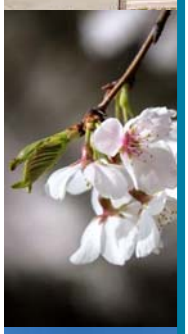
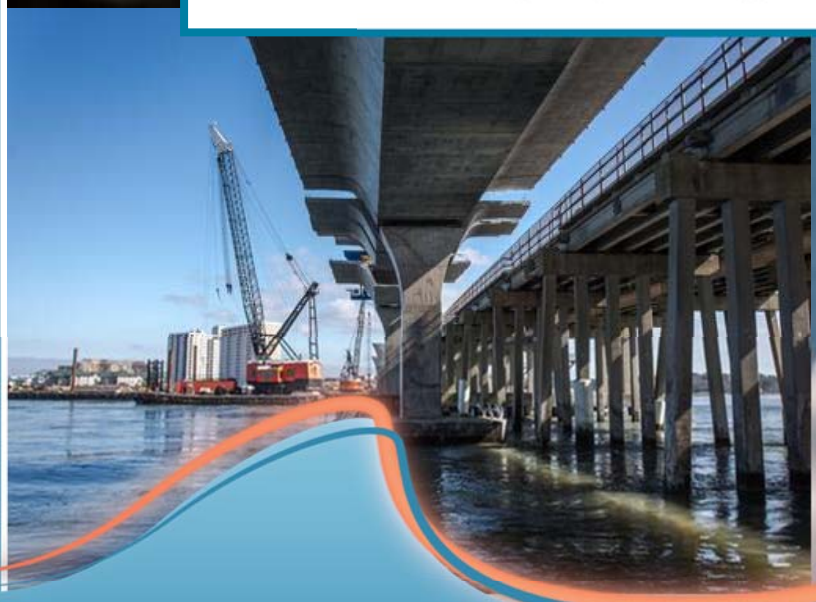
Adopted

OPERATING BUDGET

RESOURCE MANAGEMENT PLAN

FY 2017-18

City of Virginia Beach

CONTENTS

INTRODUCTION **3**
Purpose and Document Changes 3

SUMMARIES **11**
Expenditures and Revenues 16
Interfund Transfer Summary 34
Relation of the Operating Budget to the Capital Improvement Program 37

REVENUES **38**
National Economic Overview 38
Virginia Beach Economic Overview 39
Forecasting Methodology 40
Dedication of Other Local Taxes and Real Estate Taxes for Specific Purposes 41
New Funds 43
Revenue Resource Analysis 43
Special Revenue Funds 51
Enterprise/Utility Funds 53

REQUESTED BUT NOT FUNDED **55**

DEPARTMENTS **73**
Agriculture 73
Aquarium and Museums 79
Budget & Management Services 85
City Attorney 88
City Auditor 92
City Clerk 96
City Manager 100
City Real Estate Assessor 104
City Treasurer 108
Commissioner of the Revenue 112
Commonwealth's Attorney 116
Communications 122
Convention and Visitors Bureau 126
Courts and Court Support 133
Cultural Affairs 137
Economic Development 142
Emergency Communications and Citizen Services 147
Emergency Medical Services 153
Finance 161
Fire 167
Health 173
Housing and Neighborhood Preservation 177
Human Resources 185

Human Services 192
Information Technology 204
Library 212
Municipal Council 218
Non-Departmental 223
Office of Emergency Management 230
Parks and Recreation 234
Planning & Community Development 245
Police 254
Public Education 261
Public Utilities 270
Public Works 276
Sheriff's Office 290
Strategy, Transparency, Innovation, & Resiliency Office 296
Voter Registration & Elections 300

DEBT SERVICE 304

BUDGET ORDINANCES 312
Budget Ordinance FY 2017-18 312
Tax Levy on Real Estate 333
Tax Levy on Personal Property & Machinery and Tools 336
Sandbridge TIF Surplus Declaration 339
Health Insurance Plans Resolution 340
HUD Funding Plan 342
ERU Fee Amendment 343
Sandbridge Special Service District 344
Estate Tax Relief for Elderly and Disabled 345
Local Supplement to Sheriff 346
Redirect Revenues for ARP, Open Space, and Stormwater 348

APPENDIX 350
Resource Management Plan Process Overview 350
RMP Calendar 355
Accounting and Budgeting Basis 357
FY 2017-18 Nonrecurring Capital Budget Appropriations 358
FY 2018-2022 CIP Appropriation Financing Plan 363
Summary of Positions by Department 366
City Council and School Board Policy – Revenue Sharing Policy 367
City Council Policy – Maintenance and Repair of Aging City Infrastructure 374
City Council Policy – Not Supplanting State, Federal, and Private Funds with Local Funds 376
A Resolution to Address Public Safety Pay Compression Disparities 378
Administrative Directive – Grant Management 380
Administrative Directive – Resource Administrative Directive 388
Glossary of Terms 396
Description of Funds 403
Commonly Used Acronyms 409

HOW TO READ THE DOCUMENT

Purpose and Document Changes

The operating budget outlines the expenditures, personnel resources, and revenues needed to finance the operations of the government, and the policies/priorities and circumstances on which allocation decisions are based. This document provides the citizens and governing body with insight to the past, present, and future services and programs of the city as well as anticipated program outcomes.

The City Council has embraced a long term vision outlined in "Virginia Beach 2040" as well as a Sustainability Plan. In addition, the City Council conducts an annual goal-setting workshop. Throughout the process, city staff align their budget and capital budget initiatives with "Virginia Beach 2040", the Sustainability Plan, and City Council's annual goals. The City Council has developed a set of "Destination Points" to define their vision of a strong, healthy, and vibrant city with a greater quality of life for everyone.

The planning process starts as the City Council assesses the current conditions of the city and articulates their priorities to city staff. City staff devises a strategy document as the official plan to implement the goals of the City Council. This plan focuses the collective efforts of city staff on City Council's priorities and those strategic issues that will help close the gap between where the city is today and the community that it strives to become. In concert with the ongoing delivery of programs and services, this plan provides a strategic focus for the next year.

During their February 2017 workshop, City Council set the following goals:

Goal 1 – Grow the Local Economy

Means to Residents

- Job opportunities with higher pay for residents to work in Virginia Beach.
- Reasonable property tax rate through a more diverse tax base resulting in more revenues for the city.
- Local economy more insulated from an economic downturn.
- Opportunities to start and grow a business in Virginia Beach.
- Greater convenience in residents' daily lives – less commute time and more time for family.

Goal 2 – Create a Financially Sustainable City Providing Excellent Services

Means to Residents

- City services delivered in the most cost-effective manner.
- Reliable city services that contribute to hassle-free daily living.
- Feeling safe and secure within Virginia Beach – any place, anytime.
- Timely response to an emergency call for service.
- City services that are readily accessible and are provided in a customer friendly manner.

Goal 3 – Improve the Transportation System

Means to Residents

- Greater ease of movement within Virginia Beach and the region.
- More predictable and acceptable travel times from "point A" to "point B" within Virginia Beach.
- Choices of transportation mode: car, trail system, or public transportation.
- Safer streets for automobile, pedestrians, and bike travel.
- Quality public transportation linking Town Center, Convention Center, and the Oceanfront.

Goal 4 – Revitalize Neighborhoods and Plan for the Future

Means to Residents

- Protection of residents' property values.
- Safe homes and buildings in the city.
- More attractive and inviting city.
- Upgraded older homes and buildings.
- Convenient access to commercial and retail areas.

Goal 5 – Be a Competitive, First Class Resort for Residents, Businesses, and Tourists

Means to Residents

- Job opportunities for residents and youth.
- Tourist amenities for use by residents and added value to the quality of life.
- New tourist dollars to the local economy.
- More choices for your leisure time.
- Quality leisure activities for families.

Goal 6 – Be the Safest City in Virginia

Means to Residents

- Residents feel safe throughout the city.
- Decreased opioid addiction.
- Increased access to quality health care.
- Increased property values.
- Increased business relocations and openings.
- Engaged citizens.

Goal 7 – We Are an Inclusive Community That Is Welcoming and Empowers All

Means to Residents

- Inclusive neighborhoods and events.
- Comforting and welcoming community and neighborhoods.
- Easy access to government participation and services.

Goal 8 – Our Community has World Class Schools and Education Programs

Means to Residents

- Opportunities for lifelong learning.
- Quality schools and libraries.
- Enhanced community workforce.
- Access to diverse arts and cultural activities.

Goal 9 – Data and Technology is Used to Enhance Community Livability, Prosperity, and Sustainability

Means to Residents

- Transparent government.
- Access to affordable broadband and wireless connectivity.
- Increased government responsiveness.
- Increased cyber-security.
- Engaged citizens.

Goal 10 – City Assets and Infrastructure are Well Maintained and Meet Community Expectations

Means to Residents

- Assets needed for daily life are reliable and accessible.
- Green spaces and parks increase quality of life.
- Decreased flooding of neighborhoods and businesses.
- Decreased cost of service due to improved maintenance over the long term.

Format of the Budget

To assist in understanding the contents of this financial document, the following is a brief description of the main sections.

- **Introduction** – This section contains information relating to How to Read the Document with example pages provided.

- **Summaries** – Overview of the city's financial structure, expenditures and revenues, inter-fund transfers, and the relationship of the operating budget to the Capital Improvement Program.

- **Revenues** – A comprehensive review of city revenues as it relates to national, state, and local funding sources.

- **Requested But Not Funded** – A listing of items requested but not funded in the current budget.

- **Departments** – This section includes all departments that operate within the city, listed in alphabetical order. Each department section provides an introduction to the department as well as key information on how each department works to support the goals set by City Council.

- **Debt Service** – Description, analysis, and summaries of the debt service program are included in this section.

- **Ordinances** – This section contains ordinances that adopt the annual operating budget, set rates for the property taxes, and miscellaneous amendments to the City Code.

- **Appendix** – This section contains an overview of the Resource Management Process Overview, Accounting and Budgeting Basis, Summary of City Positions by Department, various policies and administrative directives, a glossary, a description of major city funds, and a list of commonly used acronyms.

The following pages provide examples of how to read and understand information contained in the departmental sections of this document.

AQUARIUM AND MUSEUMS

The mission of the Department of Aquarium and Museums is to c
life, economic vitality, and education of the citizens and visitors t
through the operations of our world-class aquarium and history

Identifies the key mission statement of the department.

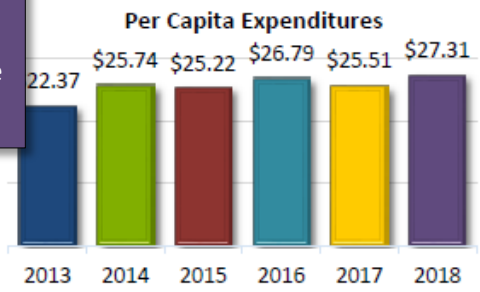
Identifies changes to proposed budget made by City Council, where applicable

City Council Amendment:

- Provides $13,033 to resto Waterfowl Museum to FY 2016-17 levels.
- Provides $14,908 to restore funding to the Old Coast Guard Museum to FY 2016-17 levels.
- Provides $49,000 in funding for special events at the City's museums.

Department Overview

Identifies basic programs of the department and the Per Capita Expenditures over the last five years.



Aquarium

The Aquarium is a public-private part of Virginia Beach and the Virginia Aq Center Foundation which is a 501c3 r and maintains the Aquarium's buildi administrative support while the foundation procures and maintains the collection of animals and exhibits. The Foundation is also responsible for fundraising efforts and various scientific research, education, and conservation programs. The Aquarium features a variety of attractions for visitors including over 800,000 gallons of marine life to explore, a National Geographic 3D Theater, coastal boat trips, a zip line and aerial adventure park, and a rotating collection of other exhibits.

Museums

This division includes the Francis Land House, Adam Thoroughgood House, Lynnhaven House, and Princess Anne

- The following graph displays some key performance measures within the department via a "Performance Pyramid". This pyramid may have multiple levels to assist the reader in understanding the alignment between department's community level metrics or specific department outcomes/outputs and how these measures align to City Council's Goals.

Key Performance Measures

Commonwealth's Attorney - Departmental Resource Summary

	FY 2015 Actual	FY 2016 Adjusted	FY 2017 Adopted	Variance from FY 2016
Program Summary				
002 General Fund				
Expenditures				
Commonwealth's Attorney			8,124,911	128,335
Victim/Witness			0	0
Total E			8,124,911	128,335
Revenues				
Fees			0	0
State	2,377,810	2,679,405	2,683,181	3,776
Total Revenues	2,378,200	2,679,405	2,683,181	3,776
General City Support	5,312,303	5,317,171	5,441,730	124,559
140 Commonwealth Attorney's Fed & State Seized Assets SRF				
Expenditures				
DEA - Commonwealth's Attorney	54,219	400,000	400,000	0
Total Expenditures	54,219	400,000	400,000	0
Revenues				
Fees		0	0	0
State		0	0	0
Fund Balance		400,000	400,000	0
		400,000	400,000	0
General City Support	(32,033)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Commonwealth's Attorney - Grants	300,189	337,968	338,517	549
Total Expenditures	300,189	337,968	338,517	549
Revenues				
State	261,080	273,771	273,771	0
Federal	803	0	0	0
Transfers	41,582	64,197	64,746	549
Total Revenues	303,465	337,968	338,517	549
General City Support	(3,276)	0	0	0
Total Department Expenditure	8,044,911	8,734,544	8,863,428	128,884
Total Department Revenue	2,767,917	3,417,373	3,421,698	4,325
Total General City Support			5,441,730	124,559
Position Summary by Program				
002 General Fund				
Commonwealth's Attorney	80.20	80.93	84.93	4.00
Total	80.20	80.93	84.93	4.00
183 Grants Consolidated Fund				
Commonwealth's Attorney - Grants	6.50	6.50	6.50	0.00
Total	6.50	6.50	6.50	0.00
Total Position Summary	86.70	87.43	91.43	4.00

This section identifies expenditures by fund and program unit that supports the department's desired outcome.

This section identifies the type of revenue stream provided to the department by fund.

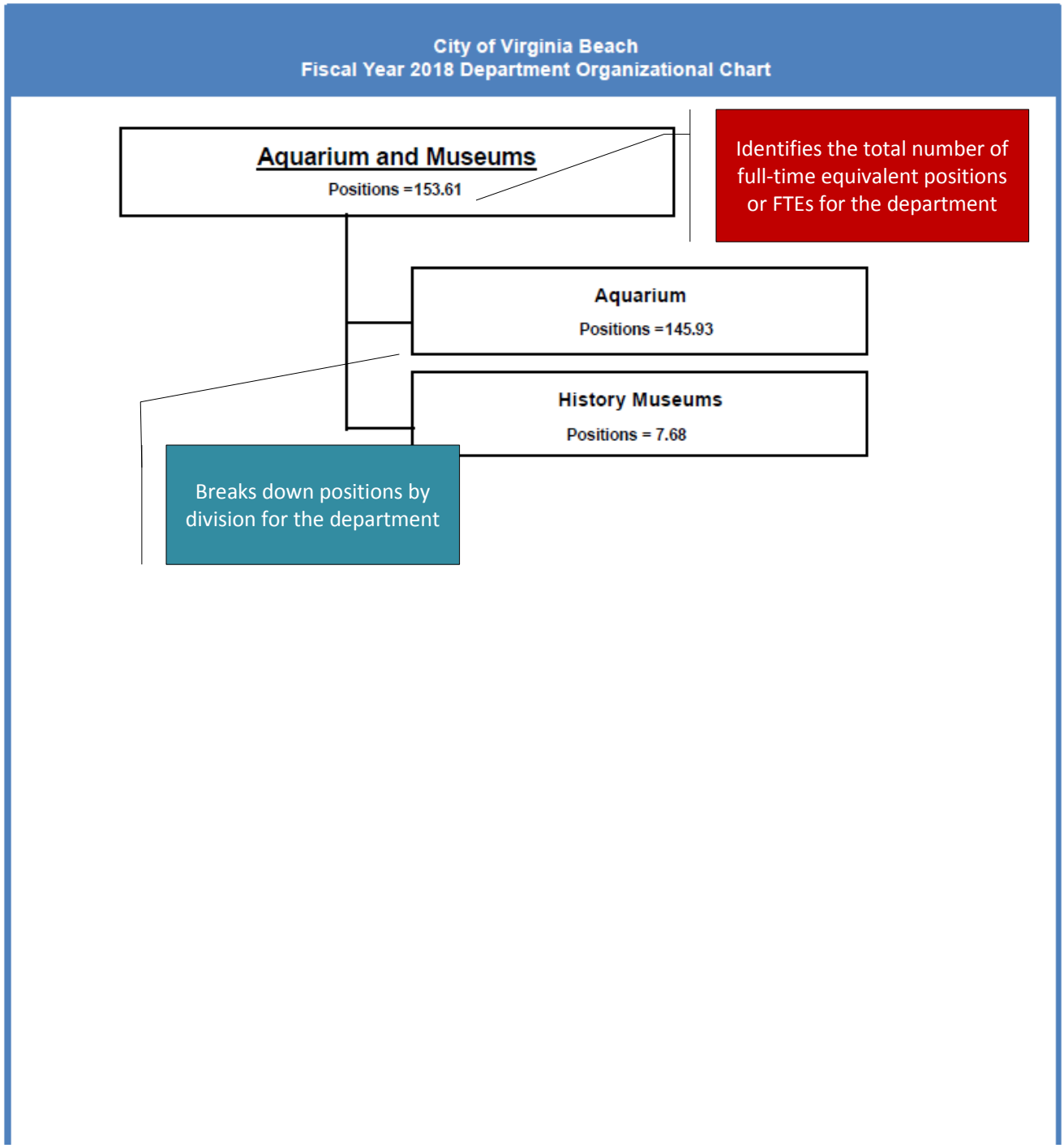
This section identifies the total personnel allocated to the department by program unit.

Commonwealth's Attorney - Departmental Resource Summary

	FY 2015 Actual	FY 2016 Adjusted	FY 2017 Adopted	Variance from FY 2016
Expenditure Category by Department				
Personnel			3,076,668	96,871
Operating			782,140	27,393
Capital			4,620	4,620
Total Expenditures:			3,863,428	128,884
Revenue Category by Department				
From the Use of Money and Property	2,815	0	0	0
Miscellaneous Revenue	8,013	0	0	0
Other Sources from the Commonwealth	2,714,704	2,953,176	2,956,952	3,776
Revenue from the Federal Government	803	0	0	0
Transfers from Other Funds	41,582	64,197	64,746	549
Specific Fund Reserves	0	400,000	400,000	0
Total Revenue:	2,767,917	3,417,373	3,421,698	4,325

This section shows expenditures and revenues broken down by generalized categories.

- Position counts are expressed in terms of full-time equivalent or FTEs. This is the total number of hours worked divided by the number of hours for a full-time employee. This allows a more accurate count of positions by standardizing various work schedules for part-time employees.
- Once City Council adopts the Resource Management Plan, changes that affect a particular department will be documented as a council amendment in the adopted budget document.


City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart
Aquarium and Museums
Positions =153.61
Identifies the total number of full-time equivalent positions or FTEs for the department
Aquarium
Positions =145.93
History Museums
Positions = 7.68
Breaks down positions by division for the department

SUMMARIES

Financial Structure

The City of Virginia Beach's budgetary policies conform to generally accepted accounting principles as applicable to governmental accounting. A summary of the City's financial structure follows.

The accounting system used by the city is organized and operated on a fund basis. A fund is defined as a separate, self-balancing set of accounts which is segregated for the purpose of carrying on specific activities or attaining certain objectives. Each fund is comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The city's resources are accounted for in individual funds based upon the purposes for which they are to be spent and controlled.

There are basically three fund categories used by the city: Governmental, Proprietary, and Fiduciary Funds.

Governmental Funds

Most of the governmental functions of the city are financed in governmental funds. These funds focus on the sources and uses of the city's current expendable financial resources for the purpose of determining financial position. The following are the city's governmental fund types:

- General Fund – This is the chief operating fund of the city. General Fund revenues are derived from property and other local taxes, permits, privilege fees, regulatory licenses, fines and forfeitures, use of property fees, charges for services, state and federal government aids, and transfers from other funds.

- Special Revenue Funds – These funds are used to account for all resources which are restricted for specific purposes. Beginning July 1, 2010, this requirement from the Governmental Accounting Standards Board (GASB) completely changed the reporting requirements for Special Revenue Funds (Examples: Agriculture Reserve Program, Parks and Recreation Special Revenue fund, etc.) making revenues the determining factor in the budgeting of these funds. Under GASB 54, Special Revenue Funds are required to have their own unique source of revenue; transfers can no longer serve as the primary source of revenues and the actual source of the revenue must be shown.

- Capital Projects Funds – Financial resources to be used for acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds) are accounted for in these funds. Examples: School General Revenue Capital Projects Fund, General Government Capital Projects Fund, Water and Sewer Capital Projects Fund, and Storm Water Capital Projects Fund.

Proprietary Funds

City activities that function primarily as investor-owned business enterprises are generally set up as proprietary funds. The measurement focus of these funds is to determine their net income, financial position, and changes in financial position. There are two types of proprietary funds used:

- Enterprise Funds – These funds are used to account for the operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriated for capital maintenance, public policy, management control, accountability, or other purposes. Examples: Parking Enterprise Fund and Storm Water Utility Enterprise Fund.

- Internal Service Funds – These funds are used for the financing of goods or services provided by one city department or agency to other departments or agencies, or to other governments on a cost-reimbursement basis. Examples: City Garage and Risk Management Internal Service Funds.

Fiduciary Funds

Trust and Agency Funds – These funds are used to account for assets held by the city in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. Example: Health Insurance Trust Fund.

Financial Management

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

Resource Direction and Guidance

The city's current fiscal condition is excellent. City Council continues to improve that condition, allowing the community to look toward strategic goals from a position of strength. Indicators of our excellent fiscal condition include: a healthy fund balance, an AAA bond rating, and relatively low per capita spending. The Resource Management Plan will continue City Council's basic fiscal policies for fiscal year 2015-16:

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

Resource Process

The city uses a modified, zero-based budget approach centered on programs with supporting performance measures. Additional details about the processes used to develop the city's operating budget and CIP are shown in more detail in the Resource Management Process Overview in the Appendix section of this document. During the budget process, departments are provided with an annual funding target based on revenues that are forecasted to be available, given a manual and guidelines, and provided training for budget and CIP development. Departments submit their budget requests that meet the funding targets provided and also relay the need for additional resources to support increasing demand for current services and/or new and/or expanded programs.

Once budget requests are submitted to the department of Budget and Management Services, analysts audit the budget proposal for mathematical accuracy and consistency with established budgeting guidelines for certain types of costs such as internal service fund charges. Analysts make any needed adjustments to expenditures or revenues to bring the request in line with funding targets. They review budget requests to determine if the amount of funding requested is appropriate based on the following criteria: Is the request supported by the change in performance measures? Does it further a City Council goal? Does it further the city's strategic plan? Does it support Envision 2040 and the Sustainability Plan? Is it a state or federal mandate? Is it supported by other revenue sources? Is it a public safety or health issue? Will it provide savings in the future?

Once budget requests have been thoroughly reviewed a recommendation is forwarded to the Management Leadership Team (MLT) consisting of the City Manager and Deputy City Managers and the respective department director. Thereafter, budget hearings are held whereby the requesting agency, Budget and Management Services, and the MLT discuss the agency's budget request and any unfunded issues requiring further consideration. After all of the budget hearings are completed, the MLT will meet with the leadership of Budget and Management Services to work through the issues and develop a funding strategy. The MLT makes a final decision on what items are included in the proposed budget that is presented to City Council.

The Capital Improvement Program follows a similar process. In place of departmental level budget hearings, the agencies that administer the CIP present their CIP requests to a CIP caucus comprised of the MLT, directors of the CIP's managing agencies and team leaders of the remaining Strategic Issue Teams. Requests for additional funding for existing projects or new projects are prioritized by the CIP caucus and used by the MLT in making the final decision as to what to include in the proposed CIP that is presented to City Council.

Operating Budget Policies

- The budget will be balanced on a current revenue to expenditure basis.
- Attrition will be used to cover limited overtime and contracted manpower expenses, unplanned holidays, retirement payouts, and if required due to economic conditions, to provide funding for the following years operating budget through the use of fund balance.
- Unencumbered budget appropriations, except for those for capital projects and grants, will lapse at the close of the fiscal year.
- The appropriation ordinance establishes the legal level of budgetary control. Other levels of budgetary control may be set by the City Manager (see the Ordinance section of the Operating Budget for a current copy).
- The city will seek to provide for adequate maintenance and replacement of capital equipment and facilities over time (see the Appendix section of the Operating Budget for a current copy of this policy).
- The city will seek to maintain a diversified and stable revenue system so that it can mitigate short-term fluctuations in one type or source of revenue and avoid over-dependency on any single source.

- The city will set fees and user charges for each self-supporting Enterprise Fund (i.e., Water, Sewer, Waste Management, and Storm Water) at a level that fully supports the costs of the fund to include operation, maintenance, capital replacement, indirect cost, depreciation, renewals, and debt service.

- The city will also regularly review all fees/charges, including those in the General Fund and will seek where appropriate to base fees/charges on costs and/or on the rates charged by the private sector.

- The city shall annually prepare a five-year forecast of revenues and expenditures and its implications for services and policies.

- The City Manager may include in the budget a General Fund Reserve for Contingencies of ½ or 1% of the General Fund budget.

Fund Balance Policies

- The budget will include an estimate of the undesignated fund balance.

- The undesignated fund balance or net assets of any fund shall not be used to finance continuing expenditures except in times of economic downturns.

- Following the Government Finance Officers Association recommendation that general purpose governments maintain unreserved fund balance in their general fund of no less than 5% to 15% of regular general fund operating revenues, the city shall maintain an undesignated fund balance of 8% to 12% of the following year's projected revenues. This level equates to approximately one month of operating expenses. For additional details on fund balance policies, see Summary of Purpose and Fund Balance Policy for Funds in this document.

Capital Improvement Program Policies

- To qualify as a capital project a project must be a major expenditure for: design and/or construction of fixed works, structures, additions, replacements, major alterations, modernizations, renovations, or purchase of land and existing structures including right-of-ways, title searches, replacement, rehabilitation or expansion of communication and information technology infrastructure, acquisition of major pieces of equipment, and similar activities. Other specialized projects may also be considered for the CIP if it is ongoing in nature or requires multi-year funding. The project should have a cost over $250,000 or be of such a significant nature as to prevent its funding through the operating budget.

- The city generally uses bond financing once all other available funding sources have been appropriated. Charter and Public Facility Bonds are allocated based on legal limits. A project is eligible for lease/purchase financing if it is considered an essential project or is a non-essential project not requiring referendum funding, and when the City Manager believes that costs are not prohibitive and that the interest of the government is served.

- The city will allocate at least 25% of the annual capital program for the water and sewer system from non-borrowed funds for the financing of capital improvements. The city will seek to increase those amounts where feasible.

- Any tax rate increases adopted in conjunction with voter-approved bond referendums or by dedicated City Council policy will be structured and used to support all costs associated with the projects including debt service and appropriate operating and maintenance costs.

- Project balances that have been closed out in the city's financial system that are supported by revenues will be reallocated as needed in the CIP.

Debt Management Policies

- The city issues bonds for capital improvements with a cost in excess of $250,000, or which cannot be financed from current revenues.

- When the city finances capital projects by issuing bonds it will retire the debt within a period not to exceed the expected useful life of the projects. The city has not historically issued and does not anticipate issuing short-term debt in the form of tax or revenue anticipation notes. Instead, the city shall maintain sufficient cash balances. Such short term debt may be issued where normal cash flow has been disrupted due to natural disaster or unexpected delays in the receipt of federal or state revenues.

- The FY 2017-18 CIP leaves approximately $2.6 million of projected general obligation bond authorization unused.

- The threshold of debt service for general government supported debt as a percentage of general government expenditures will not exceed 10%.

- Total general obligation net debt will not exceed 3.5% of assessed value.

- Where possible, the city will develop, authorize, and issue revenue, special fees, or other self-supporting debt instruments instead of general obligation bonds.

- The debt structure of the government will be managed in a manner that results in minimal deviation from the indicators listed in this policy.

- The city will regularly evaluate its adherence to its debt policies. The city will promote effective communications with bond rating agencies and others in the marketplace based upon full disclosure.

- Total net debt per capita will not exceed $3,000 per capita. Given the city's historical record of prudent financial management, this level of debt can be supported without negatively impacting the city's bond rating.

- Net debt to income per capita should not exceed 6.5% and is comfortably below this threshold for each year.

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
002 General Fund			
Appropriation Units:			
Agriculture	728,253	849,083	837,120
Aquarium and Historic Houses	11,176,030	11,573,406	12,656,076
Benefits Administration	635,538	635,538	735,538
Board of Equalization	5,610	2,997	3,004
Budget and Management Services	1,508,125	1,525,749	1,442,622
Circuit Court	1,081,437	1,097,944	1,096,374
City Attorney	4,022,217	4,131,155	4,226,703
City Auditor	767,633	786,429	851,682
City Clerk	685,680	626,993	648,579
City Manager	3,867,815	4,030,759	2,296,969
City Real Estate Assessor	3,067,010	3,205,859	3,238,304
City Treasurer	5,693,299	5,970,373	6,067,276
Clerk of the Circuit Court	3,259,722	3,380,649	3,428,563
Commissioner of the Revenue	4,473,040	4,614,741	4,624,431
Commonwealth's Attorney	7,886,162	8,096,265	8,380,781
Communications Office	0	0	1,611,987
Community Organization Grants	409,126	500,000	501,436
Computer Replacement Program	1,013,033	1,567,179	1,590,365
Convention and Visitor Bureau	8,721,743	9,109,598	10,133,691
Cultural Affairs	1,562,432	2,381,989	2,358,283
Debt Service	48,083,680	50,486,171	53,067,145
Economic Development	3,949,271	3,957,732	4,232,370
Emergency Communications and Citizen Services	8,607,222	10,619,550	10,909,854
Emergency Management	0	386,785	451,130
Emergency Medical Services	9,512,613	10,848,131	11,587,020
Employee Special Benefits	7,293,415	7,993,800	7,928,800
Finance	4,823,661	4,894,885	5,051,767
Fire	48,956,121	51,356,034	52,343,161
General District Court	377,117	452,413	462,413
Health	3,182,592	3,197,276	3,395,214
Housing and Neighborhood Preservation	1,854,899	1,846,695	3,921,477
Human Resources	3,987,158	4,364,574	4,698,598
Human Services	104,350,869	113,176,396	115,918,906
Independent Financial Services	164,999	164,999	164,999
Information Technology	20,464,838	23,994,209	25,531,789
Juvenile and Domestic Relations District Court	106,574	181,768	181,768
Juvenile Probation	1,256,435	1,514,207	1,501,428
Leases	1,646,256	1,711,319	1,762,659
Library	16,995,583	17,781,757	17,887,739
Magistrates	73,597	80,483	70,483
Municipal Council	743,784	525,226	517,719
Municipal Solid Waste Management	750,000	0	0
Parks and Recreation	13,394,124	14,314,425	14,625,340
Planning	9,822,005	12,278,805	18,210,269
Police	94,045,696	100,430,594	101,108,264
Public Works	64,518,136	66,693,671	67,807,041
Regional Participation	2,213,478	2,306,691	2,364,973
Reserve for Contingencies	0	4,369,953	10,400,690

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
002 General Fund			
Appropriation Units:			
Revenue Reimbursements	13,239,529	13,877,317	15,290,376
Strategic Growth Area	748,169	0	0
Strategy, Transparency, Innovation & Resiliency Office	0	277,706	687,625
Transfer to Other Funds	480,152,931	481,345,606	508,325,125
Vehicle Replacements	5,043,331	5,107,514	5,357,514
Virginia Beach Living River Trust	0	100,000	100,000
Voter Registration & Elections	1,982,999	1,916,217	1,812,948
Fund 002 Appropriation Totals	1,032,904,987	1,076,639,615	1,134,431,388
Revenue Sources:			
Revenue From Local Sources			
Automobile License	9,062,965	9,336,210	10,807,765
Business License	45,302,384	46,389,703	46,786,036
Charges for Services	38,082,548	38,619,402	40,774,745
Cigarette Tax	9,486,583	11,063,425	11,113,112
Fines and Forfeitures	5,963,058	6,538,394	5,800,656
From the Use of Money and Property	6,103,853	5,457,485	6,043,760
General Sales Tax	61,099,407	63,160,061	65,135,023
Hotel Room Tax	6,648,138	6,714,871	7,215,382
Miscellaneous Revenue	6,634,918	5,384,673	5,662,019
Other Taxes	18,432,791	18,202,776	19,668,372
Permits, Privilege Fees, and Regulatory Licenses	5,103,137	5,577,542	5,535,829
Personal Property	148,657,088	146,979,656	155,933,379
Real Estate	466,280,061	479,990,793	521,861,044
Restaurant Meal Tax	40,409,609	41,342,843	43,841,222
Utility Tax	42,735,253	42,471,686	41,972,385
Revenue from the Commonwealth			
Other Sources from the Commonwealth	99,321,220	101,331,813	102,814,312
Revenue from the Federal Government	19,935,704	19,739,278	20,737,501
Specific Fund Reserves	0	10,903,254	6,264,165
Transfers from Other Funds	24,174,590	17,435,750	16,464,681
Fund 002 Revenue Totals	1,053,433,307	1,076,639,615	1,134,431,388
098 School Reserve Special Revenue Fund			
Appropriation Units:			
Transfer to Other Funds	8,299,318	5,000,000	8,803,897
Fund 098 Appropriation Totals	8,299,318	5,000,000	8,803,897
Revenue Sources:			
Specific Fund Reserves	0	5,000,000	8,803,897
Fund 098 Revenue Totals	0	5,000,000	8,803,897
104 Green Run Collegiate Charter School			
Appropriation Units:			
Education	2,914,626	3,686,686	3,763,447
Fund 104 Appropriation Totals	2,914,626	3,686,686	3,763,447
Revenue Sources:			
Transfers from Other Funds	2,885,023	3,686,686	3,763,447
Fund 104 Revenue Totals	2,885,023	3,686,686	3,763,447

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
107 School Equipment Replacement Special Revenue Fund			
Appropriation Units:			
Reserve for Contingencies	0	1,106,301	170,193
Fund 107 Appropriation Totals	0	1,106,301	170,193
Revenue Sources:			
Specific Fund Reserves	3,596	1,106,301	170,193
Fund 107 Revenue Totals	3,596	1,106,301	170,193
108 School Instructional Technology Fund			
Appropriation Units:			
Instructional Technology	106,000	53,678	79,579
Fund 108 Appropriation Totals	106,000	53,678	79,579
Revenue Sources:			
Specific Fund Reserves	41,272	53,678	79,579
Fund 108 Revenue Totals	41,272	53,678	79,579
109 School Vending Operations Fund			
Appropriation Units:			
Vending	215,523	229,702	229,702
Fund 109 Appropriation Totals	215,523	229,702	229,702
Revenue Sources:			
Revenue From Local Sources			
Miscellaneous Revenue	192,550	192,550	192,550
Specific Fund Reserves	100	37,152	37,152
Fund 109 Revenue Totals	192,650	229,702	229,702
112 School Communication Tower Technology Fund			
Appropriation Units:			
Instructional Technology	389,907	600,000	850,000
Fund 112 Appropriation Totals	389,907	600,000	850,000
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	527,135	260,000	510,000
Specific Fund Reserves	0	340,000	340,000
Fund 112 Revenue Totals	527,135	600,000	850,000
114 School Cafeteria Fund			
Appropriation Units:			
Cafeteria	27,214,337	30,742,626	31,679,250
Fund 114 Appropriation Totals	27,214,337	30,742,626	31,679,250
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	10,780,205	12,014,495	11,620,238
From the Use of Money and Property	16,317	7,000	25,750
Miscellaneous Revenue	494,841	200,000	350,000
Revenue from the Commonwealth			
Other Sources from the Commonwealth	541,231	500,000	500,000
Revenue from the Federal Government	18,059,542	18,021,131	18,086,468
Specific Fund Reserves	0	0	1,096,794
Fund 114 Revenue Totals	29,892,136	30,742,626	31,679,250

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
115 School Operating Fund				
Appropriation Units:				
Debt Service		44,672,603	46,289,542	45,417,364
Education		680,178,502	713,655,714	743,182,490
Transfer to Other Funds		10,214,728	11,273,085	11,673,239
	Fund 115 Appropriation Totals	735,065,833	771,218,341	800,273,093
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		1,244,917	2,116,638	2,216,638
From the Use of Money and Property		562,376	465,000	465,000
Miscellaneous Revenue		1,113,648	836,703	836,703
Revenue from the Commonwealth				
		38,349	0	0
Other Sources from the Commonwealth		246,701,240	263,423,825	273,443,481
State Shared Sales Tax		75,228,019	74,741,805	73,718,340
Revenue from the Federal Government		11,820,922	12,946,597	12,669,684
Transfers from Other Funds		419,873,795	416,687,773	436,923,247
	Fund 115 Revenue Totals	756,583,265	771,218,341	800,273,093
116 School Grants Fund				
Appropriation Units:				
Grants		43,509,103	55,023,849	58,856,748
	Fund 116 Appropriation Totals	43,509,103	55,023,849	58,856,748
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		204,541	484,121	440,958
Revenue from the Commonwealth				
Other Sources from the Commonwealth		9,078,548	11,820,594	15,365,288
Revenue from the Federal Government		31,314,953	39,551,377	39,736,533
Transfers from Other Funds		2,911,063	3,167,757	3,313,969
	Fund 116 Revenue Totals	43,509,105	55,023,849	58,856,748
117 School Textbook Fund				
Appropriation Units:				
Textbook		6,093,086	9,182,874	5,179,602
	Fund 117 Appropriation Totals	6,093,086	9,182,874	5,179,602
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		24,120	100,000	26,611
Miscellaneous Revenue		57,054	10,000	27,000
Revenue from the Commonwealth				
Other Sources from the Commonwealth		3,897,199	4,489,728	4,462,985
Specific Fund Reserves		0	4,583,146	663,006
	Fund 117 Revenue Totals	3,978,373	9,182,874	5,179,602

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
119 School Athletic Special Revenue Fund			
Appropriation Units:			
Athletic	4,679,599	4,922,642	5,099,823
Fund 119 Appropriation Totals	4,679,599	4,922,642	5,099,823
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	523,513	494,000	499,000
From the Use of Money and Property	5,582	5,000	5,000
Miscellaneous Revenue	0	5,000	0
Transfers from Other Funds	4,418,642	4,418,642	4,595,823
Fund 119 Revenue Totals	4,947,737	4,922,642	5,099,823
130 Law Library Fund			
Appropriation Units:			
Library	196,318	224,960	256,582
Reserve for Contingencies	0	1,263	13,483
Transfer to Other Funds	68,834	80,416	40,000
Fund 130 Appropriation Totals	265,152	306,639	310,065
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	251,861	280,210	270,065
From the Use of Money and Property	4,438	3,265	1,000
Specific Fund Reserves	0	23,164	39,000
Fund 130 Revenue Totals	256,299	306,639	310,065
140 Commonwealth Attorney's Fed & State Seized Assets SRF			
Appropriation Units:			
Commonwealth's Attorney	47,241	400,000	100,000
Fund 140 Appropriation Totals	47,241	400,000	100,000
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	2,583	0	0
Revenue from the Commonwealth			
Other Sources from the Commonwealth	182,334	0	0
Specific Fund Reserves	0	400,000	100,000
Fund 140 Revenue Totals	184,917	400,000	100,000
141 Sheriff's Federal & State Seized Assets SRF			
Appropriation Units:			
Sheriff and Corrections	174,805	0	0
Fund 141 Appropriation Totals	174,805	0	0
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	632	0	0
Fund 141 Revenue Totals	632	0	0

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
142 Police Federal & State Seized Assets SRF				
Appropriation Units:				
Police		722,417	260,205	285,915
Transfer to Other Funds		7,750	0	0
	Fund 142 Appropriation Totals	730,167	260,205	285,915
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		8,097	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth		439,144	0	0
Revenue from the Federal Government		81,070	0	0
Specific Fund Reserves		0	260,205	285,915
	Fund 142 Revenue Totals	528,311	260,205	285,915
146 State Rental Assistance Program				
Appropriation Units:				
Housing and Neighborhood Preservation		0	457,488	833,796
Reserve for Contingencies		0	45,749	83,380
	Fund 146 Appropriation Totals	0	503,237	917,176
Revenue Sources:				
Revenue from the Commonwealth				
Other Sources from the Commonwealth		0	503,237	917,176
	Fund 146 Revenue Totals	0	503,237	917,176
147 Federal Section 8 Program Special Revenue Fund				
Appropriation Units:				
Housing and Neighborhood Preservation		20,545,633	21,291,332	21,208,400
	Fund 147 Appropriation Totals	20,545,633	21,291,332	21,208,400
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		2,281,372	2,697,966	2,694,500
From the Use of Money and Property		822	0	0
Miscellaneous Revenue		28,348	8,800	2,000
Revenue from the Federal Government		18,130,421	18,301,013	18,396,900
Transfers from Other Funds		322,047	283,553	115,000
	Fund 147 Revenue Totals	20,763,010	21,291,332	21,208,400
149 Sheriff's Department Special Revenue Fund				
Appropriation Units:				
Reserve for Contingencies		0	0	504,285
Sheriff and Corrections		43,478,219	45,827,652	46,673,030
	Fund 149 Appropriation Totals	43,478,219	45,827,652	47,177,315
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		4,429,068	4,520,608	4,595,608
From the Use of Money and Property		11,001	11,000	11,000
Miscellaneous Revenue		7,170	2,000	2,000
Revenue from the Commonwealth				
Other Sources from the Commonwealth		18,539,110	17,950,000	18,450,000
Revenue from the Federal Government		147,858	160,000	140,000
Specific Fund Reserves		0	0	260,000
Transfers from Other Funds		21,027,050	23,184,044	23,718,707
	Fund 149 Revenue Totals	44,161,257	45,827,652	47,177,315

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
151 Parks and Recreation Special Revenue Fund			
Appropriation Units:			
Debt Service	3,796,152	4,673,630	4,564,702
Future C.I.P. Commitments	0	237,346	0
Parks and Recreation	26,498,791	30,604,672	31,774,342
Public Works	2,657,678	2,635,333	3,100,000
Reserve for Contingencies	0	213,120	1,392,739
Transfer to Other Funds	6,796,450	1,561,550	1,472,427
Fund 151 Appropriation Totals	39,749,071	39,925,651	42,304,210
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	13,521,541	15,110,481	15,099,963
From the Use of Money and Property	1,585,725	1,679,934	1,629,967
Miscellaneous Revenue	9,016	1,400	1,400
Permits, Privilege Fees, and Regulatory Licenses	2,677	1,375	1,000
Real Estate	17,741,058	18,280,214	18,841,662
Revenue from the Commonwealth			
Other Sources from the Commonwealth	11,630	24,250	11,000
Specific Fund Reserves	0	27,000	725,708
Transfers from Other Funds	4,719,853	4,800,997	5,993,510
Fund 151 Revenue Totals	37,591,500	39,925,651	42,304,210
152 Tourism Investment Program Fund			
Appropriation Units:			
Convention and Visitor Bureau	125,472	4,378,172	4,593,595
Cultural Affairs	50,500	50,500	50,500
Debt Service	23,107,211	22,795,037	23,411,427
Parks and Recreation	571,185	632,569	633,250
Planning	0	0	1,586,934
Public Works	2,016,101	2,387,493	2,713,545
Reserve for Contingencies	0	5,209,892	6,501,791
Strategic Growth Area	3,572,726	0	0
Transfer to Other Funds	3,205,623	850,811	14,873
Fund 152 Appropriation Totals	32,648,818	36,304,474	39,505,915
Revenue Sources:			
Revenue From Local Sources			
Amusement Tax	7,034,792	6,201,490	6,331,312
Charges for Services	0	2,000	0
Cigarette Tax	677,616	790,245	793,794
Fines and Forfeitures	452,728	470,000	458,900
From the Use of Money and Property	784,152	975,400	802,333
Hotel Room Tax	16,584,641	15,079,811	17,608,079
Miscellaneous Revenue	4,470	3,800	3,500
Permits, Privilege Fees, and Regulatory Licenses	303,486	280,987	275,798
Restaurant Meal Tax	12,204,775	12,475,547	13,232,199
Transfers from Other Funds	1,500	25,194	0
Fund 152 Revenue Totals	38,048,160	36,304,474	39,505,915

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
157 Sandbridge Special Service District Spec Rev Fd			
Appropriation Units:			
Public Works	0	0	972,695
Transfer to Other Funds	4,187,880	4,423,430	4,235,380
Fund 157 Appropriation Totals	4,187,880	4,423,430	5,208,075
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	4,126	7,037	7,037
Hotel Room Tax	1,225,842	3,646,502	3,739,385
Real Estate	655,207	679,891	735,744
Specific Fund Reserves	0	0	635,909
Transfers from Other Funds	2,490,674	90,000	90,000
Fund 157 Revenue Totals	4,375,849	4,423,430	5,208,075
161 Agriculture Reserve Program Special Revenue Fund			
Appropriation Units:			
Agriculture	175,043	225,038	215,859
Debt Service	2,256,789	3,972,051	4,035,717
Reserve for Contingencies	0	518	658,792
Transfer to Other Funds	832,368	0	0
Fund 161 Appropriation Totals	3,264,200	4,197,607	4,910,368
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	38,600	31,917	31,917
Real Estate	2,858,168	2,945,029	4,878,451
Revenue from the Commonwealth			
Other Sources from the Commonwealth	282,632	0	0
Specific Fund Reserves	0	1,220,661	0
Fund 161 Revenue Totals	3,179,400	4,197,607	4,910,368
163 Tourism Advertising Program Special Revenue Fund			
Appropriation Units:			
Convention and Visitor Bureau	11,215,729	12,037,050	12,162,292
Reserve for Contingencies	0	250,519	22,020
Transfer to Other Funds	56,838	61,992	56,838
Fund 163 Appropriation Totals	11,272,567	12,349,561	12,241,150
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	51,202	101,198	101,600
From the Use of Money and Property	51,397	45,700	46,504
Hotel Room Tax	5,636,512	5,584,187	5,834,443
Miscellaneous Revenue	13,767	27,399	17,000
Restaurant Meal Tax	5,756,969	5,884,692	6,241,603
Specific Fund Reserves	0	706,385	0
Fund 163 Revenue Totals	11,509,847	12,349,561	12,241,150

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
166 Sandbridge Tax Increment Financing Fund			
Appropriation Units:			
Future C.I.P. Commitments	0	8,000,000	8,000,000
Reserve for Contingencies	0	0	140,323
Transfer to Other Funds	10,612,120	1,926,570	2,114,620
Fund 166 Appropriation Totals	10,612,120	9,926,570	10,254,943
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	25,063	28,126	28,126
Real Estate	8,762,601	9,177,724	10,226,817
Specific Fund Reserves	0	720,720	0
Fund 166 Revenue Totals	8,787,664	9,926,570	10,254,943
169 Central Business District-South TIF (Twn Cntr) Fd			
Appropriation Units:			
Debt Service	7,469,028	7,786,521	7,814,195
Future C.I.P. Commitments	0	40,972	0
Transfer to Other Funds	150,000	150,000	150,000
Fund 169 Appropriation Totals	7,619,028	7,977,493	7,964,195
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	2,101	2,000	2,000
Hotel Room Tax	500,000	500,000	500,000
Miscellaneous Revenue	367,208	0	0
Real Estate	6,501,079	6,936,483	7,107,950
Specific Fund Reserves	0	539,010	354,245
Fund 169 Revenue Totals	7,370,388	7,977,493	7,964,195
172 Open Space & Park Infrastructure Development & Maintenance SRF			
Appropriation Units:			
Debt Service	2,501,469	2,582,588	2,557,043
Parks and Recreation	482,638	538,627	400,331
Reserve for Contingencies	0	2,945	1,535,238
Transfer to Other Funds	1,718	0	1,000,000
Fund 172 Appropriation Totals	2,985,825	3,124,160	5,492,612
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	1,520	0	0
Restaurant Meal Tax	2,533,066	2,589,265	5,492,612
Specific Fund Reserves	0	534,895	0
Fund 172 Revenue Totals	2,534,586	3,124,160	5,492,612

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
174 Town Center Special Service District			
Appropriation Units:			
Parks and Recreation	16,479	50,508	60,338
Town Center Special Tax District	1,565,699	1,917,321	1,951,144
Transfer to Other Funds	412,726	452,726	479,999
Fund 174 Appropriation Totals	1,994,904	2,420,555	2,491,481
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	26,325	24,300	24,300
Fines and Forfeitures	12,714	26,000	50,000
From the Use of Money and Property	266,984	231,000	259,500
Miscellaneous Revenue	55,000	0	0
Real Estate	1,847,510	1,970,578	2,007,681
Specific Fund Reserves	0	18,677	0
Transfers from Other Funds	150,000	150,000	150,000
Fund 174 Revenue Totals	2,358,533	2,420,555	2,491,481
179 Multimodal Transportation Special Revenue Fund			
Appropriation Units:			
Planning	0	7,183,999	0
Reserve for Contingencies	0	15,710,723	0
Strategic Growth Area	6,545,901	0	0
Transfer to Other Funds	10,247,630	10,517,959	0
Fund 179 Appropriation Totals	16,793,531	33,412,681	0
Revenue Sources:			
Revenue From Local Sources			
Automobile License	1,799,108	1,867,242	0
Real Estate	21,130,030	21,772,176	0
Restaurant Meal Tax	2,533,066	2,589,264	0
Transfers from Other Funds	6,545,902	7,183,999	0
Fund 179 Revenue Totals	32,008,106	33,412,681	0
180 Community Development Special Revenue Fund			
Appropriation Units:			
Housing and Neighborhood Preservation	1,678,193	1,859,762	1,660,449
Transfer to Other Funds	128,858	128,858	128,858
Fund 180 Appropriation Totals	1,807,051	1,988,620	1,789,307
Revenue Sources:			
Revenue from the Federal Government	975,651	1,191,257	1,282,136
Transfers from Other Funds	713,479	797,363	507,171
Fund 180 Revenue Totals	1,689,130	1,988,620	1,789,307

