\$ 250,000
3.078 CIT - GIS Web Infrastructure Upgrade The project's purpose is to replace core GIS e-mapping Web service with a GIS Web mapping platform. It includes providing required training and services. This will allow citizens, businesses, and visitors City GIS access via the Internet; moreover it will facilitate internal City user accessibility.	150,000
Total Quality Organization	\$ 400,000

FY 2009-10 Biennial Capital Improvement Program Completed Project Listing

Projects by Business Area	Amount
Quality Physical Environment	
<u>Buildings</u>	
3.144 Municipal Center Parking - Courts This project will provide a parking lot containing approximately 116 parking spaces at the corner of George Mason Drive and Nimmo Parkway to serve the Judicial Center.	\$ 325,000
<u>Sewer Utility</u>	
6.081 Laskin Road Phase II & Gateway Improvements This project provides funding to improve existing gravity sewer facilities on Laskin Road from Oriole Drive to Atlantic Avenue. Approximately, 5,760 feet of 8 inches to 24 inches gravity sewer lines will be televised to identify deficiencies in the system. Approximately 5,170 feet of gravity sanitary sewer will be replaced or lined.	1,086,735
<u>Storm Water</u>	
7.031 Kempsville Greens GC Community Stormwater Bank Stabilization Eleven lakes totaling approximately 16 acres are located on the Kempsville Greens Municipal Golf Course. The area of the lakes that provide for Storm Water Management of the surrounding community is approximately 4 acres. The lakes also provide for Storm Water Management for the golf course, for irrigation of the golf course, and served as "borrow" sites for the development of the golf course.	740,000
Total Quality Physical Environment	<u>\$ 2,151,735</u>
Safe Community	
<u>Buildings</u>	
3.058 EMS Great Neck Rescue Station Site Improvements This project provides up to \$750,000 to reimburse for site improvement costs for a new Rescue Station to be built on City property on Bayne Drive (Great Neck Rescue Station) that will be conveyed at no charge to the Rescue Squad. The station will be owned by the Virginia Beach Volunteer Rescue Squad and constructed by them.	\$ 750,000
3.229 Police Training Facility This project is for the construction of various public safety training and support facilities at the Creeds Police Training facility. Improvements include re-constructing an existing vehicle driving track; construction of a new 5,000 square feet administration building; expansion of the existing simulation training building area and various site improvements.	4,960,000
3.299 Sheriff's Workforce/Release Facility-Design & Site Selection This project would fund the preliminary design and site selection of a facility to house work release inmates as well as provide a facility for the Sheriff's Workforce to work out of. This project would include programming, design, site selection and other needs to relocate both the workforce from its temporary location and work release from leased space. This project does not include site acquisition.	600,000
Total Safe Community	<u>\$ 6,310,000</u>
Total All Business Areas	<u>\$ 40,742,673</u>

FY 2009-10 Biennial Capital Improvement Program Deleted Project Listing

Projects by Business Area	Amount
Quality Organization	
<u>Communications and Information Technology</u>	
3.051 CIT - 311/Customer Relationship Phase II	\$ 325,000
<p>With this project's design and implementation, City leadership will have direct access to historical and real-time citizen request data. The information would be collected at 311, other public information office points of service, and potentially from all primary call points. It is a 311 project, but it will affect other agencies. The system would be capable of gathering neighborhood opinions and thoughts. This scalable approach will provide tools for identifying and analyzing trends, locating geographic areas of concern, etc. It will also produce a community communication reporting and tracking system. Calls received at 311, and other community received communications, will be tracked, content recorded, outcomes monitored, and trends compiled. It will accommodate individual citizens, neighborhoods, voting districts, etc.; moreover, it would not be limited to telephonic input. Walk-in citizens, website assistance, e-mail contact, and other communications will also be integrated.</p>	
Total Quality Organization	\$ 325,000
Quality Physical Environment	
<u>Storm Water</u>	
7.160 Thalia Creek Tributary Restoration (Partial)	\$ 31,665
<p>This project is to restore the Thalia Creek Tributary and provide water quality as well as to re-establish river access to the existing adjacent Pembroke Manor Residents. Over 200 acres of untreated commercial and residential storm water runoff enter the Lynnhaven River through an unnamed tributary of Thalia Creek. This creek has deteriorated to the point that it provides no water quality treatment for this runoff. This is one of the many efforts the City is taking to meet the new, State mandated total maximum daily load (TMDL) for the Lynnhaven River.</p>	
Total Quality Physical Environment	\$ 31,665
Total All Business Areas	\$ 356,665

FY 2009-10 Biennial Capital Improvement Program Requested But Not Funded Project Listing

Projects by Business Area	Estimated Cost
Cultural & Recreational Opportunities	
<u>Parks and Recreation</u>	
4.071 Williams Farm Community Recreation Center	\$ 30,300,000
<p>The Williams Farm Community Recreation Center is proposed to be a 71,000 square foot community recreation center including, gyms; multi-purpose recreation pool; indoor track, classrooms; fitness facilities; administrative office; outdoor recreation court; and, an outdoor skate park. In addition the project includes pedestrian and bicycle infrastructure improvements in a two mile radius of the facility to ensure safe and convenient access for pedestrians and bicyclists. The center is to be located on approximately 15 acres of City property known as Williams Farm and is adjacent to three elementary schools, the Williams Farm Park and Bayside Middle School. The project preliminary design and space programming has been the result of approximately one year study and community involvement process which developed and recommended the design for the project. The project is planned to be designed and developed through a design build process. The preliminary design for the project is included in the "Williams Farm Community Recreation Center Design – Parks and Recreation capital project #4-072".</p>	
Total Cultural & Recreational Opportunities	\$ 30,300,000
Economic Vitality	
<u>Economic and Tourism Development</u>	
9.035 Town Center Pedestrian Bridge	\$ 3,550,000
<p>This project provides design and construction funds for a pedestrian walkway from the Pembroke Mall to the Town Center.</p>	
Total Economic Vitality	\$ 3,550,000
Quality Education and Lifelong Learning	
<u>Buildings</u>	
3.145 Records Center Shelving Expansion & Restroom Addition	\$ 85,763
<p>This project provides additional storage to the City's Records Management Center on Leroy Drive using a second level of shelving that will accommodate an additional 4,230 boxes. Also, this project would construct a restroom at the Records Center for staff.</p>	
Total Quality Education and Lifelong Learning	\$ 85,763
Quality Organization	
<u>Communications and Information Technology</u>	
3.149 CIT - Museums - Virginia Aquarium Ticketing System	\$ 250,000
<p>This project would fund an analysis and would lead to implementation of a new ticketing system. Potential use could also include historic homes.</p>	
Total Quality Organization	\$ 250,000
Quality Physical Environment	
<u>Water</u>	
5.710 19th Street Corridor Water Improvements	\$ 275,000
<p>This project provides funding for design and construction of approximately 500 feet of 24" water main along 19th Street. Construction will be coordinated with Economic Vitality capital project #9-036.</p>	
Total Quality Physical Environment	\$ 275,000
Total All Business Areas	\$ 34,460,763