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
181 CD Loan and Grant Fund				
Appropriation Units:				
Housing and Neighborhood Preservation		968,488	956,477	756,831
	Fund 181 Appropriation Totals	968,488	956,477	756,831
Revenue Sources:				
Non-Revenue Receipts		174,159	90,000	125,000
Revenue From Local Sources				
Charges for Services		75	0	0
From the Use of Money and Property		1,637	0	0
Revenue from the Federal Government		642,110	586,444	495,565
Transfers from Other Funds		375,232	280,033	136,266
	Fund 181 Revenue Totals	1,193,213	956,477	756,831
182 Federal Housing Assistance Grant Fund				
Appropriation Units:				
Housing and Neighborhood Preservation		429,215	888,788	882,798
	Fund 182 Appropriation Totals	429,215	888,788	882,798
Revenue Sources:				
Non-Revenue Receipts		48,077	75,000	75,000
Revenue From Local Sources				
Charges for Services		150	0	0
From the Use of Money and Property		12,844	0	0
Revenue from the Federal Government		349,701	812,102	807,798
Transfers from Other Funds		1,610	1,686	0
	Fund 182 Revenue Totals	412,382	888,788	882,798
183 Grants Consolidated Fund				
Appropriation Units:				
Commonwealth's Attorney		369,434	782,362	792,808
Emergency Communications and Citizen Services		150,000	2,000	2,000
Emergency Medical Services		682,640	375,000	375,000
Fire		2,333,483	1,401,976	862,857
Housing and Neighborhood Preservation		1,129,981	1,442,146	1,381,742
Human Services		1,820,653	1,853,568	1,888,462
Parks and Recreation		35,904	0	0
Planning		4,222	0	0
Police		383,054	0	0
Public Works		15,000	15,000	20,000
Sheriff and Corrections		5,178	0	0
Transfer to Other Funds		668,863	665,427	1,111,057
	Fund 183 Appropriation Totals	7,598,412	6,537,479	6,433,926
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		32,047	33,068	33,068
Miscellaneous Revenue		3,000	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth		3,618,834	2,960,493	3,078,756
Revenue from the Federal Government		3,224,139	2,303,014	2,089,957
Transfers from Other Funds				
Revenue from the Federal Government		0	421,191	421,191
	Fund 183 Revenue Totals	7,680,368	6,537,479	6,433,926

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
241 Water and Sewer Fund			
Appropriation Units:			
Debt Service	19,100,000	24,809,333	21,794,421
Public Utilities	71,095,578	79,411,008	83,903,334
Reserve for Contingencies	0	1,067,597	1,728,909
Transfer to Other Funds	15,723,100	18,466,048	18,499,445
Fund 241 Appropriation Totals	105,918,678	123,753,986	125,926,109
Revenue Sources:			
Non-Revenue Receipts	4,336,755	2,499,890	2,585,634
Revenue From Local Sources			
Charges for Services	121,456,512	118,203,578	119,800,900
From the Use of Money and Property	994,421	401,600	535,148
Miscellaneous Revenue	4,218,933	215,000	225,464
Revenue from the Federal Government	945,982	936,823	945,982
Transfers from Other Funds	1,224,131	1,497,095	1,832,981
Fund 241 Revenue Totals	133,176,734	123,753,986	125,926,109
253 Parking Enterprise Fund			
Appropriation Units:			
Debt Service	686,786	672,373	580,130
Planning	3,322,197	3,693,364	3,684,658
Reserve for Contingencies	0	14,928	8,287
Transfer to Other Funds	666,629	752,765	728,879
Fund 253 Appropriation Totals	4,675,612	5,133,430	5,001,954
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	4,228,210	4,584,006	4,691,181
Fines and Forfeitures	140,926	180,000	180,000
From the Use of Money and Property	267,008	205,862	8,500
Miscellaneous Revenue	12,380	0	0
Permits, Privilege Fees, and Regulatory Licenses	16,360	138,562	55,000
Transfers from Other Funds	20,581	25,000	67,273
Fund 253 Revenue Totals	4,685,465	5,133,430	5,001,954
254 Waste Management Enterprise Fund			
Appropriation Units:			
Public Works	38,510,032	40,922,499	37,330,758
Reserve for Contingencies	0	1,152,477	192,120
Transfer to Other Funds	2,533,598	2,818,909	2,988,429
Fund 254 Appropriation Totals	41,043,630	44,893,885	40,511,307
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	36,674,610	33,749,380	33,816,980
From the Use of Money and Property	146,203	130,000	130,000
Miscellaneous Revenue	836,848	782,000	694,286
Permits, Privilege Fees, and Regulatory Licenses	110,606	125,000	113,000
Revenue from the Commonwealth			
Other Sources from the Commonwealth	45,522	45,000	45,000
Transfers from Other Funds	5,166,556	10,062,505	5,712,041
Fund 254 Revenue Totals	42,980,345	44,893,885	40,511,307

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
255 Storm Water Utility Enterprise Fund			
Appropriation Units:			
Debt Service	3,400,000	3,397,182	3,543,563
Public Works	17,443,016	25,360,359	26,753,733
Reserve for Contingencies	0	608,139	937,575
Transfer to Other Funds	11,109,631	10,494,003	10,716,746
Fund 255 Appropriation Totals	31,952,647	39,859,683	41,951,617
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	39,366,578	39,417,213	41,509,147
From the Use of Money and Property	260,930	85,000	85,000
Miscellaneous Revenue	156,122	60,000	60,000
Revenue from the Federal Government	268,750	267,597	267,597
Transfers from Other Funds	29,873	29,873	29,873
Fund 255 Revenue Totals	40,082,253	39,859,683	41,951,617
310 Old Donation Creek Area Dredging SSD			
Appropriation Units:			
Reserve for Contingencies	0	0	2,881
Transfer to Other Funds	0	195,339	67,940
Fund 310 Appropriation Totals	0	195,339	70,821
Revenue Sources:			
Revenue From Local Sources			
Real Estate	63,870	68,754	70,821
Specific Fund Reserves	0	126,585	0
Fund 310 Revenue Totals	63,870	195,339	70,821
311 Bayville Creek Neighborhood Dredging SSD Fund			
Appropriation Units:			
Transfer to Other Funds	0	114,705	87,105
Fund 311 Appropriation Totals	0	114,705	87,105
Revenue Sources:			
Revenue From Local Sources			
Real Estate	54,946	56,594	87,105
Specific Fund Reserves	0	58,111	0
Fund 311 Revenue Totals	54,946	114,705	87,105
312 Shadowlawn Area Dredging SSD			
Appropriation Units:			
Reserve for Contingencies	0	0	1,299
Transfer to Other Funds	0	55,040	24,908
Fund 312 Appropriation Totals	0	55,040	26,207
Revenue Sources:			
Revenue From Local Sources			
Real Estate	25,776	27,965	26,207
Specific Fund Reserves	0	27,075	0
Fund 312 Revenue Totals	25,776	55,040	26,207

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
313 Chesopeian Colony Dredging SSD				
Appropriation Units:				
Reserve for Contingencies		0	10,887	0
Transfer to Other Funds		192,858	195,374	214,922
	Fund 313 Appropriation Totals	192,858	206,261	214,922
Revenue Sources:				
Revenue From Local Sources				
Real Estate		192,858	206,261	204,035
Specific Fund Reserves		0	0	10,887
	Fund 313 Revenue Totals	192,858	206,261	214,922
314 Harbour Point Dredging SSD				
Appropriation Units:				
Transfer to Other Funds		0	31,604	17,892
	Fund 314 Appropriation Totals	0	31,604	17,892
Revenue Sources:				
Revenue From Local Sources				
Real Estate		15,850	16,040	17,606
Specific Fund Reserves		0	15,564	286
	Fund 314 Revenue Totals	15,850	31,604	17,892
315 Gills Cove Dredging SSD				
Appropriation Units:				
Transfer to Other Funds		13,113	15,495	24,774
	Fund 315 Appropriation Totals	13,113	15,495	24,774
Revenue Sources:				
Revenue From Local Sources				
Real Estate		13,113	13,507	13,601
Specific Fund Reserves		0	1,988	11,173
	Fund 315 Revenue Totals	13,113	15,495	24,774
316 Hurds Cove Dredging SSD				
Appropriation Units:				
Reserve for Contingencies		0	0	23,173
Transfer to Other Funds		0	464,321	198,999
	Fund 316 Appropriation Totals	0	464,321	222,172
Revenue Sources:				
Revenue From Local Sources				
Real Estate		198,673	242,475	222,172
Specific Fund Reserves		0	221,846	0
	Fund 316 Revenue Totals	198,673	464,321	222,172
460 School General Revenue Capital Projects Fund				
Revenue Sources:				
Transfers from Other Funds		4,233,448	0	0
	Fund 460 Revenue Totals	4,233,448	0	0

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
540 General Government Capital Projects Fund			
Appropriation Units:			
Building Capital Projects	3,108,328	5,032,761	10,322,812
Coastal Capital Projects	9,820,019	10,046,986	9,386,385
Economic and Tourism Development Capital Projects	5,539,629	3,231,509	4,326,966
Information Technology Projects	7,007,638	7,295,299	5,223,763
Parks and Recreation Capital Projects	5,351,692	4,664,856	5,324,270
Roadways Capital Projects	16,878,861	11,642,959	13,446,712
Fund 540 Appropriation Totals	47,706,167	41,914,370	48,030,908
Revenue Sources:			
Transfers from Other Funds	47,706,167	41,914,370	48,030,908
Fund 540 Revenue Totals	47,706,167	41,914,370	48,030,908
541 Water and Sewer Capital Projects Fund			
Appropriation Units:			
Water and Sewer Capital Projects	8,000,000	8,000,000	8,000,000
Fund 541 Appropriation Totals	8,000,000	8,000,000	8,000,000
Revenue Sources:			
Transfers from Other Funds	8,000,000	8,000,000	8,000,000
Fund 541 Revenue Totals	8,000,000	8,000,000	8,000,000
555 Storm Water Capital Projects Fund			
Appropriation Units:			
Storm Water Capital Projects	8,490,000	7,500,000	12,920,501
Fund 555 Appropriation Totals	8,490,000	7,500,000	12,920,501
Revenue Sources:			
Transfers from Other Funds	8,490,000	7,500,000	12,920,501
Fund 555 Revenue Totals	8,490,000	7,500,000	12,920,501
606 City Garage Internal Service Fund			
Appropriation Units:			
Public Works	12,786,539	13,227,230	13,488,885
Reserve for Contingencies	0	71,030	152,423
Fund 606 Appropriation Totals	12,786,539	13,298,260	13,641,308
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	12,761,331	12,999,460	13,456,308
From the Use of Money and Property	14,176	0	0
Miscellaneous Revenue	233,626	69,930	185,000
Specific Fund Reserves	0	228,870	0
Fund 606 Revenue Totals	13,009,133	13,298,260	13,641,308

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
607 Risk Management Internal Service Fund				
Appropriation Units:				
Finance		14,889,780	18,302,908	18,254,856
Reserve for Contingencies		0	368,711	0
	Fund 607 Appropriation Totals	14,889,780	18,671,619	18,254,856
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		15,838,590	18,566,519	18,139,856
From the Use of Money and Property		42,733	30,100	40,000
Miscellaneous Revenue		135,155	75,000	75,000
	Fund 607 Revenue Totals	16,016,478	18,671,619	18,254,856
610 Capital Projects Internal Service Fund				
Appropriation Units:				
City Treasurer		54,659	70,000	70,000
Commissioner of the Revenue		32,882	0	0
Economic Development		67,876	0	0
Finance		130,117	177,237	174,030
Information Technology		447,519	0	0
Public Works		184,508	1,134,489	379,525
	Fund 610 Appropriation Totals	917,561	1,381,726	623,555
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		917,560	1,381,726	623,555
	Fund 610 Revenue Totals	917,560	1,381,726	623,555
613 School Landscaping Internal Service Fund				
Appropriation Units:				
Parks and Recreation		3,523,539	4,080,160	4,117,918
Reserve for Contingencies		0	87,748	49,990
	Fund 613 Appropriation Totals	3,523,539	4,167,908	4,167,908
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		3,884,352	4,167,908	4,167,908
From the Use of Money and Property		2,249	0	0
	Fund 613 Revenue Totals	3,886,601	4,167,908	4,167,908
614 School Risk Management Fund				
Appropriation Units:				
School Risk Management		5,541,855	6,805,724	6,805,724
	Fund 614 Appropriation Totals	5,541,855	6,805,724	6,805,724
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		8,151,007	6,805,724	6,805,724
	Fund 614 Revenue Totals	8,151,007	6,805,724	6,805,724

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
615 City and School Health Insurance Fund				
Appropriation Units:				
City and School Health Insurance		133,103,936	155,908,780	155,908,780
	Fund 615 Appropriation Totals	133,103,936	155,908,780	155,908,780
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		142,514,671	155,908,780	155,908,780
	Fund 615 Revenue Totals	142,514,671	155,908,780	155,908,780
616 Fuels Internal Service Fund				
Appropriation Units:				
Public Works		3,838,848	5,475,919	5,638,349
	Fund 616 Appropriation Totals	3,838,848	5,475,919	5,638,349
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		3,860,913	5,475,919	5,638,349
From the Use of Money and Property		5,291	0	0
	Fund 616 Revenue Totals	3,866,204	5,475,919	5,638,349
620 Telecommunications Internal Service Fund				
Appropriation Units:				
Information Technology		2,833,971	3,052,792	2,957,958
Reserve for Contingencies		0	125,774	268,635
	Fund 620 Appropriation Totals	2,833,971	3,178,566	3,226,593
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		3,039,869	3,172,091	3,220,118
From the Use of Money and Property		22,212	6,475	6,475
	Fund 620 Revenue Totals	3,062,081	3,178,566	3,226,593
621 Subscriptions Internal Service Fund				
Appropriation Units:				
Information Technology		2,605,510	4,018,596	3,498,797
Reserve for Contingencies		0	0	242,501
	Fund 621 Appropriation Totals	2,605,510	4,018,596	3,741,298
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		2,436,578	2,469,103	2,562,707
From the Use of Money and Property		66,861	0	0
Specific Fund Reserves		0	1,549,493	1,178,591
	Fund 621 Revenue Totals	2,503,439	4,018,596	3,741,298
908 City Beautification Fund				
Appropriation Units:				
Parks and Recreation		52,693	100,000	100,000
	Fund 908 Appropriation Totals	52,693	100,000	100,000
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		27,333	100,000	100,000
	Fund 908 Revenue Totals	27,333	100,000	100,000

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
909 Library Gift Fund				
Appropriation Units:				
Library		3,399	6,095	6,060
	Fund 909 Appropriation Totals	3,399	6,095	6,060
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		2,357	6,095	6,060
	Fund 909 Revenue Totals	2,357	6,095	6,060
910 Parking Meters - Homeless Donation Fund				
Appropriation Units:				
Housing and Neighborhood Preservation		3,521	5,000	1,000
	Fund 910 Appropriation Totals	3,521	5,000	1,000
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		82	5,000	1,000
	Fund 910 Revenue Totals	82	5,000	1,000
911 Parks and Recreation Gift Fund				
Appropriation Units:				
Parks and Recreation		37,612	55,000	55,000
	Fund 911 Appropriation Totals	37,612	55,000	55,000
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		514	0	0
Miscellaneous Revenue		45,928	55,000	55,000
	Fund 911 Revenue Totals	46,442	55,000	55,000
916 Social Services Gift Fund				
Appropriation Units:				
Human Services		0	6,500	34,500
	Fund 916 Appropriation Totals	0	6,500	34,500
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		57,694	6,500	6,500
Specific Fund Reserves		0	0	28,000
	Fund 916 Revenue Totals	57,694	6,500	34,500

Grand Total Of All Funds

Total Appropriations for all Funds	2,496,696,115	2,676,646,737	2,754,862,624
Less Internal Service Funds	180,041,539	212,907,098	212,008,371
Less Interfund Transfers	566,283,564	552,042,033	573,176,352
Net Appropriations Totals	1,750,371,012	1,911,697,606	1,969,677,901
Revenue Sources Totals	2,604,607,731	2,676,646,737	2,754,862,624
Less Internal Service Funds	193,927,174	212,907,098	212,008,371
Less Interfund Transfers	566,283,564	552,042,033	573,176,352
Net Revenue Totals	1,844,396,992	1,911,697,606	1,969,677,901

City of Virginia Beach, Virginia

Interfund Transfer Summary

Receiving Fund Code and Name		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
002 General Fund				
181	CD Loan and Grant Fund	375,232	280,033	136,266
180	Community Development Special Revenue Fund	713,479	797,363	507,171
182	Federal Housing Assistance Grant Fund	1,610	1,686	0
147	Federal Section 8 Program Special Revenue Fund	322,047	283,553	115,000
540	General Government Capital Projects Fund	23,931,288	23,076,442	37,791,625
183	Grants Consolidated Fund	794,598	819,713	810,954
179	Multimodal Transportation Special Revenue Fund	5,771,212	6,351,497	0
253	Parking Enterprise Fund	20,581	0	0
151	Parks and Recreation Special Revenue Fund	4,719,853	4,800,997	5,993,510
460	School General Revenue Capital Projects Fund	4,233,448	0	0
115	School Operating Fund	411,574,477	411,687,773	428,119,350
149	Sheriff's Department Special Revenue Fund	21,027,050	23,184,044	23,718,707
555	Storm Water Capital Projects Fund	0	0	5,420,501
152	Tourism Investment Program Fund	1,500	0	0
254	Waste Management Enterprise Fund	5,166,556	10,062,505	5,712,041
541	Water and Sewer Capital Projects Fund	1,500,000	0	0
	Total Transfer From Fund 002	480,152,931	481,345,606	508,325,125
098 School Reserve Special Revenue Fund				
115	School Operating Fund	8,299,318	5,000,000	8,803,897
	Total Transfer From Fund 098	8,299,318	5,000,000	8,803,897
115 School Operating Fund				
104	Green Run Collegiate Charter School	2,885,023	3,686,686	3,763,447
119	School Athletic Special Revenue Fund	4,418,642	4,418,642	4,595,823
116	School Grants Fund	2,911,063	3,167,757	3,313,969
	Total Transfer From Fund 115	10,214,728	11,273,085	11,673,239
130 Law Library Fund				
002	General Fund	68,834	80,416	40,000
	Total Transfer From Fund 130	68,834	80,416	40,000
142 Police Federal & State Seized Assets SRF				
183	Grants Consolidated Fund	7,750	0	0
	Total Transfer From Fund 142	7,750	0	0
151 Parks and Recreation Special Revenue Fund				
002	General Fund	374,450	364,550	396,927
540	General Government Capital Projects Fund	6,422,000	1,197,000	1,075,500
	Total Transfer From Fund 151	6,796,450	1,561,550	1,472,427
152 Tourism Investment Program Fund				
002	General Fund	15,386	3,436	0
179	Multimodal Transportation Special Revenue Fund	774,690	832,502	0
157	Sandbridge Special Service District Spec Rev Fd	2,400,674	0	0
255	Storm Water Utility Enterprise Fund	14,873	14,873	14,873
	Total Transfer From Fund 152	3,205,623	850,811	14,873
157 Sandbridge Special Service District Spec Rev Fd				
540	General Government Capital Projects Fund	4,187,880	4,423,430	4,235,380
	Total Transfer From Fund 157	4,187,880	4,423,430	4,235,380
161 Agriculture Reserve Program Special Revenue Fund				
002	General Fund	832,368	0	0
	Total Transfer From Fund 161	832,368	0	0
163 Tourism Advertising Program Special Revenue Fund				

City of Virginia Beach, Virginia

Interfund Transfer Summary

Receiving Fund Code and Name		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
002	General Fund	56,838	61,992	56,838
	Total Transfer From Fund 163	56,838	61,992	56,838
166 Sandbridge Tax Increment Financing Fund				
002	General Fund	8,000,000	0	0
540	General Government Capital Projects Fund	2,612,120	1,926,570	2,114,620
	Total Transfer From Fund 166	10,612,120	1,926,570	2,114,620
169 Central Business District-South TIF (Twn Cntr) Fd				
174	Town Center Special Service District	150,000	150,000	150,000
	Total Transfer From Fund 169	150,000	150,000	150,000
172 Open Space & Park Infrastructure Development & Maintenance SRF				
002	General Fund	1,718	0	0
540	General Government Capital Projects Fund	0	0	1,000,000
	Total Transfer From Fund 172	1,718	0	1,000,000
174 Town Center Special Service District				
002	General Fund	45,000	60,000	45,000
540	General Government Capital Projects Fund	352,726	352,726	352,726
253	Parking Enterprise Fund	0	25,000	67,273
255	Storm Water Utility Enterprise Fund	15,000	15,000	15,000
	Total Transfer From Fund 174	412,726	452,726	479,999
179 Multimodal Transportation Special Revenue Fund				
002	General Fund	1,268,875	1,075,000	0
540	General Government Capital Projects Fund	8,978,755	9,442,959	0
	Total Transfer From Fund 179	10,247,630	10,517,959	0
180 Community Development Special Revenue Fund				
002	General Fund	128,858	128,858	128,858
	Total Transfer From Fund 180	128,858	128,858	128,858
183 Grants Consolidated Fund				
002	General Fund	3,436	0	0
540	General Government Capital Projects Fund	665,427	665,427	1,111,057
	Total Transfer From Fund 183	668,863	665,427	1,111,057
241 Water and Sewer Fund				
002	General Fund	9,223,100	10,466,048	10,499,445
541	Water and Sewer Capital Projects Fund	6,500,000	8,000,000	8,000,000
	Total Transfer From Fund 241	15,723,100	18,466,048	18,499,445
253 Parking Enterprise Fund				
002	General Fund	226,629	287,571	288,879
540	General Government Capital Projects Fund	350,000	350,000	350,000
157	Sandbridge Special Service District Spec Rev Fd	90,000	90,000	90,000
152	Tourism Investment Program Fund	0	25,194	0
	Total Transfer From Fund 253	666,629	752,765	728,879
254 Waste Management Enterprise Fund				
002	General Fund	1,986,994	2,232,948	2,226,319
241	Water and Sewer Fund	546,604	585,961	762,110
	Total Transfer From Fund 254	2,533,598	2,818,909	2,988,429
255 Storm Water Utility Enterprise Fund				
002	General Fund	1,942,104	2,082,869	2,145,875
555	Storm Water Capital Projects Fund	8,490,000	7,500,000	7,500,000

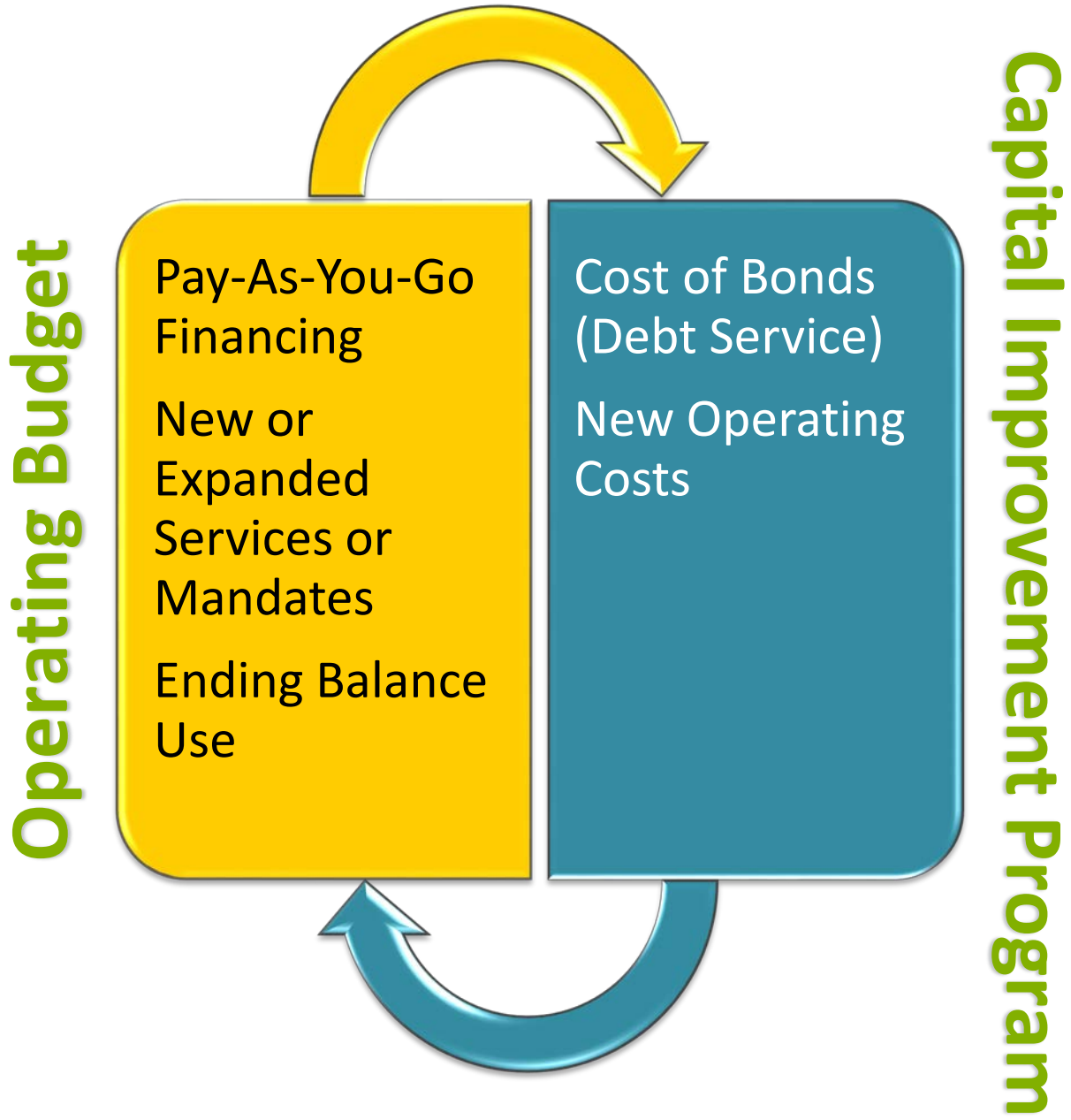
City of Virginia Beach, Virginia

Interfund Transfer Summary

Receiving Fund Code and Name		FY 2015-16 Actuals	FY 2016-17 Adjusted Budget	FY 2017-18 Total Adopted
241	Water and Sewer Fund	677,527	911,134	1,070,871
	Total Transfer From Fund 255	11,109,631	10,494,003	10,716,746
310 Old Donation Creek Area Dredging SSD				
002	General Fund	0	195,339	67,940
	Total Transfer From Fund 310	0	195,339	67,940
311 Bayville Creek Neighborhood Dredging SSD Fund				
002	General Fund	0	114,705	87,105
	Total Transfer From Fund 311	0	114,705	87,105
312 Shadowlawn Area Dredging SSD				
002	General Fund	0	55,040	24,908
	Total Transfer From Fund 312	0	55,040	24,908
313 Chesopeian Colony Dredging SSD				
002	General Fund	0	195,374	214,922
540	General Government Capital Projects Fund	192,858	0	0
	Total Transfer From Fund 313	192,858	195,374	214,922
314 Harbour Point Dredging SSD				
002	General Fund	0	31,604	17,892
	Total Transfer From Fund 314	0	31,604	17,892
315 Gills Cove Dredging SSD				
002	General Fund	0	0	24,774
540	General Government Capital Projects Fund	13,113	15,495	0
	Total Transfer From Fund 315	13,113	15,495	24,774
316 Hurds Cove Dredging SSD				
002	General Fund	0	0	198,999
540	General Government Capital Projects Fund	0	464,321	0
	Total Transfer From Fund 316	0	464,321	198,999
	TOTAL INTERFUND TRANSFERS FOR ALL FUNDS	566,283,564	552,042,033	573,176,352

RELATION OF THE OPERATING BUDGET TO THE CAPITAL IMPROVEMENT PROGRAM

As the graph illustrates, there is a close linkage between the operating budget and CIP. Decisions made in one area, may affect the other. For example, if the city were to open a new fire station (CIP), the city must also plan to hire firefighters (operating). Likewise, an expansion to a recreational program (operating) may require the construction of a new facility (CIP).



REVENUES

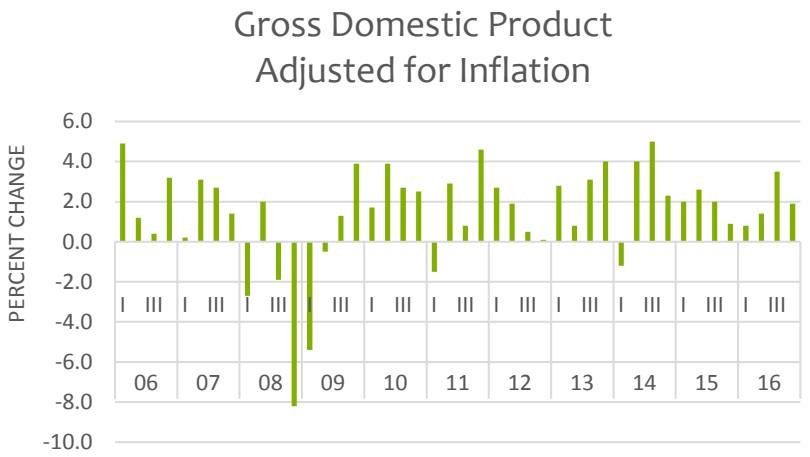
On May 9, 2017, City Council amended the FY 2017-18 budget by:

- Increasing the estimate for interest income by $250,000. This increase is based on better than projected receipts in FY 2016-17.
- Decreasing user fees in the Parks and Recreation Special Revenue Fund by $100,000. This is due to a six month delay in the implementation of increases in recreation center membership fees (the fees will become effective on January 1, 2018 instead of July 1, 2017).

National Economic Overview

The U.S. economy entered its eight year of expansion in the third quarter of 2016, but the rate of growth in Gross Domestic Product (GDP) since the end of the Great Recession in mid-2009 has been restrained, averaging just 2.1%. Although this rate of growth is roughly in line with the long-term trend, it is a much slower rate experienced in other recoveries.

The biggest drag on economic growth in 2016 was weak investment. Adjusted for inflation, business investment decreased 0.4% in 2016. Possible reasons for the decline are modest overall growth in the economy, the collapse in energy prices (lowering investment in that sector), the high value of the dollar, and economic uncertainty surrounding the Presidential election.



Source: Bureau of Economic Analysis

Against this backdrop, the economy continued to add jobs (2.16 million in 2016). The unemployment rate stood at 4.7% in January, a rate at which many economist believe represents full employment. Other measures of the labor force, however, suggest slack is present such as an outsized number of part-time workers who desire full-time employment, and a large percentage of unemployed workers who have remained out-of-work for more than six months.

Consumer spending remained the primary propellant for the economy, growing at 2.7%. Although still modest, inflation advanced at 1.7% in 2016 compared to only 0.4% in 2015. The price of West Texas Intermediate oil averaged $49 per barrel in the fourth quarter of 2016 compared to $42 in the same period of 2015, and well below ten-year average of $80.

According the Wall Street Journal's survey of 57 economists, the post-election forecast for 2017 and 2018 suggest slightly higher economic growth, interest rates, and inflation, and a new set of potential risks including international trade wars. On average, economists marked up their growth forecasts. The economy could expand 2.2% in 2017 and 2.3% in 2018, as a fiscal stimulus kicks into gear, up from about 1.5% over the past 12 months. Inflation is seen at 2.2% next year and 2.4% in 2018. If correct, it would be the first stretch of sustained inflation above 2% since before

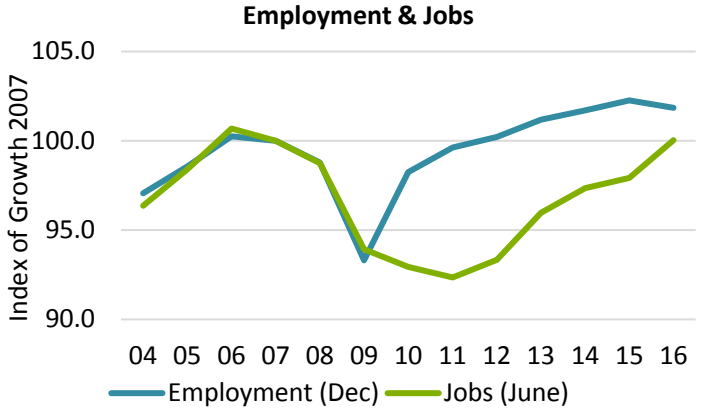
the recession of 2007 to 2009. The economists' average forecasts for growth, inflation and interest rates in both 2017 and 2018 all rose, at least slightly, from a survey conducted before the election in October.

Virginia Beach Economic Overview

The Old Dominion University (ODU) Economic Forecasting Team predicts the Gross Regional Product to increase 1.41% in 2017, which is slightly higher than the increase in 2016 (1.36%) but below the long-term historical average (2.6%). The modest increase is predicated on essentially flat defense department expenditures, and modest increases in consumer spending, tourism, housing and the port. Since the release of that forecast, however, President Trump signed an executive order of a federal government-hiring freeze. ODU economists estimate a two-year salary reduction of $140 million in Hampton Roads, resulting in an overall $300 million loss of total economic activity. Lastly, their economists outline three potential scenarios with a Trump administration and Republican Congress; however, they do not expect changes in defense and other spending to have a significant impact on the national or regional economy until 2018:

1. Rapid and sustained increases in defense spending: This could raise defense spending by 5% and a possibly ship building program to reach a fleet of 350 ships. Already, President Trump proposed a $54 billion increase (8.7%) to the defense budget.
2. Significant tax cuts coupled with large increases in infrastructure and defense expenditures: Inflation and the deficit could be resulting concerns.
3. Tax reform, infrastructure spending, and defense spending compete for resources: This could result in a new round of Base Realignment and Closure Committee (BRAC).

The city's economy continues to improve, achieving or surpassing its pre-recession levels for most economic metrics. The unemployment rate stood at 3.8% in December 2016, which is 2.5 percentage points below the three-year recessionary average (2009 through 2011) and 0.2 percentage points below the long-term historical average.



Source: Bureau of Labor Statistics

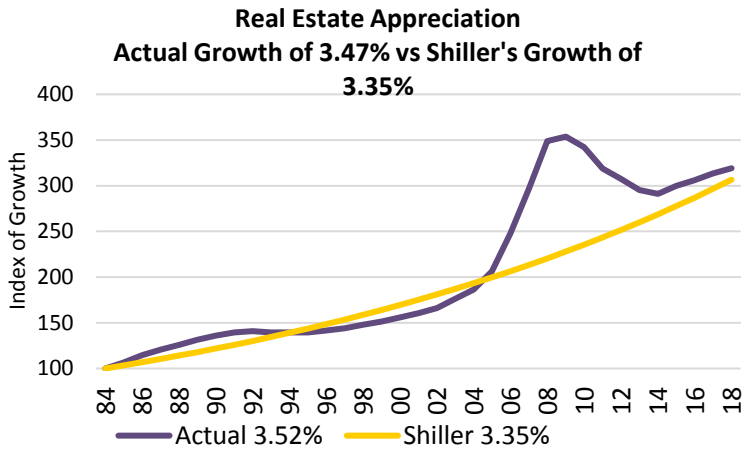
The employment and unemployment figures represent residency measures (how many residents are employed, regardless of the city in which they are employed). Another key metric is jobs (the number of jobs located within our physical boundaries, regardless of whether they are filled by Virginia Beach residents). The recovery in Employment and Jobs has been more modest. The pre-recessionary peak for both occurred in 2007. Nine years later, current Employment is 1.8% above its 2007 levels while Jobs only matches 2007 levels. The nearby graph is indexed to 2007 (peak period), and shows that recession and recovery. Since that time, the city employment has fully recovered and jobs have nearly recovered from its pre-recession peak.

Another important barometer of the economy is spending. Nationally, consumer spending comprises roughly 70% of the economy. The city's consumer revenues are performing well since the recession ended, near or exceeding their long-term averages for all but Business Professional Occupancy Licenses (BPOL) as shown below.

Annual Average Growth Rates in Consumer Revenues

Tax Revenue	Current Recovery	Recession	Long-Term Avg	Past Recoveries
General Sales	3.30%	-4.00%	3.40%	5.8%
Meal	4.60%	0.40%	4.80%	6.3%
Hotel	4.60%	-1.30%	4.30%	5.2%
BPOL	2.30%	-4.50%	4.60%	12.3%

Paralleling the national experience, housing is the last sector of the local economy to begin recovery. During the recession, the City experienced five consecutive years of declining real estate assessments. The city is projecting positive real estate assessment growth for the fourth consecutive year, and residential building permits now stand at 93% of their long-term average. Research by a noted economics expert on real estate (Robert Shiller from Yale University) indicates that 3.35% represents the long-term average for real estate appreciation. The City's long-term historical growth rate is 3.47%, slightly higher than Shiller's 3.35% rate. Unfortunately, this growth does not occur in a linear manner, meaning the economy experiences booms and busts (markets sometimes overshoot in both directions).



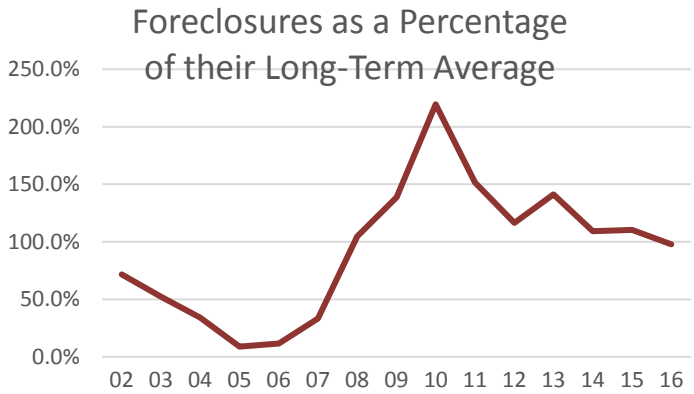
Sources: Real Estate Assessor and Robert Shiller

Appreciation for the last four years has averaged 2.33%, more than 1% below the city's long-term average of 3.47%.

The increase is partly attributed to the decline in distressed home sales. Foreclosures have declined below their pre boom and bust average as shown in the accompanying chart.

Forecasting Methodology

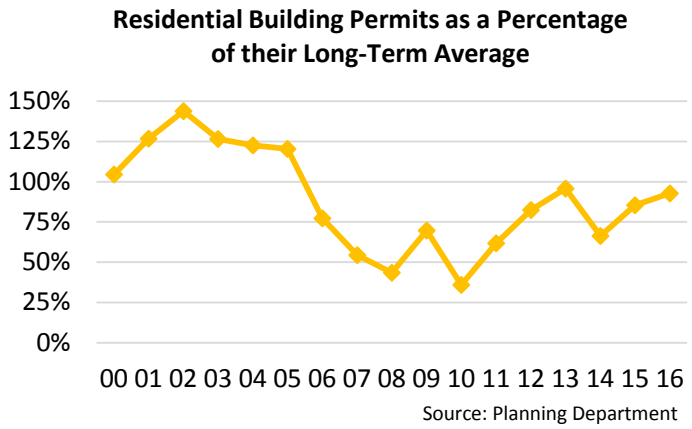
The City uses or has used the following qualitative and quantitative methods to forecast revenues:



Source: Real Estate Assessor's Office

- Survey departments regarding trends in revenues.
- Interview local economists, and review national economic forecasting projections.
- Monitor national and local economic trends.
- Examine State and Federal budgets and legislative changes.
- Examine relationships between revenues and economic variables.
- Use the following statistical techniques where applicable: Exponential Smoothing; Auto Regressive Integrated Moving Average (ARIMA); Autoregressive Distributed Lag Models; and Regression Analysis.

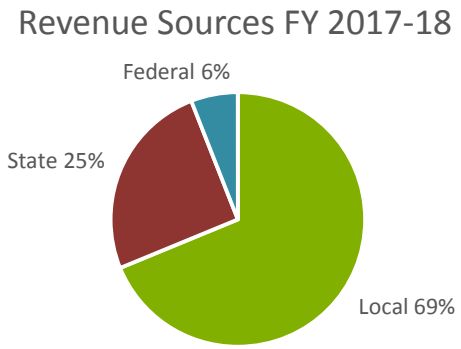
The final projections are based upon a combination of the above techniques and educated judgment. The generally accepted forecasting margin of error is 2.0%. For the last twenty years, the city's absolute, average margin of error has been 1.2%.



Overall, local sources comprise the largest portion of all revenues (see graph on the following page), which remained steady at 69% of all revenue sources.

Dedication of Other Local Taxes and Real Estate Taxes for Specific Purposes

Recent Real Estate Tax Rate Adjustments and Distributional Purpose Historical Perspective - The table chronicles real estate tax rate changes from FY 1988-89 through FY 2017-17 and identifies the dedications. In FY 1995-96, the Agriculture Reserve Program (ARP) dedication was established at 1.5¢. In FY 2004-05, it was lowered to 1¢, and in FY 2006-07, it was lowered to 0.9¢. The adoption of the City/School Revenue Sharing Formula in FY 1997-98, replaced specific rates for school-related purposes identified below. Due to unprecedented appreciation, the City Council lowered the tax rate for each year from FY 2004-05 through FY 2007-08, and adjusted the following dedications: the Recreation Center dedication was decreased from 3.8¢ to 3.476¢ and Outdoor Initiative from 0.7¢ to 0.47¢ to mirror the reduction in the real estate rate. FY 2012-13 included a four-cent increase in the real estate tax to offset State revenue losses for the Schools and a two-cent increase to address road construction and the estimated $1 million annual impact from the line of duty retirement passed by the General Assembly and transferred to local governments as an unfunded mandate. On May 14, 2013, the City Council voted for a two-cent decrease in the real estate rate (from 95¢ to 93¢) to help offset the increase in the Waste Management Fee. In FY 2015-16, the tax rate increases by six-cent from 93¢ to 99¢. Of this increase, 2.31 cents will be allocated to Virginia Beach Schools, 1.8 cents will be allocated to the newly established Multi-Modal Transportation Fund and 1.89 cents will remain within the City's General Fund. Additionally, 0.34 cents of the dedication to ARP will be redirected to the Multi-Modal Fund to support transportation initiatives. Also redirected, is the aforementioned 2 cent real estate tax dedication for road construction. This dedication was moved from the General Fund to the newly established Multi-Modal Fund. The redirection of this 2 cents and the increase of 1.89 cents from the tax increase results in a net loss of .11 cents within the General Fund. In FY 2017-18, the dedications to the Multi-Modal Transportation Fund were eliminated, with the 1.8 cent redirected to the City General Fund and the 0.34 cent restored to the ARP. Also, restored to the General Fund is 2 cents to Roadways previously allocated to the Multi-Modal Fund.



FY	Tax Rate	Tax Rate Change	City Operating Budget & CIP	Parks & Recreation	School Operating Budget & CIP	ARP	Multi-Modal
1987-88	0.877	-					
1988-89	0.915	3.8¢		3.8¢*			
1989-90	0.977	6.2¢		0.7¢	5.5¢**		
1990-91	1.032	5.5¢	0.6¢		4.9¢**		
1991-92	1.09	5.8¢			5.8¢**		
1993-94	1.14	5.0¢	0.7¢		5.7¢**	1.5¢	
1995-96	1.188	4.8¢			5.7¢**		
1996-97	1.22	3.2¢			3.2**		
2004-05	1.1964	-2.36¢	-2.36¢				
2005-06	1.0239	-17.25¢	-16.75¢			-0.5¢	
2006-07	0.99	-3.39¢	-2.99¢	-0.3¢		-0.1¢	
2007-08	0.89	-10¢	-9.746¢	-0.254¢			
2012-13	0.95	6.0¢	2.0¢		4.0¢		
2013-14	0.93	-2.0¢	-2.0¢				
2015-16	0.99	6.0¢	-0.11¢***		2.31¢	-0.34¢	4.14¢
2017-18	1.0025	1.25¢	3.8¢		1.25¢	0.34¢	-4.14¢
Total Change		**12.55¢**	**-28.256¢**	**3.946¢**	**35.96¢**	**0.90¢**	**0**

*Originally approved in conjunction with a referendum.
**These dedications were absorbed into the City/School Revenue Sharing Formula and are shown here for historical purposes.
*** In FY 2015-16, The City's General Fund receive an increase of 1.89 cents in Real Estate Tax revenue; however, the two cent Roadway dedication moved from the General Fund to the newly established Multi-Modal Fun.

Other Local Taxes - The following table indicates selected local tax rate dedications having specific purposes:
Dedication of Taxes

Tax	Local Rate	City/School Operating Budget	T.I.P.	T.A.P.	EDIP	Open Space	CIP
Amusement Tax	10%		10%				
Hotel Room Tax	8%	2%	5%	1%			
Restaurant Meal Tax	5.5%	3.5%	1.06%	0.5%		0.44%	
Cigarette Tax (per pack)	75¢	54¢	5¢		16¢		
Personal Property Tax	$4	30¢					
Vehicle Registration Fee	$30	$25					$5
Per Room Night Hotel			$1	$1			

Fees and Charges for FY 2017-18

To recover the cost of various services, the City relies upon various fees and charges. To keep pace with rising costs, staff review fees and charges annually. The following are the notable changes to City fees for FY 2016-17. Complete listings of fees and details regarding the purpose of the fee or fee increase are included in each individual departmental narrative, and readers can find a summary of fees and tax adjustments in the Executive Summary.

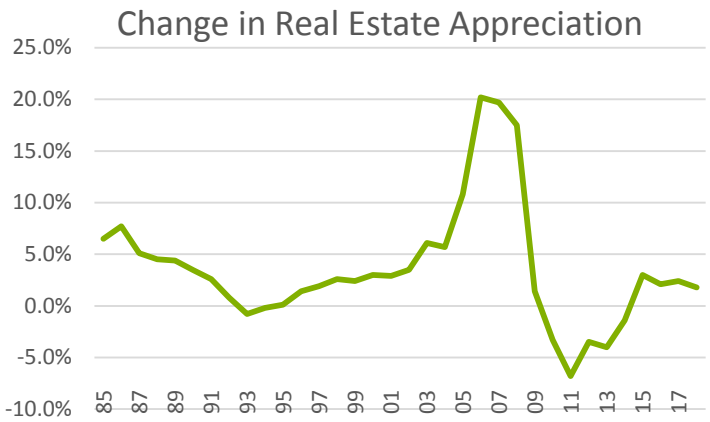
- Parks and Recreation Fees.
- The Stormwater fee will increase from $.433 to $.458 per day ($9.13 annually).

New Funds

The city did not establish any new funds in FY 2017-18.

Revenue Resource Analysis

Real Estate Tax - Beginning in 2005, the City experienced four years of unprecedented double-digit appreciation (averaging 17.1% annually for all properties) followed by one year of below-trend growth (1.4%) and five consecutive years of negative appreciation, which is also unprecedented. This describes a classic boom-and-bust cycle, as shown in the nearby graph. During the boom period, home prices rose 89.3% while median household income grew at approximately 17.6% over the same period, not a sustainable relationship. FY 2017-18, however, marks the fourth consecutive year of positive real estate assessment growth. Overall appreciation is increasing 1.8%.



Source: Real Estate Assessor's Office

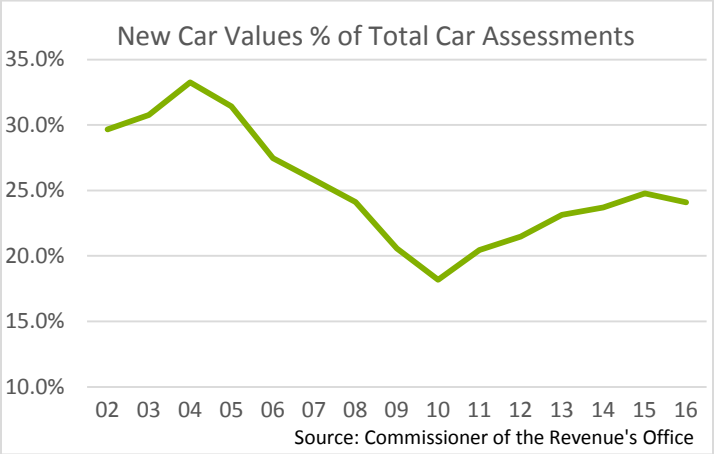
The table below illustrates that the residential values increased relatively uniformly across value ranges in FY 2017-18, with homes over $750,000 slightly below.

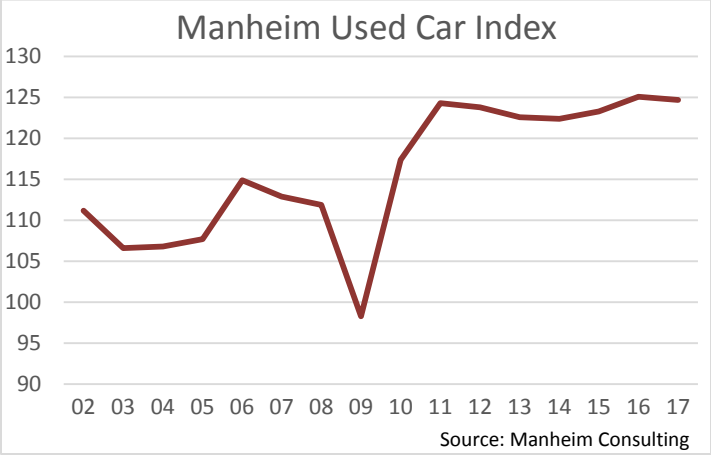
Median % Change in Residential Property by Value Range	
Under $150,000	2.48%
$150,000 - $200,000	2.19%
$200,000 - $250,000	2.09%
$250,000 - $350,000	2.61%
$350,000 - $500,000	2.04%
$500,000 - $750,000	1.87%
Over $750,000	1.00%

Revenue - Real estate assessment projections are provided by the City Real Estate Assessor. For FY 2017-18, General Fund real estate revenues are projected to total $521,861,044. Total Real Estate taxes, including all dedications, Tax Increment Financing, and Special Service Districts total $566,300,896.

Personal Property – This revenue consists of several tax categories including vehicles, business personal property, commercial boats, recreational vehicles, mobile homes, etc. Of these, vehicles represent 72% of the personal property assessment tax base. The value of used cars and the level and value of new car sales represent the most important factors for this revenue.

In the 2001 recession, new vehicle sales dipped by 2.6% while unemployment peaked at 3.5%. During the “great” recession, unemployment climbed to 7.1% and new vehicle sales decreased by over 37% over two years. New model year cars typically represent less than 10% of the total number of vehicles but have constituted as much as 30% of the total value. The accompanying chart illustrates the contribution of new car values to total assessments as well as the recessionary impact on new car sales.



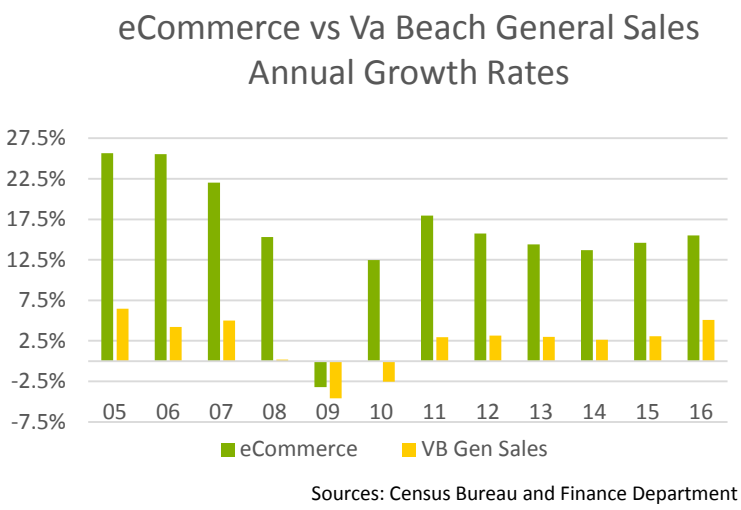


Although delaying the purchase of new cars was economically, driven, improved vehicle-quality also supports maintaining vehicle ownership for longer periods. Extended vehicle retention reduces the supply of used vehicles in the market. Reduction in used vehicle inventory has resulted in a significant year-over-year growth in the value of used vehicles since the last recession. Manheim Used Car Index, the most widely cited source for used car prices, grew at a compound annual rate of 3.0% from 2008 to 2016. Recent literature indicates the potential of previously leased vehicles flooding the market soon, which will drive down the value of used vehicles.

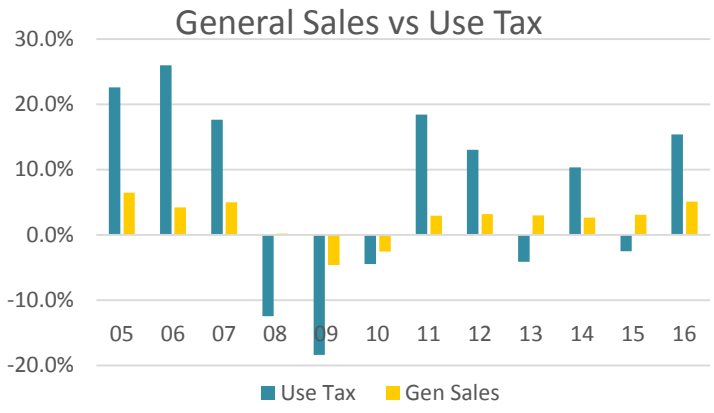
In FY 2005-06, the State implemented the Personal Property Tax Relief Act in which localities will receive a flat reimbursement rather 70% for the total tax eligible tax base. This is a somewhat complicated piece of legislation, and the following discussion highlights the important aspects. The Car Tax reimbursement is no longer linked to the percentage of individual vehicle tax bills. Rather than experiencing increases in our reimbursement that parallels the growth in the vehicle base, the State froze our reimbursement at $53.4 million. Consistent with the original legislation, vehicles valued under $1,000 will not be taxed. With projected growth in the vehicle base, this budget proposes a State relief percentage of 51.1%, down from 52.1% in FY 2016-17. Vehicles valued between $1,001 and $20,000 will be taxed at 48.9% of the assessed value of $4.00 per $100, and the portion of vehicles valued over $20,001 will be taxed at 100% of $4.00 per $100 of assessed value.

Estimated Revenue - For FY 2017-18, Personal Property taxes are estimated to be $155,933,379, a 6.1% increase over the FY 2016-17 estimates and reflects an upward adjustment to the base for the actual FY 2015-16 collections. None of the sophisticated statistical techniques has forecasted this revenue very well, and the past performance has not been a good predicator of the future.

General Sales - This revenue represents one percent of total State sales tax collected in Virginia Beach, which the State distributes to local governments. After declining by a compound annual rate of 3.6% over a two-year recessionary period, General Sales has advanced at a 3.3% compound annual rate over the last six years. For five of these years, growth occurred in a narrow range, with a low point of 2.6% and a high point of 3.2%, which may represent the new normal; however, sales advanced 5.1% in FY 2015-16. The strong dollar, technology, global competition, and the consolidation of retail stores ("Walmartization" in which large chain stores, with strong buying power, can force some retailers to close) all



limit inflation that, in turn, limits growth in the revenue. Internet sales as well as well-informed consumers, who use this technology to price shop, siphon and/or limit the growth in sales. The accompanying chart shows the contrast in growth rates between national e-commerce and our General Sales tax, and illustrates the growth in eCommerce serves as one explanation for modest growth in the City's General Sales.



Source: Virginia Department of Taxation

Although the overall growth in General Sales has been steady, the two components of sales (General Sales, traditional consumer sales, and the Use Tax, non-point-of sales) often diverge. Although there are no sources of traditional economic data for local business investment, the Use Tax portion of the General Sales tax may serve as a proxy. The Use Tax generally reflects non-point of sales purchases by businesses (often out-of-state sales), contributes about 10% to total sales, and can experience double-digit swings from year-to-year. The last point helps reflects economic conditions as well as equipment replacement.

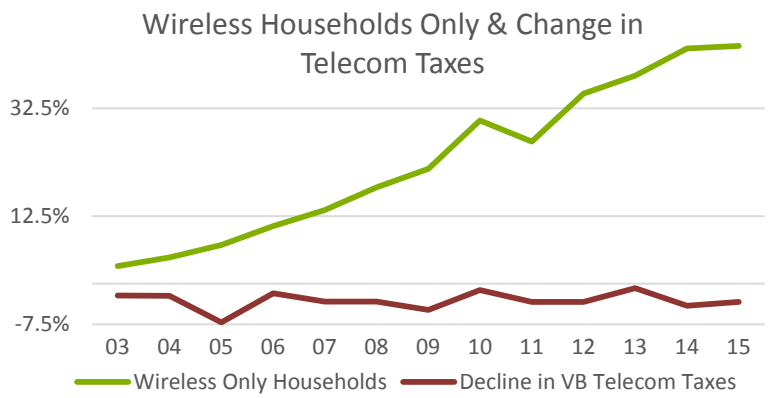
Estimated Revenue - For FY 2017-18, estimated revenue for General Sales is expected to be $65,135,023, or 3.1% higher than FY 2016-17 estimate and in-line with recent performance.

Utility Tax - These taxes apply to electric, gas, and water bills for residential and commercial properties. Historically, this revenue has grown at modest rates in a narrow range. The modest and steady growth in the city's population serves a significant reason for this. For residential properties, the Code of Virginia limits the tax to 20% of the first $15 of a bill, essentially imposing a flat $3 per monthly tax. So the tax on residential properties is unaffected by weather (variations in weather are insufficient to reduce a bill below $15). Previously information provided by Dominion Power indicates that residential properties generate approximately 50% of the City's utility tax. The tier-tax, however, applies to commercial businesses, and a staff statistical analysis reveals that atypical-weather years do affect the growth in this revenue.

In terms of projections, the sophisticated techniques have historically projected this revenue very well, and staff track average monthly temperatures, number of housing units, and natural gas prices.

Estimated Revenues - For FY 2017-18, estimated revenue for utility taxes is expected to be $25,757,106, which is up 1.1% from the previous year's budget.

Virginia Telecommunications Tax - In January 2007, the State replaced all local telecommunication and cell phone taxes with a uniform 5% tax. The taxation applies to satellite TV, Internet phone service, Voice-Over-Internet-Protocol (VOIP), and satellite radio; additionally, a $0.83 cent Right-of-Way fee was imposed. To eliminate the various rate structures imposed by over 100 local governments, telecommunication industries intensely lobbied for this change. From a local government perspective, there were concerns about achieving revenue neutrality (a



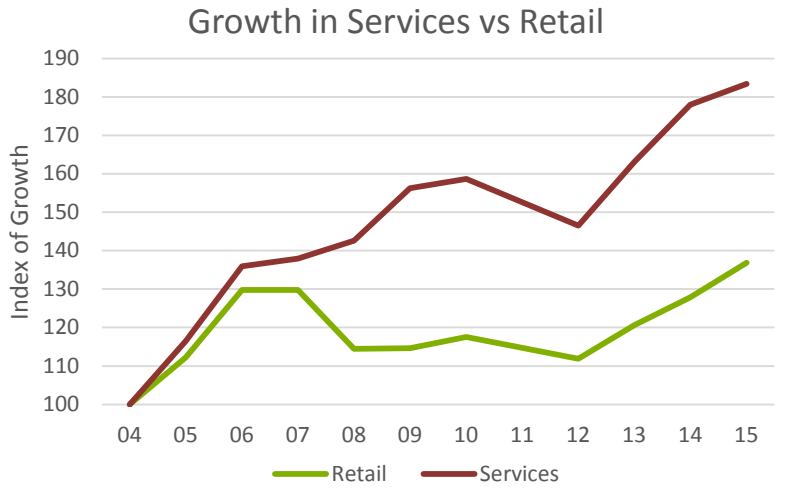
Source: National Center for Health Statistics and Finance Department

legislative promise). However, many local governments are experiencing a decline in the telecommunication revenues due to the use of VOIP (which is not subject to the tax) and the early trend of consumers canceling landline service, relying strictly on mobile service. In these instances, the city does not benefit from the tax associated with an extra cell phone tax because these citizens already own and remit taxes on their cell phone. The trend of cancelling landlines is now a freight train. The National Center for Health Statistics reports that nearly 44% of household do not have a landline in 2015, up from just 3.3% in 2003. The shape of the economy may also serve as an explanation for revenue declines. Business closures, curtailment of 1-800 usage, use of Skype and FaceTime, and elimination of fax lines all contribute to the underperformance. These trends may be felt more strongly elsewhere in the State, but still affect Virginia Beach. The City receives a portion of the overall state-wide revenues, so trends more pronounced in Northern Virginia still adversely affect our revenue. As a result, the telecommunication tax has not maintained revenue neutrality, but it is impossible to know what growth would have occurred under the previous tax structure.

Neutrality was based upon FY 2005-06 revenue collections and represents $23.4 million per annum for Virginia Beach. The State remits revenues monthly, but they usually incur adjustments. Each month, the City receives adjustment information. The adjustments include overpayments, amnesty collections, and misapplied revenues. To measure the correct annual collections, the adjustments are applied, and a normalized collection is calculated. As the graph indicates, this revenue had been experiencing year-over-year declines in this source – an average of 4.3% over the last eight years.

Estimated Revenue - For FY 2017-17, this revenue is projected to be $16,215,279, down 4.6% from last year. This reflects recent trends as well as an adjustment to the base from the poor performance from FY 2015-16. Month to month collections of this revenue are erratic. Without intent by the State to increase rates, there is no indication that this revenue will increase or return to the revenue neutral level in the near future.

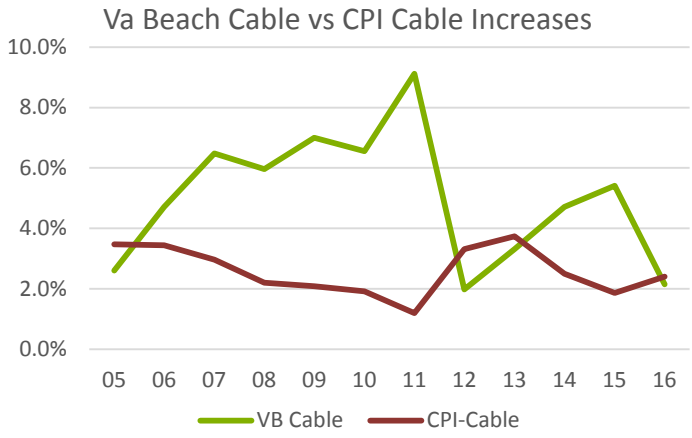
Business Permit and Occupational License Tax (BPOL) – Businesses remit the BPOL tax based on gross receipts. Historically, BPOL outperforms General Sales, which is not surprising since this revenue captures the growth in the service economy plus the traditional retail sector. However, this revenue has also been more volatile, and has not rebounded strongly from the recession. Its long-term average growth is 4.6%, above 3.4% for General Sales, but its post-recession growth has only averaged 2.3%. That's slightly below the recovery rate of General Sales, and this average of 2.3% conceals wide variation of growth (-0.4% to 7.9%) that has occurred during the six years of recovery. The reduction in federal spending within the region may serve as a reason, but generally, this volatility cannot be explained by any known economic variable that the city tracks. The sophisticated techniques have a poor record of success in forecasting this revenue, and staff project this revenue based on simple trend analysis and judgment. Another consideration is the implementation of a two-year business exemption program adopted by City Council in 2012. Through this program, new businesses in Virginia Beach are not required to pay BPOL taxes for two years. Enrollment in this program delays the base growth in this revenue resulting from new businesses. The amount exempted for the last three years have been: $544,000 in FY 2014; $878,000 in FY 2015; and $504,000 in FY 2016.



Source: Commissioner of the Revenue's Office

Estimated Revenue - For FY 2017-18 estimated revenue for BPOL is projected to be $46,786,036, which represents a 0.9% increase compared to the previous budget.

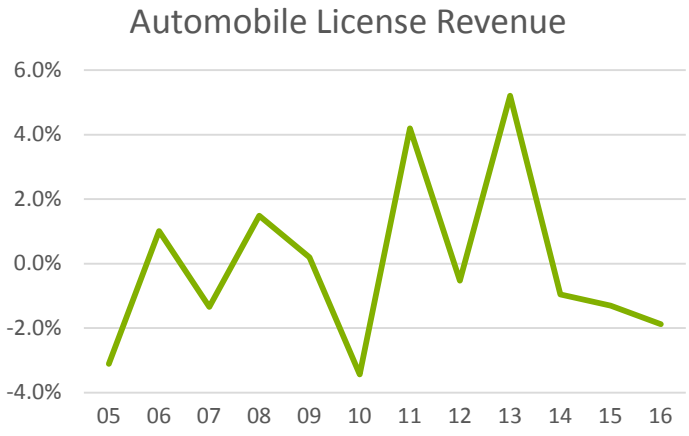
Cable Franchise Tax – As noted above, the recession rocked nearly all consumer revenues. One revenue unaffected by the recession was cable entertainment, which may appear to be counterintuitive; however, the literature suggests that consumers turned to less expensive at-home entertainment. In addition, the City benefitted from the growing offerings of high definition and digital channels that cable companies introduced for which consumers pay increased monthly rates. As cable bills rise, so too do cable franchise revenues. Between FY 2007-08 and FY 2010-11, annual increases in cable revenues grew at an average rate of 7.6%. Over the last twelve years, they have grown at an average rate of 5.0%, eclipsing the national average of the Consumer Price Index for cable. Note, however, the City's cable revenue is affected by new, expanded, and cancelled service while the CPI for cable measures the cost of a similar bundle of services over time.



Sources: Finance Department and Bureau of Labor Statistics

Estimated Revenue - For FY 2017-18, cable franchise revenues are projected to be $8,646,041, down -0.7% from the previous year's budget, which reflects the underperformance for FY 2015-16. "Cord Cutting" could serve as an explanation. According to DigitalSmiths, 15.4% of households "cut the cord" in 2017, up from 3.3% in 2014. Beginning in FY 2017-18, these revenues will be reported with the Virginia Telecommunications Tax.

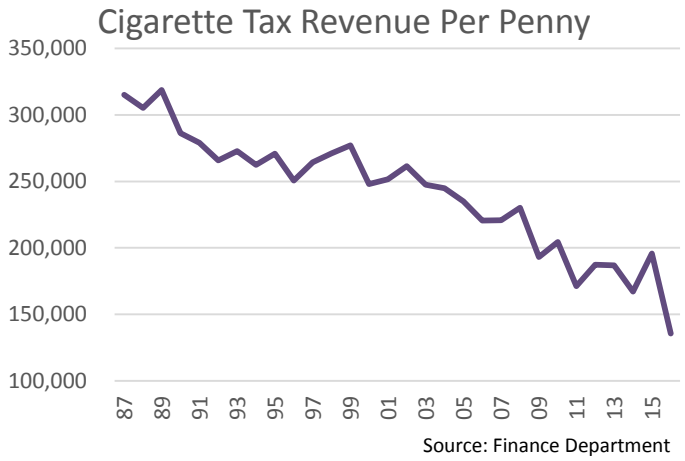
Automobile License Fee – In FY 2003-04, the City eliminated physical issuance of decals and began collecting these fees through the DMV State registration process. DMV represents a more comprehensive source for vehicle discovery and offers an added bonus of aiding collections of delinquent fees. Prior to FY 2004-05, this revenue grew at a moderate and stable manner, which partially reflected the slow growth in our population. Since then, it's has been growing at a zig-zag pattern as shown in the accompanying graph. Demographic factors and the economy affect this revenue. The number of students becoming of driving age is declining according to school enrollment data. With graying of America, some elderly may be giving up their driving privileges. Data from the IRS indicated the City was experiencing an out-migration of population and this would be consistent with a decline in automobile licenses. However, because no demographic or economic variable explains the year-to-year variation, staff will analyze more thoroughly in the near future.



Source: Finance Department

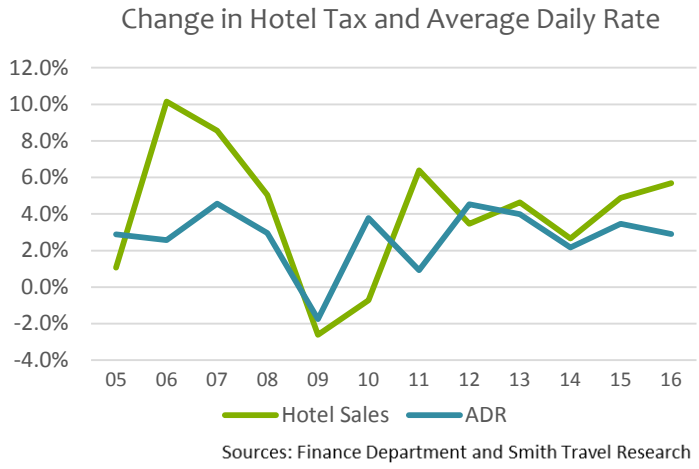
Estimated Revenue - For FY 2017-18 automobile license fees are projected to be $10,807,765, down 3.5% from last year. This reflects an adjustment to the base for the underperformance of this revenue from FY 2015-16. The City dedicates $5 of the license fee to the General Government CIP.

Cigarette Tax - The cigarette tax revenue trend has declined over time as shown in the nearby chart. Many factors contribute to this. Some of those factors include health awareness, non-smoking legislation, cancer litigation, price increases, and the availability of e-cigarettes (which is not subject to Federal, State, or local cigarette taxes). According to the Centers for Disease Control, 25.5% of adults smoked in 1990 compared to 15.1% in 2015. Volatility accompanies the declining trend. The timing of inventory cycles and tax rate increase help explain the volatility. Wholesalers make large, periodic purchases of cigarettes tax stamps based on current supply and demand rather than consistent monthly purchases. These orders do not often coincide with our fiscal year reporting. In some years, for example, wholesalers may make five large purchases and seven smaller ones within one fiscal year; and in the following year, they may make only three larger purchases and nine smaller ones (as they deplete their inventory). Further, wholesalers appear to make large purchases before a tax increase takes effect. City Council typically adopts rate changes with the budget in mid-May, effective July 1. Wholesalers typically purchase these stamps in bulk prior to the July 1 tax increase, delaying the realized revenue anticipated from increases in the rate change.



Estimated Revenue - For FY 2017-18, total cigarette tax revenues is projected to be $11,906,906, up 0.5%. Note that a portion of these taxes is earmarked to the Tourism Investment Program; therefore, due to GASB 54, $793,794 revenues are recorded in that fund.

Hotel Tax - This revenue represents another example of how hard the City was hit by the recession. The City experienced two consecutive years of declining hotel revenue (FY 2008-09 at -1.9% and FY 2009-10 at -0.7%); there is no historical precedent for this. However, the City outperformed all three of our main competitors (Ocean City, Myrtle Beach, and Coastal Carolina) in terms of average annual hotel occupancy, and we fared better than two out of three in terms of Average Daily Rate (ADR), and RevPar (revenue per available hotel room).

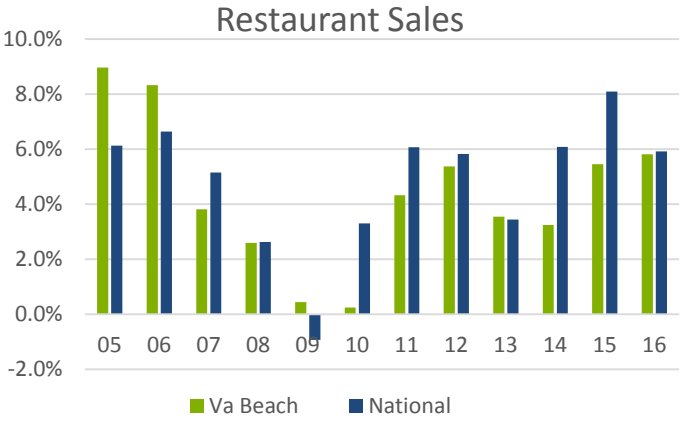


Growth has now resumed since the recession, averaging 4.6% annually over the last six years. The City has experienced slight increases in occupancies, but the bulk of the increase in revenue is the result of higher average daily room rates and rentals at the residential beach community of Sandbridge. The accompanying chart illustrates this. The City hotel product has been up-graded with the addition of the Hilton, Hilton Garden Inn, Hampton Inn, Spring Hill Suites, and Westin hotel at the Town Center.

Surprisingly, a correlation analysis of hotel room prices, gas prices, and consumer confidence in the northeast with hotel revenues revealed that no strong correlation exists, which seems inconsistent with survey data and simple intuition. Statistical techniques used have not accurately forecasted this revenue the past. Staff does review local forecasts for tourism, but these are regionally based. As a result, these estimates are developed based on simple trend analysis and judgment.

Estimated Revenue - Total hotel taxes are estimated to be $34,897,289, up 10.7% above the previous year's budget. There are two components making up this revenue. The first is the hotel tax rate at 8%. The second is the hotel flat tax, which generates $2 per room night in addition to the aforementioned tax rate. The growth reflects trends, an upward adjustment to the base for actual performance that exceeded the budget, and annualizing an additional $1 per room night flat tax, effective January 1, 2017.

Restaurant Meal Tax - Historically, this revenue has been one of the most consistent performers regardless of underlying economic fundamentals, and it consistently out-performs General Sales tax. It was resilient through five of the last six national recessions. The "Great Recession" curbed growth. Annual growth rates for FY 2008-09 and FY 2009-10 were 0.5% and 0.3% respectively; however, the growth never trended negative. This paralleled the national experience. According to a Zagat Survey, Americans dined out an average of 3.3 times a week before the recession and 3.1 times during it. Restaurant meal sales comprise 46% of all food purchases in the city (grocery stores and restaurants combined), which matches the national percentage.



Sources: Census Bureau and Finance Department

According to restaurant industry experts, demographics factors affect meals away from home. They are: the percentage of women working; percentage of households with incomes higher than $75,000; percentage (higher) of childless households; and the percentage of people born after 1977. Higher concentrations of these bode well for restaurant sales; Virginia Beach has a higher relative concentration compared to Virginia and the U.S. level. Comparative local restaurant quality with neighboring localities can also be a factor. Local resident wealth and tourism also serve as positive factors. Finally, non-residents generate between 30% and 35% of meal tax revenues. Tourism, measured through Hotel revenues, has recovered, and this has helped bolster meal sales. The statistical techniques do forecast this revenue well and staff also examines trends to establish an estimate.

Estimated Revenue - For FY 2017-18, meal taxes are expected to be $68,807,636, or 6.1% above the previous year's budget. This reflects trends as well as an adjustment to the base for the strong performance in FY 2015-16.

Permits, Privilege Fees, and Regulatory Licenses - This represents a broad range of governmental service permits, privileges, and regulatory licenses. Over the last five years, these revenues have varied greatly because rate changes, new revenue sources, and deleted fees have altered the foundation. These revenues are primarily a function of population count, population age, the economy, and real estate/construction industry activities. Because regulations and rates change, historical data is not a good forecasting tool. As a result, departmental input was used.

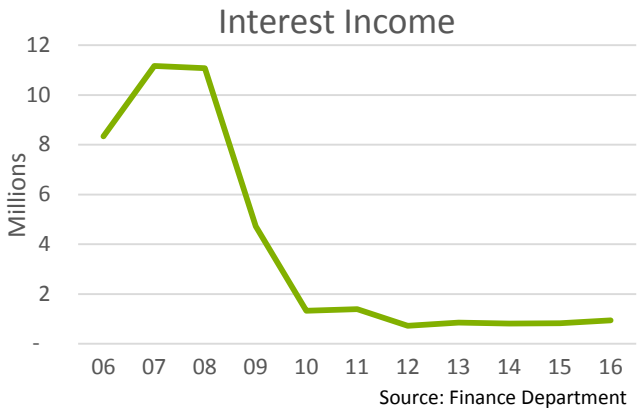
Estimated Revenue - For FY 2017-18, the estimated revenue for Permits, Privilege Fees, and Regulatory Licenses in the General Fund is $5,535,829, which represents -0.7% decrease from last year's estimate.

Fines and Forfeitures - This represents local government applied fines and forfeitures, with the two primary revenues being Court Fines and Red Light Camera Violations. These revenues are primarily a function of population count, population age, and rate changes (e.g., parking fines). Both are designed to change individual behavior by avoiding the fee. Projections are based on historical trends.

Estimated Revenue - For FY 2017-18, the estimated revenue for General Fund Fines and Forfeitures is $5,800,656. This represents an 11.3% decrease from last year's estimate and primarily reflects an adjustment to the base from the

lower performance in FY 2015-16. Court caseloads are down, but it is hard to determine the specific reason for the decline (safer driving habits or random reasons).

Revenue from the Use of Money and Property - This represents a broad range of financial and physical resource revenues, but is particularly related to interest on bank deposits and use of City property.



Source: Finance Department

This revenue category trends with interest rates and is primarily a function of the rates and cash balances invested. From December 2008 until December 2015, the Federal Fund rate has been between 0% and 0.25% since 2008, which has had a diminishing effect upon City returns. The rate increase in December 2015 from 0.25% to 0.50% will only have a modest impact on interest earnings. Although the Federal Reserve communicated there would be multiple rate increases in 2016 (economists expected four), the fragile economic start to 2016 leads economists to believe that number may not occur. The other variable, obviously, that affects interest earnings is the city Bond sale timing and amount affects the City's invested principal. The 90-Day Treasury bill rate serves as a conservative proxy for City investment earnings. The graph shows the dramatic decline in interest that the City receives on investments: In FY 2007-08, the City earned almost $11.1 million in interest in the General Fund; in FY 2015-16, the City received $0.93 million – a 92% decrease.

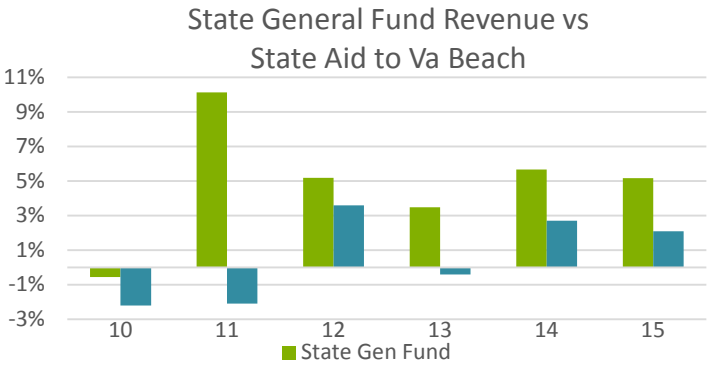
Estimated Revenue - For FY 2017-18, the estimated revenue for Use of Money and Property is $5,793,760, representing a 6.2% increase from last year's estimate, and primarily reflects a modest increase in interest earnings.

Charges for Services - This represents a broad range of revenues offsetting the cost of delivering services and programs.

Due to increased demand for fee-based services and additional charges for the cost of City services, these revenues have been increasing at a rather brisk pace. Most of these revenue estimates were historically trended, discussed with departments, and calculated using the prevailing rate. In FY 2007-08, to balance service delivery with costs, the Council appointed a Blue Ribbon Tax, Fee, and Spending Task Force, and they recommended regular fee increases to keep pace with the cost of services.

Estimated Revenue - For FY 2017-18, the estimated revenue for Charges for Services for the General Fund is $40,774,745, an increase of 5.6% when compared to last year's budget. Increases in the admission charge to the Virginia Aquarium as well as trends in Police False Alarm Fees and some Human Service fees serve as the reasons for the increase.

State and Federal Revenue - Estimates are based on historical trends, General Assembly budget proposals, gubernatorial recommendations, and congressional processes. Because state and federal budgetary timelines lag the locality cycle, budgets are based upon speculative reports. Typically, the state and federal bicameral establishments have not jointly resolved budgetary issues by the time of this report. General Fund revenues for the State nearly always out-perform the level of State aid provided to



Sources: Virginia Comprehensive Annual Financial Report and Finance Department

Virginia Beach. So while the State's revenues have recovered at a higher level, this has not translated into increased aid to Virginia Beach.

Estimated State and Federal Revenues – In FY 2017-18 for the General Fund, State revenues total $102,814,312 (up 1.5%) and Federal revenues total $20,737,501 (up 5.1%).

Summary of Total General Fund Revenues - Total revenue for the City of Virginia Beach is expected to be $1,134,181,948, which is 5.3% higher than last year's estimate. Current year revenues (excluding fund balance use) are increasing 5.8%. The tax increase for expansion of full-day kindergarten, and elimination of the Multi-Modal Fund and subsequent redirection of these revenues to the General Fund serve as the reasons for the increase.

Special Revenue Funds

This section highlights the major Special Revenue Funds:

Schools/Education - The following funds comprise the total School operations: School Operating; Green Run Collegiate Charter School; School Vending Operations; School Grants; School Textbook; School Athletic; School Cafeteria; School Reserve; School Instructional Technology; School Equipment Replacement; School Communication Tower Technology; School Risk Management; and City and School Health Insurance. The revenue estimates for these funds are provided by the School Administration and by the State, and are based on information received from state and federal agencies at the time of the preparation of the budget, except for local tax funding which is provided by the City.

Federal revenues primarily consist of impact funds, which are allocated to Schools for use in the operation of the total instructional program to support the cost of educating military children, and funds for the School lunch program. State funds are allocated based on a two-part, General Assembly, adopted formula: 1) The Standards of Quality are used to determine the number of teachers that are required by each school system. The state also uses an average salary figure to arrive at the total level of funding. 2) A Composite Index of Local Ability to Pay is used to determine the funding split between the State and localities. Wealthy communities receive less State aid while less-wealthy communities receive more. The City is responsible for the residual amount from the Composite Index (subject to a cap). For FY 2016-17, the City's total contribution (operating budget and debt service) is $242.8 million above the minimum amount required by the State.
Certain categorical State funds are dedicated to certain specific courses or activities, such as pupil transportation, vocational education, special education, and technology initiatives. The State Share Sales Tax (one cent on the sales dollar) is returned by the Commonwealth to localities exclusively for public education and is distributed based on the number of School age persons residing in each locality. Regarding local funds, historically, these consisted primarily of monies derived from property taxes. Because local, School Boards in Virginia are fiscally dependent bodies, they must rely on the City Council to appropriate the required local tax funds and also to approve the total budget. The new formula was adopted for use in beginning in FY 2013-14, and includes a four-step computation:

- Total Non-Dedicated Local Tax Revenues: the base from which the computation derives is the total non-dedicated local tax revenues, which represents a more diverse stream of revenues compared to the previous formula;
- Fund 100% of Required Local SOQ Match: the formula acknowledges the required local match under the State SOQ by dedicating 100% of local revenues to equal this match, which is then subtracted from the total non-dedicated local tax revenues;
- Funding Above SOQ Match: the formula specifies that 34.11% of the remaining total non-dedicated local tax revenues (after subtracting the local SOQ match) are allocated to the School System as the discretionary local match; and

Estimated revenue for these funds is expected to increase by 2.5% compared with last year's estimate, excluding Internal Service Funds and the School Reserve Special Revenue Fund. In total, the local City revenue will increase by 1.5%. This budget includes a reserve to address additional local funding requirements associated with the final State

budget. If this budget requires a higher local match, the city's contribution to schools will increase through the formula.

Housing - The following funds comprise the majority of the housing operations for FY 2016-17: Grants Consolidated, Community Development Special Revenue, CD Loan and Grant, Federal Housing Assistance Grant, and Federal Section 8 Programs. Revenue estimates for these funds are provided by the Department of Housing and Neighborhood Preservation (HNP) and are based on information received from State and Federal agencies at the time of the preparation of the budget. Revenue is received from three sources: Federal, State, and local governments. Federal funds are received both directly through the Department of Housing and Urban Development (HUD) and indirectly through the Commonwealth. Local funds are allocated to offset administrative costs for certain salary and fringe benefits, rental of office space, and utility costs.

Estimated revenue for these funds is expected to be 0.5% lower than last year's estimate for FY 2017-18. Federal revenue is anticipated to be essentially unchanged while city General Fund support will decrease slightly

Parks and Recreation - The Parks and Recreation Special Revenue Fund comprise the total operations for the Parks and Recreation Department. Funding is derived from user fees and charges for the use of Parks and Recreation facilities and sponsored activities, a dedicated portion of the real estate tax to support recreation center operations, and additional support from the General Fund to support park operations.

Estimated revenue for FY 2017-18 is expected to increase 6.1% when compared to last year's estimate. This increase reflects the increase in a dedicated real estate taxes and increases to various fees supporting programs.

Sheriff Department Special Revenue Fund - Revenue is derived from three sources: Federal, State, and local governments for the care and custody of persons placed in the Virginia Beach Correctional Center by the courts. The Federal reimbursement is specifically related to a contractual arrangement between the City and the Federal government to house Federal prisoners when necessary.

Estimated revenue is expected to be 2.9% higher than last year's estimate for FY 2017-18. State revenue is anticipated to increase by 2.8% while City funding will increase by 2.3%; Federal revenue is also expected to decline slightly, but this represents an insignificant revenue source. This year's budget includes the appropriation of $260,000 in fund balance.

Tourism Investment Program Fund - This reflects the merging of the Tourism Growth Investment Fund and the Major Projects Fund. Both of these funds received dedicated revenue streams to fund tourism and other economic developed related capital projects. Revenues in this fund are primarily generated from: 5.0 cents of the Hotel tax (0.5 for Beach Events); 1.06 cents of the Meal tax; 5 cents per pack of the Cigarette tax, and 100% of Amusement (10% Admissions and 5% Participatory) tax.

Estimated revenue is expected to increase by 8.5% when compared with the current year's revenue estimate. This reflects an adjustment to base for hotel taxes for actual FY 2015-16, and the rate increase for the Flat tax from $1 to $2.

Tourism Advertising Program Fund - The Tourism Advertising Program Fund generates revenue for increased tourist advertising by: a levy of a $2 charge per hotel room night (effective January 1, 2017 the charge increases from $1 to $2); a 0.5 cent tax on Restaurant Meals; and a 1.0 cent on Hotel tax.

Estimated revenue is expected to decrease by 0.9% from last year's estimate for FY 2017-18, and reflects decline in use of fund balance from the previous year.

Agricultural Reserve Program Fund (ARP) - This program is designed to promote and encourage the preservation of farmland in the rural southern portion of the City, in which agricultural uses predominate, by means that are

voluntary rather than regulatory. Revenue was initially derived from a 1.5 cent increase in the Real Estate Tax. In FY 2004-05, due to the rising value of real estate assessments, this level of funding was reduced from 1.5 cents to 1 cent. A similar analysis revealed that the dedicated amount could be lowered to 0.9 cent in FY 2005-06, primarily again due to rising real estate assessments. In FY 2015-16, an additional reduction of .34 cent occurred within this fund with the revenue being redirected to support City and School operations. In FY 2017-18, the .34 cent will be redirected back to the ARP fund, for purchases of property in the transition area, with the elimination of the Multi-Modal Fund.

Total revenue is expected to be $4,910,368, which represents a 17.0% increase for FY 2017-18, and reflect the additional .34 cent of the real estate tax rate.

Tax Increment Financing Funds - The Code of Virginia (Sect 58.1-3245 – 3245.5) authorizes the use of Tax Incremental Financing (TIF), which can serve as a means of financing the cost of public improvement in an area. The financing mechanics work as follows: for the target geographical area covered by the TIF, the current real estate assessments are anchored as a base, and subsequent increases in real estate taxes derived from increases in assessments are earmarked to a fund from which public improvements are paid. TIF's are often set for predetermined limits, usually associated with the funding of these improvements. All TIF related revenues are excluded from the City/School Revenue Sharing Formula. A substantial reduction in the Real Estate tax will affect the cash flow of these TIF's, particularly the Central Business District-South. The City has established three TIF's, which are described below:

- Sandbridge TIF - The Sandbridge area, which is an important real estate and aesthetic asset of the City, has long battled sand erosion. Over the years, the City has pursued a multi-front strategy of funding sand replenishment: seeking Federal funds; appropriating local funds; and establishing the Sandbridge Special Services Tax District. The establishment of this TIF is another method to ensure stability to this area. These revenues are designed to reserve the revenue for future costs, and these revenues are transferred directly into the fund, $10,127,427 for FY 2017-18. A financial analysis indicates that sufficient monies will be available in the future to fund sand replenishment and transfer surplus funds from the TIF to finance various projects in the CIP.

- Central Business District-South TIF (Town Center) - Town Center is associated with a public-private partnership to develop a high-rise office, hotel, and retail complex in the Pembroke area of the City. These revenues are funding the debt service costs associated with the construction of public parking, and these revenues are also transferred directly into this fund, $8,060,332 for FY 2017-18.

Open Space & Park Infrastructure Development & Maintenance Special Revenue Fund - This fund provides funding for the preservation of property. The Parks and Recreation Department developed an Outdoor Plan, which includes an Open Space initiative. This plan was developed with public input, and calls for the preservation of approximately 5% of the City's land for parks, trails or natural vistas. Some empirical data suggests open space bolsters property values and represents a positive factor in business relocation decisions. The source of funding for this plan includes: $0.44 cent dedication of the Restaurant Meal tax and the use of fund balance (in some years). In FY 2015-16, $0.22 cent of the Meal tax dedication for Open Space was redirected to the Multi-Modal fund. In FY 2017-18, the Open Space Meal dedication is restored to $0.44 cents. Note the fund has been renamed in FY 2017-18 to focus on development and maintenance of open space and maintenance of park infrastructure.

Estimated revenue is expected to be $5,492,612 or an increase of 75.8% when compared to FY 2016-17, and reflects the restoration of the Meal tax dedication.

Enterprise/Utility Funds

Water and Sewer - The Water and Sewer Fund operates as a self-supporting enterprise fund, meaning that all operating and debt service costs are financed/recovered primarily through user charges. Historically, major sources of revenue for operation of the water and sewer system include: Sale of Water; Water Service Charges; Sewer Charges; Interest on Bank Deposits; Sewer Main Extensions; and Sewer Line Fees. Beginning in FY 2011-12, the Public Utilities

department implemented a four-year, stepped sewer rate increase to support capital and operating budget impacts of the regional consent order.

Estimated revenue is expected to increase by 1.8% in FY 2017-18 when compared with the current year's budget. There is no rate change for FY 2017-18.

Storm Water Utility Enterprise Fund - This fund is also self-supported through two charges for services. Charges for services are billed by the utility to owners of developed properties within the City. These charges are dependent upon the amount of impervious surface at each property generating storm water run-off.

Estimated revenue is expected to increase by 5.2% in FY 2017-18 over the current year's budget. To address the storm water flood control needs and mandated regulations, the City Manager's Proposed Budget includes a phased in rate adjustment of the Storm Water Equivalent Residential Unit (ERU) Rate. In FY 2017-18, the ERU is proposed to increase from 43.3 cents per day to 45.8 cents per day. This 2.5-cent increase will result in homeowners paying $9.12 annually. The City Manager's Proposed Budget includes a recommendation for future year increases of 2.5-cents per year until FY 2021-22. This phased ERU increase is critical to the financing plan established supporting the Proposed FY 2017-18 Storm Water CIP.

Parking Enterprise Fund - This fund is 100% self-supported from revenues generated through the operations of the Parking Systems Management Office. Parking lots are operated at the Oceanfront and at Sandbridge; parking meters are installed along certain streets at the Oceanfront; and the City operates garages at 9th Street and 31st Street at the oceanfront, and oversee the contract for the management of the Town Center garages and the structural engineering contract for all the garages.

Estimated revenue is expected to decrease by 2.6% from last year's estimate for FY 2017-18, and reflects trends in revenue collection.

Waste Management Enterprise Fund - In the infancy of the Waste Management Enterprise fund, several necessary items were delayed until a point in time when the fund was more sustainable.

The estimated revenue is expected to be $40,511,307 for FY 2017-18, which is down 9.7% from last year. This reflects a reduced transfer from the General Fund for SPSA Tipping Fee, meaning the Waste Management Fund is able to absorb more of this cost within its revenue stream.

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Aquarium and Museums				
Conversion of Senior Curator	The Senior Curator coordinates operations of the Aquarium Stranding Response Program and is currently funded by the Virginia Aquarium Foundation. This request would move the funding of the position from the Foundation to the City on the grounds that this work significantly impacts City operations and responsibilities for environmental monitoring and reporting associated with federally protected species such as sea turtles and marine mammals.	Above Current	82,302	1.00
Historic Houses Operating Cuts	Funding is requested to restore the historic houses operating hours, which had been reduced to address budget issues.	Current	112,742	2.00
	Total Aquarium and Historic Houses		**195,044**	**3.00**
City Real Estate Assessor				
Upgraded Projector System	Funding is requested to upgrade the current projector system to be used to train staff, conduct presentations and provide better customer service to taxpayers. The current system creates a glare on the white board.	Above Current	9,500	0.00
	Total City Real Estate Assessor		**9,500**	**0.00**
Convention and Visitors Bureau				
Shift expenditures from TAP Fund to General Fund	Request to move expenditures from the TAP Fund to the General Fund.	Above Current	349,294	0.00
	Total Convention and Visitors Bureau		**349,294**	**0.00**
Courts and Courts' Support				
Increasing Post Dispositional Services	The reinstatement of $134,512 is requested for Post Dispositional Services. At the current rate of use, pre-dispositional funds may be exhausted because Judges are ordering longer stays due to the seriousness of crimes.	Current	134,512	0.00
Cost of Fingerprinting Volunteers/Interns	Funding is requested to cover the cost of Juvenile Court fingerprinting services. Support Services currently charges other applicants/customers from other agencies and organizations within the City for those services. The service costs $10 for the first fingerprint card and $5 for each additional card and is typically paid by the customer, not the agency or organization.	Above Current	1,500	0.00
Organizational Learning and Development	Funding is requested for cultural diversity training, which is required when providing services to youth and families before the court. Diversity training provides the knowledge, skills and tools to assist staff members in promoting positive behavior changes.	Above Current	5,000	0.00
Juvenile Justice Reform	Funding is requested for a representative from the CHINS unit to attend The Center for Juvenile Justice Reform Multi-System Certification Program at Georgetown University as a participant on the Virginia Beach team. This individual will provide supervision for Crossover Youth (youth in foster care and probation), who offer unique challenges, and the Court Service Unit is partnering with other agencies to develop protocols to identify youth at a higher risk in order to improve outcomes.	Above Current	2,500	0.00
Periodicals	Funding is requested to increase the periodicals needed as an extra resource to gain knowledge and understanding with servicing Juvenile Court clients.	Above Current	300	0.00
	Total Courts and Courts' Support		**143,812**	**0.00**

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Economic Development				
Enhanced Marketing & Advertising Campaign	This would provide funding for integrating a new customer relationship management system; targeting marketing to local small businesses and entrepreneurs; enhancing social and digital media programs; developing new geo-fencing initiative with target-specific audiences; updating promotional videos; expanding cross-promotional branding with Convention and Visitor Bureau; and expanding target marketing to Bio Medical, Cyber Security, and Telecommunication industries.	Above Current	500,000	0.00
Cyber Security Center of Excellence	This request is for a Cyber Security marketing initiative, which would fund additional events, conferences, and direct marketing for a target industry that compensates at salaries over double the City-wide average.	Above Current	200,000	0.00
Business Development Representative II	Funding is requested for a Business Development Representative II, which would assist with Virginia Beach Development Authority park oversight including building, site plan, and signage review.	Above Current	84,035	1.00
Office Space Reconfiguration	This funding would reconfigure the Economic Development office space creating a collaborative conference room and adding three to four offices.	Above Current	159,676	0.00
Retail Market Study	This request would fund a Retail Market Assessment to determine Strengths, Weakness, Opportunities, and Threats.	Above Current	150,000	0.00
Facade Improvement Program-VIBE	Funding is requested to create a Façade improvement incentive program within the VIBE district to improve the exterior of their buildings.	Above Current	100,000	0.00
Restore Contracted Manpower	This would restore Contracted Manpower funding that had been requested for administrative support.	Current	52,904	0.00
GrowSmart Office Assistant II	This request is for an Office Assistant II position, which would provide administrative support for GrowSmart program.	Above Current	47,974	1.00
	Total Economic Development		**1,294,589**	**2.00**
Emergency Communications and Citizen Services				
Public Safety Analyst	Funding is requested for an additional Public Safety Analyst to fulfill the role of Quality Assurance (QA) and Quality Improvement (QI) specialist within ECCS. One Public Safety Analyst position is included in the FY 2017-18 Operating Budget for the QA/QI role. QA/QI is currently done on a limited basis by 311/911 Operations Supervisors and is an important function within the department to ensure that employees provide a consistent, effective, and efficient level of service to callers of 9-1-1- and 3-1-1. It is also required as part of the accreditation process.	Above Current	64,056	1.00
	Total Emergency Communications and Citizen Services		**64,056**	**1.00**
Emergency Medical Services				
EMS Accountant II	Funding is requested for a full-time Accountant II position to manage the EMS budget and finances that are now handled by the EMS Chief and his command staff officers, and to provide advice to the volunteer rescue squads on grant applications and financial practices. This request is pursuant to the recommendation in FY 2015-16 by a City Auditor's organizational audit that EMS needed dedicated professional accounting staff to provide financial management.	Above Current	74,577	1.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
	Total Emergency Medical Services		**74,577**	**1.00**
Finance				
Finance Restructure Part 2	Funding is requested for 4.5 additional FTE's, including conversion of a contracted position to part-time, as part of a restructuring that will help the Finance Department address identified gaps in services to the organization. All of the non-mandated functions performed by the department are essential to a well-managed financial office, and there are some functions that should be performed that are not done at all, which could put the City at risk for fraud or failure to maximize reimbursements from other agencies.	Above Current	451,112	4.50
	Total Finance		**451,112**	**4.50**
Fire				
Four Person Staffing	Funding is requested for eight additional firefighters to continue implementing the Fire Department's four-person staffing initiative. Funding would provide an additional position for two front line fire apparatus/units for three shifts. Costs reflect firefighters salaries and benefits, overtime costs, and uniforms and turnout gear. Increasing staffing to 4 per engine will make the individual engine companies 25-30% more efficient over a 3-person staffed engine.	Above Current	628,528	8.00
Fire Department Reorganization Phase 2	Funding is requested for three additional positions and associated costs, based on the department's growth in the areas of operations, fire prevention, resource management and administration. The positions being requested are a Battalion Chief for Integrated Public Safety Initiative, a Captain for the Fire Prevention Bureau and an Administrative Services Manager to oversee business and support services.	Above Current	345,435	3.00
	Total Fire		**973,963**	**11.00**
Health				
Public Health Accreditation	Funding is requested that would allow the Department to pursue obtaining accreditation from the Public Health Accreditation Board (PHAB). The PHAB instituted a fee structure for the national accreditation process based on the population to be served.	Above Current	21,000	0.00
	Total Health		**21,000**	**0.00**
Housing and Neighborhood Preservation				
Housing Investment Fund	Funding for a Housing Investment Fund or similar financial vehicle through which to begin activities recommended by the Housing and Neighborhood Investment study. The creation of a Housing Investment Fund can be an umbrella resource under which various types of programs can be created to meet different needs and priorities in the future. Examples recommended in the Housing Study include assisting homeowners in defined areas in re-investing in their housing, providing incentives for investors to acquire and rehabilitate property and develop attractive mixed-income developments, meeting needs for flexible assistance funds for homelessness, and providing loans to homeowners recovering from Hurricane Matthew who are unable to obtain financing through other sources.	Above Current	1,000,000	0.00
	Total Housing and Neighborhood Preservation		**1,000,000**	**0.00**
Human Resources				

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Human Resources				
Media & Communications Coordinator II	Funding is requested for a Media and Communications Coordinator II position that will help primarily with recruitment and retention of employees Citywide, and help with Member Communications projects. Responsibilities would include creating a social media presence; creating, marketing and distributing employee videos to be used for recruiting purposes; updating and maintaining careers/employment page on VBgov; and refreshing the home page design/content of Beachnet.	Above Current	78,627	1.00
Electronic Records Conversion	Funding is requested for electronic records conversion to scan and store existing employee records for ease in reviewing, reporting, and elimination of warehousing of employee files. The need for paper personnel records will be eliminated and the existing records would be electronically stored instead of being saved as paper files over a 50-year retention period, as required by law.	Above Current	88,196	0.00
Administrative Analyst	Funding is requested for an Administrative Analyst, who will report to the Director of Human Resources and assist the department with quality assurance of HR policies, procedures, and practices; conduct organizational/departmental surveys; and assist departments with review of internal HR procedures and conformance to policy.	Above Current	78,627	1.00
	Total Human Resources		**245,450**	**2.00**
Information Technology				
Human Resources and Finance Community of Interest	Funding is requested for a Business Relationship Manager, a Project Manager and a Business Analyst to lead the required information technology changes needed by the Departments of Finance, Human Resources, Budget and Management Services, and the Consolidated Benefits Office to improve service delivery and provide the required day-to-day ongoing support. This request will allow Information Technology to mirror previously successful support models. This proposal supports the recommendations formulated during the City's Executive Retreat conducted in May 2016 to increase spending for Information Technology with a focus on resource augmentation.	Above Current	297,357	3.00
Public Infrastructure Community of Interest	Six additional positions are requested – Business Relationship Manager, Project Manager, Business Analyst, two Systems Analysts and a Systems Engineer – to lead the required information technology changes needed to improve service delivery and provide the required day-to-day ongoing support for the Departments of Public Utilities and Public Works. This request will allow Information Technology to mirror previously successful support models. This proposal supports the recommendations formulated during the City's Executive Retreat conducted in May 2016 to increase spending for Information Technology with a focus on resource augmentation.	Above Current	599,090	6.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Information Technology				
Public Safety Community of Interest	A Business Analyst position is requested to lead the required information technology changes needed to improve service delivery and provide the required day-to-day ongoing support for the departments of Emergency Communications and Citizen Services (ECCS), Emergency Medical Services, Fire, Police, and Sheriff. This proposal supports the recommendations formulated during the City's Executive Retreat conducted in May 2016 to increase spending for Information Technology with a focus on resource augmentation.	Above Current	99,119	1.00
Enterprise License Agreement Maintenance	Funding is requested to consolidate maintenance on all enterprise software and for technical advisory hours, an annual planning session, quarterly technology webcasts, and consulting support or organization-wide training. If not funded, the impact will be higher overall costs for GIS software licenses, support and training. There is a net cost avoidance of $86,000 per year.	Above Current	240,000	0.00
Enterprise Software Training	Funding is requested for end-user training for Citywide software applications to enable users to understand and use all the functions of software that has already been acquired. This will improve employee productivity and develop skills to support more efficient business processes, and is to be implemented through collaboration between the Information Technology and Human Resources departments.	Above Current	162,500	0.00
	Total Information Technology		**1,398,066**	**10.00**
Library				
Bank Fees	Funding is requested for bank fees charged by Bank of America for Library customers paying by credit cards. The fees have increased by an average of 30% in the last 4 fiscal years and Libraries can no longer absorb these costs.	Above Current	21,301	0.00
Parts for Automated Materials Handling System	Funding is requested to maintain the Automated Materials Handling System, repairs to which have risen significantly between FY 2016 and the first four months of FY 2017. This supports 10 machines and 106 smart bins.	Above Current	10,000	0.00
Information Specialist III	Funding is requested for a new Information Specialist III position for the Central Library. This position will be responsible for supervising Library Assistants, acting as branch operations manager and managing the system-wide collection.	Above Current	62,946	1.00
Administrative Specialist I	Funding is requested for a new full-time Administrative Specialist I position to support the HR function with recruitment and retention.	Above Current	59,374	1.00
8 New Positions for Library Branches	Funding is requested for 8 additional FTE's in support of branch libraries: 2 Information Specialist II's for the Bayside Library, 1 Information Specialist II for the Joint Use Library, 3 Information Specialist II's for the Kempsville Library, and 2 Librarian I's for Youth and Family Services.	Above Current	463,495	8.00
Media and Communications Coordinator I	Funding is requested for a new Media and Communications Coordinator I for the Media Group. This position will be responsible for digital marketing and communication strategies and tactics.	Above Current	62,494	1.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Library				
Office Assistant I	Funding is requested for a new full-time Office Assistant I position to support the Support Services division and service areas.	Above Current	40,229	1.00
	Total Library		**719,839**	**12.00**
Non-Departmental				
EAP Critical Incident Funding	Critical Incident funding not currently included in new Employee Assistance Program contract is requested.	Current	5,000	0.00
Service Award Cost Increase	Funding is requested to cover the increase in the cost of service awards. Order amounts vary from year to year.	Current	3,000	0.00
Maintenance of Current City Leases	Funding is requested for the additional cost of the City lease at Owls Creek Parking Lot. This lease obligation will be due in full to Commonwealth of VA in April 2018.	Current	9,900	0.00
Asset Replacement Fund Increase	Fleet Management is requesting an increase of funds in the Rolling Stock Replacement account as the budgeted amount has remained stagnant, reducing buying power and resulting in an estimated backlog of City asset replacements in the amount of $18,051,217 as of the end of FY 2016-17. The cost of vehicles and equipment continues to increase due to federally mandated emissions regulations as well as general increases in the cost of materials. This increase will allow Fleet Management the opportunity to begin to catch up on the back log of replacing older vehicles and equipment in the City's fleet.	Above Current	500,000	0.00
	Total Non-Departmental		**517,900**	**0.00**
Office of Emergency Management				
Administrative Assistant for OEM	Funding is requested for an Administrative Assistant, and associated equipment and technology, to support the new office and the various required functions.	Above Current	51,523	1.00
4WD Vehicle	Funding is requested for a four-wheeled drive vehicle with towing capabilities for use in Emergency Management to safely tow the 10 trailers that the City owns containing shelter supplies as well as signage materials for shelter facilities, to respond safely to the EOC or to respond to a location from damage assessment or situational assessment, and to provide safe transportation during severe weather events and to and from otherwise inaccessible locations.	Above Current	33,049	0.00
Exercise Program	Funding is requested for an exercise and training budget that would cover the costs of facilitators, speakers, overtime, or backfill. Additionally, the Virginia Beach Fieldhouse is a location that has been designated a medically-friendly shelter, and in order to exercise the location the fee is a minimum $10,000.	Above Current	20,000	0.00
	Total Office of Emergency Management		**104,572**	**1.00**
Parks and Recreation				
Restoration of 18 Day Roadway Maintenance Frequencies	This funding would restore landscape maintenance frequencies for contracted divided roadways to every 18 days from every 21-23 days. The inability to fund all cycles will result in a degradation of service for all contracted roadways back to a 21-day cycle and will negatively impact the ability to provide full mulching and tree and shrub maintenance.	Current	103,742	0.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Parks and Recreation				
Restoration of Building Sites & Parcels Maintenance Frequencies	This funding would restore landscape maintenance frequencies for multiple building sites, parks, and City-owned parcels, many of which are maintained once every 10 days while others are maintained every 14, 16 or 30 days. The inability to fund all cycles will result in a degradation of service for all contracted sites, parks, and City-owned parcels and an inability to provide full mulching or tree and shrub maintenance at those same sites.	Current	51,547	0.00
Maintenance of New Capital Project - Hillier Ignite Park	Funding is requested for contracted removal of sand and maintenance of Hillier Island Park five times a year.	Above Current	40,600	0.00
Replacement Vehicles & Equipment - Schools	This is a one-time funding request to replace equipment that has met the criteria established by the Fleet Management Division.	Above Current	455,900	0.00
Restoration of 13 to 15 day Maintenance Cycle for Schools	Funding is requested to return the landscape maintenance schedule for Schools to a 13-15 day maintenance cycle, Seven Groundskeeper I positions, which were eliminated in FY 2012-13, will be added so all nine Schools Landscaping teams would have five team members.	Above Current	258,825	7.00
	Total Parks and Recreation		**910,614**	**7.00**
Planning and Community Development				
HR Management Position	During the final quarters of FY 2015-16 the Planning Director requested two management audits that highlight the need for greater centralized review of financial activities and tighter controls of revenue processing and reconciliation. This request for an Administrative Specialist I would support these findings by providing the staff to accomplish these objectives.	Above Current	54,192	1.00
Customer Service Planning Aides	This request for two Customer Service Planning Aides is to restore to full time, permanent status this customer focused activity that, since 2009, has either been staffed by temporary employees or full-time staff who were neither hired nor particularly well suited for this responsibility.	Above Current	97,206	2.00
Administrative Specialist I	This request is to restore an Administrative Specialist I position that, in FY 2016-17, was eliminated because of budgetary constraints. This position aids in monitoring budgets, procuring materials, and managing financial records and, because the SGA office experiences a substantial amount of public involvement and documentation, performs a significant role in maintaining professional communication quality control and supporting multiple Council appointed committees.	Above Current	54,192	1.00
Coastal Zone Administrator	Funding is requested for a Coastal Zone Administrator position, which was eliminated in 2010 because of budget constraints. The reinstatement of this position will assist greatly to ensure provision of leadership and expertise for both the management of the Wetlands Board and the implementation of all waterfront operations.	Above Current	77,336	1.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Planning and Community Development				
Stormwater Program and Reporting Requirements	On July 1, 2014, State mandated changes to the Virginia Stormwater Management Program (VSMP) were implemented. At that time, the complexity of the new regulations and how many additional staff would be needed were unknown. Since 2014, the stormwater program has proven to be much more difficult to administer, so in order to adequately meet review targets and provide competitive timeframes, funding is requested for one additional civil/stormwater review Engineer. To meet mandated reporting that supports DEQ and EPA requirements an additional Planning Technician I or II is also needed.	Above Current	137,534	2.00
Permits and Inspections - Stormwater	The appropriate design and installation of the stormwater system as part of the site and building development process is crucial. Therefore, funding is requested for an additional Stormwater Engineer and Planning Technician in the Development Services Center and one Construction Inspector in Permits and Inspections to implement the proposed amendments to the Virginia Department of Environmental Quality's regulations.	Above Current	80,602	1.00
CBPA & PPR Planning Aide	Funding is requested for a Planning Aide who will provide support to the Planning Commission and City Council regarding Chesapeake Bay Preservation Area (CPBA) issues and Preliminary Project Requests (PPR's), answer basic CBPA program and Wetlands program questions for customers and Staff issues, address customer inquiries regarding content of PPR letters, and prepare and compile the CBPA Board agenda.	Above Current	43,740	1.00
Phase II Office Renovations	Funding is requested for Phase 2 of the 1st floor office renovations in the Planning Department, which includes the reconfiguration of the Development Service Center and Planning Administration office areas to include modular work spaces, new furniture for inspectors, a central file room, updating all lighting to LED, and, if necessary, completion of the 1st floor restrooms. Phase 1 included a welcome/information counter and relocating and enlarging the conference room.	Above Current	340,000	0.00
Update Development Ordinances	Funding is requested to update the City's Development Ordinances. The adoption of supplemental ordinances, and many amendments over time, combined with the hundreds of amendments to the current Zoning Ordinance have resulted in land use, development, and natural resource regulations that function together as intended, but have reached a point where the process of multiple amendments has resulted in problems for both City staff and the public, such as conflicts in the interpretation of regulations, and difficulty in introducing innovative land use and development tools and regulations because of the resulting amendments to parts of the Zoning Ordinance, and possibly the other ordinances as well.	Above Current	500,000	0.00
	Total Planning and Community Development		**1,384,802**	**9.00**

Police

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Police				
Neighborhood Community Policing Resources	Funding is requested for 6 Police Officer positions and 1 Sergeant position to be assigned full-time to community policing efforts in our most challenging neighborhoods to create or expand upon partnerships formed within those communities in an effort to reduce crime and enhance their feeling of safety. These officers will work with other City staff such as Housing and Neighborhood Preservation, Human Services, Parks and Recreation, and Public Works, as well as various faith based and civic organizations to develop long-term solutions to crime, disorder, and fear of crime within these neighborhoods. Seventeen positions were requested in FY 2016-17, 10 of which were approved.	Above Current	832,924	7.00
Oceanfront Resources	Funding is requested for 2 sergeants, 20 police officers, and 4 intelligence officers to be dedicated to the oceanfront. The 20 police officers would supplement current staffing year-round and provide greater consistency in coverage without negatively impacting resources in other areas of the City. The two sergeants would assist in supervising the additional officers and assist in supervising the camera staff. The four additional intelligence officers would identify planned activities at the oceanfront that could impact City resources and events, as well as provide information on the status of crowds and activities during events. These positions would serve primarily as a planning and prevention resource.	Above Current	2,923,426	26.00
Police Workforce Development Implementation	Funding is requested for a Sergeant, a Master Police Officer, and an Office Assistant to implement by January 2018 a Police Workforce Development Program, which would offer a long-term career development program for sworn personnel, enhance opportunities for training and assignments, implement a rotation schedule for sergeants, implement a more robust mentoring program, and allow officers to better select their own career path through job shadowing and mentoring. From July 2010 through October 2016, 65 officers with less than six years of service left the Police Department for various reasons, 34 for other law enforcement or criminal justice employment and at least 11 for other careers outside of law enforcement. Of the 34 officers, 19 have left for other law enforcement or criminal justice employment since July 2015.	Above Current	272,328	3.00
VCIN/NCIC/Warrant Compliance Positions	The Federal Bureau of Investigation and Virginia State Police regulate the National Crime Information Center (NCIC) and Virginia Crime Information Network (VCIN). Each police agency in Virginia that uses these systems must meet the mandates associated with those systems and periodically pass audits concerning the use and data entry of information. During the past decade, several procedural changes implemented by the FBI and State Police have placed additional responsibilities and increased workload on police staff. Funding is requested for two additional warrant clerks to address this workload increase.	Above Current	104,385	2.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Police				
Civilian Freedom of Information Position	Funding is requested for an Administrative Technician in the Police Department to help respond to Freedom of Information Act (FOIA) requests. Those requests have increased steadily from 698 in 2006 to 1,789 in 2015, with 3,205 processed in 2016 through September 28th. The number will continue to grow, driven by advances in technology (in car cameras and eventually body cameras) and an increasing demand from citizens that are driven by social media. Because of limited staffing, the Department is only able to meet the letter of the law and use very little discretion in releasing information. The additional position should allow the Department to dramatically increase the volume of responsive documents.	Above Current	56,679	1.00
Property and Evidence Civilian Position	Funding is requested for a Storekeeper I position in the Property and Evidence Unit. Unit members are responsible to maintain approximately 16,000 items of evidence and thousands of dollars in cash evidence. Two sworn officers and three civilians currently staff the unit, which is supervised by a sergeant. Staffing has been supplemented by using limited duty personnel (including recruits) and a manpower contractual employee, all of whom lack proficiency in the various tasks and duties. Mistakes can lead to property being misplaced, data entry errors and procedure errors, raising questions about the integrity of the evidence and causing concerns about physical security, requiring more frequent lock and key changes. A permanent position would provide more stability and accountability, rather than relying on personnel with temporary status.	Above Current	45,929	1.00
Part-Time Cold Case Investigations Expansion	Funding is requested to increase each of the Police Department's two part-time and experienced cold case investigators from 20 hours to 28 hours per week. Significant progress has been made on several cold cases and additional resources would assist in bringing more to closure. These investigators are also involved in other investigations of violent crimes that may lead to clearances and closure for victims and their families.	Above Current	19,526	0.40
Account Clerk Police Supply	Funding is requested for an Account Clerk in Police Supply. The Uniform and Supply Storekeeper processes several hundreds of thousands of dollars in clothing, protective apparel, and equipment purchases each fiscal year. It has become increasingly apparent that this is more than one employee can adequately handle. Financial reviews by the Finance Department, City Auditor, and the Police Department's Accountant have indicated that the Department must improve its financial accounting processes.	Above Current	29,039	0.70
Animal Care and Adoption Center Positions	Funding is requested for two full-time Clerk III positions and two full-time Animal Caretaker positions in the Animal Care and Adoption Center. The clerical positions will assist the current four clerks in fully covering all four lobbies and provide data entry assistance, which is needed because of an increase in records requiring automation and an increase in animal transactions. An audit by the City Auditor's Office in 2013 suggested that the Shelter could use additional clerical staff as a result of increased volume of work. The full-time caretaker positions will address shortcomings in caretaker coverage, based on a formula developed by the Humane Society of the United States (HSUS) and endorsed by the National Animal Control Association (NACA).	Above Current	160,487	4.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Police				
Overtime Alternative to CBD COPS Initiative	As an alternative to additional permanent staffing for the Central Business District, funding is requested for overtime that would allow the Police Department to regularly assign officers to that area on the weekends during the warmer months and from mid-November through December during holiday shopping. Approximately 8,000 hours of overtime would be available or the equivalent of 3.8 full-time officers year-round.	Above Current	349,863	0.00
Police Cadet Program	Funding is requested for three cadets at 24 hours a week to serve in a pilot project, which is currently in the planning stage, to determine the feasibility of creating a larger scale police cadet program as one measure to recruit college-age men and women as prospective police officers. The cadets would be assigned various non-sworn duties to receive exposure to police work and they would also be allowed time to take college coursework.	Above Current	53,596	1.80
Overweight Vehicle Scales Replacement	Funding is requested to replace the third set of overweight vehicle scales. This set is more than ten years old and is nearing end-of-useful life. It is estimated that revenue generated by this program will produce $230,000 in FY 2017-18. This set may be replaced in FY 2016-17, if funding is available towards the end of the fiscal year.	Above Current	68,000	0.00
Remaining Position for Central Business District	Ten additional Police Officers for the Central Business District (CBD) are included in the FY 2017-18 budget. This request is for one more Officer to assist in the growing demand for services in the CBD.	Above Current	59,695	1.00
	Total Police		**4,975,877**	**47.90**
Public Works				
Structural Flooding Projects Proposal Remaining Funding	Request for an additional Engineer III for the Project. This position will help in managing the four new storm water/tidally influenced projects that are being proposed to help address structural flooding that was experienced during the last three severe weather events of 2016 - Tropical Storm Hermine, Tropical Storm Julia, and Hurricane Matthew.	Above Current	64,622	1.00
Stormwater Center of Excellence Proposal Remaining Funding	Request for two additional Engineer III's for the Center. These positions will provide engineering support to the Development Services Center for unusual and/or technical complex storm water management issues.	Above Current	187,830	2.00
Surface Water Regulatory Compliance Proposal Remaining Funding	The Surface Water Quality Regulatory Compliance Division of Public Works Engineering is responsible for management of the City's Municipal Separate Storm Sewer System (MS4) Stormwater Permit. The 2016 permit cycle has significantly increased the requirements by the City under the permit, thus increasing staff workload. Request for two additional Engineer III's. These positions will support a variety of new and expanded program activities to maintain permit compliance.	Above Current	187,830	2.00
ITS Fiber Network Expansion	Funding is requested to expand the transportation fiber optic cable network through twenty (20) corridors. The project will add approximately 192,400 ft. (36 miles) to the transportation fiber backbone and convert 52 signals from copper to fiber optic connectivity.	Above Current	500,000	0.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Public Works				
LED Street Light Maintenance Stop Gap Funding	Funding is requested to provide the necessary stop gap funding for maintenance and support needed to keep the City's new LED Street Light Maintenance infrastructure in good working order. The City has proactively been using this lighting technology on street light fixtures to illuminate the roadways and on pedestrian fixtures to illuminate pedestrian pathways along these roadways. While Dominion Power has traditionally maintained the street lights within the public right-of-way, the LED lighting belongs to the City, so the City is responsible for maintenance of those lights.	Above Current	50,000	0.00
LED Street Light Maintenance Program	Funding is requested to provide the necessary personnel and equipment for the maintenance and support needed to keep the City's new LED Street Light infrastructure in good working order. The City has proactively used this lighting technology on street light fixtures to illuminate the roadways and on pedestrian fixtures to illuminate pedestrian pathways along these roadways. While Dominion Power has traditionally maintained the street lights in the public right-of-way, the LED street lights belong to the City, so the City is responsible for maintenance of those lights. The positions requested are an LED Street Light Traffic Signal Electronics Supervisor, one Traffic Signal Electronics Technician I, and one Traffic Signal Electronics Technician II.	Above Current	1,396,616	3.00
Restore Construction Materials Funds	Request for $262,785 for construction materials needed for salt, sand, abrasives to support snow removal and concrete. Over the past several years, operating and supply accounts have been reduced because of budgetary constraints.	Current	262,785	0.00
Restore Overtime for Emergency Response	Request for $85,000 in overtime to meet the growing needs affecting the demands of emergency response to all types of right-of-way/roadway quick response maintenance repairs.	Current	84,995	0.00
PW Operations Infrastructure Maintenance Contracts Support	Request for an additional Account Clerk to assist in the processing of Public Works contracts in a timely manner. Existing staff includes 1 Account Clerk III, 1 Account Clerk II, and 1 contract Account Clerk. This position will be used to perform contract work orders; formal notifications; and change orders for contracts including stormwater utility, roadway, and various other projects; and will provide support in tracking and documenting daily work orders for related work and documentation against those assets.	Above Current	40,089	1.00
BMP/Environmental Maintenance Crew	In July 2016, the Municipal Separate Storm Sewer System (MS4) stormwater discharge permit was issued to the City of Virginia Beach by the Commonwealth of Virginia Department of Environmental Quality (DEQ). Requirements of the new permit mandate specific actions by the City to improve water quality, with failure to accomplish these actions resulting in the possibility of monetary penalties. Funding is requested for seven new positions for a Best Maintenance Practice (BMP)/Environmental Maintenance Crew to perform the maintenance activities needed by each BMP (e.g., retention ponds) to restore and then maintain the dry ponds, infiltration trenches, and other specialized BMPs that have been constructed for the purpose of stormwater quality and quantity, protection.	Above Current	926,228	7.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Public Works				
Stormwater Data Management	Funding is requested for one additional Engineering Technician II for asset management needed for enhanced BMP (e.g., retention ponds) inspections. These work demands are being generated by MS4 permit mandates.	Above Current	78,596	1.00
Construction Inspector III	Funding is requested for an additional Construction Inspector III position in the Public Works Engineering and Construction Management Bureau. Staffing needs in excess of current personnel are currently accommodated through the use of overtime and additional reliance on contractual services.	Above Current	102,959	1.00
Traffic Technician for Work Area Traffic Control	The Traffic Engineering Division of Public Works requests that a Traffic Technician I position to review work area traffic control plans and permits. Additionally this position would make traffic control adjustments in the field for City CIP projects, private development projects, and private utility company work in City rights-of-way. The position will help address increases in workload due to additional permits being submitted by external entities.	Above Current	64,986	1.00
Facility Planning Services	Request for funding to acquire limited, high-priority facility planning services by contract. The Public Works Facilities Management Office is responsible for a variety of facility-related activities, including municipal facility asset management, space management, service area infrastructure planning, Capital Improvement Program (CIP) for Buildings development, Americans with Disabilities Act (ADA) Coordination, facilities lease administration, municipal real estate property management, and maintenance contract administration and inspection. The City owns about 800 buildings, approximately 261 of which are occupied by City employees, and the City leases 39 additional facilities for use by City employees.	Above Current	250,000	0.00
General Maintenance Contract Service Increase	Additional funding of $39,000 is requested for the Building Maintenance Division's General Maintenance and Repair account, which is supports all maintenance contracts that supply mandatory code inspections, maintenance, and repairs for specific systems which operate to provide all services to on and off campus facilities. The account has not increased since FY 2012, but all contracts generally established for 5-year terms are allowed to increase their cost each year according to the consumer price index and to agreements between the vendor and the City's Purchasing Department. Additional funding is necessary in order to maintain the basic requirements of our system infrastructure.	Current	39,000	0.00
General Maintenance Supply Increase	Additional funding in the amount of $35,000 is requested by the Building Maintenance Division for general supplies and equipment for all City facilities. This account has not increased in the past years for the material portion of this budget unit. General maintenance is based on the number of requests and work orders received in this office each year and on routine preventative maintenance that occurs every day. As the square footage of occupied space continues to grow and age, and all viable space is being turned into a productive area that must be maintained, the request for materials and the maintenance will continue to grow with it.	Current	35,000	0.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Public Works				
Electrical /HVAC Service & Supplies	Additional funding is requested for general electrical and HVAC maintenance for all City facilities. Funding for these activities has not been increased in the past years, though over 500,000 square feet of space has been added. Building Maintenance continues to absorb these costs.	Current	136,000	0.00
Sewage Utility Increase	Funding is requested for anticipated sewer utility costs for FY 2017-18. There will be 97,331 square feet of additional space scheduled to come on line within FY 2017-18. Building Maintenance continues to absorb increased utility costs without additional funding being provided.	Current	98,000	0.00
Hydraulic Scissor Man Lift	Funding is requested in Building Maintenance for a scissor lift to provide a working platform that can enable more than one person at a time to perform maintenance on light fixtures, HVAC units, ductwork, scoreboards and other areas that are located above 20 feet, and will be shared by all Building Maintenance budget units. Employees are currently using extension ladders, which are less safe and less efficient when working for a prolonged period.	Above Current	40,000	0.00
Computer Workstations for Carpentry Shop	Funding is requested to provide three additional computer workstations for the Carpentry section in Building Maintenance. The two current workstations are used by 12 to 16 employees at various times to enter the status of their work orders, which requires access to the Building Maintenance work order system, and are required to have an outlet for email and e-learning. These additional computers would improve the timeliness of this operation.	Above Current	5,724	0.00
Overtime for Building Maintenance Inspectors	Request for additional overtime for Building Maintenance Staff. Due to the nature of their job and their responsibilities it is required that they sometimes work beyond their regularly scheduled time.	Above Current	10,000	0.00
Wide Area Vacuums and Extractors	Funding is requested to purchase wide-area vacuums and carpet extractors. Because the Custodial Division has lost several positions in the past 3 years, City facilities cannot be maintained at the current level unless either the positions are replaced or productivity enhancing equipment is purchased to allow custodians, supervisors, and inspectors to accomplish more in the time available. Since the Division is operating with fewer custodians and each custodian is responsible for roughly 10% more space, equipment is needed that can fill the gap. This increased frequency of situations requiring larger and more efficient equipment, along with aging and outdated equipment, is proving difficult to maintain the current standard of cleanliness.	Above Current	45,000	0.00
Power Pressure Washer for Graffiti Removal	Funding is requested for a super duty pressure washer for graffiti removal. Pressure washers are used by the paint department for constant graffiti removal and cleaning of brick, siding, tables, benches, and other materials that require regular cleaning. This additional power pressure washer would save man hours and money when the paint must be manually removed by solvent and brushes in lieu of power washing.	Above Current	10,000	0.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Public Works				
Custodial Cleaning Supplies	Funding is requested for additional cleaning supplies. The supply account has become underfunded due to the increase of square footage over several years and a change in the quantity and the type of cleaning solutions needed to maintain a healthy standard of cleanliness. At the same time, chemicals are being replaced with ecologically “green” solutions, which are more costly and require larger quantities to match the strength of previous chemicals. The additions of various facilities and the supplies that are required to maintain them have placed an additional burden to the already short supply that Building Maintenance must maintain, and the level of supplies and equipment can no longer accommodate the current need.	Above Current	20,000	0.00
All Terrain Beach Wheelchairs	Funding is requested to replace the all-terrain wheelchairs offered by the City at the Oceanfront free of charge to persons with disabilities during the resort season. The program has received positive responses from locals and visitors since its inception. The current wheelchairs are 16 years old.	Above Current	5,000	0.00
Mechanic Supervisor	Fleet Management requests funding for a new supervisor to oversee generator mechanics, the Marine shop, and the Small Engine Shop mechanics. This supervisor will be responsible for recommending which assets assigned to each shop should be replaced during each budget year and will work directly with vendors in negotiating contracts, warranty repairs, and day-to-day maintenance and repairs for the assets assigned to these shops.	Above Current	70,924	1.00
Yard Debris Trailer - fee increase	Additional funding is requested for the Yard Debris Container Rental Program to correspond with a requested rate adjustment. Since FY 2008-09 the rates to rent a container have been $40 weekday and $75 weekend; the new rates will be $45 for weekdays and $90 for weekends. The price adjustment is needed to account for inflation, and the slight additional increase for weekend is proportionate to the two-to-one demand ratio observed on current rental patterns.	Above Current	17,500	0.00
	Total Public Works		**4,729,684**	**20.00**
Sheriff's Office				
Pay Grades for Deputy Recruit Level	Turnover in the Sheriff’s Office has increased for the last 4 years, with the primary reasons being salary and lack of career growth or opportunities for advancement. Funding is requested in support of a plan to realign pay grades to be more competitive, with the goal of attracting qualified candidates and retaining trained deputies. The three-year plan would place pay levels in ranges that are currently adopted by the City, as opposed to the pay grades used by the State Compensation Board. In FY 2017-18 the entry level position would be reclassified to a recruit level and after one year the Deputy level would move to same pay grade level as the Police Officer Recruit. In FY 2018-19 the Senior Deputy level would be aligned with the current Police Officer level pay grade and in FY 2019-20 the remaining classifications would be aligned with the Police Departments comparable classifications.	Current	347,037	0.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Sheriff's Office				
Transition from a 28 day schedule to a 14 day schedule	Currently, sworn deputies work 8, 10, 12 hour shifts. There are issues regarding pay equity among the deputies who work the 168 hour schedule, since 8- and 10-hour shifts work 160 hours and 12-hour shifts work 168. This has raised concern that the majority of deputies who work 12-hour shifts must work more hours for the same pay as the 160-hour deputies. Since the Sheriff's Office is moving from the 28-day work cycle to align with the 14-day biweekly pay period, funding is requested to move all deputies to a 14-day 80-hour pay period. Team schedules have been aligned with the bi-weekly pay period, and a mandatory 4 hours of overtime will need to be included each pay period for those who work a 12-hour work day schedule. Approximately 280 sworn positions of the 439 that are budgeted will qualify for the mandatory OT. The remaining sworn positions already earn OT at 160 hours and will not incur additional expense as that has been budgeted.	Current	1,301,750	0.00
Law Enforcement Academy Certification Training	Funding is requested for two full-time Deputy Sheriffs, 9.1 part-time Deputy Sheriffs, and one Clerk II to meet the required 100-hour field training requirement mandated by the Department of Criminal Justice Services. This will enable deputies to receive Law Enforcement Certification training in order to better assist the citizens of Virginia Beach by being able to come to the aid of other local law enforcement agencies within the city when needed.	Above Current	648,806	12.10
Remaining 3 Positions for Medical Program	The original RFP for the Medical Contract for the Correction Center requested 11 FTE's, five of which were provided in FY 2016-17. Medical staff must be escorted within the jail, and all inmates that are transported to medical appointments and those who are hospitalized must be in the custody of a Deputy. Staffing the medical program with sworn personnel has created shortages in the jail; therefore, funding is requested for an additional 3.00 FTE's – one full-time Lieutenant to assist the Sheriff with quality control of contractor services; one full-time Corporal for inmate security and escort to/from Medical, Mental Health and Dental Services Areas; and one full-time Deputy for inmate security and escort to/from the Health Services Areas.	Above Current	197,729	3.00
Two New Civilian Positions	Funding is requested for a Public Safety Analyst II and an Account Clerk II in the Sheriff's Office. The Analyst would oversee the Workers Compensation-Risk Management, Family Medical Leave Act, Modified/Limited Duty, and Recruitment Program new application process, job descriptions and policy updates, and assist the HR Director with promotional processes-assessment testing, retention program development, process improvements-new timekeeping programs, staffing analysis, and annual reports. The Account Clerk would oversee the daily receipt of intake deposits, the daily preparation of payment vouchers, and requisitions, and the additional hours would provide time to account for the work which is currently being divided among cross-trained staff.	Above Current	119,196	2.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
Sheriff's Office				
Court/Transportation Part-Time Positions	The Court/Transportation Division is requesting funding for four part-time positions to augment the current Court/Transportation operations. Due to the large daily dockets in each level of the courts there are constant periods where the assigned bailiffs have to leave their assigned courtrooms to attend to additional duties, which leaves the courtrooms without adequate security. Having the requested positions would provide the adequate coverage in such situations.	Above Current	140,056	2.78
Part-time Position for Extra Duty Employment	Extra Duty employment is a standard practice for law enforcement as individuals and organizations are at times required by City permit to have security present during functions or events. The process has been moved from Sheriff's HR Division to the Office of Professional Standards to ensure that staff has adequate the training and resources and that the extra duty employment event meets the Office's criteria. Funding is requested for an additional part-time Clerk I position to maintain a database of information regarding extra duty employers, and to help curtail any liabilities that may arise by deputies taking law enforcement action during the course of their duties with these employers.	Above Current	26,856	0.88
	Total Sheriff's Office		**2,781,430**	**20.76**
Strategy, Transparency, Innovation & Resiliency Office				
Resiliency	Funding is requested for a Data Analyst position for the Resiliency Program, which will play a crucial role in safeguarding the City's operations by anticipating sources of disruption and eliminating operational vulnerabilities through preparation and development of a resiliency strategy that evolves and adapts to minimize the impact of unavoidable disruptions. Discussions will focus on identifying and risks and prioritizing initiatives within neighborhoods and concerns/needs of homeowners, renters, and business owners.	Above Current	127,570	1.00
Data Based Decisions	A Data Analyst is requested who will work with the existing S.T.i.R. Business Applications Specialist to develop a system of meetings to discuss performance data and monitor efforts to align with the City Council, Sustainability, and Management goals. These meetings will use data to highlight areas of concern to the City's Management Leadership Team and stakeholder departments and will build a culture that focuses on the use of data to explain problems and identify solutions. Additionally, this program will provide citywide training on creating user dashboards to report data for easy consumption.	Above Current	72,577	1.00
Remaining Position from Innovation Budget Proposal	One additional Analyst position is requested as part of the City's Innovation Program. This Analyst will work with S.T.i.R. Office and Citywide staff and, through the development of innovation teams (iTeams), be responsible for developing processes and managing members of the iTeams. All S.T.i.R. Analysts will coordinate with an Innovation Academy managed by a university to identify qualified city staff members to participate in the program. In addition, an innovation fund of $220,000 is requested to provide funding for implementing the innovative ideas expected to create a return on investment.	Above Current	312,614	1.00

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
	Total Strategy, Transparency, Innovation & Resiliency Office		**512,761**	**3.00**
Voter Registration & Elections				
AskEd Software License Ongoing Cost	Funding is requested for the software licensing fee for the Department's new look-up device "AskEd" that was purchased for the first time in FY 2016-17 and used for the 2016 Presidential Election. The ongoing cost for the software license should be included in the budget going forth.	Current	5,145	0.00
Primary Funding Request	Funding is requested for a possible June 2017 dual primaries.	Above Current	438,898	0.00
Cell Phone Stipend	Funding is requested for a stipend for the individual who handles absentee voting and uses a personal cell phone for voter outreach to the disabled, those over 65, and qualifying military and overseas residents. Outreach is done in most cases in locations where internet service is not readily available for look-ups from a computer.	Above Current	240	0.00
	Total Voter Registration & Elections		**444,283**	**0.00**
	Total Requested But Not Funded		**23,302,225**	**155.16**

AGRICULTURE

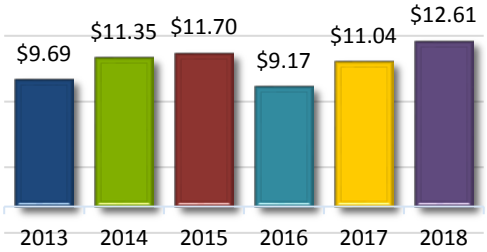
The mission of the Agriculture Department is to provide leadership, coordination, and education to enhance the economic vitality of the city's agricultural industry and the preservation and enhancement of its quality physical environment, to assist citizens in strengthening their families, and to provide citizens and visitors with cultural and recreational opportunities by preserving our agricultural and rural heritage.

Department Overview

Director's Office

Provides overall direction, coordination, and administrative support to the department, as well as technical assistance to the agricultural community to ensure that agriculture is a viable segment of the city's economy.

Per Capita Expenditures



The increase in FY 2018 represents additional funding in the ARP Program due to restoring an additional 0.34 cents for a total of 0.90 cents of the Real Estate Tax for that program.

Virginia Beach Agricultural Reserve Program (ARP)

Established by City Council in May 1995, the goal of this program is to preserve and protect 20,000 acres of farm and forested lands in the southern part of the city. The ARP provides for the continued growth and sustainability of agriculture, the 3rd largest industry in
Virginia Beach, protects agricultural lands from increased residential, commercial, and industrial development through the purchase of development rights in the form of perpetual preservation easements, and reduces the need to extend city services. This program is funded by 0.90-cents of the real estate tax.

Virginia Beach Farmers Market

Leases space to vendors to sell agricultural and complimentary products and provides agricultural-based education programs (K-5th grade) with over 2,500 children participating annually. A weekly fruit and vegetable auction is open to the public, which benefits local and regional farms, local businesses, and citizens. The market staff provides programming that is agriculturally based, educational, and within a safe family-friendly environment.

Cooperative Extension Program

Provides research, technical marketing assistance, and community education for all residents regarding agriculture, horticulture, soils, family issue programming, and home management. It also administers two mandated programs, Agriculture Disaster Reporting and Pesticide Applicator Certification Recertification education.

Key Performance Measures

Goal: Be a Competitive, First Class Resort for Residents, Businesses and Tourists
Goal: Grow the Local Economy

Means to Residents: Quality leisure activities for families

Estimated $120 million of economic impact from agriculture

92.4% of residents satisfied with agricultural and horticultural services, and 81.4% of residents want to protect natural resources, the environment, and greenspace.

Farmers Market attracts 500,000 visitors annually and 100% of market space is leased.

9,916 acres in the Agricultural Reserve Program

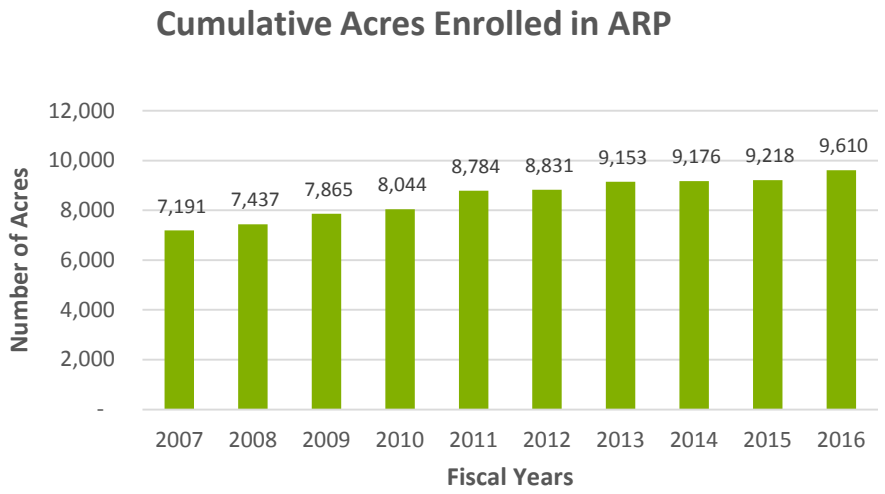
5,295 youth in agriculture school enrichment programs

2,500 annual visitors to the Agriculture Educational Heritage Center

Farm produce at four Libraries providing fresh/local products and education

Trends and Issues

- The Farmers Market is fully occupied with 14 leaseholders and two permanent vendors who have located their own buildings on site. In 2016, business license gross dollars exceeded $2.78 million. Special events and family activities are very popular at the market with a total estimated attendance of over 500,000 visitors per year.



- By the end of FY 2015-16, the city had purchased 845 development rights involving 9,610.11 acres through the ARP. The chart illustrates the number of acres in ARP over the past 10-years. Approximately 50% of applications submitted for ARP have been closed. In addition to the dedicated real estate tax of 0.90-cent to fund ARP, the city occasionally receives grant funding from the Virginia Department of Agriculture and Consumer Services (VDACS) to help offset ARP easement acquisition costs. Plans are to purchase additional acres in the Transition Area. To date, the city has received $1,431,389 of reimbursement from

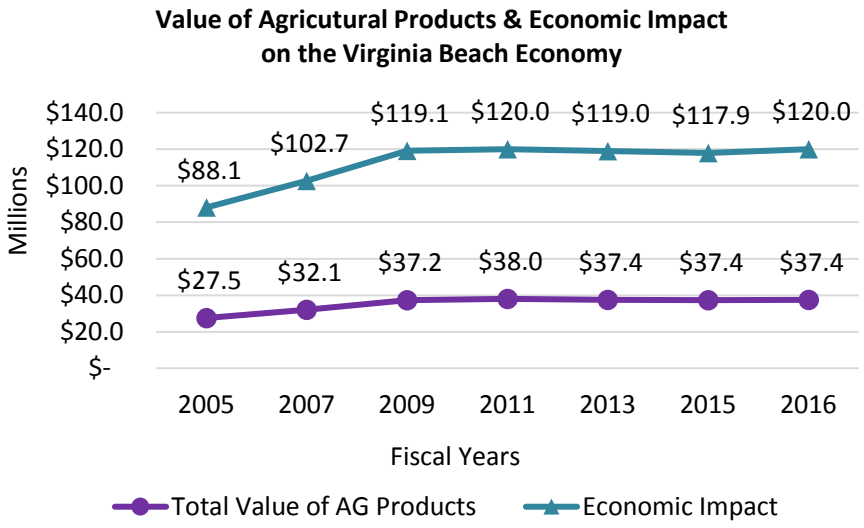
VDACS, with additional reimbursement anticipated in the future. The ARP is funded for the purchase of an additional 300 acres in FY 2017-18.

- In FY 2015-16, the Family and Consumer Sciences (FCS) program continued to strive reaching more than 3,500 adults and youth through educational programs including financial management, consumer education, professional development, nutrition and wellness. This was made possible with the help of 479 volunteers who worked 2,133 hours to assist in the marketing and delivering of FCS programs.

- The Virginia Beach 4-H Program enrolled 5,905 youth in its many 4-H Programs including:
  - 244 youth in organized community clubs
  - 269 in organized military clubs across 4 area military bases
  - 187 members in short term programs
  - 5,205 in school enrichment programs which include Ready, Set, Grow and the Food & Nutrition Program covered by the USDA SNAP-ED programs.

  Volunteers in the 4-H program provided 9,587 hours of service valued at over $194,457.

- The city continues to support the agricultural industry through programs and services offered by the department. As illustrated below, agricultural products had an economic impact of $120 million on the Virginia Beach economy in 2016. The department works with the Virginia Department of Agriculture and Consumer Services, the General Assembly, and the Senate on state and federal agriculture issues and opportunities.



Agriculture - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	259,019	298,996	305,719	6,723
Cooperative Extension Program	279,637	311,650	313,528	1,878
Farmers Market	189,597	238,437	217,873	(20,564)
Total Expenditures	728,253	849,083	837,120	(11,963)
Revenues				
Fees	221,979	241,867	232,093	(9,774)
Total Revenues	221,979	241,867	232,093	(9,774)
General City Support	506,274	607,216	605,027	(2,189)
161 Agriculture Reserve Program Special Revenue Fund				
Expenditures				
Agricultural Reserve Program	175,043	225,038	215,859	(9,179)
Debt Service	2,256,789	3,972,051	4,035,717	63,666
Reserve for Contingencies - ARP	0	518	658,792	658,274
Transfer to Other Funds	832,368	0	0	0
Total Expenditures	3,264,200	4,197,607	4,910,368	712,761
Revenues				
Local Taxes	2,858,168	2,945,029	4,878,451	1,933,422
Fees	38,600	31,917	31,917	0
State	282,632	0	0	0
Fund Balance	0	1,220,661	0	(1,220,661)
Total Revenues	3,179,400	4,197,607	4,910,368	712,761
General City Support	84,800	0	0	0
Total Department Expenditure	3,992,453	5,046,690	5,747,488	700,798
Total Department Revenue	3,401,379	4,439,474	5,142,461	702,987
Total General City Support	591,074	607,216	605,027	(2,189)

Position Summary by Program				
002 General Fund				
Director's Office	2.52	2.52	2.52	0.00
Cooperative Extension Program	6.00	6.00	6.00	0.00
Farmers Market	2.00	2.00	2.50	0.50
Total	10.52	10.52	11.02	0.50
161 Agriculture Reserve Program Special Revenue Fund				
Agricultural Reserve Program	1.48	1.48	1.48	0.00
Total	1.48	1.48	1.48	0.00
Total Position Summary	12.00	12.00	12.50	0.50

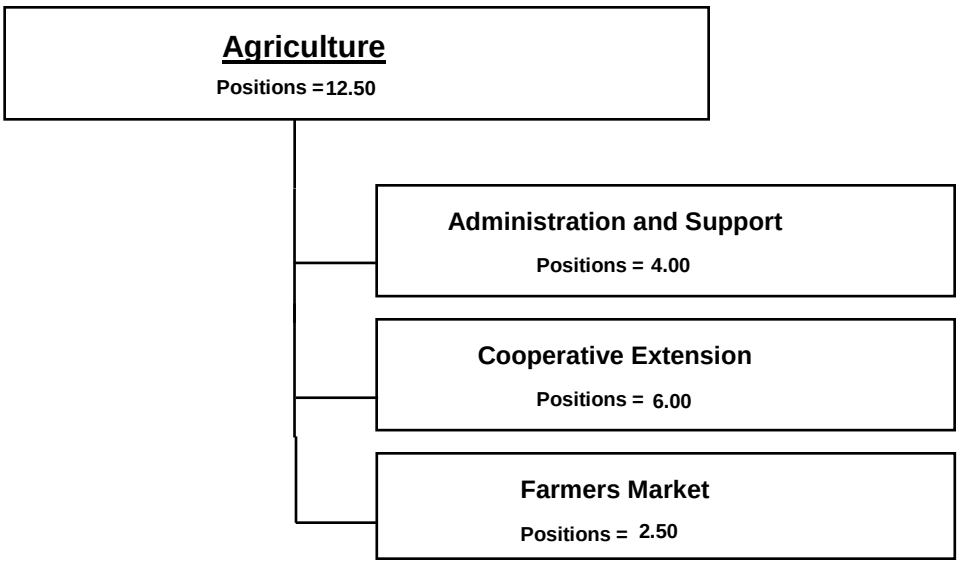
Agriculture - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Expenditure Category by Department				
Personnel	762,774	876,625	836,945	(39,680)
Operating	140,522	197,496	216,034	18,538
Debt Service	2,256,789	3,972,051	4,035,717	63,666
Reserves	0	518	658,792	658,274
Transfers	832,368	0	0	0
Total Expenditures:	3,992,453	5,046,690	5,747,488	700,798
Revenue Category by Department				
Real Estate	2,858,168	2,945,029	4,878,451	1,933,422
From the Use of Money and Property	239,854	251,334	245,560	(5,774)
Miscellaneous Revenue	20,725	22,450	18,450	(4,000)
Other Sources from the Commonwealth	282,632	0	0	0
Specific Fund Reserves	0	1,220,661	0	(1,220,661)
Total Revenue:	3,401,379	4,439,474	5,142,461	702,987

Resource Summary Notes

The 13.9% increase in expenditures is mainly due to restoration of the real estate tax rate from 0.56 to 0.90 cents for the ARP Program. A reduction in contracted services will be used to offset the cost of an additional part-time position (0.50 FTE) at the Farmers Market.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



AQUARIUM AND MUSEUMS

The mission of the Department of Aquarium and Museums is to contribute to the quality of life, economic vitality, and education of the citizens and visitors to the City of Virginia Beach through the operations of our world-class aquarium and history museums.

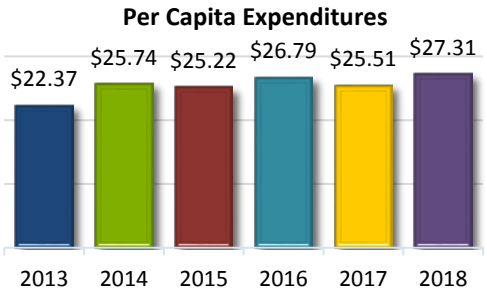
City Council Amendment:

- Provides $13,033 to restore funding to the Atlantic Waterfowl Museum to FY 2016-17 levels.
- Provides $14,908 to restore funding to the Old Coast Guard Museum to FY 2016-17 levels.
- Provides $49,000 in funding for special events at the City's museums.

Department Overview

Aquarium

The Aquarium is a public-private partnership between the City of Virginia Beach and the Virginia Aquarium & Marine Science Center Foundation which is a 501c3 nonprofit. The city owns and maintains the Aquarium's buildings and provides administrative support while the foundation procures and maintains the collection of animals and exhibits. The Foundation is also responsible for fundraising efforts and various scientific research, education, and conservation programs. The Aquarium features a variety of attractions for visitors including over 800,000 gallons of marine life to explore, a National Geographic 3D Theater, coastal boat trips, a zip line and aerial adventure park, and a rotating collection of other exhibits.



Museums

This division includes the Francis Land House, Adam Thoroughgood House, Lynnhaven House, and Princess Anne County Training School/Union Kempsville High School Museum located in the Renaissance Academy, as well as transfers for the Atlantic Wildfowl Heritage Museum at the de Witt Cottage and the Old Coast Guard Station Museum.

Key Performance Measures

Goal: Our Community has World Class Schools and Educational Programs
Goal: Be a Competitive, First Class Resort for Residents, Businesses and Tourists

Means to Residents: Access to diverse arts and cultural activities	Means to Residents: New tourist dollars to the local economy	Means to Residents: Tourist amenities for use by residents and add to quality of life
16,107 visitors to the museums	$9.2M revenue generated by the Aquarium	664,085 visitors to the Aquarium and 9,232 memberships purchased
3,987 participants in museum programming	$9.29 generated per visitor by Aquarium admissions; $6.50 by the theater; $2.35 by the Aquarium store	67,653 theater patrons and 16,107 visitors to the museums

Trends & Issues

- Millennials now represent the one of the largest population segments in the country, and many aquariums depend upon this group of the population for continued revenue and support. Research suggests that many individuals in this age group do not support organizations that keep animals in human care. These organizations must adjust their strategies to attract these age groups in order to maintain current levels of attendance and revenues. These strategies include demonstrating conservation and research initiatives to ensure species survival, and education of the public.

- Theater attendance continues to decline as a national trend as technology continues to grow for home entertainment and competition for leisure hours continues to increase. The Virginia Aquarium's National Geographic 3D Theater struggles with current movie content and maintaining attendance levels. The City will need to reevaluate the long-term viability of this theater in the future if this trend continues.

Major Budget Changes

	Change	Impact
↑	Additional revenue from $2.95 ticket price increase	Based on the recommendation of IMPACTS Research, which recently conducted a comprehensive review of the Aquarium, adult ticket prices will be increased from $22.00 to $24.95 in FY 2017-18. As a result of this increase, the Aquarium expects to realize approximately $500,000 in additional ticket revenue and will use that money to fund many guest experience enhancements also recommended by the firm.
↑	Eight new FTEs funded by ticket price increase	The additional revenue generated from the ticket price increase will allow the hiring of eight new FTEs to address various aspects of the Aquarium's operations. Of the eight new positions, five are part of an initiative to increase the guest experience. This will be accomplished by providing more staff to interact with guests from

		inside the tanks, answer questions in various exhibits, handle the added reservations and memberships, and address day-to-day repairs and cosmetic issues with the facilities. Two will address a critical need in their animal life support staffing as documented by the Association of Zoos and Aquariums pre-accreditation inspection. Due to the Aquarium's growth in animal collections, there is a higher demand for animal care and water quality monitoring and these additional staff will directly address those issues. Finally, one FTE will coordinate the Sensible Seafood Program and will develop updated program guidelines as well as working on recruiting, training, and media efforts.
↓	9.14 part time FTEs eliminated	The Aquarium will eliminate 9.14 FTEs from their budget as a part of a plan to provide the same job output through a temporary staffing agency rather than hiring and managing the positions themselves. While this change only results in a slight net decrease due to increased contracted manpower funding, the move will free up Aquarium staff to focus on other responsibilities instead of rehiring the part-time positions constantly due to their high turnover rate.
↑	Conservation support	Also covered by the increase ticket price revenue, the City will now be providing $100,000 per year in funding for the Aquarium's various conservation efforts in the region. City provided conservation support will fund field programs for the region as well as programs aimed at threatened and endangered species which are in the animal collections. This will provide a stable funding base for the conservation programs which had previously been supported by various grants and donations.
↓	Reduction in hours of operation for museums	This will decrease the days of operation for the City's museums from six days a week to only being open on Friday and Saturday. These reductions include 25% cuts to the funding provided to the Atlantic Wildfowl Heritage Museum and Old Coast Guard Museum.

Aquarium and Museums - Departmental Resource Summary

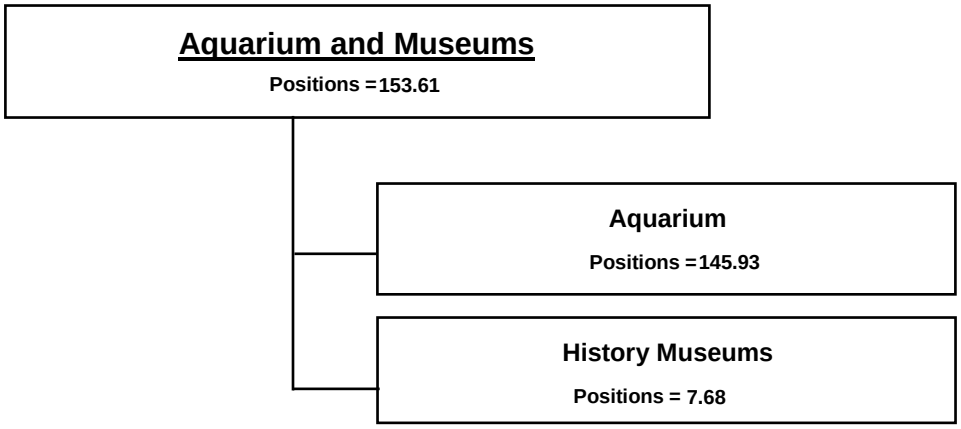
	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Aquarium & Marine Science Center Administration	1,600,021	1,514,300	1,909,203	394,903
Aquarium Stores	907,600	959,436	1,049,830	90,394
Aquarium Custodial Services	335,227	1,106	0	(1,106)
Aquarium 3D Theater	267,533	359,899	329,096	(30,803)
Aquarium Education	611,051	644,787	911,586	266,799
Aquarium Exhibits & Facilities	1,248,147	1,259,261	1,494,163	234,902
Aquarium Marketing	985,465	1,118,055	1,166,737	48,682
Aquarium Research & Conservation	495,416	473,969	511,496	37,527
Aquarium Guest Operations	754,572	733,333	856,022	122,689
Aquarium Foundation	1,097,708	1,420,227	1,268,501	(151,726)
Aquarium Live Exhibits & Animal Husbandry	2,126,137	2,340,881	2,478,460	137,579
Francis Land House	208	0	0	0
Lynnhaven House	4,328	0	0	0
Historic Homes Administration	13,379	0	0	0
History Museums	727,308	748,152	680,982	(67,170)
Historic Preservation	1,930	0	0	0
Total Expenditures	11,176,030	11,573,406	12,656,076	1,082,670
Revenues				
Fees	10,312,780	9,996,736	11,064,497	1,067,761
Total Revenues	10,312,780	9,996,736	11,064,497	1,067,761
General City Support	863,250	1,576,670	1,591,579	14,909
Total Department Expenditure	11,176,030	11,573,406	12,656,076	1,082,670
Total Department Revenue	10,312,780	9,996,736	11,064,497	1,067,761
Total General City Support	863,250	1,576,670	1,591,579	14,909

Position Summary by Program				
002 General Fund				
Aquarium & Marine Science Center Administration	11.00	11.00	11.00	0.00
Aquarium Stores	6.72	7.39	7.64	0.25
Aquarium Custodial Services	8.25	0.00	0.00	0.00
Aquarium 3D Theater	1.85	1.85	1.63	-0.22
Aquarium Education	13.02	14.02	18.02	4.00
Aquarium Exhibits & Facilities	14.30	14.90	15.67	0.77
Aquarium Marketing	4.00	5.85	6.85	1.00
Aquarium Research & Conservation	3.81	5.31	5.31	0.00
Aquarium Guest Operations	17.36	17.86	18.94	1.08
Aquarium Foundation	33.86	30.26	22.74	-7.52
Aquarium Live Exhibits & Animal Husbandry	38.65	38.13	38.13	0.00
Historic Museums	11.65	10.18	7.68	-2.50
Total	164.47	156.75	153.61	-3.14
Total Position Summary	164.47	156.75	153.61	-3.14

Aquarium and Museums - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Expenditure Category by Department				
Personnel	7,385,773	7,778,623	8,320,503	541,880
Operating	3,789,759	3,794,783	4,203,554	408,771
Capital	498	0	132,019	132,019
Total Expenditures:	11,176,030	11,573,406	12,656,076	1,082,670
Revenue Category by Department				
From the Use of Money and Property	50,226	37,000	40,000	3,000
Charges for Services	9,121,420	8,475,025	9,699,496	1,224,471
Miscellaneous Revenue	1,141,134	1,484,711	1,325,001	(159,710)
Total Revenue:	10,312,780	9,996,736	11,064,497	1,067,761

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

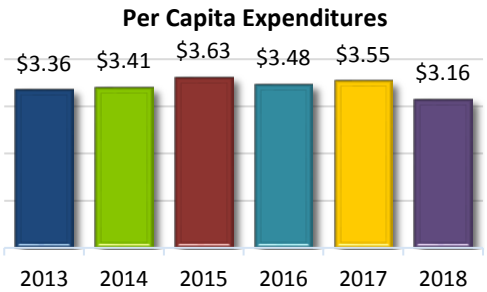


BUDGET & MANAGEMENT SERVICES

The mission of Budget and Management Services is to provide program, fiscal and budgetary policy development and analysis support services to the City Manager and, through the City Manager, to City Council for use in formulating city policy.

Department Overview

Budget and Management Services is responsible for the development and preparation of the Resource Management Plan, which includes the Operating Budget, six-year Capital Improvement Program, as well as the annual Five Year Forecast. Staff also provides issue management and analytical support on large complex development/construction projects and conducts ongoing reviews of public/private partnerships to address the fiscal, budgetary, and economic impacts of proposals.



Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services delivered in the most cost-effective manner

80.6% of taxpayers feel they get good value for their tax dollars

4 fiscal impact analyses conducted

17 Community Organization Grants

Means to Residents: City services that are readily accessible and are provided in a customer friendly manner

94% of citizens are satisfied with city services

100% of ordinance & agenda requests completed in prescribed time

367 adjustments made to CIP and budget

Trends & Issues

- Budget and Management Services coordinated the implementation of the City's Open Data Portal, which launched in October 2016. The Open Data Portal provides citizens datasets on Police calls for service and incidents, EMS calls for service, restaurant inspection results, code enforcement inspections, new business licenses, city budget, employee salaries, and other areas. The project resulted from the "What Works Cities Initiative", launched by Bloomberg Philanthropies in April 2015. "What Works Cities" helps municipalities across the country use data and evidence to improve services, inform local decision makers, and engage residents.

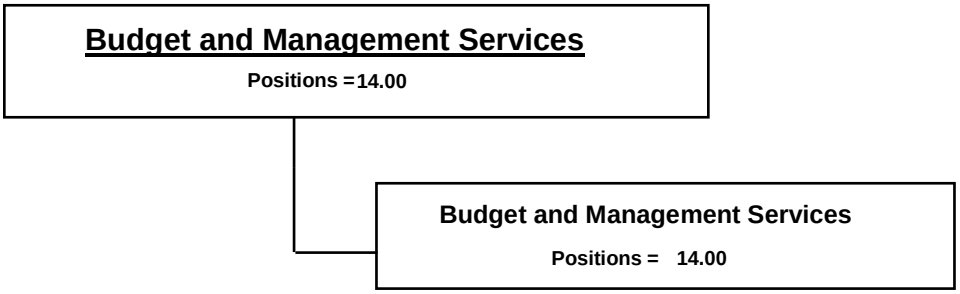
Budget and Management Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Budget and Management Services	1,508,125	1,525,749	1,442,622	(177,749)
Total Expenditures	1,508,125	1,525,749	1,442,622	(177,749)
General City Support	1,508,125	1,525,749	1,442,622	(177,749)
Total Department Expenditure	1,508,125	1,525,749	1,442,622	(177,749)
Total Department Revenue	0	0	0	0
Total General City Support	1,508,125	1,525,749	1,442,622	(177,749)
Position Summary by Program				
002 General Fund				
Budget and Management Services	15.00	14.00	14.00	0.00
Total	15.00	14.00	14.00	0.00
Total Position Summary	15.00	14.00	14.00	0.00
Expenditure Category by Department				
Personnel	1,300,498	1,319,197	1,228,709	(185,110)
Operating	206,382	206,552	213,913	7,361
Capital	1,245	0	0	0
Total Expenditures:	1,508,125	1,525,749	1,442,622	(177,749)

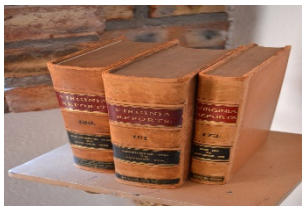
Resource Summary Notes

The decrease in expenditures from FY 2016-17 budget reflects the transfer of one position and some operating expenses from Budget and Management Services to a newly created Strategy, Transparency, Innovation and Resiliency Office.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



CITY ATTORNEY



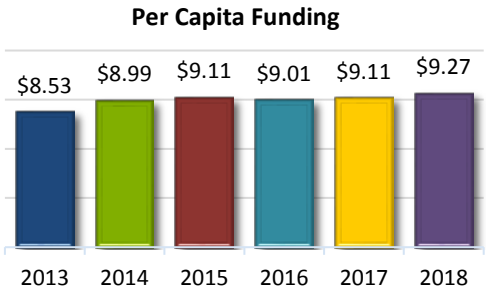
The Virginia Beach City Attorney's Office mission is dedicated to providing effective and efficient legal services, promoting accountability, trust and openness in government and focusing on outcomes that are fair, equitable and balanced while protecting the best interests of the client.

Department Overview

The City Attorney's Office is organized into five functional sections:

Public Policy and Administration

Provides legal services in support of core governmental and administrative functions including public policy facilities, human resources, public finance, and public safety. This area has the primary responsibility for drafting policies, ordinances and resolutions, drafting opinions on legal issues posed by city departments and officials, and providing advice regarding compliance with state and federal laws including Conflict of Interest Act, Freedom of Information Act, and the Civil Rights Act.



Real Estate, Infrastructure, and Development

Provides legal services for the acquisition, maintenance, and operation of the city's infrastructure and supports development activities intended to enhance the city's tax base. These attorneys are engaged in all aspects of municipal real estate and development including title searches, drafting deeds, complex transactional documents, litigation, and eminent domain cases. They also have responsibility for legal services in support of the city's APZ-1 and ITA Acquisition programs to reduce encroachment around Naval Air Station Oceana.

Land Use

Performs legal tasks involved in the development, implementation, administration, and enforcement of the city's zoning, land use (including AICUZ- related), environmental, agricultural, and neighborhood preservation programs. In addition, the land use attorneys serve as the primary legal counsel to the Planning Commission, Board of Zoning Appeals, Wetlands Board, Chesapeake Bay Preservation Area Board, Agricultural Advisory Commission, Bayfront Advisory Committee, Green Ribbon Committee, Workforce Housing Advisory Board, and the Military Economic Development Advisory Committee.

Litigation

Provides representation in all civil litigation cases involving the city, its departments, boards, commissions, employees, and volunteers. Representation includes defending and prosecuting tort claims, civil rights claims, collection actions, contract disputes, and construction claims. In addition, the litigation section represents the Human Services Department in cases seeking to protect at-risk children and handicapped or elderly adults from abuse and neglect. Litigation attorneys are actively involved with the Risk Management Division and other city departments in evaluating and minimizing potential exposure to tort and contract claims before they arise.

Public Education

Provides legal services in support of core public education and administrative functions including student issues, human resources, School Board policies, administrative support and public policy issues, and school finance

matters. Supplemental services in support of the School Board's initiatives include litigation and real estate services. All work is performed through a Cooperative Agreement with the School Board that mandates a minimum number of legal service hours per year.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Execellent Services

Means to Residents: City services delivered in the most cost effective manner

- 98% of all legal services provided in house
- $118 per hour effective rate of all city legal services
- 99% of all school legal services provided in house
- $88 per hour effective rate of all school legal services

- 19,950 hrs for public policy, facilities, finance, safety, & human resources
- 3,400 hrs for land use, zoning, & code enforcement
- 9,955 hrs for real estate & infrastructure
- 2,345 hrs for economic development
- 4,700 hrs for public education

Trends and Issues

- In-house legal services are provided at a significantly lower cost than can be obtained through the utilization of outside counsel. Therefore, the department minimizes the utilization of outside counsel whenever possible.

- The department is exploring the procurement of new software designed to improve the management of Freedom of Information Act Software (FOIA) requests. Funding to purchase Freedom of Information Act Software was approved in FY 2016-17. The software will allow the public to submit FOIA requests online, perform searches of open records and allow City staff to post public records. The software will also help manage and possibly reduce the number of FOIA requests the department receives annually.

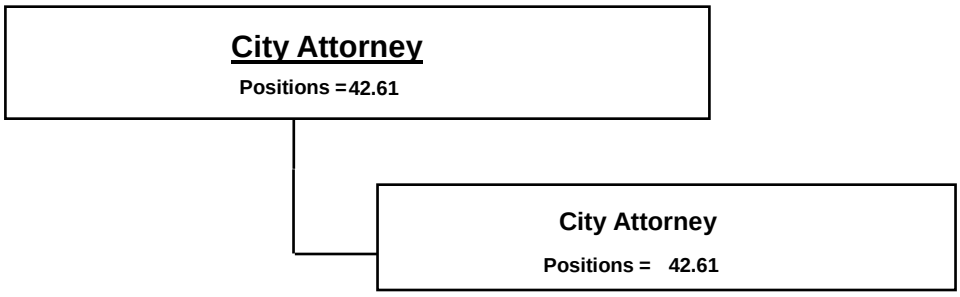
Major Budget Changes

	Change	Impact
↑	Assistant City Attorney 1.0 FTE	An additional assistant attorney is being added to the department to assist the Department of Human Services' Child Welfare Division. Currently, the Department of Human Services has four attorneys assigned to the department. This position will be physically located in the Social Services Building.
↑	Administrative Assistant 1.0 FTE	An Administrative Assistant has been added to the department to handle payroll, leave processing, invoicing, and workload data collection.

City Attorney - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
City Attorney	4,022,217	4,131,155	4,226,703	95,548
Total Expenditures	4,022,217	4,131,155	4,226,703	95,548
Revenues				
Fees	1,650	0	0	0
Total Revenues	1,650	0	0	0
General City Support	4,020,567	4,131,155	4,226,703	95,548
Total Department Expenditure	4,022,217	4,131,155	4,226,703	95,548
Total Department Revenue	1,650	0	0	0
Total General City Support	4,020,567	4,131,155	4,226,703	95,548
Position Summary by Program				
002 General Fund				
City Attorney	39.61	40.61	42.61	2.00
Total	39.61	40.61	42.61	2.00
Total Position Summary	39.61	40.61	42.61	2.00
Expenditure Category by Department				
Personnel	3,865,886	3,945,213	4,015,554	70,341
Operating	155,640	185,942	211,149	25,207
Capital	691	0	0	0
Total Expenditures:	4,022,217	4,131,155	4,226,703	95,548
Revenue Category by Department				
Charges for Services	1,381	0	0	0
Fines and Forfeitures	269	0	0	0
Total Revenue:	1,650	0	0	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

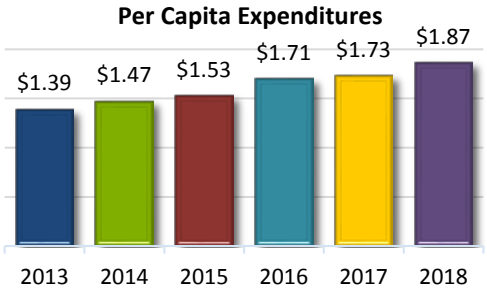


CITY AUDITOR

The primary mission of the City Auditor is to promote accountability and integrity in City operations by providing quality audit services.

Department Overview

The City Auditor is an independent appraisal function responsible for financial, attestation engagements, and performance audits of city programs, functions, and activities. This office also conducts investigations, provides oversight and management of the city's external audit contract, advises departments, and manages other special projects.



Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services delivered in the most cost-effective manner

- $121,031 saved or recovered through investigations
- 53 cases originating from the Fraud, Waste, and Abuse Hotline
- 93% of audits completed within budgeted hours
- 98% of audit recommendations accepted

Trends and Issues

- The Government Accountability Office plans to issue an exposure draft of the proposed revisions to the Government Auditing Standards in 2017. This revision represents a modernized version of the standards that incorporates developments in accounting and auditing, and is intended to increase transparency and accountability within government. Anticipated areas of change with the revision include professional education, internal controls, and external peer reviews, among other issues. It is unclear what impact these changes to the standards will have on the operating budget of the City Auditor.

- The number of calls to the mandated Fraud, Waste, and Abuse Hotline have increased in recent years as well as the complexity and time it takes to resolve each case.

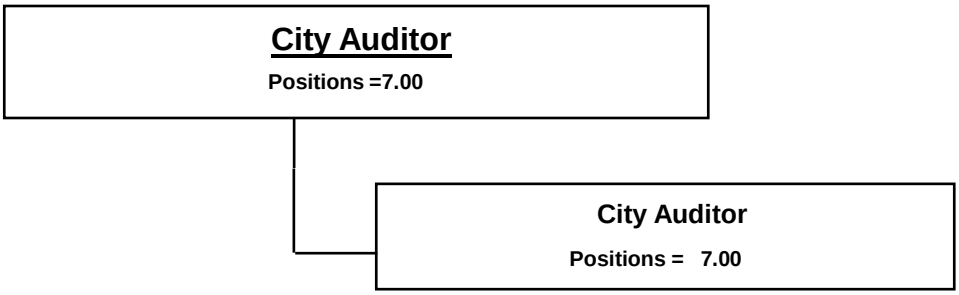
Major Budget Changes

	Change	Impact
↑	Increase in Contracted Manpower of $46,500	The City Auditor received $46,500 in additional funding for contracted manpower to help staff the Fraud, Waste, and Abuse Hotline, as well as assisting in investigations originating from the program. This additional funding will allow the department to continue investigating all calls to the hotline and resolving the potential issues as quickly as possible.

City Auditor - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
City Auditor	767,633	786,429	851,682	65,253
Total Expenditures	767,633	786,429	851,682	65,253
General City Support	767,633	786,429	851,682	65,253
Total Department Expenditure	767,633	786,429	851,682	65,253
Total Department Revenue	0	0	0	0
Total General City Support	767,633	786,429	851,682	65,253
Position Summary by Program				
002 General Fund				
City Auditor	7.00	7.00	7.00	0.00
Total	7.00	7.00	7.00	0.00
Total Position Summary	7.00	7.00	7.00	0.00
Expenditure Category by Department				
Personnel	739,434	754,463	819,481	65,018
Operating	26,554	31,966	32,201	235
Capital	1,645	0	0	0
Total Expenditures:	767,633	786,429	851,682	65,253

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

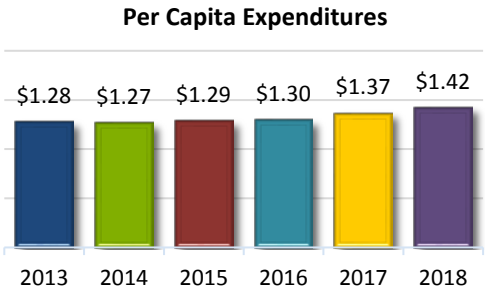


CITY CLERK

The mission of the City Clerk is to provide a historical record of the governing body; prepare and deliver the weekly Agenda; serve the City Council in the most efficient manner to meet the needs of citizens and attest to and record all official agreements, deeds, contracts, etc. The City Clerk also ensures that all public notices comply with applicable state code regulations and City Council policies. This office maintains the highest standards of customer service for the taxpayer needs and to ensure the city's policies are addressed.

Department Overview

The Office of the City Clerk preserves and provides accurate legislative historical records for the governing body. Responsibilities include preparing and delivering weekly agendas, preparing and recording minutes, attesting to and recording all official agreements, deeds, contracts, and ensuring all public notices comply with the applicable state code and City Council policies. The City Clerk serves as Clerk of Council and custodian of the city seal. The City Clerk possesses the authority to sign all city borrowed bond issuances and monitors City Council appointed boards, commissions, authorities, and committees.



Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services that are readily accessible and are provided in a customer friendly manner

94% overall citizen satisfaction with city services

94.6% of citizens agree that they can conveniently access city services

650 legal documents notarized, scanned, and returned to departments

160 notices of public hearings prepared and forwarded to the newspaper

8,604 passport applications processed and mailed same day

Trends & Issues

- The City Clerk's Office supports the Sister Cities Association of Virginia Beach, which advises the Mayor and assists in coordinating the activities of the Sister City member affiliates. The City Clerk's Office coordinates Sister Cities events held in the City and represents the City in the Sister Cities International Association. The City will host the 2017 Sister Cities International Conference in July. This conference is expected to bring over 1,000 individuals from around the world and will be a great opportunity to

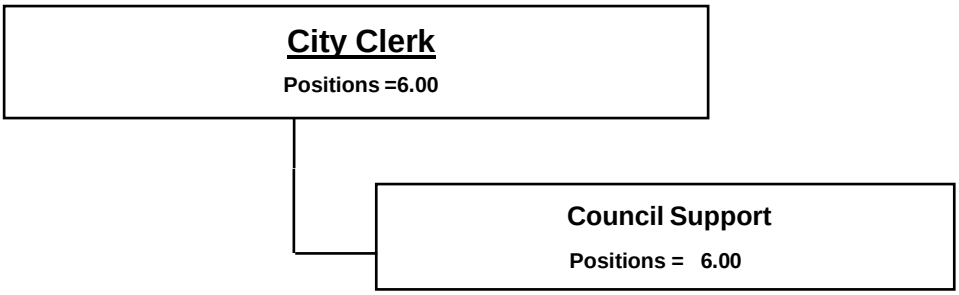
showcase all the City has to offer. A special feature of this Conference will be a Russian Summit of Mayors sponsored by the Russian Embassy in Washington D.C.

- Freedom of Information Act (FOIA) requests continue to grow each year which has placed an increased burden on the City Clerk staff because of the complexity and time it take to provide complete and accurate records. This is mandated by the Commonwealth of Virginia and is a tool used to promote an increased awareness by all persons of governmental activities.

City Clerk - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
City Clerk	685,680	626,993	648,579	21,586
Total Expenditures	685,680	626,993	648,579	21,586
Revenues				
Fees	1,472	0	0	0
Total Revenues	1,472	0	0	0
General City Support	684,208	626,993	648,579	21,586
Total Department Expenditure	685,680	626,993	648,579	21,586
Total Department Revenue	1,472	0	0	0
Total General City Support	684,208	626,993	648,579	21,586
Position Summary by Program				
002 General Fund				
City Clerk	6.00	6.00	6.00	0.00
Total	6.00	6.00	6.00	0.00
Total Position Summary	6.00	6.00	6.00	0.00
Expenditure Category by Department				
Personnel	490,536	512,752	509,521	(3,231)
Operating	195,144	114,241	139,058	24,817
Total Expenditures:	685,680	626,993	648,579	21,586
Revenue Category by Department				
Charges for Services	64	0	0	0
Miscellaneous Revenue	1,408	0	0	0
Total Revenue:	1,472	0	0	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

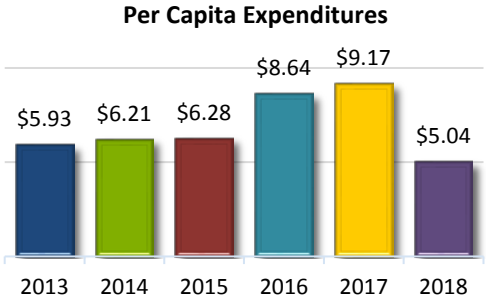


CITY MANAGER

The mission of the City Manager's Office is to provide support and direction for the delivery of quality customer service to Virginia Beach citizens and visitors, City Council, city staff, and others to maintain and nurture a quality community. The City Manager serves as the executive and administrative head of the city government and coordinates and directs the complex groups within agencies and departments responsible for the delivery of city services to citizens.

Department Overview

The City Manager's Office is divided into two main areas that provide services to ensure that the city organization functions as a quality organization to support the community and meet City Council's goals.



City Manager's Staff
Ensures City Council's goals and targets are planned and effectively implemented.

Office of Volunteer Resources
Responsible for encouraging the use of volunteers to support the diverse activities of the government and for the tracking and overall coordination of city volunteers once on staff.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Goal: Data and Technology is used to Enhance Community Livability, Prosperity and Sustainability

Means to Residents: City services that are readily accessible and are provided in a customer friendly manner

- 80% of citizens believe they receive a good value for their city tax dollars
- 94% of citizens are satisfied with city services

Means to Residents: Transparent government

- 73.1% of citizens know how to inform the city about the way they feel
- 67.9% of citizens are satisfied with their opportunity to share their ideas
- 2,436 responses to citizen concerns

Trends & Issues

- The City Council held its annual workshop on February 14th and 15th, 2017 where the City Manager established the Management Agenda for FY 2017-18. The top priorities on the Management Agenda are;
  - Next Generation Network
  - Veterans Facility
  - Emergency Management Plan
  - City property Sale; Marketing
  - Neighborhood SSD Dredging
  - Major road project funding
  - Kempsville Quad "C" Development
  - Virginia Beach Community Development Corporation
  - ViBE District
  - Public Safety Staffing
  - African-American Cultural Center
  - Homeless Strategy
  - Master Technology Plan
  - Sea Level Rise Study and Initiative Matrix

- During FY 2016-17, the Organizational Development Office was created and reorganized into the Office of Strategy, Transparency, Innovation, and Resiliency (STiR). As a part of the FY 2017-18 Budget, the Communications Office will also be a separate and independent budget.

- During FY 2015-16, 15,510 volunteers were managed, the value of these volunteer services is estimated to be $27,015,674.

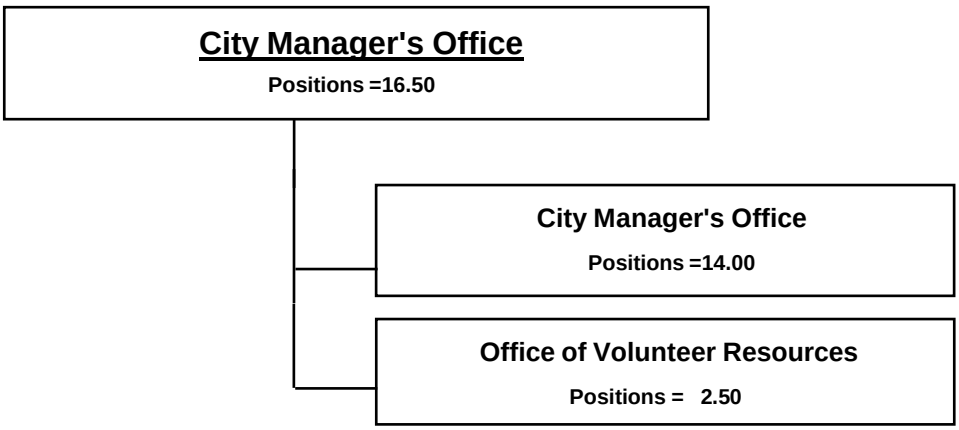
City Manager's Office - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
City Manager's Office	1,899,870	2,201,328	2,085,461	(115,867)
Organization Development Office	283,856	94,165	0	(277,249)
Office of Volunteer Resources	196,664	211,248	211,508	260
Communications Office	1,487,425	1,524,018	0	(1,524,018)
Total Expenditures	3,867,815	4,030,759	2,296,969	(1,916,874)
Revenues				
Fees	7,845	12,000	0	(12,000)
Total Revenues	7,845	12,000	0	(12,000)
General City Support	3,859,970	4,018,759	2,296,969	(1,904,874)
Total Department Expenditure	3,867,815	4,030,759	2,296,969	(1,916,874)
Total Department Revenue	7,845	12,000	0	(12,000)
Total General City Support	3,859,970	4,018,759	2,296,969	(1,904,874)
Position Summary by Program				
002 General Fund				
City Manager's Office	12.00	14.00	14.00	0.00
Organization Development Office	3.00	0.00	0.00	0.00
Office of Volunteer Resources	2.50	2.50	2.50	0.00
Communications Office	16.50	16.50	0.00	-16.50
Total	34.00	33.00	16.50	-16.50
Total Position Summary	34.00	33.00	16.50	-16.50
Expenditure Category by Department				
Personnel	3,527,789	3,793,065	2,145,655	(1,814,126)
Operating	340,026	235,066	151,314	(100,120)
Capital	0	2,628	0	(2,628)
Total Expenditures:	3,867,815	4,030,759	2,296,969	(1,916,874)
Revenue Category by Department				
From the Use of Money and Property	6,866	12,000	0	(12,000)
Charges for Services	979	0	0	0
Total Revenue:	7,845	12,000	0	(12,000)

Resource Summary Notes

During FY 2016-17, City Manager’s Office was reorganized and the Organizational Development Office was changed to the Strategy, Transparency, Innovation, and Resiliency Office (STiR). For FY 2017-18, the Communications Office will be separated from the City Manager’s Office and will operate independently. This reorganization has led to a reduction in expenditures for the office.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



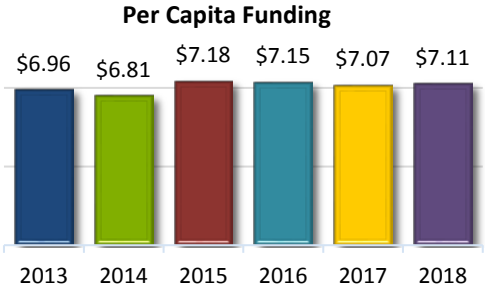
CITY REAL ESTATE ASSESSOR

The mission of the City Real Estate Assessor is to annually appraise all taxable and tax exempt real estate fairly and equitably, maintain and continually amend assessment records to reflect changes in the City's real property in accordance with state law and city code; perform transfers of ownership, updates, wills and plats recorded with the Clerk of Circuit Court and the accurate preparation of the Real Estate Land Book. The Assessor's Office also provides information and assistance to the City Council, City staff, State Department of Taxation and the public regarding the land book and individual assessments.

Department Overview

City Real Estate Assessor

Tasked with accurately calculating Virginia Beach's real estate property assessments, this office's responsibilities include an annual inventory and appraisal of approximately 158,000 parcels. A quarterly inspection of new construction is also conducted to include the measurement, classification, documentation, and appraisal of newly constructed buildings and additions to existing buildings. For existing buildings and properties, subdivision sales are recorded throughout the year and the results are analyzed to determine assessment adjustments. Additional responsibilities include real estate transfer which involves deed transfers from sale of properties, transfers of ownership resulting from other transactions, and recording taxable parcels (i.e. parcels created from development).



Note: The decrease in FY 2016-17 is the result of staff and operational reductions.

Board of Equalization

The board has the power to revise, correct, and amend real estate assessments. Generally, after an initial assessment review by the Real Estate Assessor, a resident may appeal to the board to review the request. Hearings are held annually between July and February. The board either affirms the initial assessment or determines whether it should be increased or decreased.

Both the City Council appointed Real Estate Assessor and the Circuit Court appointed Board of Equalization are fully funded by general city revenue.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City Services delivered in the most cost effective manner

International Association of Assessing Officers standard for parcels assessed per staff members is 3,500.

158,000 taxable parcels

7,524 average parcels per appraiser /4,625 parcels per staff member

700 assessment corrections processed

Trends and Issues

- The International Association of Assessing Officer's (IAAO) established standards for parcels assessed per all staff members, with the upper range of the number of parcels assessed per all staff members being 3,500. The city's figure of 4,625 for FY 2017-18 is well above that standard.

- Immediately after Hurricane Matthew, the Office updated the City's webpage with the option for homeowners to notify the City that they had suffered damage from the storm. As a result of citizen reports, the Office was able to identify impacted areas. Among the areas reported, were areas that are not normally impacted by storms. This report helped the Office to give FEMA and the Small Business Administration a tour of areas that are traditionally damaged during a storm as well as areas they would not normally visit.

  In addition, the city created a program to provide tax relief to homeowners whose homes were uninhabitable for thirty days or more due to Hurricane Matthew. Homeowners may apply for this tax relief until April 2017. Based on current relief amounts and trends, the tax relief program is estimated to provide approximately $75,000 in total relief to Citizens by July 1.

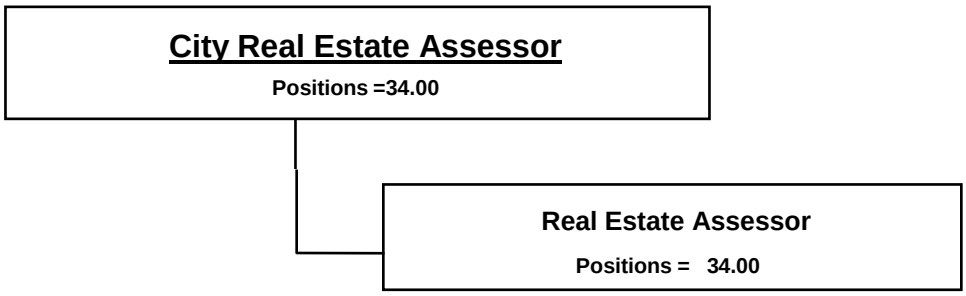
Major Budget Changes

	Change	Impact
↑	IPADS for Appraisers	$16,204 is included in the budget to fund the purchase of 11 Apple IPADS to be used by Appraisers in the field. This will allow quick and easy access to property records and the ability to assist homeowners while in the field. The funding also includes costs for vehicle mounts, cases, car adaptors and wireless data plans for each IPAD.

City Real Estate Assessor - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Board of Equalization	5,610	2,997	3,004	7
City Real Estate Assessor	3,067,010	3,205,859	3,238,304	32,445
Total Expenditures	3,072,620	3,208,856	3,241,308	32,452
Revenues				
Fees	123	0	0	0
Total Revenues	123	0	0	0
General City Support	3,072,497	3,208,856	3,241,308	32,452
Total Department Expenditure	3,072,620	3,208,856	3,241,308	32,452
Total Department Revenue	123	0	0	0
Total General City Support	3,072,497	3,208,856	3,241,308	32,452
Position Summary by Program				
002 General Fund				
Board of Equalization	0.27	0.00	0.00	0.00
City Real Estate Assessor	34.00	34.00	34.00	0.00
Total	34.27	34.00	34.00	0.00
Total Position Summary	34.27	34.00	34.00	0.00
Expenditure Category by Department				
Personnel	2,836,037	2,960,224	2,953,900	(6,324)
Operating	231,015	248,632	287,408	38,776
Capital	5,568	0	0	0
Total Expenditures:	3,072,620	3,208,856	3,241,308	32,452
Revenue Category by Department				
Charges for Services	33	0	0	0
Miscellaneous Revenue	90	0	0	0
Total Revenue:	123	0	0	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



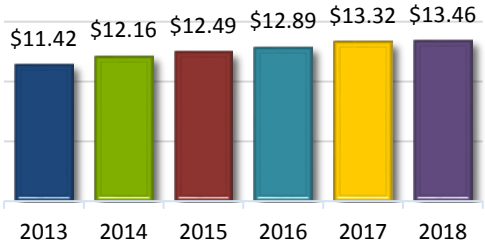
CITY TREASURER

The mission of the City Treasurer's Office is to collect revenues and tax receipts due to the city in the most efficient and effective manner and to invest these funds in a manner which will provide the highest investment returns. This is done while meeting goals of: maximum security/safety, providing for daily cash flow demands, and conforming with all state and local statutes governing the investment of public funds.

Department Overview

The City Treasurer's office mails out, receives, and processes payments for current and delinquent real estate taxes, personal property taxes, trustee taxes, parking tickets, and other various bills due to the city. The Treasurer is also responsible for the investment of all cash financial assets of the city. This is done in a manner that will provide the highest return on investment only after the goals of maximum security and safety, meeting daily cash flow demands, and conformance with all state and local statues governing the investment of public funds have been met.

Per Capita Expenditures



Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services delivered in the most cost-effective manner

80% of citizens believe they receive a good value for their city tax dollars

- 423,951 personal property envelopes mailed
- $617,313 is the amount collected and reimbursed to victims
- 125,716 real estate envelopes mailed
- 24,972 trustee envelopes mailed

Trends & Issues

- The City Treasurer has been working with the Police Department on the collection of past-due False Alarm Fees.

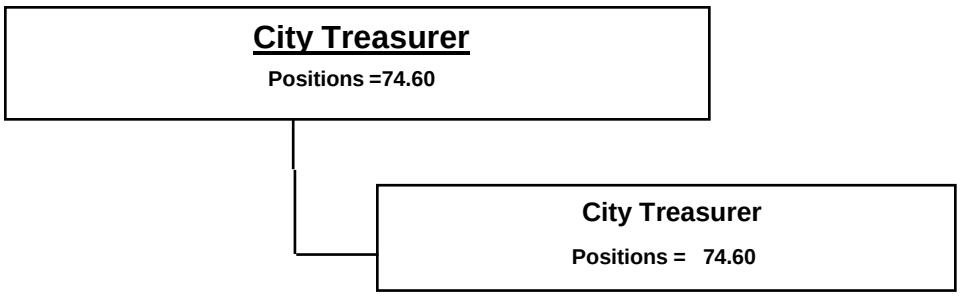
Major Budget Changes

	Change	Impact
↑	Water & Sewer is changing from Bi-monthly billing to billing every month	Changing from bi-monthly to billing every month for water and sewer approximately doubles the volume of work for billing in the City Treasurer's Office. Because of this, Public Utilities is transferring $95,247 from the Water and Sewer Fund to increase contractual staffing in the City Treasurer's Office.

City Treasurer - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
City Treasurer	5,693,299	5,970,373	6,067,276	96,903
Total Expenditures	5,693,299	5,970,373	6,067,276	96,903
Revenues				
Fees	2,492,139	2,380,600	2,388,250	7,650
State	649,427	650,000	650,000	0
Transfers	243,300	254,000	349,120	95,120
Total Revenues	3,384,866	3,284,600	3,387,370	102,770
General City Support	2,308,433	2,685,773	2,679,906	(5,867)
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - City Treasurer	54,659	70,000	70,000	0
Total Expenditures	54,659	70,000	70,000	0
Revenues				
Fees	54,659	70,000	70,000	0
Total Revenues	54,659	70,000	70,000	0
General City Support	0	0	0	0
Total Department Expenditure	5,747,958	6,040,373	6,137,276	96,903
Total Department Revenue	3,439,525	3,354,600	3,457,370	102,770
Total General City Support	2,308,433	2,685,773	2,679,906	(5,867)
Position Summary by Program				
002 General Fund				
City Treasurer	74.60	74.60	74.60	0.00
Total	74.60	74.60	74.60	0.00
Total Position Summary	74.60	74.60	74.60	0.00
Expenditure Category by Department				
Personnel	4,927,818	5,111,147	5,236,463	125,316
Operating	819,391	929,226	900,813	(28,413)
Capital	749	0	0	0
Total Expenditures:	5,747,958	6,040,373	6,137,276	96,903
Revenue Category by Department				
Permits, Privilege Fees, and Regulatory Licenses	4,429	0	0	0
Charges for Services	54,659	70,000	70,000	0
Miscellaneous Revenue	1,236,747	1,268,850	1,273,250	4,400
Fines and Forfeitures	1,250,963	1,111,750	1,115,000	3,250
Other Sources from the Commonwealth	649,427	650,000	650,000	0
Transfers from Other Funds	243,300	254,000	349,120	95,120
Total Revenue:	3,439,525	3,354,600	3,457,370	102,770

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



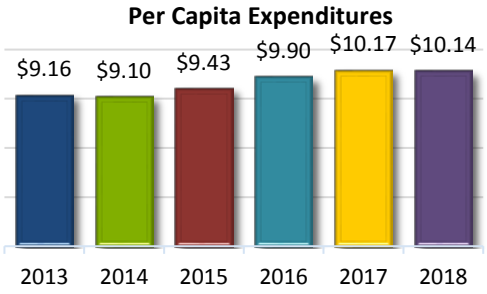
COMMISSIONER OF THE REVENUE

The mission of the Commissioner of the Revenue is to ensure the uniform and consistent assessment of applicable state and local tax codes while providing customer assistance on all tax related issues.

Department Overview

The Commissioner of the Revenue is one of five elected Constitutional Officers in the city and, as such, is partially funded by the State Compensation Board.

The office is responsible for the discovery, investigation, licensing, assessment, audit, and prosecution and reporting of tax levies. It also provides select DMV services and has the additional responsibility of selling hunting and fishing licenses in partnership with the Virginia Department of Game and Inland Fisheries.



Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services that are readily accessible and are provided in a customer friendly manner

80% of taxpayers feel that they receive a good value for their city tax dollars

94.6% of citizens agree that they can conveniently access city services

3,919 audits and investigations

482,112 personal property accounts assessed annually

316,017 direct customer contacts

45,496 DMV customer contacts

Trends & Issues

- New innovative technologies and services, such as eCigarettes, Uber, and AirBnb are presenting challenges to the city's revenue picture. These services are currently not taxed or are so lightly regulated as to prevent local discovery. Many of the solutions will involve the Commonwealth of Virginia passing legislation to enable localities to discover, and bring into compliance with existing law, these new technologies and services. Localities already tax and ensure compliance on tobacco, taxis, and lodging which these new services compete against.

- The Commissioner of the Revenue's Office will also be adjusting the method of assessment for computer equipment. This change may have revenue implications in the short term, but the Commissioner believes that the long term impact will present an opportunity to have Virginia Beach's taxation align with the future business environment that those businesses will compete with.

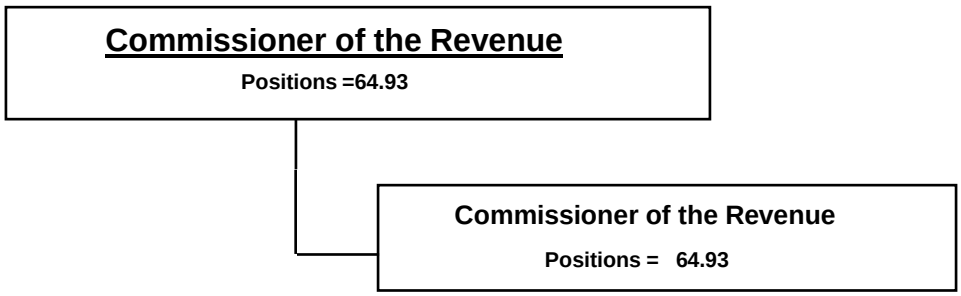
Major Budget Changes

	Change	Impact
↑	Increase of $45,000 for Operating Costs Related to the Purchase of Cigarette Stamps.	The Commissioner of Revenue is receiving an increase of $45,000 to help compensate for the increased costs of purchasing cigarette stamps. The current cost per box of cigarette stamps is $1,566 and the department has needed to purchase an average of 28.5 cases, or an average of $44,631 per year.

Commissioner of the Revenue - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Commissioner of the Revenue	4,410,083	4,532,042	4,548,534	16,492
DMV Select	62,957	82,699	75,897	(6,802)
Total Expenditures	4,473,040	4,614,741	4,624,431	9,690
Revenues				
Local Taxes	(4)	0	0	0
State	807,671	843,079	843,079	0
Total Revenues	807,667	843,079	843,079	0
General City Support	3,665,373	3,771,662	3,781,352	9,690
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - COR	32,882	0	0	0
Total Expenditures	32,882	0	0	0
Revenues				
Fees	32,882	0	0	0
Total Revenues	32,882	0	0	0
General City Support	0	0	0	0
Total Department Expenditure	4,505,922	4,614,741	4,624,431	9,690
Total Department Revenue	840,549	843,079	843,079	0
Total General City Support	3,665,373	3,771,662	3,781,352	9,690
Position Summary by Program				
002 General Fund				
Commissioner of the Revenue	60.00	62.00	62.00	0.00
DMV Select	2.93	2.93	2.93	0.00
Total	62.93	64.93	64.93	0.00
610 Capital Projects Internal Service Fund				
Capital Projects - COR	2.00	0.00	0.00	0.00
Total	2.00	0.00	0.00	0.00
Total Position Summary	64.93	64.93	64.93	0.00
Expenditure Category by Department				
Personnel	4,168,171	4,323,960	4,261,312	(62,648)
Operating	337,751	290,781	363,119	72,338
Total Expenditures:	4,505,922	4,614,741	4,624,431	9,690
Revenue Category by Department				
Automobile License	(4)	0	0	0
Charges for Services	32,882	0	0	0
Other Sources from the Commonwealth	807,671	843,079	843,079	0
Total Revenue:	840,549	843,079	843,079	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

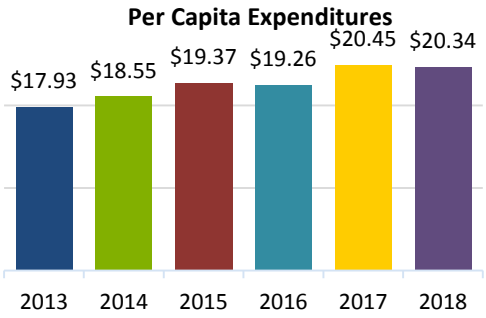


COMMONWEALTH'S ATTORNEY

The Office of the Commonwealth's Attorney is responsible for reviewing and prosecuting all felony cases as well as some misdemeanors and civil matters. At the discretion of the Commonwealth's Attorney, the office also prosecutes all DUI's, city and state misdemeanor appeals, domestic violence cases, and other misdemeanors upon request. The office also provides legal training and advice to all local law enforcement officers, magistrates, and other local officials. In addition, the office provides services and support for the victims and witnesses involved in the various cases handled by the office.

Department Overview

The Commonwealth's Attorney is an elected, constitutional, law enforcement official who is independent in his duties from both the city and the commonwealth. The primary responsibilities of the Commonwealth's Attorney's Office are:



- To review all felony, selected misdemeanor cases, and to pursue the prosecution of those cases where there is sufficient evidence.
- To handle many civil matters to include forfeitures, extraditions, and mental health appeals.
- To handle, at the office's discretion, all city and state misdemeanor appeals, all DUI's, domestic violence cases, and complicated misdemeanor cases upon request.
- To provide, at the office's discretion, legal training and advice to local officials, law enforcement, and other public safety agencies when requested.
- To prepare the Circuit Court criminal docket and the General District Court DUI docket as well as handle preliminary hearings on felony cases in the General District and Juvenile and Domestic Relations Courts.

Key Performance Measures

Goal: Be the Safest City in Virginia

Means to Residents: Residents feel safe throughout the city

90.2% of residents agree with the statement "my neighborhood is a safe place to live"

94% of residents agree with the statement " Virginia Beach, in general, is a safe place to live"

Domestic Violence:	Property Crime:	Serious Narcotic Violations:	Violent Felonies:
84% conviction rate	91% conviction rate	89% conviction Rate	90% conviction rate
1,550 Defendants prosecuted	1,110 Defendants prosecuted	600 Defendants Prosecuted	550 Defendants prosecuted
80% open cases closed	85% open cases closed	89% open cases closed	81% open cases closed

Trends & Issues

- Efforts continue to transition to a paperless operation progressing with the anticipated implementation of a replacement case management software system that has improved functionality. The new system will be browser-based and is highly configurable navigation screens/views and data elements, which will improve staff productivity. Because it is highly configurable, the system is adaptable to business needs and process changes.

- The office formed a specialized team of five prosecutors with expert training in DUI laws. DUI laws are complex, and these attorneys will receive additional education on the law and to novel defenses to these crimes. Although DUI arrests in Virginia Beach have decreased slightly in recent years, the Police made more than 2,100 DUI arrests in 2016.

- Significant workload increases are anticipated with implementation of Police Body Worn Cameras (i.e. video reviewing and redacting, case preparation, and presentation). The first of a four-phase program was funded in FY 2016-17, and the second phase of staffing for the Commonwealth Attorney's Office is anticipated in FY 2018-19. This budget includes funding for software associated with the program.

- The State Compensation Board provides funding for a portion of personnel costs for 50 of the 94.83 CWA staff members. To attract and retain personnel, the city has provided salary supplements for many years. Over the years, the trend has been for the city to provide increased funding while the state reduced its share of funding for the General Fund portion of the Operating Budget for the Commonwealth's Attorney's Office. Over the past 9 years, the city has provided an average of $5.2 million per year or 67.8% of the funding for the General Fund portion of the Operating Budget while the State Compensation Board has provided on average $2.5 million per year or 32.2%.

Major Budget Changes

	Change	Impact
↑	Software Support for New Case Management System	This budget includes $100,000 for software maintenance and annual licensing for the new case management system. Funds from the Commonwealth Attorney's Federal and State Seized Assets Fund were used to purchase the system, but these funds cannot be used for recurring maintenance and licensing costs.

Commonwealth's Attorney - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Commonwealth's Attorney	7,886,162	8,096,265	8,380,781	284,516
Total Expenditures	7,886,162	8,096,265	8,380,781	284,516
Revenues				
State	2,615,629	2,683,181	2,613,174	(70,007)
Total Revenues	2,615,629	2,683,181	2,613,174	(70,007)
General City Support	5,270,533	5,413,084	5,767,607	354,523
140 Commonwealth Attorney's Fed & State Seized Assets SRF				
Expenditures				
DEA - Commonwealth's Attorney	47,241	400,000	100,000	(300,000)
Total Expenditures	47,241	400,000	100,000	(300,000)
Revenues				
Fees	2,583	0	0	0
State	182,334	0	0	0
Fund Balance	0	400,000	100,000	(300,000)
Total Revenues	184,917	400,000	100,000	(300,000)
General City Support	(137,676)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Commonwealth's Attorney - Grants	369,434	782,362	792,808	10,446
Total Expenditures	369,434	782,362	792,808	10,446
Revenues				
State	312,767	140,397	140,397	0
Federal	0	421,191	421,191	0
Transfers	62,192	220,774	231,220	10,446
Total Revenues	374,959	782,362	792,808	10,446
General City Support	(5,525)	0	0	0
Total Department Expenditure	8,302,837	9,278,627	9,273,589	(5,038)
Total Department Revenue	3,175,505	3,865,543	3,505,982	(359,561)
Total General City Support	5,127,332	5,413,084	5,767,607	354,523

Position Summary by Program				
002 General Fund				
Commonwealth's Attorney	80.93	82.93	82.91	-0.02
Total	80.93	82.93	82.91	-0.02
183 Grants Consolidated Fund				
Commonwealth's Attorney - Grants	6.50	11.92	11.92	0.00
Total	6.50	11.92	11.92	0.00

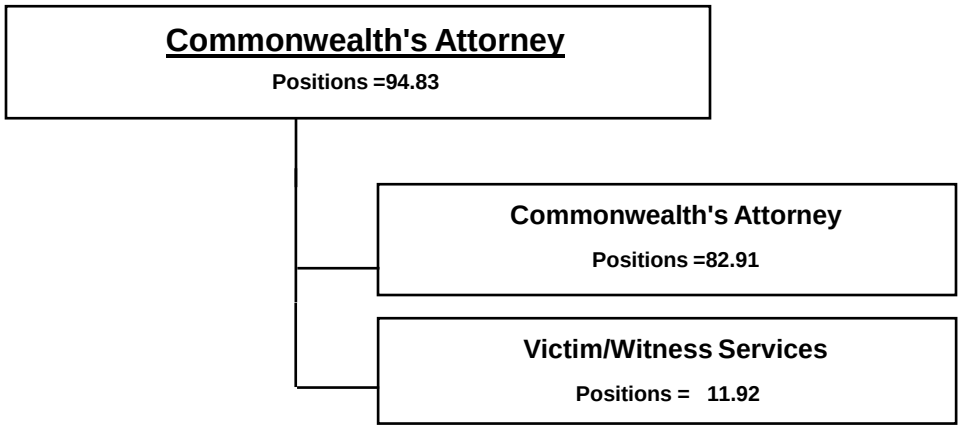
Commonwealth's Attorney - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Total Position Summary	87.43	94.85	94.83	-0.02
Expenditure Category by Department				
Personnel	7,840,320	8,431,239	8,482,550	51,311
Operating	462,517	839,772	777,375	(62,397)
Capital	0	7,616	0	(7,616)
Reserves	0	0	13,664	13,664
Total Expenditures:	8,302,837	9,278,627	9,273,589	(5,038)
Revenue Category by Department				
From the Use of Money and Property	2,583	0	0	0
Other Sources from the Commonwealth	3,110,730	2,823,578	2,753,571	(70,007)
Revenue from the Federal Government	0	421,191	421,191	0
Transfers from Other Funds	62,192	220,774	231,220	10,446
Specific Fund Reserves	0	400,000	100,000	(300,000)
Total Revenue:	3,175,505	3,865,543	3,505,982	(359,561)

Resource Summary Notes

The department historically has appropriated $400,000 in Fund balance in the Federal and State Seized Assets Fund to address one-time program needs. The reduced appropriation in FY 2017-18 reflects the available fund balance is now lower.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



COMMUNICATIONS

The Communications Office mission is to provide the full range of strategic and tactical communications services that facilitate service delivery, relationship-building and the exchange of ideas to achieve established objectives.

Department Overview

The Communications Office is a full-service agency providing strategic and tactical communication solutions for citywide and department-level initiatives. Among the range of services provided, staff:

- Developes communication strategies
- Creates campaigns to achieve established objectives
- Promotes community awareness of and engagement in municipal government
- Organizes special events
- Produces videos and cablecasts live meetings
- Maintains content on the City website and social media sites
- Manages media inquiries
- Writes speeches, articles, newsletters, editorials, news releases, reports and presentations
- Designs logos, brochures, infographics and other creative collateral.

Trends & Issues

- The Communications Office is developing new video programming, including a documentary about the Virginia Beach Police Academy and a program called “Get Out There” that highlights city locations and services residents are using.

- The Communications Office will be working with Information Technology to select a new Content Management System (CMS) to provide enhanced functionality on our website, including notification options for content changes and service delivery interfaces.

- The Communications Office is working with representatives from departments throughout the City on new branding standards.

- The Communications Office is exploring new and expanded options for citizen engagement that enable people to meaningfully participate in local government in a variety of ways.

- Beginning in FY 2017-18, the Communications Office will operate separately from the City Manager’s Office.

Key Performance Measures

Goal: Data and Technology is used to Enhance Community Livability, Prosperity, and Sustainability

Means to Residents: Transparent government

73.1% of citizens know how to inform the city about the way they feel on important issues

67.9% of citizens are satisfied with their opportunity to share their ideas or opinions before the city makes important decisions

5.75 milliom website visitors per year

300,000 online file views

140,000 social media followers across Facebook, Twitter, and Nextdoor.

Major Budget Changes

	Change	Impact
↑	Funding for Closed Captioning Services	In FY 2017-18, the Communications Office will be purchasing additional closed caption services. These services will enable closed captions of live meetings (such as City Council and Planning Commission). They will also bring the city into compliance with the Americans with Disabilities Act.
↑	Additional Administrative Assistant	Additional Administrative Assistant in the Communications Office. This position will be responsible for duties such as processing payroll, timesheets, leave, and other personnel related tasks.

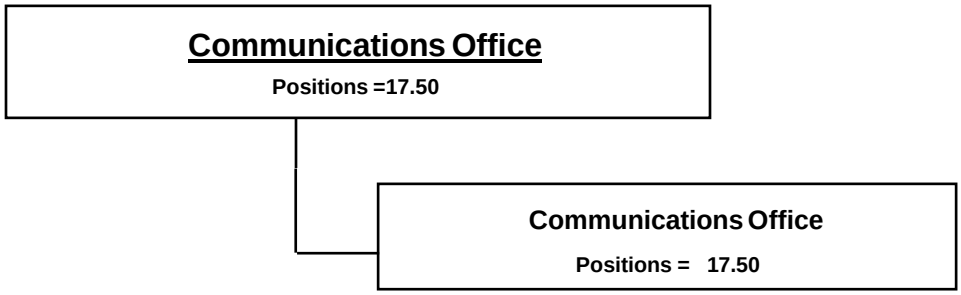
Communications Office - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Communications Office	0	0	1,611,987	1,611,987
Total Expenditures	0	0	1,611,987	1,611,987
Revenues				
Fees	0	0	12,000	12,000
Total Revenues	0	0	12,000	12,000
General City Support	0	0	1,599,987	1,599,987
Total Department Expenditure	0	0	1,611,987	1,611,987
Total Department Revenue	0	0	12,000	12,000
Total General City Support	0	0	1,599,987	1,599,987
Position Summary by Program				
002 General Fund				
Communications Office	0.00	0.00	17.50	17.50
Total	0.00	0.00	17.50	17.50
Total Position Summary	0.00	0.00	17.50	17.50
Expenditure Category by Department				
Personnel	0	0	1,492,577	1,492,577
Operating	0	0	115,810	115,810
Capital	0	0	3,600	3,600
Total Expenditures:	0	0	1,611,987	1,611,987
Revenue Category by Department				
From the Use of Money and Property	0	0	12,000	12,000
Total Revenue:	0	0	12,000	12,000

Resource Summary Notes

For FY 2017-18, the Communication Office has been separated from the City Manager's Office and will operate independently with a separate budget unit. Because of this change, the office has no prior budget history.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

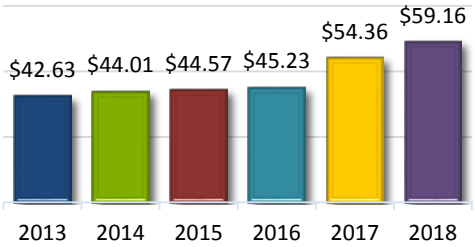


CONVENTION AND VISITORS BUREAU

The Virginia Beach Convention and Visitors Bureau develops and promotes Virginia Beach as a first-class, year-round travel destination that contributes to the city's quality of life and its diverse economy.

Department Overview

The department supports, maintains, and expands the leisure travel, meeting, and convention markets in the city in order to promote Virginia Beach as a first-class, year-round travel destination. The four core program areas of the Convention and Visitors Bureau (CVB) are:



Increase in FY 2016-17 due to Resort Programs Office being transitioned from SGA Office to CVB

Convention Promotion and Facility Management
These staff members provide the management, operations, and marketing for the city's Convention Center as a destination for conventions, trade shows, and meetings. Staff members promote the city and Convention Center on a nation-wide basis with the objective of increasing the number of quality events.

Tourism and Sports Marketing Promotion
These services include developing domestic and international tours, family reunions, travel agent sales contacts and leads, sales opportunities, developing/servicing sporting events and sports related meetings, and conventions. These sales leads are generated from trade shows, trade advertising, telemarketing, in-person sales calls, and site inspection visits. The sales leads are converted to bookings by the local hospitality industry in collaboration with the CVB team.

Tourism Promotion and Advertising
Advertising for the city and visitor information is provided through a dedicated funding stream, the Tourism Advertising Program (TAP) fund. The fund receives revenue from a dedication of one percent of the transient lodging tax, one-half of a percent of the restaurant meals tax, and a flat lodging tax of $1 per room night to support the city's advertising and marketing program and related activities including the operation of the Visitor Information Center. The Communications Division of CVB is charged with building media relationships on a local and regional level, and disseminating tourism-related information to our residents, and industry and regional partners. This includes overseeing the marketing and promotional efforts to encourage out-of-market tourism, targeting leisure, meetings and conventions, sports marketing, group tours, and international visitors.

Resort Programs and Special Events
Schedules and coordinates special events at the oceanfront and resort area, and plans and programs the entertainment events. It serves as the primary liaison between the special events organizer and city operating department(s). This office facilitates the development of resort business opportunities, supports the Resort Advisory Commission's initiatives, and coordinates capital improvement projects in the resort area. In addition, this office interacts with citizen advisory groups, administers contracts, collects revenue, ensures city code compliance, and manages oceanfront franchise agreements (including open air cafe's, boardwalk vendors, beach equipment rentals, beach photography, and film production). Interacts with many operating departments to facilitate service delivery related to special events and routine services performed in the resort area including Building Maintenance, Landscape Services, Beach Operations, Traffic Operations Civil Inspections, Code Enforcement, Zoning Office, and the Police Department.

Key Performance Measures

Goal: Be A Competitive, First Class Resort for Residents, Businesses and Tourists

Means to Residents: New tourist dollars to the local economy

Average amount spent by overnight summer visitors during their stay $2,572

75.8% repeat visitiation for summer overnight visitor's

5.3% of visitors traveling from outside of the U.S.

320 convention center events drawing 660,000 visitors

Hotel room demand 871,151 summer 1,626,103 non-peak

157,577 visitors served at visitor center information locations

Trends and Issues

- **Field House the Result of Sports Marketing Venue Assessment and Capacity Analysis**
  In 2016, the City completed the Victus study. This study recommended that Virginia Beach develop a new sports field house facility to enable growth of the City's sports marketing effort to attract more participatory sports events to Virginia Beach. Current facilities are fully booked by local sports leagues restricting the ability to access these facilities to attract new convention business in this growing market segment. A proposed project is included in the FY 2017-18 Capital Improvement Program to address these needs.

- **Restructuring of the Marketing and Communications Division**
  With City Council's approval in October of 2016 of additional positions, the CVB is moving forward with a restructuring effort to bring more marketing capabilities in-house. The resulting savings of this restructure will allow the department to reallocate more financial resources to paid media which is needed to enhance our destination's brand awareness and perception.

- **Convention Center Hotel Needed to Lure Larger Conventions**
  The City's 500,000 square foot Convention Center is underperforming in terms of drawing large national conventions due to the absence of a convention center hotel. The Convention Center competes with many other destinations for conventions that are able to present a convention center and hotel package satisfying a required configuration by many organizations and national associations. Multiple consultant studies have expressed the need for a convention center hotel indicating that it will be difficult for Virginia Beach to be competitive in the marketplace without this asset in combination with the convention center.

- **Arena Development About to Become a Reality**
  With the agreement between the city and United States Management, LLC (USM) to construct an 18,000 seat arena adjacent to the Convention Center, the city will take a major step forward in tourism product development. Virginia Beach is the top market in the country without a state of the art arena and the

construction of a privately financed 500,000 square foot venue will generate tourism from regional day trips to overnight visitors with its wide variety of events.

As part of the agreement between the city and USM, the city will invest in infrastructure including roadway and intersection improvements, streetscape improvements including lighting and landscaping, storm water improvements, and water and sewer connections to the facility. All of these public improvements will contribute not only to the arena project, but are important enhancements for residents who live in that area of city.

- **Several Groups Show Interest in Developing the Dome Site**
  In addition to the arena project, the potential development of the Dome site property will also enhance the city's profile as a year-round tourism destination. In late 2016, three unsolicited development proposals were submitted to the City. This development will be important for both leisure and convention markets as Virginia Beach has a need for more entertainment and higher-end retail choices – especially in the Resort area. The proposed vision for this site will add great new product that will enhance the visitor experience. The site provides an opportunity to bring another top quality development to the oceanfront which will make the resort area one of the best family friendly destinations on the East Coast.

Major Budget Changes

	Change	Impact
↑	10 FTEs Transitioned from the Tourism Advertising Program (TAP) Fund to the General Fund	Moving these positions to the General Fund will free up approximately $1.0 million to be spent on marketing the City as a year round tourism destination. With the construction of the arena project, potential development at the dome site, a new field house, and a Convention Center Hotel all possible within the next five to 10 years, it is important that the City's marketing dollars are maximized.

Convention and Visitors Bureau - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	945,702	1,218,619	1,589,992	371,373
Marketing, PR and Communications	0	0	30,000	30,000
Tourism Marketing and Sales	457,385	94,858	556,096	461,238
Sports Marketing	269,713	393,541	457,024	63,483
Convention Marketing and Sales	1,105,691	947,187	932,899	(14,288)
Convention Services	0	0	273,146	273,146
Virginia Beach Convention Center	5,943,252	6,455,393	6,294,534	(160,859)
Total Expenditures	8,721,743	9,109,598	10,133,691	1,024,093
Revenues				
Fees	4,313,774	3,845,581	3,960,581	115,000
Total Revenues	4,313,774	3,845,581	3,960,581	115,000
General City Support	4,407,969	5,264,017	6,173,110	909,093
152 Tourism Investment Program Fund				
Expenditures				
TIP - Marketing, PR and Communications	125,472	100,000	100,000	0
TIP Resort Programs & Special Events	0	4,278,172	4,493,595	215,423
Total Expenditures	125,472	4,378,172	4,593,595	215,423
Revenues				
Local Taxes	104,467	2,570,365	3,058,064	487,699
Fees	(665)	1,730,387	1,535,531	(194,856)
Transfers	0	25,194	0	(25,194)
Total Revenues	103,802	4,325,946	4,593,595	267,649
General City Support	21,670	52,226	0	(52,226)

Convention and Visitors Bureau - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
163 Tourism Advertising Program Special Revenue Fund				
Expenditures				
Visitor Information Center	1,190,318	819,427	779,278	(40,149)
TAP - Marketing, PR and Communications	10,025,411	6,220,934	8,763,609	2,542,675
Sports Marketing & Sales	0	1,310,897	1,236,633	(74,264)
Tourism Marketing & Sales	0	1,762,709	362,719	(1,399,990)
Administration	0	536,057	260,636	(275,421)
Convention Marketing & Sales	0	852,871	511,447	(341,424)
Convention Center Marketing	0	37,154	0	(37,154)
Convention Services	0	497,001	247,970	(249,031)
Reserve for Contingencies	0	250,519	22,020	(228,499)
Transfer to Other Funds	56,838	61,992	56,838	(5,154)
Total Expenditures	11,272,567	12,349,561	12,241,150	(108,411)
Revenues				
Local Taxes	11,393,481	11,468,879	12,076,046	607,167
Fees	116,366	174,297	165,104	(9,193)
Fund Balance	0	706,385	0	(706,385)
Total Revenues	11,509,847	12,349,561	12,241,150	(108,411)
General City Support	(237,280)	0	0	0
Total Department Expenditure	20,119,782	25,837,331	26,968,436	1,131,105
Total Department Revenue	15,927,423	20,521,088	20,795,326	274,238
Total General City Support	4,192,359	5,316,243	6,173,110	856,867

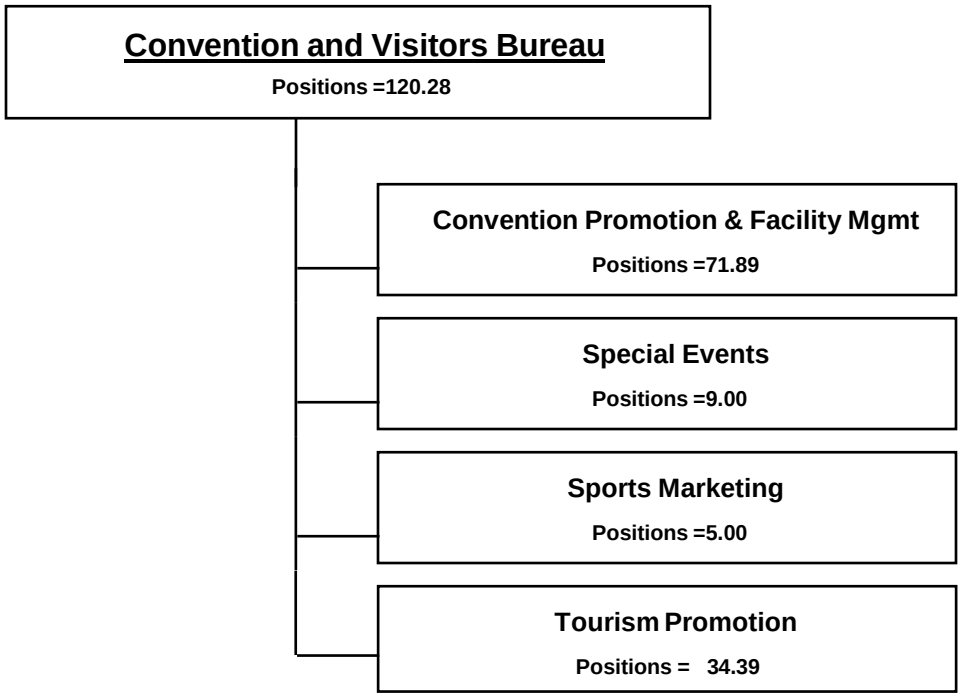
Position Summary by Program

002 General Fund				
Director's Office	8.00	9.00	10.00	1.00
Tourism Marketing and Sales	6.00	0.00	5.00	5.00
Sports Marketing	3.00	4.00	5.00	1.00
Convention Marketing and Sales	13.00	9.00	9.00	0.00
Convention Services	0.00	0.00	3.00	3.00
Virginia Beach Convention Center	63.89	62.89	62.89	0.00
Total	93.89	84.89	94.89	10.00
152 Tourism Investment Program Fund				
TIP Resort Programs & Special Events	0.00	9.00	9.00	0.00
Total	0.00	9.00	9.00	0.00
163 Tourism Advertising Program Special Revenue Fund				
Visitor Information Center	12.39	7.39	7.39	0.00
TAP - Marketing, PR and Communications	0.00	9.00	9.00	0.00
Tourism Marketing & Sales	0.00	6.00	0.00	-6.00
Administration	0.00	1.00	0.00	-1.00
Convention Services	0.00	3.00	0.00	-3.00
Total	12.39	26.39	16.39	-10.00
Total Position Summary	106.28	120.28	120.28	0.00

Convention and Visitors Bureau - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Expenditure Category by Department				
Personnel	6,950,753	8,288,436	8,363,341	74,905
Operating	13,090,927	17,127,079	18,481,237	1,354,158
Capital	21,264	109,305	45,000	(64,305)
Reserves	0	250,519	22,020	(228,499)
Transfers	56,838	61,992	56,838	(5,154)
Total Expenditures:	20,119,782	25,837,331	26,968,436	1,131,105
Revenue Category by Department				
Hotel Room Tax	5,636,512	8,054,552	8,792,507	737,955
Restaurant Meal Tax	5,861,436	5,984,692	6,341,603	356,911
Permits, Privilege Fees, and Regulatory Licenses	1,871	281,712	277,669	(4,043)
From the Use of Money and Property	3,236,458	3,872,300	3,774,837	(97,463)
Charges for Services	1,138,982	1,078,198	1,112,454	34,256
Miscellaneous Revenue	52,829	48,055	37,356	(10,699)
Fines and Forfeitures	(665)	470,000	458,900	(11,100)
Transfers from Other Funds	0	25,194	0	(25,194)
Specific Fund Reserves	0	706,385	0	(706,385)
Total Revenue:	15,927,423	20,521,088	20,795,326	274,238

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



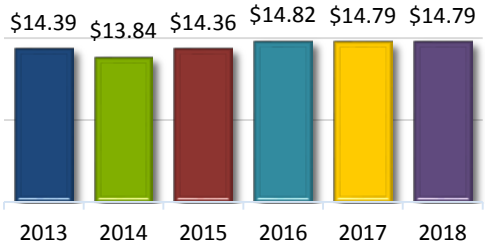
COURTS AND COURT SUPPORT

The mission of the court system is to provide an accessible and responsive forum for the resolution of disputes through the rule of law and quality service that ensures that all are treated with courtesy, dignity and respect.

Department Overview

Courts and Court Support is comprised of six divisions, each with responsibilities focused on different aspects of the local judicial process. Each division has a separate state and city budget since the state provides a large portion of the total funding for all of them. The responsibilities for each division are detailed below:

Per Capita Expenditures



Note: Decrease in 2014 due to payment from Pendleton Child Service Center being moved to Human Services. Increase in 2015 due to more funding for pre-dispositional services for juveniles affected by family violence cases.

Virginia Beach Circuit Court

This is the trial court for the City with the authority to try both civil and criminal cases. They have jurisdiction over all felonies and misdemeanors originating from grand jury indictments and hear appeals from the General District and Juvenile and Domestic Relations District Courts.

General District Court

GDC hears cases involving traffic violations, civil disputes (for claims up to $25,000), criminal misdemeanors, the preliminary hearings for criminal felonies, and bond hearings.

Juvenile and Domestic Relations District Court

JDR is responsible for cases involving juveniles as well as adults involved in issues concerning support, visitation, parentage, abuse, or custody of children.

Clerk of the Circuit Court

They are the keeper of vital documents recorded in the locality, some of which are deeds, deeds of trust, plats, powers of attorney, Certificate of Release or Discharge from Active Duty (DD-214s), financing statements, judgments, notary applications, and business names. The Clerk of Circuit Court also oversees 9 judges with dockets that consist of name changes, adoption, divorce, civil suits, complex criminal matters, and all of the appeals from the District Courts.

The Magistrate

This division provides an independent review of complaints from law enforcement officers and citizens to determine if there is probable cause for criminal charges. Magistrates issue arrest and search warrants and can set bail or commit individuals to custody following an arrest.

Court Services Unit (Juvenile Probation)

This unit provides probation supervision to children placed on probation by the Juvenile Court and parole services to those youth who have been committed to the Department of Juvenile Justice. The unit prepares all social history background investigations for the Juvenile Court and refers juveniles who are brought before the court to community based systems for sanctions, programs, and services.

Key Performance Measures

Goal: Be the Safest City in Virginia
Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: Residents feels safe throughout the city	Means to Residents: Feeling safe and secure within Virginia Beach - any place, anytime		Means to Residents: City services that are readily accessible and are provided in a customer friendly manner
14,692 new cases commenced in Circuit Court	51% of youth receiving detention alternative placement		37.5 Circuit Court Clerk customer service hours per week
14,692 total civil and criminal cases concluded	100% of youth assessed for detention	285 youth receiving supervision or unofficial counseling	73,949 deeds recorded; 100% of deeds returned within 3 days

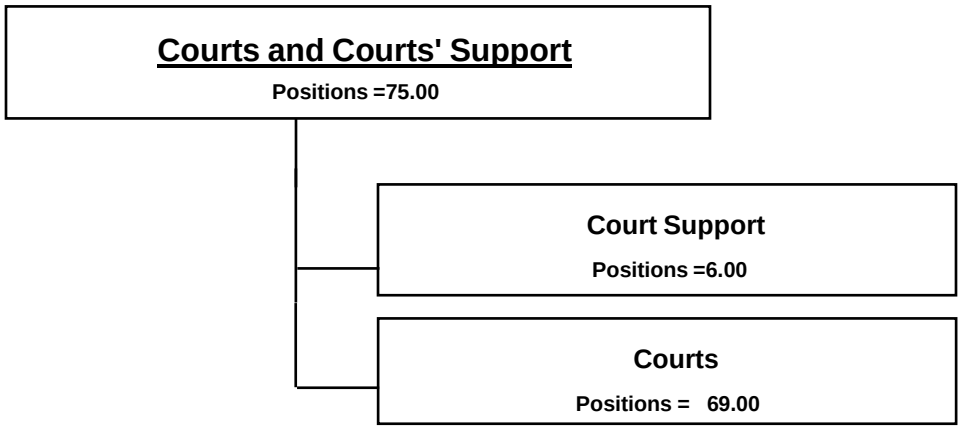
Trends and Issues

- Juvenile Probation has reported a 21% increase in clients being required to use dispositional services as a result of more serious crimes being committed by juveniles. This service is used by the court to help address the various risk factors that contribute to violent felonies being committed. As a result, the use of pre and post-dispositional funds has increased, which can have an operating budget impact in the coming years if this trend continues.

Courts and Courts' Support - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Circuit Court	1,081,437	1,097,944	1,096,374	(1,570)
General District Court	377,117	452,413	462,413	10,000
Juvenile and Domestic Relations District Court	106,574	181,768	181,768	0
Clerk of the Circuit Court	3,259,722	3,380,649	3,428,563	47,914
Magistrates	73,597	80,483	70,483	(10,000)
Juvenile Probation	984,328	1,214,326	1,212,256	(2,070)
Juvenile Probation CHINS Unit	272,107	299,881	289,172	(10,709)
Total Expenditures	6,154,882	6,707,464	6,741,029	33,565
Revenues				
Local Taxes	7,299,045	0	0	0
Fees	421,683	184,049	257,226	73,177
State	1,972,756	2,011,367	2,013,190	1,823
Total Revenues	9,693,484	2,195,416	2,270,416	75,000
General City Support	(3,538,602)	4,512,048	4,470,613	(41,435)
Total Department Expenditure	6,154,882	6,707,464	6,741,029	33,565
Total Department Revenue	9,693,484	2,195,416	2,270,416	75,000
Total General City Support	(3,538,602)	4,512,048	4,470,613	(41,435)
Position Summary by Program				
002 General Fund				
Circuit Court	12.00	12.00	12.00	0.00
Clerk of the Circuit Court	57.00	57.00	57.00	0.00
Juvenile Probation	1.00	1.00	1.00	0.00
Juvenile Probation CHINS Unit	5.00	5.00	5.00	0.00
Total	75.00	75.00	75.00	0.00
Total Position Summary	75.00	75.00	75.00	0.00
Expenditure Category by Department				
Personnel	4,503,358	4,582,133	4,610,200	28,067
Operating	1,647,684	2,125,331	2,130,829	5,498
Capital	3,840	0	0	0
Total Expenditures:	6,154,882	6,707,464	6,741,029	33,565
Revenue Category by Department				
Other Taxes	7,299,045	0	0	0
Permits, Privilege Fees, and Regulatory Licenses	16,773	18,102	17,505	(597)
From the Use of Money and Property	112,200	0	0	0
Charges for Services	171,937	165,947	164,721	(1,226)
Miscellaneous Revenue	0	0	75,000	75,000
Fines and Forfeitures	120,773	0	0	0
Other Sources from the Commonwealth	1,972,756	2,011,367	2,013,190	1,823
Total Revenue:	9,693,484	2,195,416	2,270,416	75,000

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



CULTURAL AFFAIRS

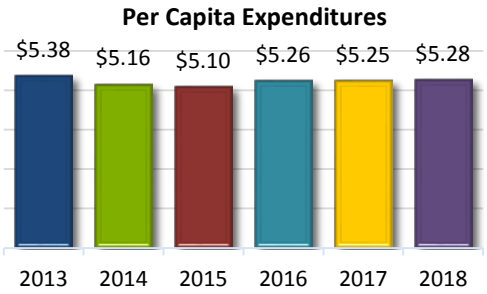
The mission of the Office of Cultural Affairs is to integrate the arts and humanities, in their full ethnic and cultural diversity, into the fabric of everyday life. Toward this end, the Office exists to stimulate and support excellence and accessibility in the arts and humanities for all citizens.

City Council Amendment:

- Provides an additional $25,000 to the Arts and Humanities Commission

Department Overview

The Office of Cultural Affairs works with the Virginia Beach Arts and Humanities Commission to support cultural activities throughout the city. Funding for the commission is provided on a per capital basis, and grants are provided to local arts organizations. The Office is also responsible for:



- Overseeing the Sandler Center for the Performing Arts, a 1,300 seat theatre which opened in the fall of 2007 at Town Center and is managed by a private contractor.
- Acting as the liaison to the ViBe Creative District, established near the resort area in April 2015.
- Acting as the liaison to the African American Cultural Center.
- Acting as the liaison to the Zeiders American Dream Theater.
- Acting as the liaison to the Sandler Center Foundation.
- Overseeing the city's public art program and works in conjunction with the Virginia Beach Public Art Foundation and the Public Art Committee to commission works of art for public spaces and to develop community art programs.
- Through the Arts and Humanities Commission, funding 20 grants to non-profit arts and cultural organizations.
- Providing a grant to the Virginia Museum of Contemporary Art for utilities and educational programs.
- Budget support for the Boardwalk Art Show funded by the Tourism Investment Program fund.

After over a year of public comment, in December 2015, Cultural Affairs released the first-year citywide strategic plan for the arts entitled Arts Plan 2030, which provides goals and strategies for art development over the next 15 years.

The Envision Virginia Beach 2040 report speaks to the importance of a culturally rich environment, the importance of public art, and a "performing and artistic offering… that general interest, excitement, entertainment and support tourism." The success of the Sandler Center indicates that this goal is being met.

Key Performance Measures

Goal: Be A Competitive, First Class Resort For Residents, Businesses and Tourists

Means to Residents: Quality leisure activities for families	Means to Residents: More choices for your leisure time
95.5% of residents satisfied with the city's museums, aquarium, & cultural arts activities	435 event days at the Sandler Center
533 programs funded by the Arts and Humanities Commission	175,000 Attendees at events at the Sandler Center

Trends and Issues

- FY 2017-18 is the last year the city will contribute $100,000 to the ViBe District Support for Administration, Marketing and Entertainment Program formerly called the Revolving Loan Program. This program offers funding to new creative businesses based on criteria established by the ViBe District non-profit organization. Although the program is not operated by the City of Virginia Beach, the city agreed to match $100,000 of city funds per year, for three years, to 50,000 investments from the private sector.

- The next Economic Impact Study will be released in mid-2017. Based on the last study in 2008-2009, the arts are a $56.8 million industry in Virginia Beach, with audiences spending on average $30.44 per person in addition to the cost of event admission, providing 1,411 full-time equivalent jobs, $27.8 million in resident household income, $2.3 million in local government tax revenues, and $3.6 million in state government tax revenues.

- Global Spectrum was hired as the Manager and Programmer of the Sandler Center in 2007. The contract was rebid in 2012 and again awarded to Global Spectrum (now called Spectra). The contract is up for bid in the current year and the Office of Cultural Affairs is currently working through a RFP process for the operating contract. The awarded operator will be responsible for the management of operations in the Sandler Center. All bidders have presented and the selection committee is currently in discussion.

- The Virginia Beach Arts and Humanities Commission is comprised of 11 members appointed by City. The Commission meets in late March to determine grant allocations for the upcoming fiscal year. The Commission awards two types of grants: Project Grants and Leadership and Organizational Development grants. Project grants are designed to increase access to quality cultural programs for all residents of Virginia Beach and this program supports a wide variety of artistic and cultural activities. Organizations awarded Project grants in FY 2016-17 are listed below.

Organization	Amount	Organization	Amount
Ballet Virginia International	10,000	Little Theatre of Virginia Beach	22,000
Governor's School for the Arts Foundation	3,000	Symphonicity	74,100
Old Coast Guard Station	5,500	Tidewater Arts Outreach	7,500
Teens with a Purpose	5,000	Virginia Arts Festival	20,500
The Tidewater Winds	13,000	Virginia Museum of Contemporary Art	115,000
Virginia Musical Theatre	105,000	Virginia Opera Association, Inc.	15,000
Virginia Stage Company	4,000	Virginia Symphony Orchestra	76,000
World Affairs Council of Greater Hampton Roads	3,000	Young Audiences of Virginia, Inc.	12,000
Zeiders American Dream Theater	15,000		
		Total	$505,500

Major Budget Changes

	Change	Impact
↑	1 FTE to assist with Strategic Plan Implementation	Funding for a net new position is included in the budget. This position will assist with the implementation of the recently adopted Arts Plan 2030 and other citywide art priorities.
↓	Elimination of Development Specialist Position	This position was established through a 10 year Memorandum of Understanding (MOU), which expires July 2017. This position is dedicated entirely to the Sandler Center Foundation as a Campaign Coordinator to assist the Foundation with raising money for the construction of the Sandler Center. The Sandler Center has been fully operational for 10 years and there is no longer a need for the City to fully finance a position dedicated to raising donations for the Sandler Center. Instead, the responsibility for raising donations for the Sandler Center will be transitions to the Foundation. The position will terminate with the expiration of the MOU.

Cultural Affairs - Departmental Resource Summary

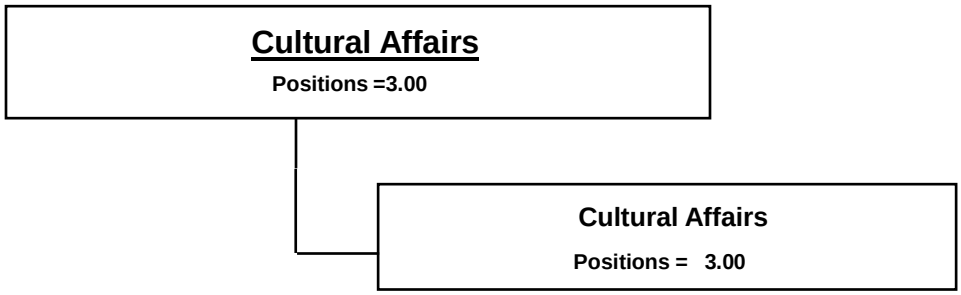
	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Cultural Affairs	476,278	566,309	698,283	131,974
Sandler Center	357,924	1,015,680	820,000	(195,680)
Contemporary Arts Center Grant	225,000	275,000	290,000	15,000
Arts and Humanities Commission	503,230	525,000	575,000	50,000
Total Expenditures	1,562,432	2,381,989	2,383,283	1,294
Revenues				
Fees	2,300	13,680	0	(13,680)
State	5,000	5,000	5,000	0
Total Revenues	7,300	18,680	5,000	(13,680)
General City Support	1,555,132	2,363,309	2,378,283	14,974
152 Tourism Investment Program Fund				
Expenditures				
Cultural Affairs - TIP	50,500	50,500	50,500	0
Total Expenditures	50,500	50,500	50,500	0
Revenues				
Local Taxes	53,443	50,500	50,500	0
Total Revenues	53,443	50,500	50,500	0
General City Support	(2,943)	0	0	0
Total Department Expenditure	1,612,932	2,432,489	2,433,783	1,294
Total Department Revenue	60,743	69,180	55,500	(13,680)
Total General City Support	1,552,189	2,363,309	2,378,283	14,974

Position Summary by Program				
002 General Fund				
Cultural Affairs	3.00	3.00	3.00	0.00
Total	3.00	3.00	3.00	0.00
Total Position Summary	3.00	3.00	3.00	0.00

Expenditure Category by Department				
Personnel	285,106	294,139	310,021	15,882
Operating	1,326,879	2,138,350	2,123,762	(14,588)
Capital	947	0	0	0
Total Expenditures:	1,612,932	2,432,489	2,433,783	1,294

Revenue Category by Department				
Hotel Room Tax	53,443	50,500	50,500	0
From the Use of Money and Property	0	13,680	0	(13,680)
Miscellaneous Revenue	2,300	0	0	0
Other Sources from the Commonwealth	5,000	5,000	5,000	0
Total Revenue:	60,743	69,180	55,500	(13,680)

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



ECONOMIC DEVELOPMENT

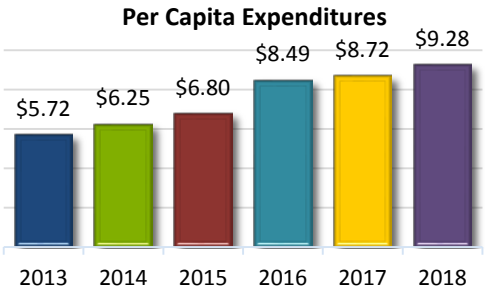
The mission of the Department of Economic Development is to develop, implement, and maintain programs that facilitate the creation of a diversified, continually expanding dynamic economy through the development of, and investment in new, targeted businesses and enhance existing businesses. This will lead to the creation of quality jobs, higher wages, and lower tax rates, as well as encouraging the retention and expansion of activities and enhancing the overall quality of life in Virginia Beach.

Department Overview

Economic Development encourages and assists in the attraction of new businesses, retention and expansion of existing businesses, and international trade opportunities. Specific outcomes of the Economic Development program are: 1) a growing local economy 2) economic opportunity and prosperity for residents 3) revenue growth to fund city services.

Economic Development Administration and Staff

Staff work year round with the aim to expand and diversify the tax base and employment opportunities for the city through business development. They work closely with the business community to provide site selection, market information, financial guidance, and business assistance. Regular assessments of market needs are evaluated providing staff with the knowledge of market voids and necessities. The department places special interest on key industries such as Biomedical & Life Sciences, Defense, Information Services, Retail, Maritime & Logistics, Small Women-owned and Minority (SWaM) businesses etc.



Workforce Development

A well-educated and skilled population is vital for a thriving community. Virginia Beach residents and employers benefit from an excellent public and private education system. The GrowSmart program works with VBCPS and community partners to ensure the children's healthy development and access to high-quality education in the first five years of life, which prepares them to be ready to learn and succeed in school. The local colleges and exiting members of the military provide talented individuals to meet the employment needs of the business community. Economic Development dialogues with the business community to assess if the educational community is meeting the needs of employers.

Virginia Beach Development Authority (VBDA) Staff Support

The VBDA is appointed by City Council with the goal of facilitating the expansion of the tax base through increased business investment. The VBDA administers the Economic Development Investment Program (EDIP) that is funded through the city's CIP. The funding source for this program is a dedicated 16-cent of the cigarette tax. Economic Development staff provides support and implements decisions made by the VBDA.

Key Performance Measures

Goal: Grow the Local Economy

Means to Residents: Job opportunities with higher pay for residents to work in Virginia Beach

- 20 new companies in target industries opened/located 8 new SWaM businesses
- 35 existing companies expanded in target industries
- 75% of 3rd graders reading on grade level
- 75 new company prospects
- 50 company prospects
- 90 1st grade students in "3rd Grade Reads" program
- 90% of kindergarten students passing PALS

Means to Residents: Opportunities to start and grow businesses in Virginia Beach

- 78.3% of Virginia Beach residents are satisfied with job opportunities
- $100 million in new capital investment
- 1,500 employment opportunities created

Trends & Issues

Annually City Council assesses and establishes their top priorities, and a top goal is "Grow the Local Economy". Although many factors beyond the control of the local government influence economic growth, the department helped achieved the following in FY 2016-17:

- 3 New Business Locations.
- 7 Existing Industry Expansions and Retentions.
- 530+ Jobs Created.
- $55.2 million in New Capital Investment.
- The City continues to make progress with VABeachBio, a biomedical and healthcare business development initiative. Started in 2014 with a Task Force led by the Mayor and consisting of biomedical, healthcare, and University CEOs and Presidents from all across the region, the VABeachBio Initiative seeks to leverage our collective assets to strengthen the existing biomedical business cluster in the City's Princess Anne Commons Corridor. Recent successes have included expansions at LifeNet Health and the relocation of Sanyal Biotechnology, a spinout of Virginia Commonwealth University, into the City's Biomedical Accelerator space at Tidewater Community College. This space provides startups with the space and equipment they need to perfect their research and grow into freestanding office space within the bio corridor. Governor McAuliffe also announced plans to open a new Veterans Care Center in Princess Anne Commons, which will allow veterans better access to crucial care and provide researchers with opportunities to collaborate on veteran-related illnesses. Recently, the City transferred 155 acres of land along Princess Anne Road to the Development Authority for the creation of the VABeachBio Innovation Park, which will house up to 1,000,000 square feet of lab space, office, and light industrial space. This park will provide new and existing businesses with the room to grow in our

biomedical corridor and attract a variety of new research opportunities that will spur innovation for decades to come.

Major Budget Changes

	Change	Impact
↑	Additional funding for Media Advertising and Marketing Travel	This funding will ensure advertising and marketing in fields such as ultra-high speed sub-oceanic cable communications companies, cyber security, bio-health services, and Small Women and Minority Owned Businesses.
↑	New Position for GrowSmart	This position will expand this program to 50 students in two schools.

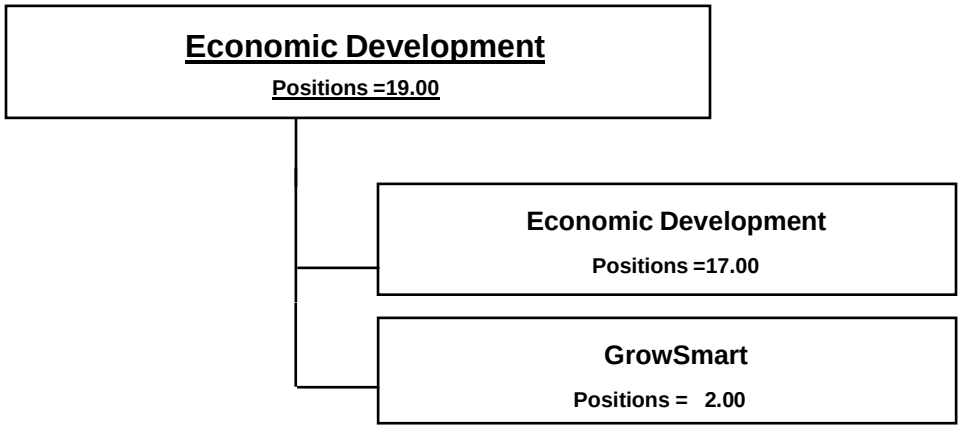
Economic Development - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	3,672,086	3,658,941	3,855,536	196,595
GrowSmart	277,185	298,791	376,834	78,043
Total Expenditures	3,949,271	3,957,732	4,232,370	274,638
Revenues				
Fees	30,000	0	0	0
Total Revenues	30,000	0	0	0
General City Support	3,919,271	3,957,732	4,232,370	274,638
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - Economic Development	67,876	0	0	0
Total Expenditures	67,876	0	0	0
Revenues				
Fees	67,876	0	0	0
Total Revenues	67,876	0	0	0
General City Support	0	0	0	0
Total Department Expenditure	4,017,147	3,957,732	4,232,370	274,638
Total Department Revenue	97,876	0	0	0
Total General City Support	3,919,271	3,957,732	4,232,370	274,638

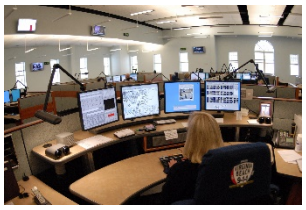
Position Summary by Program				
002 General Fund				
Director's Office	16.00	17.00	17.00	0.00
GrowSmart	1.00	1.00	2.00	1.00
Total	17.00	18.00	19.00	1.00
610 Capital Projects Internal Service Fund				
Capital Projects - Economic Development	1.00	0.00	0.00	0.00
Total	1.00	0.00	0.00	0.00
Total Position Summary	18.00	18.00	19.00	1.00

Expenditure Category by Department				
Personnel	1,879,043	1,893,416	1,977,000	83,584
Operating	2,135,711	2,064,316	2,253,570	189,254
Capital	2,393	0	1,800	1,800
Total Expenditures:	4,017,147	3,957,732	4,232,370	274,638
Revenue Category by Department				
Charges for Services	67,876	0	0	0
Miscellaneous Revenue	30,000	0	0	0
Total Revenue:	97,876	0	0	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



EMERGENCY COMMUNICATIONS AND CITIZEN SERVICES



The mission of Emergency Communications and Citizen Services (ECCS) is to provide efficient, accurate, professional processing of emergency, non-emergency and information requests. This is achieved through commitment, teamwork, excellent customer service, and a willingness to serve in a respectful and professional manner.

City Council Amendment:

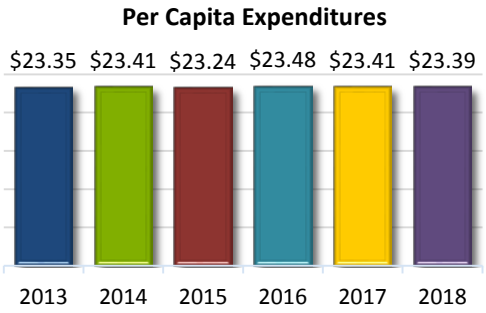
- Provides an additional $250,000 to support six new FTEs to increase the hours of operation of the 3-1-1 call center to provide 24/7 operations.

Department Overview

The Department has six main program areas:

VB 9-1-1- Emergency Communications
Receives and processes citizens' calls for emergency and non-emergency public safety service requests requiring response from emergency personnel including police, fire, emergency medical services, and animal control.

VB 3-1-1- Citizen Services
Processes general government information and service requests via multiple communication channels including telephone, online assistance, email, walk-ins, print, radio dispatching, and emergency notifications. Assistance is provided for service and information requests to other city agencies including the Real Estate Assessor, Public Safety, Public Utilities, Public Works, Parks and Recreation/Landscape Services, and Information Technology/Telecommunications.



Director's Office
Provides oversight, leadership, executive level assistance for ECCS, as well as management of the Commission on Accreditation for Law Enforcement accreditation program, which consists of tri-annual on-site assessment, renewal, and annual mandatory training conferences.

Administration
Provides support for the day-to-day business affairs for ECCS including payroll, accounts payable/receivable, human resources, quality assurance and quality improvement related to call processing, and departmental inventory.

Training
This includes training and policy development for all ECCS employees, learning and development tracking, and

professional development.

Technology and Support
Provides on-site support and maintenance of ECCS' business applications to ensure optimal operation to enable ECCS to provide services efficiently and effectively.

Key Performance Measures

Goal: Be the Safest City in Virginia

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services that are readily accessible and are provided in a customer friendly manner.	Means to Residents: Residents feel safe throughout the City & Residents feeling safe and secure within Virginia Beach – any place, anytime.	Means to Residents: Timely response to an emergency call for service.
89.8% of citizens satisfied with the 3-1-1 system	94.8% of residents agree with the statement " Virginia Beach, in general, is a safe place to live" 90.7% of residents agree with the statement "my neighborhood is a safe place to live"	95.9% of citizens are satisfied with 911 emergency telephone center services
20 second average wait time for VB 3-1-1 calls 30,000 VB 3-1-1 online inquiries 33,000 service requests handled for city agencies	460,000 public safety calls recieved, entered, & dispatched 240,000 incoming 9-1-1 phone calls and 704,370 total emergency and non-emergency phone calls handled	15 second average wait time for 9-1-1 calls 91% of priority 1 EMS calls dispatched within 90 seconds & 80% processed within 2 minutes

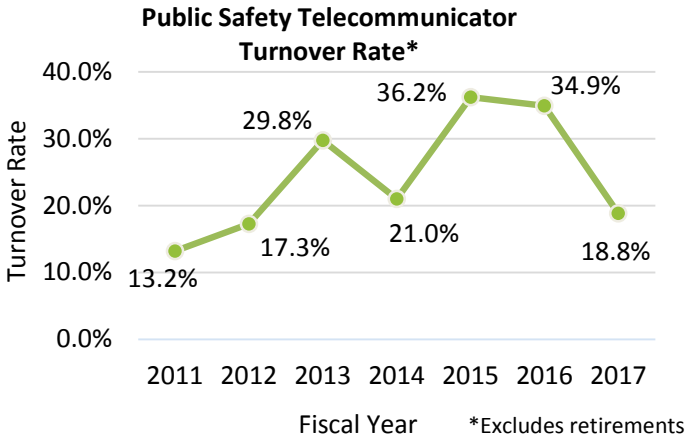
Trends & Issues

- There is some uncertainty as to the amount of State E911 wireless service funding ECCS will receive in FY 2017-18. For FY 2017-18, State E911 wireless service funding was anticipated to decrease by approximately $582,000 from $1.73 million to $1.15 million due to an up-coming 5-year recalculation of the funding formula that is required by State Code. The existing funding formula is based on wireless 9-1-1 call volume and cost for a proportion of salaries of 9-1-1 staff related to those wireless 9-1-1 calls. The funding formula recalculation may not occur if the General Assembly adopts legislation to delay it until July 1, 2018. The delay would enable the State's 9-1-1 Wireless Services Board to finalize a long-

term 9-1-1- funding analysis, which may change the funding formula to include the cost impacts of deploying and sustaining a NG (Next Generation) 9-1-1 system statewide.

- In future years the telecommunication corporations may cease routing 9-1-1 calls as the result of cost cutting measures and measures to reduce risk of liability if their equipment fails to route calls. The impact is anticipated to increase costs for the City to provide this service itself or contract with another company to provide this service. This is a major reason the State is looking to revise the funding formula.

- Turnover rate for Public Safety Telecommunicator positions has been an on-going issue for ECCS. As of February 1, 2017, turnover for FY 2016-17 is 18.8% (excludes retirements). The most recent data on turnover rates nationwide from 2009 showed the average turnover rate for 911 professionals was 19%. A new nationwide 911 professionals' retention study is currently being conducted by APCO (Association of Public-Safety Communications Officials) and it is anticipated that results will be available in late 2017. ECCS is addressing this issue by increasing advertising of vacancy announcements through multiple communication channels (social media, public service announcements, contacts with local community colleges and high schools, and participation in career fairs) to increase the pool of applicants. ECCS has dedicated two staff members to recruitment and retention of Public Safety Telecommunicator positions. Process improvements made to the hiring and new hires training beginning with the June 2016 Academy have so far resulted in reduced time from application to hire by over 50% from 6 months to 10 weeks, and increased on-the-job training hours from 119 in 67 days to 129 in 23 working days. These changes, along with others implemented in the new training program, have increased the retention rate of our newest employees. In addition, ECCS is working with the Virginia Beach Public Schools Technical and Career Education Center and the City's Department of Information Technology to make improvements in its 2-year public safety certification program to attract high school students to careers in public safety and stay in Virginia Beach. The ultimate goal is for this program to become comparable to an apprenticeship.



Major Budget Changes

	Change	Impact
↑	One Additional Position for Quality Assurance & Quality Improvement	Adds one full-time Public Safety Analyst I position and support costs totaling $64,056 to serve as Quality Assurance (QA) and Quality Improvement (QI) specialist to ensure that ECCS staff are providing the proper service and instructions to callers of VB9-1-1- and VB3-1-1 call centers to ensure a consistent, effective, and efficient level of service.

Emergency Communications and Citizen Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	199,988	223,806	227,935	4,129
Administration	360,401	415,316	473,953	58,637
Training	39,428	48,868	50,000	1,132
Emergency Communications	7,004,252	8,525,997	8,459,055	(66,942)
Citizen Services	726,685	805,251	928,154	122,903
Technology and Support	276,468	600,312	770,757	170,445
Total Expenditures	8,607,222	10,619,550	10,909,854	290,304
Revenues				
Fees	609	0	0	0
State	1,827,027	1,735,000	1,735,000	0
Transfers	141,396	141,396	141,396	0
Total Revenues	1,969,032	1,876,396	1,876,396	0
General City Support	6,638,190	8,743,154	9,033,458	290,304
183 Grants Consolidated Fund				
Expenditures				
ECCS Grant	150,000	2,000	2,000	0
Total Expenditures	150,000	2,000	2,000	0
Revenues				
State	150,000	2,000	2,000	0
Total Revenues	150,000	2,000	2,000	0
General City Support	0	0	0	0
Total Department Expenditure	8,757,222	10,621,550	10,911,854	290,304
Total Department Revenue	2,119,032	1,878,396	1,878,396	0
Total General City Support	6,638,190	8,743,154	9,033,458	290,304

Position Summary by Program				
002 General Fund				
Director's Office	1.75	1.75	1.75	0.00
Administration	4.00	4.00	5.00	1.00
Emergency Communications	108.00	107.00	106.00	-1.00
Citizen Services	14.00	14.00	18.00	4.00
Technology and Support	4.00	4.00	7.00	3.00
Total	131.75	130.75	137.75	7.00
Total Position Summary	131.75	130.75	137.75	7.00

Expenditure Category by Department				
Personnel	7,235,895	9,019,422	9,294,675	275,253
Operating	1,370,578	1,602,128	1,615,999	13,871
Capital	150,749	0	1,180	1,180
Total Expenditures:	8,757,222	10,621,550	10,911,854	290,304

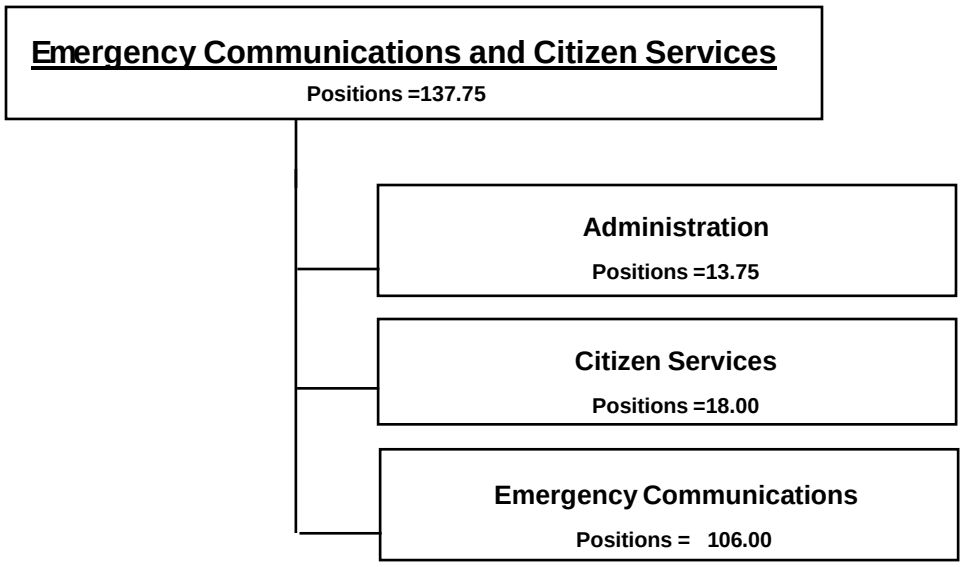
Emergency Communications and Citizen Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Revenue Category by Department				
Charges for Services	609	0	0	0
Other Sources from the Commonwealth	1,977,027	1,737,000	1,737,000	0
Transfers from Other Funds	141,396	141,396	141,396	0
Total Revenue:	2,119,032	1,878,396	1,878,396	0

Resource Summary Notes

The "Position Summary" list reflects the transfer of staff from Emergency Communications and Citizen Services divisions to Technology and Support, which occurred during FY 2016-17 to support enhancements to the recruitment and training of entry level Public Safety Telecommunicators. Also some Coordinator positions were reallocated between Citizen Services, Technology and Support and Administration divisions.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



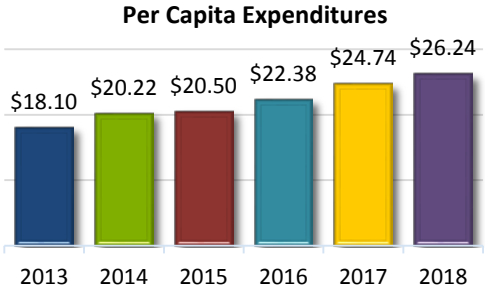
EMERGENCY MEDICAL SERVICES

The mission of the Department of Emergency Medical Services (EMS) is to provide quality services to the community, which preserve life, reduce suffering, improve health, and promote the safety of citizens and visitors, who live, learn, work, and play in our community. This mission is accomplished through a systems approach focused on providing high quality patient care services, organizational sustainment, public awareness and education, proactive safety interventions, and all-hazards readiness.

Department Overview

Administration

Provides for leadership, direction, and support through the provision of manpower (retention and recruitment, human resources), development of policies, management of departmental budgets and finances, performance of liaison activities with related state, local, and federal agencies, processing of public inquiries, provision of logistics support, gathering and analysis of data and research, and development of programs.



Operations and Emergency Response

Provides quality emergency medical services in order to increase the probability of stabilizing or improving patients' conditions. This includes rapid response to and proper provision of basic and advanced patient care pre-hospital and inter-facility care services, as well as specialized services to the general public to reduce patient morbidity and mortality. This involves oversight of ten independent Volunteer Rescue Squads comprised of 492 highly trained and certified volunteer medics (varies daily) distributed throughout the 18 EMS stations augmented by 38 field career paramedics to ensure staffing of a minimum of 9 ambulances daily with the goal of 1 ambulance per 3,000 calls for service (totaling 16 ambulances). In addition, EMS provides specialized rescue teams utilizing volunteers (marine rescue, bike medics, tactical medics, vehicle extrication, mass casualty operations, and disaster response.

Regulation and Enforcement

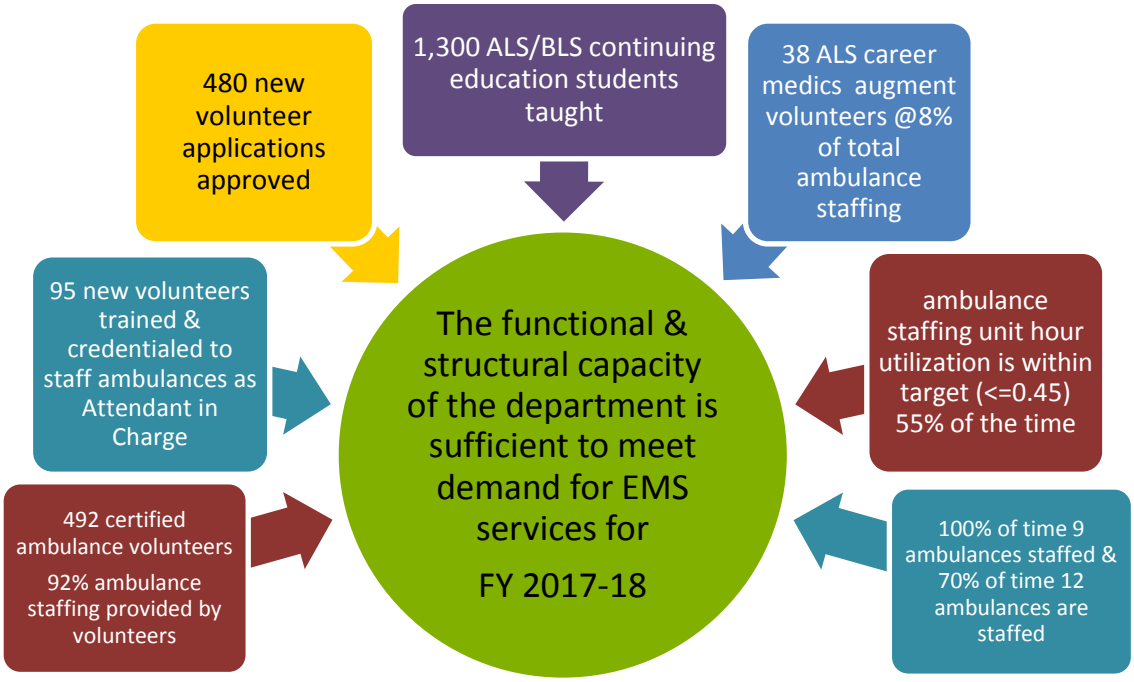
Provides the oversight of medical control to ensure medical protocols are followed; conducts quality assurance assessments, inspects commercial EMS ambulance agencies operating in the city, and provides oversight for infection control as well as mandates promulgated by the federal and state governments.

Training

Provides basic life support (BLS), advanced life support (ALS) and specialized training for EMS volunteers, career medics and specialty team members, Fire, Police, emergency dispatchers, and hospital personnel. Keeps personnel certified, in compliance with state requirements, to work on ambulances and perform medical duties.

EMS Lifeguard Services

Provides in-house lifeguard services to Sandbridge Beach from Memorial Day weekend to Labor Day weekend from 9:30 a.m. to 6:00 p.m. EMS also manages the lifeguard contract serving the resort area beaches from 2nd Street to 42nd Street including 57th Street and Croatan beaches from the middle of May until the end of September. This contract represents 13.4% of the EMS operating budget.



Key Performance Measures

Goals: Be the Safest City in Virginia & Create a Financially Sustainable City Providing Execellent Services

Means to Residents: Residents feel safe throughout the City & residents feeling safe and secure within Virginia Beach – any place, anytime.

98.3% of residents satisfied with the city's paramedic and rescue squad services

99% of patients' condition stabalized or improved while in the care of EMS

38% sudden cardiac arrest survival rate

100% properly staffed lifeguard stands at Sandbridge for the summer

Means to Residents: Timely response to an emergency call for service

Increase probability that patients' conditions are stablilized or improved

First medical help is on scene in 6.59 minutes or less for 85% of priority one calls

89% ambulance on scene of ALS calls within 12.59 minutes of dispatch

11,675 ALS transports / 36,316 BLS transports

47,991 ambulance calls for service

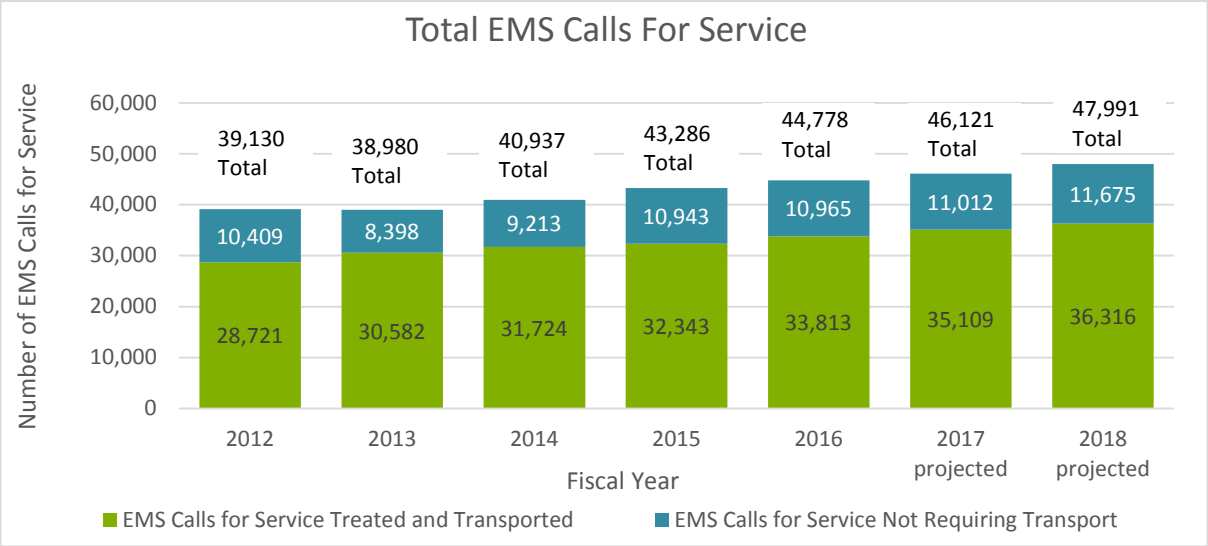
244 marine rescue requests for response

49 EMS SWAT Team requests for response

19 Search & Rescue Team requests for response

Trends & Issues

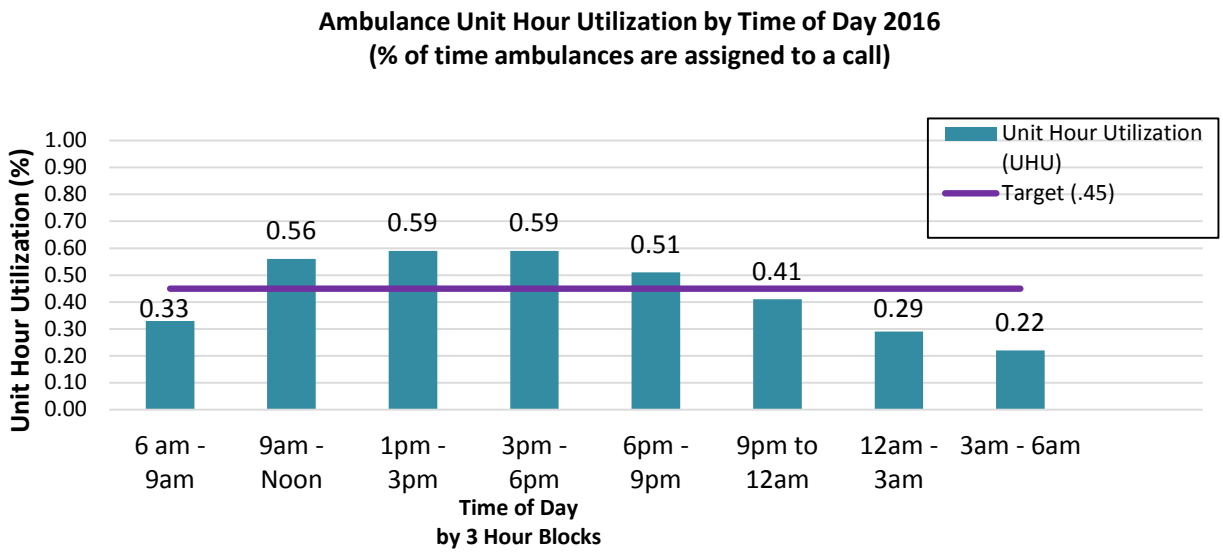
- Increased calls for service and transports: Calls for service (includes ambulances and ALS zone cars) are forecasted to reach over 47,900 in FY 2018, an increase of 4.1% over FY 2017. Over the last 3-years (FY 2013-14 through FY 2015-16), EMS calls-for-service have increased 9.4% in total or by 4.1% per year on average. Also, the majority of these calls for service are requiring transport to area hospitals and other facilities; this trend will continue as the population ages requiring more ALS services. In 2016, 76% of EMS calls required transport compared to 78% in 2014. This results in units being unavailable for calls more often as these transports average 48 minutes in duration per call (ALS calls average 1 hour 10 minutes and BLS average 32 minutes).



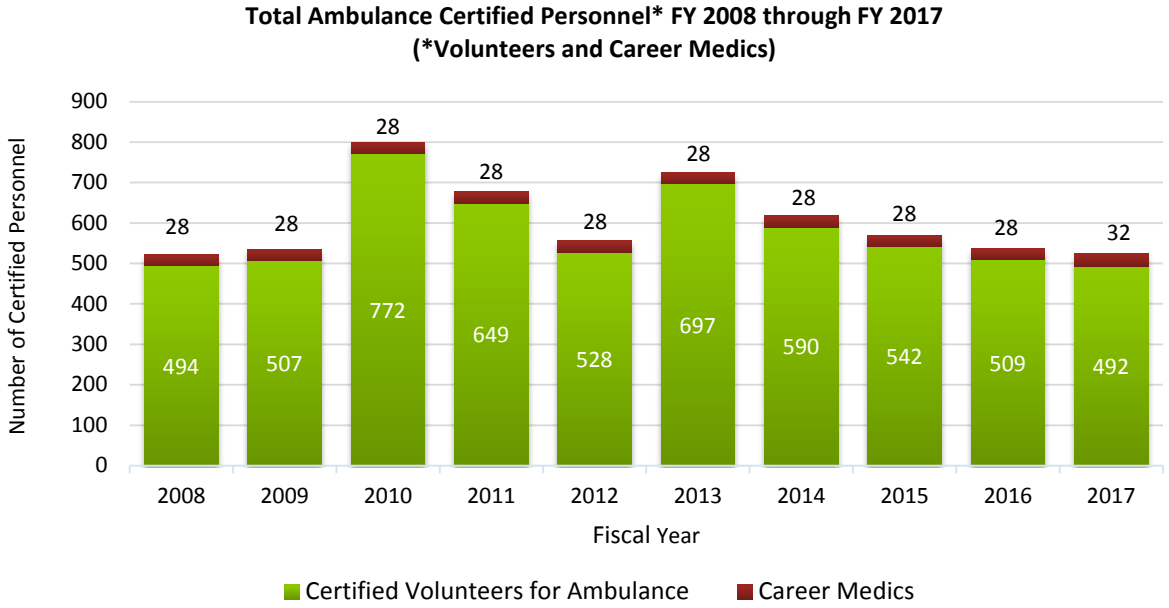
- Need for 2 or more staffed ambulances during peak call times 9:00 a.m. to 9:00 p.m.: Demands for service vary by time of day, resulting in variations in workload. To better define the need for staffing, EMS tracks Unit Hour Utilization (UHU), which evaluates the actual amount of time ambulances are assigned to calls. The ideal target UHU is 0.45, meaning that ambulances are on calls 45% of the time. This is considered the ideal usage rate for efficient use of personnel, good response times and acceptable workload. As shown in the following chart, EMS ambulances consistently exceed this target during peak call demand period from 9:00 a.m. to 9:00 p.m. This is also the period when a higher percentage of critical calls are handled, stretching the ALS-certified volunteers and career medics. Excessive workloads are linked to lower morale and retention of EMS personnel. While UHU is below target in off-peak hours, it is also important to note that the lower night-time UHUs not only help provide faster response times for patients, and positively impacts volunteer morale and retention.

  Also, EMS continues to explore more dynamic scheduling options for both volunteer and career staff. Incumbent volunteers working the off-peak shifts do not have the ability to move to the daytime hours due to their personal work schedules. Although recruiting does focus on the peak demand window, the pool of potential volunteers with daytime availability is limited. There has been some success with more flexible duty shift start and end times, but a balance is necessary to ensure effective coverage is maintained around the clock. Reducing UHU would improve response times as well as volunteer morale and retention. With the addition of 6 career paramedics in the FY 2017-18 Operating Budget, an

additional staffed ambulance will be provided during the 9:00 a.m.-to-9:00 p.m. peak call-demand period.



- EMS volunteer staffing declines: The number of certified volunteers has declined over 29% from 697 in FY 2013 to 492 in FY 2017 or an average decline of 8.3% annually. The 492 certified volunteers projected for FY 2017 is equivalent to nearly 100 FTEs. In order to increase staffing ambulances to the level needed during the peak demand period (9:00 a.m. to 9:00 p.m.), EMS will need to recruit, train, and retain more than 50 additional volunteers, who are available to work during those specific hours. Historical data shows that it takes at least 600 interested applicants to get 100 new Attendant-in-Charge members to staff ambulances. To grow, EMS must not only increase intake significantly, but also retain as many incumbent members as possible. It is important to note that it takes approximately 1 year to recruit, train and certify a new volunteer EMT making this a long term process.



EMS volunteer staffing is a City Council priority. As noted in a recent report by the City Auditor, EMS staff has taken steps to enhance the volunteer recruitment and retention process; toward that effort, EMS automated the new member intake process and increased the number of entry level training courses. A strong partnership is in place with the Virginia Beach Rescue Squad Foundation for increased

media advertising. EMS continues to seek innovative approaches to increase the size of its volunteer workforce. From January 2016 through December 2016, enhanced recruitment efforts have produced an increase in applications of 35% over the same period in 2015. This increase in applications has resulted in more than twice as many volunteers being approved for membership in 2016 (458) than in 2015 (226). EMS' goal is to sustain this upward trend in volunteer applications and approvals. EMS is optimistic about being able to add and train more volunteers with the addition of 1.5 FTEs (see following table) to its existing training staff of 5.5 FTEs along with the expanded capacity of their new headquarters and training facility.

Major Budget Changes

	Change	Impact
↑	Additional Instructors for EMS Training	Adds a total of 1.5 FTEs at a net cost of $126,454 including one full-time Paramedic and converts one Instruction Supervisor from part-time-to-full-time to increase and sustain EMS training capabilities. This will address the backlog of students in the training queue produced by increased recruitment efforts. These additional resources will enable EMS to increase the number of Emergency Medical Technician (EMT) Basic Life Support (BLS) classes/academies from 5 to 8, reduce class size from 50 to 40 and increase the percentage of students graduating from 55% to 65%. Increased frequency of classes and smaller class size will improve retention of volunteers.
↑	Additional Funding for EMS Training	Provides additional funding of $47,500 for training resources for EMT BLS classes/academies. Additional support costs are needed to increase and sustain EMS training capabilities as a result of the department's efforts to address Council's priority to increase recruitment and retention of volunteer medics. Previously State grants provided this funding, but State funding has been significantly reduced.
↑	Additional Paramedics	Adds 6 full-time career Paramedics and related support costs totaling $496,467 (beginning September 1, 2017) to provide at least 1 additional staffed ambulance during the peak call demand period 9:00 a.m. to 9:00 p.m. This increased staffing will ensure adequate geographic coverage, provide an appropriate response rate to critical calls, minimize calls being placed "on-hold" in the call queue, and avoid medic unit hour over-utilization leading to fatigue/burn-out and higher risk of human error.

Emergency Medical Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Administration	650,887	833,257	793,296	(39,961)
Operations	2,359,292	2,994,984	3,538,014	543,030
Emergency Response System	3,990,883	4,376,171	4,202,215	(173,956)
Training	547,803	573,324	842,765	269,441
Regulation and Enforcement	203,865	237,218	247,543	10,325
Lifeguard Services	1,759,883	1,833,177	1,963,187	130,010
Total Expenditures	9,512,613	10,848,131	11,587,020	738,889
Revenues				
Fees	135,355	52,233	56,500	4,267
Total Revenues	135,355	52,233	56,500	4,267
General City Support	9,377,258	10,795,898	11,530,520	734,622
183 Grants Consolidated Fund				
Expenditures				
Emergency Medical Services Grants	0	0	5,000	5,000
State Four-for-Life Grants	682,640	375,000	370,000	(5,000)
Total Expenditures	682,640	375,000	375,000	0
Revenues				
State	494,301	375,000	375,000	0
Transfers	109,075	0	0	0
Total Revenues	603,376	375,000	375,000	0
General City Support	79,264	0	0	0
Total Department Expenditure	10,195,253	11,223,131	11,962,020	738,889
Total Department Revenue	738,731	427,233	431,500	4,267
Total General City Support	9,456,522	10,795,898	11,530,520	734,622

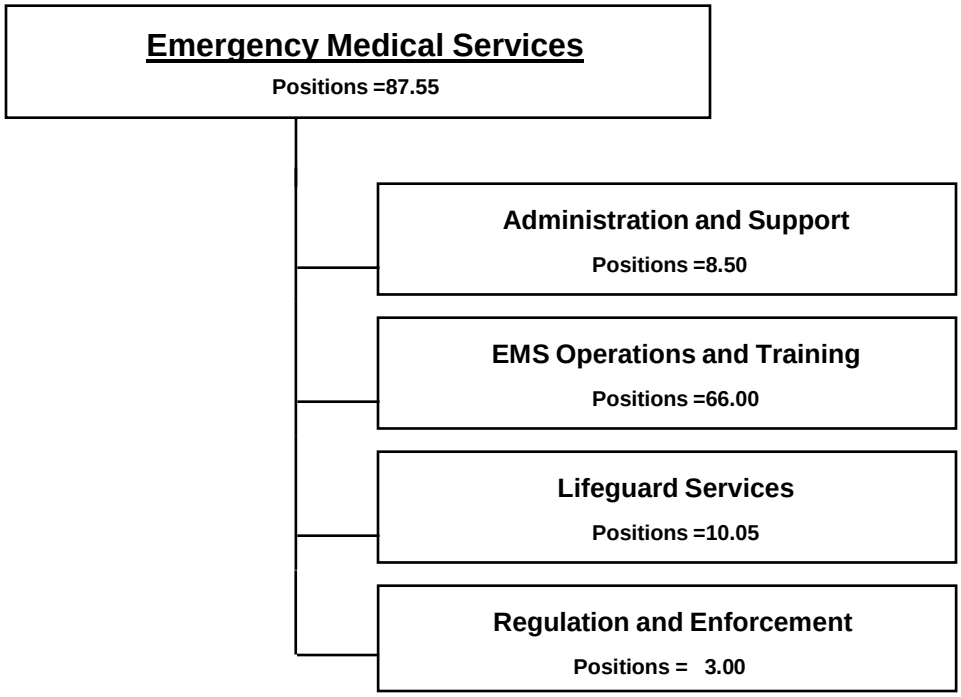
Position Summary by Program				
002 General Fund				
Administration	7.50	8.50	8.50	0.00
Operations	6.00	6.00	11.00	5.00
Emergency Response System	43.00	47.00	46.00	-1.00
Training	6.50	6.50	9.00	2.50
Regulation and Enforcement	3.00	3.00	3.00	0.00
Lifeguard Services	9.05	9.05	10.05	1.00
Total	75.05	80.05	87.55	7.50
Total Position Summary	75.05	80.05	87.55	7.50

Expenditure Category by Department				
Personnel	6,006,841	6,618,390	7,105,322	486,932
Operating	3,879,830	4,603,496	4,855,448	251,952
Capital	308,582	1,245	1,250	5
Total Expenditures:	10,195,253	11,223,131	11,962,020	738,889

Emergency Medical Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Revenue Category by Department				
From the Use of Money and Property	11,100	12,233	11,500	(733)
Charges for Services	124,255	40,000	45,000	5,000
Other Sources from the Commonwealth	494,301	375,000	375,000	0
Transfers from Other Funds	109,075	0	0	0
Total Revenue:	738,731	427,233	431,500	4,267

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



FINANCE

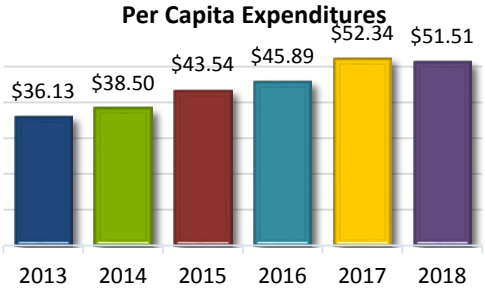
The mission of the Finance Department is through strong leadership, deliver comprehensive financial and business services, and protect the city's resources in a high quality, cost effective, and innovative environment that inspires trust and supports our community for a lifetime.

Department Overview

The Finance Department objectives include: conservative financial management; quality core services to vendors; citizens, and departments; long range fiscal sustainability; and improve financial technology, controls and financial resource management citywide. This is done through various divisions and programs listed below.

Debt Management
Supports the approved CIP debt requirements by providing planning, debt issuances and analysis, reporting, and administration of the city's bond programs.

Payroll
Prepares city employee payroll, manages federal and state tax reporting and compliance, manages Virginia Retirement System programs, and other functions including garnishments, liens, and pay deductions.



Note: Rising per capita costs is due to rising workers' compensation and insurance costs.

Accounting and Reporting
Prepares mandated financial reports in compliance with federal and state laws, including the Comprehensive Annual Financial Report. Responsible for oversight and integrity of the financial management system for operating and capital projects funds. Processes all invoices, generates and manages city payments and payment tax compliance, unclaimed property reporting, and provides oversight of accounting policies and internal controls citywide.

Purchasing
Responsible for the procurement of all goods, services, and construction in accordance with state law and city code. Manages the bidding and competitive negotiation processes for all formal procurement solicitations. Provides staff and management for minority business programs.

Risk Management
Manages the city's self-insurance program including: identifying and evaluating city risk, managing the loss control programs, purchasing insurances, and processing workers' compensation adjustments and civil liability claims. Also manages public assistance recovery and reimbursement efforts.

Financial Services
Prepares financial business policies, procedures and practices for the city, provides functional systems management, advances the use of data for decision-making, fosters a financial learning and teaching environment and promotes best practices, transparency and financial controls.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services delivered in the most cost-effective manner

80% of residents agree with the statement, "Overall, I receive a good value for my city tax dollar."

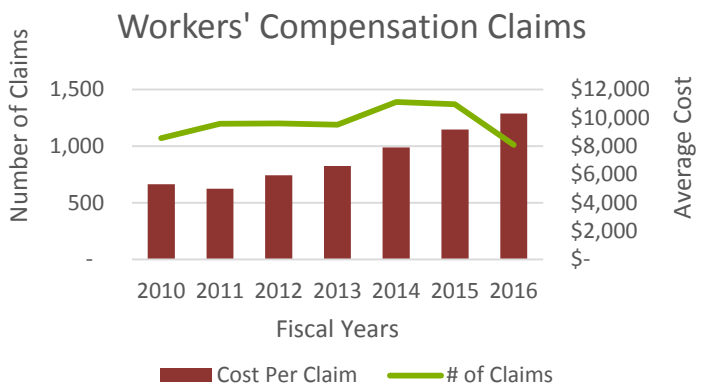
Steps to mitigate costs: 1) streamline processes and provider networks 2) build a safety culture

$250 million in purchase orders and 180 formal purchasing solicitations

Estimated 1,012 of workers compensation claims valued at $10.4 million

Trends & Issues

- Of major concern is the increasing trend in the amount of workers' compensation claims. During the six-year period, the total annual cost of claims ranged from $5.7 to $12.6 million, and the average amount of claims paid ranged from $5,000 to $10,302, as illustrated in the chart. To stem the increasing number and cost of claims, building a "Safety Culture" is of utmost importance. The City continues to work towards the goal of having a fund balance that can cover 70% of expected future liabilities.

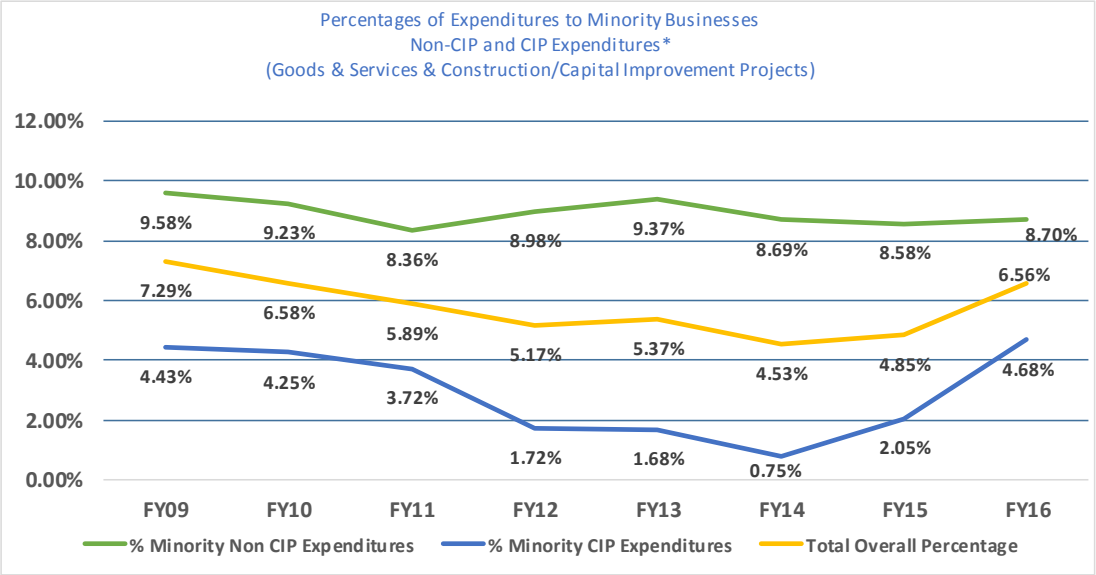


- The city has been rated Triple-A for the last eight consecutive years by all three major ratings agencies: Fitch, Moody's, and Standard & Poor's as a result of its excellent financial management practices. The Triple-A rating indicates an extremely strong capacity to meeting financial commitments, thus resulting in favorable interest rates whenever the City borrows money.

- Finance is beginning major business process and technology initiatives that will modernize city-wide time & scheduling systems and financial & reporting systems. The ability to automate the procure-to-pay process, time collection and staff scheduling will enable the City to eliminate costs, streamline processes, improve controls and leverage data to support decision-makers, priorities and innovation. Beginning with the analysis of new financial system functionality and new financial reporting tools, the Finance Department is rethinking the way it operates with the future year planned replacement of the City's legacy financial technology.

- The Purchasing Division supports the Minority Business Council, which serves as an advisory agency to the City Manager and City Council with respect to the city's procurement policies and procedures for small, woman-owned, disabled-owned, and minority-owned businesses. The mission of the Minority

Business Council is to focus on increasing expenditures to minority and woman-owned businesses within the city as a means to further the city's economic development and vitality. The chart illustrates the percentage of city expenditures for goods & services and construction (capital improvement project) related expenditures, which were awarded to Small Woman and Minority (SWaM) businesses over the past eight years.



Major Budget Changes

	Change	Impact
↑	2 FTEs to help with compliance, controls and sharing data.	A Payment Services Manager will oversee Accounts Payable and IRS 1099 compliance. This position will develop a payables strategy to leverage cash flow and reduce costs of processing. The other position is a Controls and Compliance Analyst to work with management across the organization to focus on control design, documentation, implementation, and remediation. This position will develop and oversee financial training policies and procedures. The total cost for these two additional positions is $179,320.

Finance - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	755,167	770,187	620,459	(149,728)
Local Vehicle Registration	282,379	297,000	313,000	16,000
Financial Systems Services	0	0	444,090	444,090
Accounting Office	1,623,365	1,729,575	838,130	(891,445)
Payroll	853,854	862,131	860,629	(1,502)
Accounts Payable	0	0	710,260	710,260
Purchasing	1,308,896	1,235,992	1,265,199	29,207
Total Expenditures	4,823,661	4,894,885	5,051,767	156,882
Revenues				
Fees	173,112	229,965	286,665	56,700
Total Revenues	173,112	229,965	286,665	56,700
General City Support	4,650,549	4,664,920	4,765,102	100,182
607 Risk Management Internal Service Fund				
Expenditures				
Risk Management Insurance Payments	14,284,849	17,400,574	17,200,088	(200,486)
Risk Management	604,931	902,334	1,054,768	152,434
Reserve for Contingencies	0	368,711	0	(368,711)
Total Expenditures	14,889,780	18,671,619	18,254,856	(416,763)
Revenues				
Fees	16,016,478	18,671,619	18,254,856	(416,763)
Total Revenues	16,016,478	18,671,619	18,254,856	(416,763)
General City Support	(1,126,698)	0	0	0
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - Finance	130,117	177,237	174,030	(3,207)
Total Expenditures	130,117	177,237	174,030	(3,207)
Revenues				
Fees	130,116	172,079	174,030	1,951
Total Revenues	130,116	172,079	174,030	1,951
General City Support	1	5,158	0	(5,158)
Total Department Expenditure	19,843,558	23,743,741	23,480,653	(263,088)
Total Department Revenue	16,319,706	19,073,663	18,715,551	(358,112)
Total General City Support	3,523,852	4,670,078	4,765,102	95,024

Position Summary by Program				
002 General Fund				
Director's Office	6.00	6.00	5.00	-1.00
Financial Systems Services	0.00	0.00	4.00	4.00
Accounting Office	19.00	19.00	8.00	-11.00

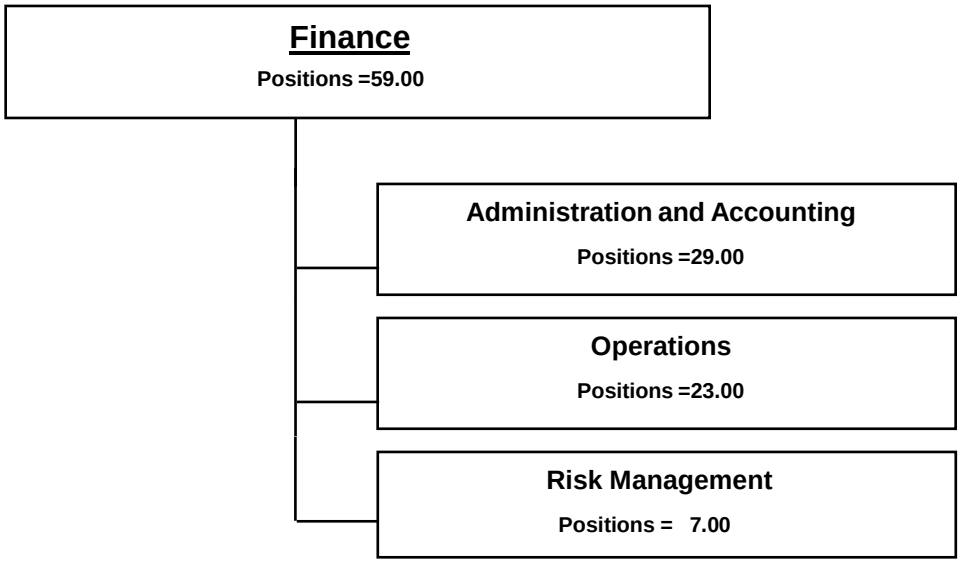
Finance - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
002 General Fund				
Payroll	10.00	10.00	10.00	0.00
Accounts Payable	0.00	0.00	10.00	10.00
Purchasing	13.00	13.00	13.00	0.00
Total	48.00	48.00	50.00	2.00
607 Risk Management Internal Service Fund				
Risk Management	7.00	7.00	7.00	0.00
Total	7.00	7.00	7.00	0.00
610 Capital Projects Internal Service Fund				
Capital Projects - Finance	2.00	2.00	2.00	0.00
Total	2.00	2.00	2.00	0.00
Total Position Summary	57.00	57.00	59.00	2.00

Expenditure Category by Department				
Personnel	4,889,598	5,071,168	5,135,284	64,116
Operating	14,953,948	18,294,819	18,333,016	38,197
Capital	0	8,225	0	(8,225)
Debt Service	12	0	0	0
Reserves	0	369,529	12,353	(357,176)
Total Expenditures:	19,843,558	23,743,741	23,480,653	(263,088)

Revenue Category by Department				
Permits, Privilege Fees, and Regulatory Licenses	9,354	7,250	9,350	2,100
From the Use of Money and Property	42,733	30,100	40,000	9,900
Charges for Services	15,988,106	18,756,598	18,314,986	(441,612)
Miscellaneous Revenue	279,513	279,715	351,215	71,500
Total Revenue:	16,319,706	19,073,663	18,715,551	(358,112)

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

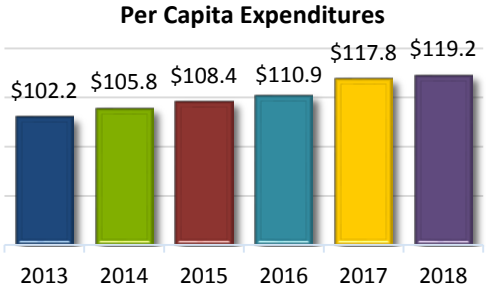


FIRE

The mission of the Virginia Beach Fire Department is to partner with communities, members, citizens and visitors to foster the feeling of safety any place, any time through planning, mitigation, response and restoration.

Department Overview

The core services provided by the department are categorized into the following areas:



Fire Administration
This division provides executive direction, guidance, and administrative support in the areas of payroll, budget and finance, grants management, procurement and inventory, research and analysis, and accreditation.

Fire Prevention Bureau
This division administers and enforces the statewide Fire Prevention Code, which includes: providing annual fire maintenance inspections and operational permits for commercial establishments that are considered to pose a higher risk of fire hazard; providing periodic inspections of businesses that pose a lower risk of fire hazard and are not mandated for inspection; and providing site plan review related to fire code issues. Another key activity is investigating criminal/arson and non-criminal fires as well as hazardous material dumping.

Fire Operations
This division is distributed among 19 city owned fire stations located throughout Virginia Beach to deliver comprehensive emergency services through a seamless and integrated emergency response system. Examples of services include: fire suppression, salvage and overhaul, emergency medical services, search and rescue, technical support services, hazardous materials response, and mutual aid to neighboring localities. Apparatus staffed include twenty engine companies, eight ladder companies, three tankers, two heavy rescue companies, four command units, and one safety unit. The department has four specialized teams that serve the region and state: Tidewater Regional Technical Rescue Team, which is one of the seven Regional State Urban Search and Rescue Teams, marine firefighting (located at First Landing Fire Station #1, Creeds Fire Station #6, and Seatack Fire Station #12), hazardous materials response (located at London Bridge Fire Station #3), and Metro Medical Response System (located at Nimmo Fire Station # 21). It also has a Volunteer Support Technician Team.

Fire Personnel and Development
This division provides human resource management, mandated career development, and organizational enhancement training programs meeting nationally recognized standards in the following areas: fire, rescue, life safety, management, driver operator, and any specialty training for volunteer and career firefighters.

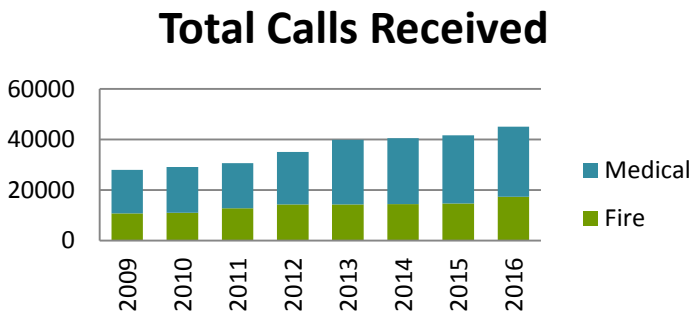
Key Performance Measures

Goal: Revitalize Neighborhoods and Plan for the Future
Goal: Create a Financially Sustainable City Providing Excellent Services
Goal: Be the Safest City in Virginia

Means to Residents: Protection of residents' property values	Means to Residents: Timely response to an emergency call for service	Means to Residents: Residents feel safe throughout the City	
96% of buildings and property saved	51% of fire incidents responded to in under 4 minutes	99% citizen satisfaction rating	
1,006 fires fought	27,962 medical calls	4 fire deaths	57 fire injuries

Trends and Issues

- Total calls for service continues to rise each year with an 8.25% increase in FY 2015-16. The combination of increased volume and traffic congestion has resulted in the department not being able to meet its response time goal in metro/urban and suburban areas for an increasing percentage of calls. For the metro/urban response category, the goal is to have the first unit on scene within five minutes to an EMS incident and five minutes and twenty seconds to a fire incident.



- Many behavioral health issues are facing fire service across the country including substance abuse, work performance, and home-life issues. The daily exposure of working with victims of violence and trauma puts staff at risk for a range of negative consequences. To combat this, the Fire Department continues to stress firefighter health and wellness as one of its core priorities which includes implementing a mental health program that includes education, information and mental health peer counselors. The VBFD is also focused on reducing carcinogenic exposures through providing additional hoods, turnout gear, and washing extractors to remove carcinogens from exposed gear. This year, the department was awarded an $86,400 Assistance to Firefighters grant to purchase and install extractors in selected fire stations.

- Technological advances in the fire service have increased significantly over the past 3 years. The VBFD has completed a number of IT projects including replacement of all radios, in-mask communications, automated inspections, command SIMS at the Fire Training Center, and procurement of a mobile command vehicle. The department is also working with other public safety partners and IT on the Integrated Public Safety project. As emerging technologies become more available, staff has adapted to new and different ways of providing service. The skill sets required for working with advanced technology are specialized and will require training and experience to incorporate into the department. At the same time, some departmental technology remains outdated. Specifically, the department needs an inventory management system to accurately monitor the multitude of supplies and equipment utilized by the department. Such a system will ensure the efficient and controlled use of resources.

Major Budget Changes

	Change	Impact
↑	Increase of Five FTEs (1 District Chief, 1 Captain, 3 Battalion Chiefs)	The Fire Department's budget includes five FTEs to address several supervisory needs within the department. The three Battalion Chiefs added will establish a 5th Battalion, increasing the department's operational coverage and reducing response times. The additional District Chief will ensure adequate operational oversight is maintained at all times, even when the department is responding to multiple calls across the City. Finally, the Captain will provide additional supervision to the Fire Prevention Bureau.
↑	Conversion of SAFER Grant FTEs to General Fund	The SAFER grant through FEMA which funded 12 firefighters will expire in February of 2018. These FTEs will be transferred to the General Fund which will increase the general city support of the Fire department by $256,000 to cover the cost of these positions for the final five months of the fiscal year.
↑	Overtime Funding	The Fire Department's overtime funding was increased $275,000 in order to help bridge the gap between their overtime budget and actual expenditures. This will help the Fire Department absorb the impact of additional response needs for events such as Hurricane Matthew.

Fire - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Fire Administration	2,084,969	2,415,185	2,298,022	(117,163)
Emergency Management	366,964	0	0	0
Fire Prevention Bureau	2,508,189	2,877,869	2,830,040	(47,829)
Fire Operations	42,632,813	44,605,302	45,714,929	1,109,627
Fire Personnel and Development	1,363,186	1,457,678	1,500,170	42,492
Total Expenditures	48,956,121	51,356,034	52,343,161	987,127
Revenues				
Fees	478,780	525,868	481,265	(44,603)
Federal	82,473	90,000	94,603	4,603
Total Revenues	561,253	615,868	575,868	(40,000)
General City Support	48,394,868	50,740,166	51,767,293	1,027,127
183 Grants Consolidated Fund				
Expenditures				
Fire - Grants	1,562,162	762,021	552,568	(209,453)
Fire Program Grants	771,321	639,955	310,289	(329,666)
Transfer to Other Fund (Fire Programs)	665,427	665,427	1,111,057	445,630
Total Expenditures	2,998,910	2,067,403	1,973,914	(93,489)
Revenues				
State	1,420,208	1,303,083	1,421,346	118,263
Federal	1,695,517	762,021	552,568	(209,453)
Transfers	2,767	2,299	0	(2,299)
Total Revenues	3,118,492	2,067,403	1,973,914	(93,489)
General City Support	(119,582)	0	0	0
Total Department Expenditure	51,955,031	53,423,437	54,317,075	893,638
Total Department Revenue	3,679,745	2,683,271	2,549,782	(133,489)
Total General City Support	48,275,286	50,740,166	51,767,293	1,027,127

Position Summary by Program				
002 General Fund				
Fire Administration	20.00	22.00	20.00	-2.00
Emergency Management	4.00	0.00	0.00	0.00
Fire Prevention Bureau	29.71	30.71	29.71	-1.00
Fire Operations	419.00	423.00	434.00	11.00
Fire Personnel and Development	12.00	13.00	14.00	1.00
Total	484.71	488.71	497.71	9.00
183 Grants Consolidated Fund				
Fire - Grants	12.00	12.00	8.00	-4.00
Fire Program Grants	1.00	1.00	1.00	0.00
Total	13.00	13.00	9.00	-4.00
Total Position Summary	497.71	501.71	506.71	5.00

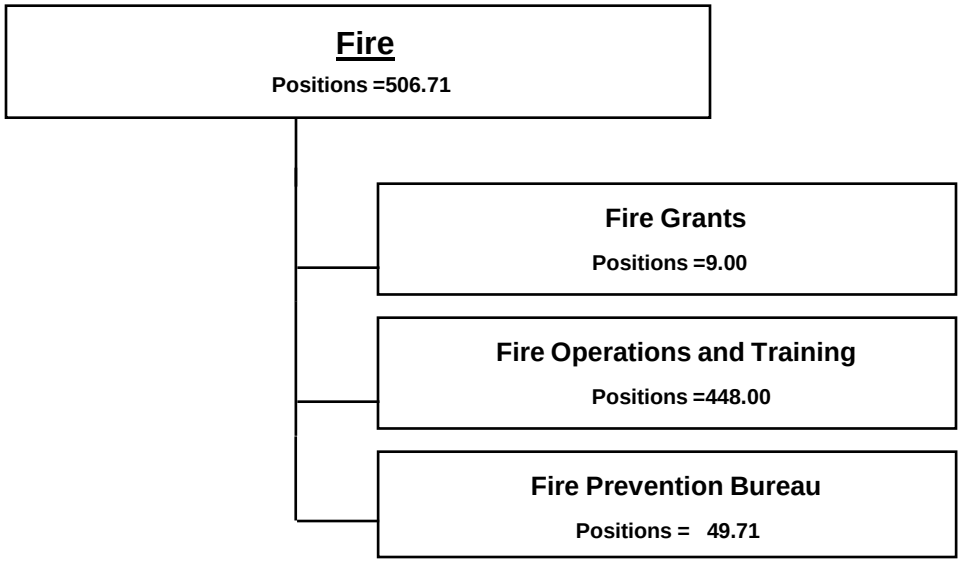
Fire - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Expenditure Category by Department				
Personnel	45,037,981	45,775,041	46,213,230	438,189
Operating	6,033,877	6,932,969	6,633,821	(299,148)
Capital	217,746	50,000	358,967	308,967
Transfers	665,427	665,427	1,111,057	445,630
Total Expenditures:	51,955,031	53,423,437	54,317,075	893,638
Revenue Category by Department				
Permits, Privilege Fees, and Regulatory Licenses	126,390	180,045	180,045	0
From the Use of Money and Property	200	0	0	0
Charges for Services	301,238	345,823	261,220	(84,603)
Miscellaneous Revenue	50,952	0	40,000	40,000
Other Sources from the Commonwealth	1,420,208	1,303,083	1,421,346	118,263
Revenue from the Federal Government	1,777,990	852,021	647,171	(204,850)
Transfers from Other Funds	2,767	2,299	0	(2,299)
Total Revenue:	3,679,745	2,683,271	2,549,782	(133,489)

Resource Summary Notes

Four FTEs have been reduced from the Grants Consolidated Fund for FY 2017-18 to account for the General Fund covering the remaining five months of the fiscal year for the twelve firefighters currently funded by the SAFER grant which expires in February of 2018. In FY 2018-19, all twelve FTEs will be funded in the General Fund.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

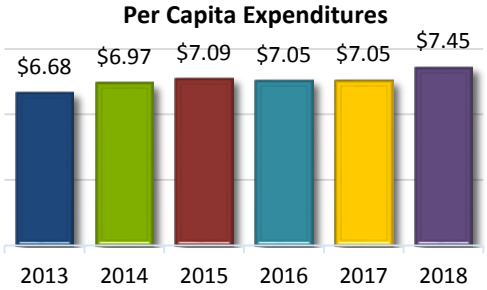


HEALTH

Promoting health, preventing disease, and protecting the environment so that all in Virginia Beach are empowered to achieve optimal health and well-being.

Department Overview

The Virginia Beach Health Department is a state-city cooperative agency which provides a wide range of health services to the Virginia Beach population. The Health Department has 108 FTE's, of which 9.08 are city funded. The city is required to provide a 45% match to state funding for the Health Department which goes to support a wide array of mandated services such as childhood immunizations, communicable disease treatment and prevention, family planning services, pregnancy testing, and food service inspections.



Note: The .04 cent decrease in expenditures from 2015 to 2016 is due to reduced State funding which also resulted in a lower, required City match.

The Virginia Beach Health Department also provides the following non-mandated services to residents:

Dental Program
Provides preventative dental care services for low-income children and is completely funded by the city.

Healthy Start Program
Encompasses a continuum of services from prenatal to 5 years of age. The program offers outreach, screening, assessment and home visitation, education, support, and referrals to other providers for new parents that have multiple challenges and few coping mechanisms.

First Steps Program
Supplies parenting support and education services for parents who need short-term ongoing telephone support and is funded in full by the city.

Senior Services Program
Includes community clinics and education for senior citizens, concentrating on the most vulnerable seniors and also those in rural areas of the city. These clinics offer services ranging from blood pressure screenings to preventative health education classes. This program is funded fully by the city.

Maternity Program
Offers funding for delivery services for uninsured residents who are unable to qualify for Medicaid. If the patient qualifies for Emergency Medicaid then that funding source is used to pay for the delivery services.

Laboratory Program
Performs needed laboratory tests required to support the various health department clinics.

Key Performance Measures

Goal: We are an Inclusive Community that is Welcoming and Empowers All
Goal: Be the Safest City in Virginia

Means to Residents: Easy access to government participation and services

Average rating of 2.9 (very satisfied) on senior services client satisfaction survey

2,094 total services provided to elderly citizens

Means to Residents: Increased access to quality health care

Average rating of 4.81 (very satisfied) on immunization patient satisfaction survey

3,242 total immunization visits

Average rating of 3.0 (very good) on dental patient satisfaction survey

1,037 children provided dental services

Trends and Issues

- Under the Affordable Care Act (ACA), the Prevention and Public Health Fund was established which was intended to increase funding for public health programs. Due to the uncertainty currently surrounding the ACA, the Public Health department may be forced to shift their focus back to providing care to those who are uninsured while receiving less funding to meet the increased service needs. If the ACA is repealed, critical funding for public health efforts such as responding to disease outbreaks, vaccination programs, and health education programs could be reduced or eliminated.

- Another issue facing the Public Health department involves the future funding for Planned Parenthood, which may be in jeopardy. With future funding for Planned Parenthood uncertain, the Public Health department is not currently staffed to accommodate potential service gaps.

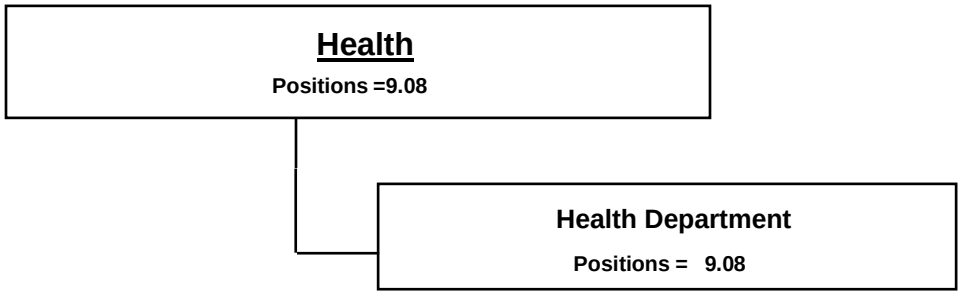
Major Budget Changes

	Change	Impact
↑	New Dental X-Ray Machine	Public Health received $78,133 in additional City funding in order to purchase a replacement x-ray machine for the children's dental program. The previous machine was originally purchased in 1985 and had been requiring more repairs to remain operational. The replacement machine will bring the program up to an industry-standard digital system and will allow the staff to more efficiently deliver their services.

Health - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Public Health	3,182,592	3,197,276	3,395,214	197,938
Total Expenditures	3,182,592	3,197,276	3,395,214	197,938
Revenues				
State	39,426	170,099	170,099	0
Federal	99,145	0	0	0
Total Revenues	138,571	170,099	170,099	0
General City Support	3,044,021	3,027,177	3,225,115	197,938
Total Department Expenditure	3,182,592	3,197,276	3,395,214	197,938
Total Department Revenue	138,571	170,099	170,099	0
Total General City Support	3,044,021	3,027,177	3,225,115	197,938
Position Summary by Program				
002 General Fund				
Public Health	9.08	9.08	9.08	0.00
Total	9.08	9.08	9.08	0.00
Total Position Summary	9.08	9.08	9.08	0.00
Expenditure Category by Department				
Personnel	404,650	467,862	488,139	20,277
Operating	2,777,942	2,729,414	2,907,075	177,661
Total Expenditures:	3,182,592	3,197,276	3,395,214	197,938
Revenue Category by Department				
Other Sources from the Commonwealth	39,426	170,099	170,099	0
Revenue from the Federal Government	99,145	0	0	0
Total Revenue:	138,571	170,099	170,099	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



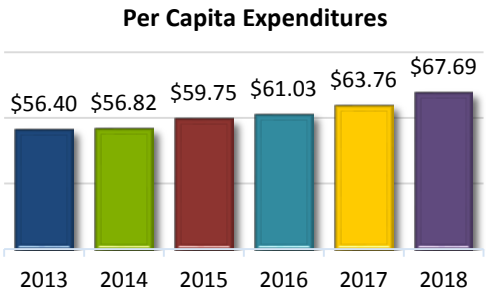
HOUSING AND NEIGHBORHOOD PRESERVATION

The Department of Housing and Neighborhood Preservation's mission is to create quality solutions that expand housing opportunities and promote vibrant, well maintained neighborhoods.

Department Overview

Code Enforcement

This division is responsible for the enforcement of the Virginia Maintenance Code and the City's Property Maintenance Codes. Duties and responsibilities include: citywide patrol inspections, citizen complaint response, systematic exterior inspections of entire communities, Certificate of Compliance rental inspections, monitoring of commercial trash collection in the resort area, issuing citations for code violations such as the accumulation of trash/junk, overgrown grass/weeds, graffiti, buildings and structures in disrepair, inoperable vehicles, unsafe natural gas and electrical appliances, graffiti, and illegally parked recreational equipment and commercial vehicles.



Rental Housing

This division administers various rental subsidy programs to provide affordable rental housing, mainly the Federal Section 8 Housing Choice Voucher Program and includes family self-sufficiency, portability, project based HUD vouchers, home funded tenant based rental assistance, CDBG funded optional relocation, and special allocations for groups such as the disabled and homeless veterans. Property inspections for the Section 8 program are also conducted. Housing counseling services related to the Section 8 program are provided to existing renters and those seeking rental housing.

Housing Development

As a result of the Housing Needs Assessment study, a primary function of this division will be to develop a housing strategy implementation plan, based on the recommendations of the study. In addition, this division oversees construction activity funded by the department including the homeowner rehabilitation program; coordinates the Workforce Housing program, and carries out the asset management functions of the department.

Homeless Services

Due to the planned opening of the Housing Resource Center and the expansion of staff and responsibilities necessary to manage it, in FY 2017-18 this new division will be formed. It will be responsible for the achievement of the goals of the city's strategic plan to reduce homelessness. As part of that, the division will oversee contracts for services for multiple nonprofits, coordinate the work of the BEACH Community Partnership and sub-groups, coordinate the community-wide application for funds under the Continuum of Care grant, and manage the operation of the Housing Resource Center and all the activities which will occur there.

Director's Office

This office contracts for key services, provides overall direction and resource development, and administrative and support functions for the department. This includes obtaining and administering multiple federal grants that provide approximately 80% of the department's funding. Duties include: accounting, budgeting and reporting for one of the most complex finance systems in the city; obtaining information, performing analysis and creating reports in order to track trends in the community; contract administration and compliance review for over 15 different grantees; information technology support; and community outreach and communication with the public and multiple stakeholder groups. Included in the grant administration work is the administration of the Housing Opportunities for People with Aids grant which provides short and long- term housing assistance and support services to over 290 households regionally.

Key Performance Measures

Goal: Revitalize Neighborhoods and Plan for the Future

Means to Residents: Upgraded older, aging homes and buildings

- 88.7% of residents agree that the houses in their neighborhood are well maintained
- 90.4% of residents are satisfied with the overall appearance of their neighborhood
- 10,114 Building maintenance code violations cited
- 18,978 Property maintenance code violations cited

Means to Residents: Safe homes & buildings in the city

- 96% of residents agree that Virginia Beach is a good place to live
- 1,032 Certificates of compliance issued

Trends and Issues

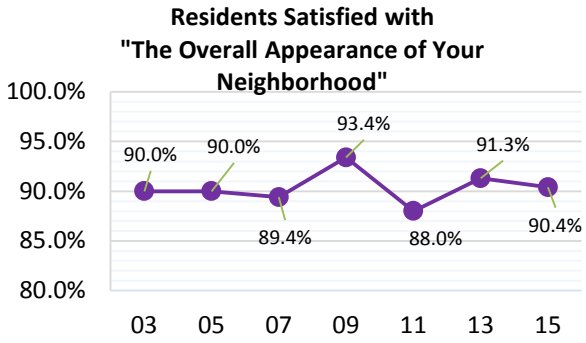
- Construction of the Housing Resource Center (HRC) is expected to be complete in the spring of 2018. The Housing Resource Center will offer shelter and apartments with the ability to remove 120 persons from living on the street or in unsuitable places. In addition, the HRC is expected to help move clients out of the HRC into permanent housing. The Department of Human Services will offer key services within the HRC to assist residents in obtaining benefits and services. The HRC will also provide a health clinic that offers preventative and basic health services for both residents of the HRC and residents of the surrounding community. In addition, changes to the entire community system of services are expected to occur. The removal of the Lighthouse Center from the oceanfront area and the opening of the HRC should reduce the impact of homelessness at the oceanfront.

- The results of the Housing Needs Assessment study were presented to City Council in January, 2017. The study identified key demographic trends that will affect the future population of the City of Virginia Beach. It also analyzed and outlined the age and styles of housing in Virginia Beach. The study identified a mismatch between what the City's housing stock has to offer and what the future population may want. In order to address this, the report recommends several possible approaches for consideration, including land banking, a housing trust fund, financing for homeowner rehabilitation, and enhanced

code enforcement. The Housing Development Division within the Department has been tasked with developing an implementation plan to address the trends highlighted in the study.

- The department continues to use available capital funds and "project-based" Housing Choice Vouchers to help create new affordable housing. Approximately 600 units currently in the pipeline depend in part on DHNP funding or vouchers.

- Building improvements undertaken due to code enforcement ensure the city's housing and neighborhoods are well-maintained and attractive. From 2003 to 2015, there have been six Citizen Satisfaction Surveys, conducted every two years, to gauge residents' level of satisfaction with a number of services provided by the city. Survey participants are asked to rate their level of satisfaction with "The Overall Appearance of Your Neighborhood". This graph shows the percentage of residents reporting they are satisfied with the overall appearance of their neighborhood.



Major Budget Changes

	Change	Impact
↑	FTEs for Housing Development Division 2.0 FTEs	The budget includes two FTEs and one contractual position to assist the Housing Development Division. In the past, the functions of this division were handled through a contractual agreement. In December 2016, the department was made aware the provider would no longer oversee the program. These three positions in addition to existing positions will now make up the Housing Development Division. The division will be responsible for developing and implementing programs such as the Workforce Housing program, and addressing needed programs as a result of the Housing Study. A portion of this staffing request is federally funded.
↑	Housing Resource Center 12.0 FTEs	The Housing Resource Center (HRC) is expected to open in the spring of 2018. The Center will provide shelter and services to homeless persons and those at risk of homelessness. Operational costs and 12 new positions are included in the budget to create a new homeless services division to manage operation and services within the Housing Resource Center.
↑	Conversion of Contractual Position to FTE 1.0 FTE	One contractual position will be converted to a full time FTE at no additional cost to the city. This position has been a contractual assistant at the department's reception desk for approximately 5 years. The need for this position to be full time has been established. The position will continue to provide customer service for callers and walk-in customers of the department.

Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Code Enforcement	1,854,899	1,846,695	1,813,987	(32,708)
Homeless Initiative	197,010	0	0	0
Housing Resource Center	0	0	2,107,490	2,107,490
Total Expenditures	2,051,909	1,846,695	3,921,477	2,074,782
Revenues				
Fees	371,021	177,800	177,800	0
Total Revenues	371,021	177,800	177,800	0
General City Support	1,680,888	1,668,895	3,743,677	2,074,782
146 State Rental Assistance Program				
Expenditures				
State Rental Assistance Program (SRAP)	0	457,488	833,796	376,308
Reserve for Contingencies	0	45,749	83,380	37,631
Total Expenditures	0	503,237	917,176	413,939
Revenues				
State	0	503,237	917,176	413,939
Total Revenues	0	503,237	917,176	413,939
General City Support	0	0	0	0
147 Federal Section 8 Program Special Revenue Fund				
Expenditures				
Mainstream Vouchers	1,424,826	0	0	0
VASH Vouchers	929,110	128,700	0	(128,700)
Section 8 Operating	1,622,994	1,770,984	1,650,641	(120,343)
Cloverleaf SRO Vouchers	86,859	103,623	106,240	2,617
Portability Payments	2,082,679	2,569,500	2,569,500	0
Section 8 Vouchers - Housing Choice	14,399,165	16,718,525	16,882,019	163,494
Total Expenditures	20,545,633	21,291,332	21,208,400	(82,932)
Revenues				
Fees	2,310,542	2,706,766	2,696,500	(10,266)
Federal	18,130,421	18,301,013	18,396,900	95,887
Transfers	322,047	283,553	115,000	(168,553)
Total Revenues	20,763,010	21,291,332	21,208,400	(82,932)
General City Support	(217,377)	0	0	0

Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
180 Community Development Special Revenue Fund				
Expenditures				
Certificate of Compliance Program	632,340	653,874	639,737	(14,137)
Rehabilitation and Construction	380,915	529,541	411,393	(118,148)
Director's Office	664,938	676,347	609,319	(67,028)
Transfer to Other Funds	128,858	128,858	128,858	0
Total Expenditures	1,807,051	1,988,620	1,789,307	(199,313)
Revenues				
Federal	975,651	1,191,257	1,282,136	90,879
Transfers	713,479	797,363	507,171	(290,192)
Total Revenues	1,689,130	1,988,620	1,789,307	(199,313)
General City Support	117,921	0	0	0
181 CD Loan and Grant Fund				
Expenditures				
Loan and Grants	968,488	956,477	756,831	(199,646)
Total Expenditures	968,488	956,477	756,831	(199,646)
Revenues				
Fees	175,871	90,000	125,000	35,000
Federal	642,110	586,444	495,565	(90,879)
Transfers	375,232	280,033	136,266	(143,767)
Total Revenues	1,193,213	956,477	756,831	(199,646)
General City Support	(224,725)	0	0	0
182 Federal Housing Assistance Grant Fund				
Expenditures				
Federal HOME Grants	429,215	888,788	882,798	(5,990)
Total Expenditures	429,215	888,788	882,798	(5,990)
Revenues				
Fees	61,071	75,000	75,000	0
Federal	349,701	812,102	807,798	(4,304)
Transfers	1,610	1,686	0	(1,686)
Total Revenues	412,382	888,788	882,798	(5,990)
General City Support	16,833	0	0	0

Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
183 Grants Consolidated Fund				
Expenditures				
Housing Grants	913,049	1,181,275	1,180,789	(486)
Housing Grants - ESG	155,933	156,691	156,528	(163)
COC Permanent Housing Bonus	60,999	104,180	44,425	(59,755)
Total Expenditures	1,129,981	1,442,146	1,381,742	(60,404)
Revenues				
Federal	896,477	1,440,877	1,381,742	(59,135)
Transfers	51,842	1,269	0	(1,269)
Total Revenues	948,319	1,442,146	1,381,742	(60,404)
General City Support	181,662	0	0	0
910 Parking Meters - Homeless Donation Fund				
Expenditures				
Parking Meter Donations	3,521	5,000	1,000	(4,000)
Total Expenditures	3,521	5,000	1,000	(4,000)
Revenues				
Fees	82	5,000	1,000	(4,000)
Total Revenues	82	5,000	1,000	(4,000)
General City Support	3,439	0	0	0
Total Department Expenditure	26,935,798	28,922,295	30,858,731	1,936,436
Total Department Revenue	25,377,157	27,253,400	27,115,054	(138,346)
Total General City Support	1,558,641	1,668,895	3,743,677	2,074,782

Position Summary by Program

002 General Fund				
Code Enforcement	21.20	20.20	20.20	0.00
Housing Resource Center	0.00	3.00	19.21	16.21
Total	21.20	23.20	39.41	16.21
146 State Rental Assistance Program				
State Rental Assistance Program (SRAP)	0.00	0.00	0.78	0.78
Total	0.00	0.00	0.78	0.78
147 Federal Section 8 Program Special Revenue Fund				
Section 8 Operating	17.92	18.19	18.44	0.25
Cloverleaf SRO Vouchers	0.20	0.20	0.20	0.00
Total	18.12	18.39	18.64	0.25
180 Community Development Special Revenue Fund				
Certificate of Compliance Program	8.02	8.02	8.02	0.00
Rehabilitation and Construction	5.54	5.75	4.62	-1.13
Director's Office	6.54	6.54	5.49	-1.05
Total	20.10	20.31	18.13	-2.18

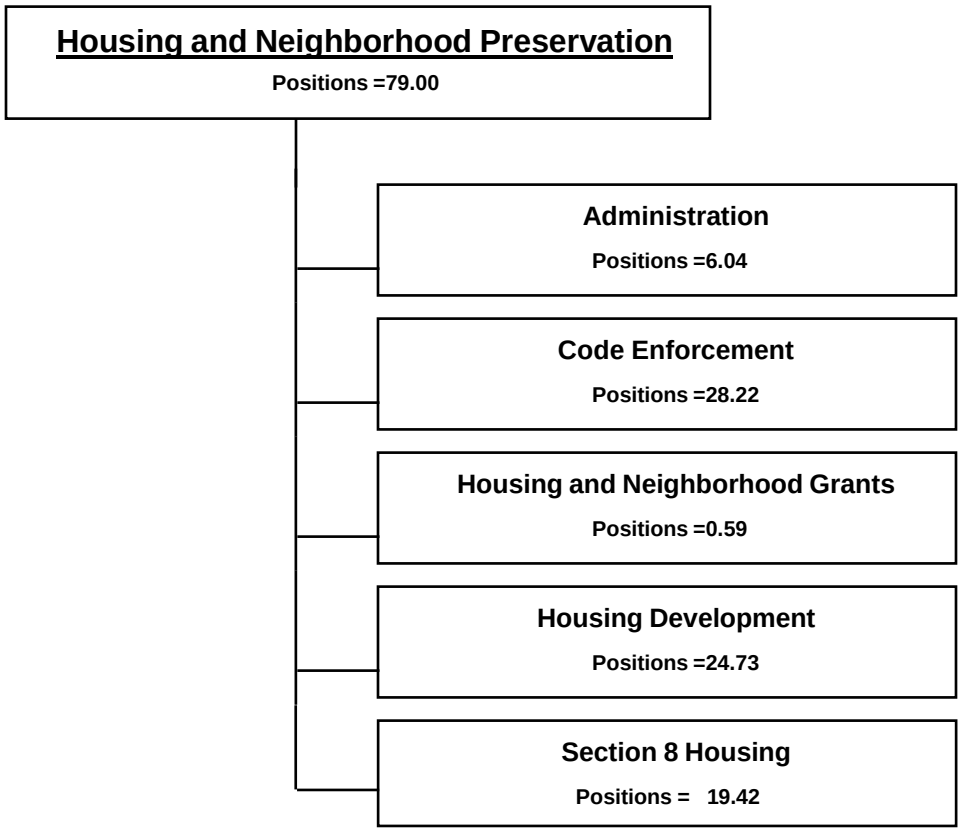
Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
182 Federal Housing Assistance Grant Fund				
Federal HOME Grants	1.06	0.98	0.90	-0.08
Total	1.06	0.98	0.90	-0.08
183 Grants Consolidated Fund				
Housing Grants	0.37	0.40	0.40	0.00
Housing Grants - ESG	0.15	0.15	0.15	0.00
COC Permanent Housing Bonus	0.00	0.57	0.59	0.02
Total	0.52	1.12	1.14	0.02
Total Position Summary	61.00	64.00	79.00	15.00
Expenditure Category by Department				
Personnel	4,662,225	4,975,141	5,689,108	713,967
Operating	22,144,715	23,772,547	24,957,385	1,184,838
Reserves	0	45,749	83,380	37,631
Transfers	128,858	128,858	128,858	0
Total Expenditures:	26,935,798	28,922,295	30,858,731	1,936,436
Revenue Category by Department				
From the Use of Money and Property	15,303	0	0	0
Charges for Services	2,455,608	2,875,766	2,872,300	(3,466)
Miscellaneous Revenue	225,440	13,800	3,000	(10,800)
Other Sources from the Commonwealth	0	503,237	917,176	413,939
Revenue from the Federal Government	20,994,360	22,331,693	22,364,141	32,448
Non-Revenue Receipts	222,236	165,000	200,000	35,000
Transfers from Other Funds	1,464,210	1,363,904	758,437	(605,467)
Total Revenue:	25,377,157	27,253,400	27,115,054	(138,346)

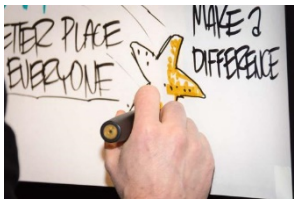
Resource Summary Notes

City Council approved three FTEs during FY 2016-17 to assist with the coordinated assessment function of the homelessness services division.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



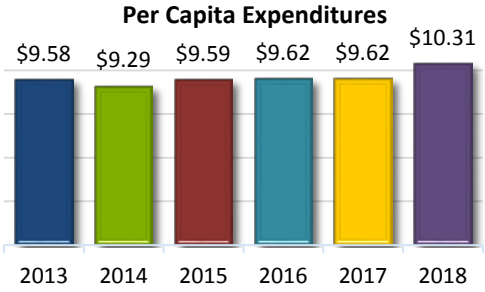
HUMAN RESOURCES



The mission of the Department of Human Resources is to facilitate the recruitment, retention and development of a sustainable quality workforce and its alignment with the City's strategy.

Department Overview

Funding for the Human Resources Department comes primarily from general city revenues. The department collects a small amount of revenue that covers the cost of the employee newsletter (the Beam), and also receives funding from the Water and Sewer Fund to offset the cost of required physicals for its employees. The services are divided into the following areas:



Staffing and Compensation
Coordinates and oversees the city's recruitment, test administration, selection processes, and administration of the city's compensation system. This division provides technical assistance to all departments, employees, and applicants on matters which affect the selection, classification, and pay of employees. They support the city's commitment to ensuring pay equity by conducting position evaluations and salary analysis.

Learning and Development
Provides citywide learning opportunities to allow a comprehensive and integrated learning and development continuum for every city employee. This recognizes the city's underlying commitment to provide leadership and learning opportunities by enabling employees to realize their full potential and to continue learning throughout their career and for a lifetime.

Workforce Planning and Development
Coordinates the development of departmental plans that will anticipate and design ways to meet the needs of the city's current and future workforce.

Human Rights Commission
Conducts and engages in educational and informational programs to promote mutual understanding among citizens. The Commission serves as a forum for discussion on human rights issues, conducts studies, proposes solutions for the improvement of human relations, and provides referral assistance to persons who believe their rights have been violated.

Investigative Review Panel (IRP)
Reviews complaints involving the Police Department as requested by citizens to ensure that reports and conclusions of the Police Department's Internal Affairs Office investigations involving abuse of authority or other serious misconduct are complete, accurate, and factually supported.

Equal Employment Opportunity (EEO)/ADA/Diversity Programs Provides consultative services to departments

in managing their EEO/ADA/Diversity programs. Staff advises and investigates EEO/ADA related complaints and issues and provides training that will raise awareness for both employees and managers.

Member Communications
Provides a multidirectional communication program that enhances information, knowledge, employee engagement, and builds strong relationships that encourage trust. This program provides, coordinates, and implements: *Member Update, Beam, OnPoint* newsletters, *Member Conversations with the City Manager, Because You Asked, Quality of Work Life Member Survey and Action Plans* (other surveys as needed), member recognition programs, and the Member Advisory Committee.

HR/Police Services
Administers the Police Department's performance feedback program, coordinates departmental selection process, provides professional support for police command staff, and provides consultation regarding employee disciplinary and performance issues. Staff also conducts exit interviews and other research of employee retention issues for the Police Department.

Employee Relations
Focuses on maintaining effective management and employee relationships. The division provides technical advice and assistance to departments regarding human resource policies and procedures, performance management and counseling, performance and discipline based actions, an alternative dispute resolution process, leave management and administration, and work life issues.

Occupational Safety and Health Services
Conducts pre-placement and annual medical examinations for public safety and safety sensitive positions that screen for correctable risk factors. Provides fitness for duty testing, substance abuse testing, and manages the Return to Work Program. Occupational Safety coordinates DMV checks and supports city operations conducting ergonomic evaluations of work stations, indoor air quality testing, job hazard studies, and safety compliance training.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services that are readily accessible and are provided in a customer friendly manner

Learning and Development
Participants attending
6,500 - instructor led training
2,500 - e-learning courses

Staffing and Compensation
80% of positions are filled within 60 days of initial advertisement

Occupational Health & Safety
14,000 - participants attending training
15,000 - medical exams/nursing services
1,000 - injuries reported

Trends and Issues

- **Continuing Efficiency through Deployment of Technology**

  In an effort to enhance records management through the use of technology, Human Resources released four new platforms this past year: Taleo Learn, Taleo Onboarding, Taleo Recruit and OHM (Occupational Health Management). These platforms were selected to: 1) provide access to vital records and information electronically; 2) help streamline and improve processes; 3) integrate and update information across various systems; 4) reduce the need for dual-entry; and 5) eliminate having to maintain records in more than one location.

  In the upcoming year, Human Resources will continue its efforts to automate employee records by working toward the elimination of paper personnel files. With the new applicant tracking system and onboarding modules in place, the process of converting existing paper personnel records to a self-managed document imaging and management application is being initiated. This will provide organizational electronic records from the initial job application to the end of the employment relationship. Personnel records will be more accessible, data will allow for additional reporting capabilities, and future storage issues from "paper" files will be resolved.

- **Health Care Trends**

  The City continues to provide several measures to reduce health care costs for its members. A robust wellness program, BEWell (Beach Employee Wellness), provides incentives for a healthy lifestyle and appears to be the impetus for employees lacing up their shoes to walk inside City buildings or enjoy the outdoors. An online benefits enrollment platform was implemented for plan year 2017 and provides health care out-of-pocket costs specific to the member based upon their own prior year claims data. This tool, along with greater communication, is anticipated to bring about greater awareness and education on how to become a better consumer of health care. Another program, SQCN (Sentara Quality Care Network), provides reduced costs to employees for services provided by doctors participating in a program of clinical initiatives designed to improve the overall quality and delivery of health care.

  In addition to our internal efforts at controlling health care costs, cost increases across the country began to slow over the last two years, according to Mercer's (our third party administrator) National Employer Benefit Survey. Projections point to continued moderation of cost increases, though there are many unknowns with the future of health care. For example, the excise tax, also known as the Cadillac tax, is slated to be imposed beginning January 1, 2020 (delayed from January 1, 2018) for health care coverage that exceeds a statutory dollar amount (revised annually). It remains to be seen whether the excise tax is retained under revisions/overhaul of the Affordable Care Act, though initial projections retain the tax but delay its implementation.

- **Efforts to Enhance Discrimination Awareness**

  Virginia Beach is ahead of many organizations with the City's policy that prohibits discrimination not only for race, sex, religion and aspects typically covered by EEO policies, but also due to genetics, sexual orientation and gender identity. This proactive stance has puts the City in a better position to address discrimination, particularly the renewed national debate on LGBTQ issues in the workplace, including restroom access. However, access to restrooms and locker rooms is not the only issue that commonly generates questions from managers and employees who are working with a transgender employee. Confidentiality and privacy concerns, dress and appearance rules, name and pronoun utilization, workplace assignments or duties, sick or medical leave and many other concerns, policies or practices are being tested as well. There are also legal implications for employers to consider. As of July 16, 2015 the EEOC interprets Title VII of the Civil Rights Act to provide protection for all LGBTQ individuals and

released further guidance in 2016 stating that employers will still be liable for gender discrimination claims even if a conflicting state law suggests otherwise. Current policies are being evaluated to develop best practices and guidelines, and to educate employees and managers regarding LGBTQ issues in the workplace to ensure that all employees are treated with dignity and respect.

Major Budget Changes

	Change	Impact
↑	Increase of one FTE (Safety Engineer) in the Occupational Safety and Health Services Division	The Safety Engineer will be an integral part of the City's safety program by assessing workplaces and job sites for hazards/risks and compliance with regulatory standards, developing and conducting safety training to ensure adherence to all regulatory requirements, and serving as resource for departments to develop safety and health plans and conduct inspections of their areas to insure adherence to regulatory regulations among other related activities. By proactively identifying risks in the workplace, this position has the potential to reduce the number and/or severity of workplace accidents and the workers compensation and property and liability claims that go along with those accidents. If accidents do occur, the position will also help to identify root causes and ensure proper training and avoid future occurrences.
↑	Increase of one FTE (Human Resources Analyst) in the Staffing and Compensation Division	This Analyst position will help disburse the division's workload so that activities can be performed in a timely manner for customer departments. The desired outcome is s position will improve organizational performance by expanding the current recruitment pool and reduce the average time vacant for position openings.

Human Resources - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	350,928	385,029	386,634	1,605
Employee Relations	419,880	526,237	534,236	7,999
Staffing and Compensation Services	1,044,737	1,177,960	1,318,576	140,616
Learning and Development	727,821	760,131	799,452	39,321
HR Police Services	113,975	117,062	117,107	45
Member Communications	117,270	117,154	117,490	336
Human Rights Commission	54,538	63,273	71,157	7,884
Occupational Safety	266,648	297,759	0	(297,759)
Occupational Health	891,361	919,969	0	(919,969)
Occupational Safety and Health Services	0	0	1,353,946	1,353,946
Total Expenditures	3,987,158	4,364,574	4,698,598	334,024
Revenues				
Fees	12,985	15,617	15,617	0
Transfers	29,400	35,000	35,000	0
Total Revenues	42,385	50,617	50,617	0
General City Support	3,944,773	4,313,957	4,647,981	334,024
Total Department Expenditure	3,987,158	4,364,574	4,698,598	334,024
Total Department Revenue	42,385	50,617	50,617	0
Total General City Support	3,944,773	4,313,957	4,647,981	334,024
Position Summary by Program				
002 General Fund				
Director's Office	3.00	3.00	3.00	0.00
Employee Relations	7.00	7.00	7.00	0.00
Staffing and Compensation Services	16.00	16.00	17.00	1.00
Learning and Development	7.00	7.00	7.00	0.00
HR Police Services	1.00	1.00	1.00	0.00
Member Communications	1.00	1.00	1.00	0.00
Human Rights Commission	1.00	1.00	1.00	0.00
Occupational Safety	3.00	3.00	0.00	-3.00
Occupational Health	8.00	8.00	0.00	-8.00
Occupational Safety and Health Services	0.00	0.00	12.00	12.00
Total	47.00	47.00	49.00	2.00
Total Position Summary	47.00	47.00	49.00	2.00
Expenditure Category by Department				
Personnel	3,280,905	3,607,313	3,790,616	183,303
Operating	704,993	757,261	864,982	107,721
Capital	1,260	0	43,000	43,000
Total Expenditures:	3,987,158	4,364,574	4,698,598	334,024

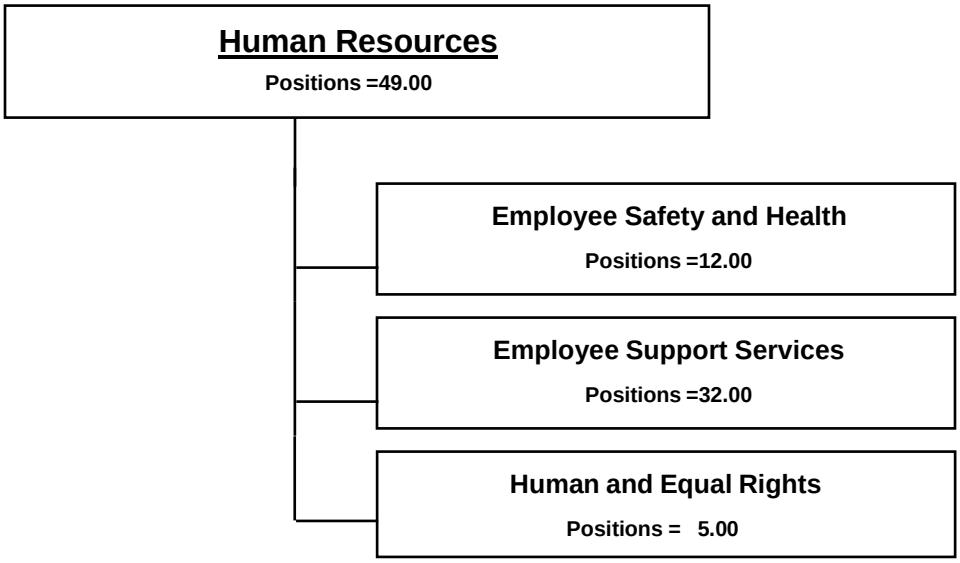
Human Resources - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Revenue Category by Department				
From the Use of Money and Property	1,336	0	0	0
Charges for Services	2,960	0	0	0
Miscellaneous Revenue	8,689	15,617	15,617	0
Transfers from Other Funds	29,400	35,000	35,000	0
Total Revenue:	42,385	50,617	50,617	0

Resource Summary Notes

The “Occupational Safety” and “Occupational Health” budget units have been consolidated into one new budget unit titled “Occupational Safety and Health Services”.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

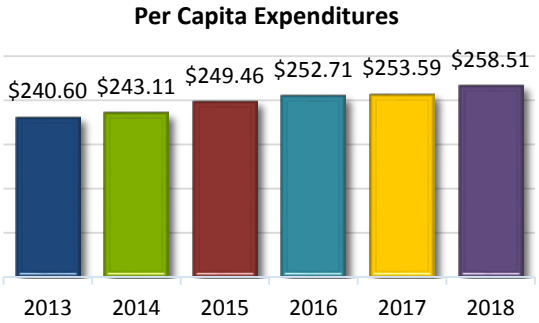


HUMAN SERVICES

The mission of Human Services is to provide Virginia Beach citizens the opportunity to achieve the highest level of self-sufficiency, safety, and quality of life possible through an array of coordinated services delivered in a climate of dignity, respect, and accountability.

Department Overview

Human Services is comprised of the following service areas:



Administration
Provides leadership and support to all divisions. This division consists of the Department Director, Medical Director, and Divisional Deputy Directors, as well as the Continuous Quality Improvement, departmental Finance, departmental Human Resources, Medicaid Transportation, and departmental Facilities and Fleet Management units.

Continuous Quality Improvement
Monitors and reports on all levels of quality throughout the Department to ensure the highest quality services are provided to internal and external customers. Leverages the use of technology to ensure data integrity, and enforce compliance and adherence to internal and external requirements for Medicaid, Licensure, Department of Behavioral Health and Developmental Services (DBHDS) Community Consumer Submission of performance data, Commission on Accreditation of Rehabilitation Facilities, Health Insurance Portability and Accountability Act, and Corporate Compliance. Maintains the Cerner Electronic Health Record and provides Information Technology support at the department level.

Social Services
Aids residents in meeting their fundamental needs during times of temporary economic and social crisis; protects children and vulnerable adults from abuse and neglect; manages a range of services to help maintain families in the least restrictive and intrusive manner possible; assists in preparing clients to find and retain employment and administers a variety of federal and state financial assistance programs including temporary, emergency, or general assistance to needy families, Supplemental Nutrition Assistance Program (SNAP), and Medicaid eligibility. The Juvenile Detention Center provides temporary and safe custody of juveniles that have criminal charges and require a restricted environment for their own protection or the protection of the public. Through the Community Corrections and Pre-Trial program, the division also works with judges, magistrates and local and regional jails to provide sentencing alternatives to incarceration and reduce recidivism for adults convicted of certain misdemeanors or non-violent felonies.

Community Services Board
Responds to psychiatric emergencies 24-hours a day; meets the residential, outpatient, employment, and day support/psycho-social rehabilitation service needs of individuals with severe mental illness; assists families in caring for members with mental illness, intellectual disabilities, and substance abuse disorders; offers

opportunities for occupational and residential independence for individuals with intellectual disabilities; enables children and youth with mental illness, intellectual disabilities and substance abuse disorders to remain in their homes, schools and communities and promotes resiliency in youth and communities through case management, crisis services, outpatient services, prevention and education activities. Finally, the Infant Toddler Connection program works to ensure the growth and development of infants, who are or at risk of developmental disabilities, birth to age three, as well as supporting their families.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services
Goal: Be the Safest City in Virginia
Goal: We are an Inclusive Community that is Welcoming and Empowers All

Means to Residents: Feeling safe and secure within Virginia Beach – any place, anytime; increased access to quality health care; decreased opioid addiction; & easy access to government participation and services.

81% of citizens are satisfied with mental health/intellectual disability services

72.5% of citizens satisfied with the services for needy or homeless families

94.8% of residents agree with the statement "Virginia Beach, in general, is a safe place to live"

90.7% of residents agree with the statement "my neighborhood is a safe place to live"

Clients with developmental disabilities served:

47 at four intermediate care facilities

21 provided respite care

725 individuals admitted to Pathways to Recovery Center

3,300 individuals served with Mental Health/Substance Abuse Emergency Services

By year-end :

14,500 households to be assisted by Supplemental Nutrition Assistance Program

700 cases opened to Temporary Assistance for Needy Families

1,300 child protective service complaints investigated/assessed

350 juvenile offenders detained in temporary & safe custody

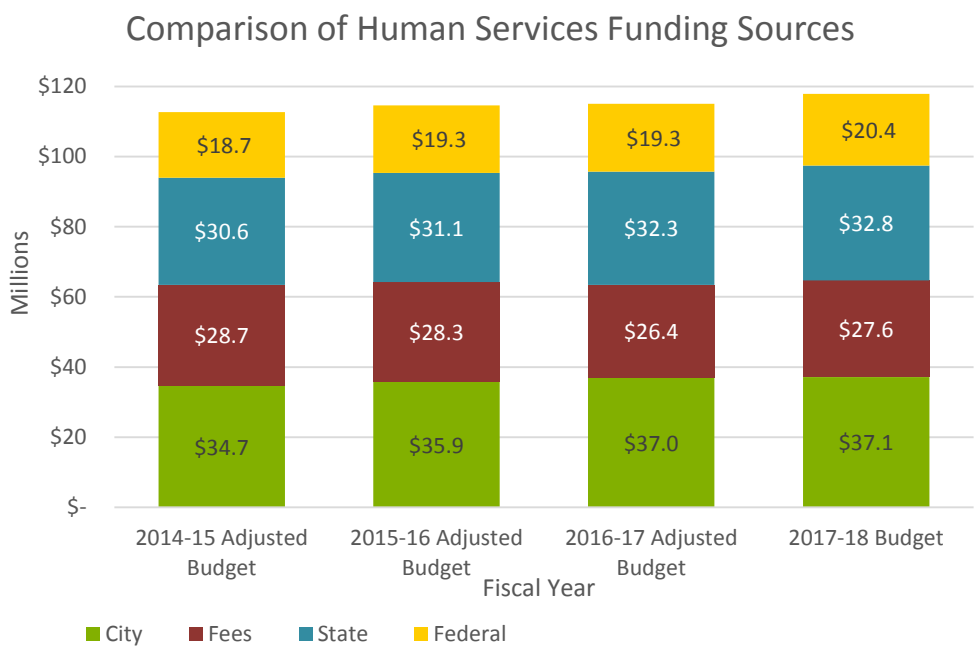
Trends & Issues

- Annually City Council assesses and establishes their top priorities. Included in their list of priorities is the Implementation of Human Services' initiatives, which include the following for FY 2017-18:

  - Continue implementation of Human Services' three-year strategic plan developed in collaboration with a committee of 30 individuals from the public and private sectors and with input from 15 community-based focus groups involving over 200 residents, and rolled out in Spring 2017. The plan consists of four main components:
    - Integration of services, which envisions a one-stop shop to obtain a total package of services an individual may need including mental health, substance abuse, developmental services, and/or social safety nets such as housing, SNAP and other social services benefits;
    - Enhanced communications to internal staff, City departments, and the community along with improved community engagement to promote services and benefits outreach and feedback. Areas incorporated in this initiative include updating Human Services' website to provide more information about eligibility requirements for services, and using social media to communicate information to residents; and
    - Improved access to services by creating a mobile work environment to meet the community where needs are identified and establishing additional Human Services offices in underserved areas of the city.
    - Talent development from the beginning of employment, to include an engaging onboarding and orientation process that introduces new employees to the entire range of services offered by the department, ongoing training for specific skills and certifications, implementation of best practices, and frequent exposure through retreats, meetings, trainings and other activities that provide a broad view of the mission and values of the department.
  - Continued review of internal fiscal controls and implementation of best practices to maximize resources while minimizing risks.
  - Review of and redesign various programs to modernize policies, procedures and update best practice techniques. Areas of focus in the coming year include:
    - Human Resources Division to recruit and retain top talent to best serve Virginia Beach residents;
    - Financial Assistance Division to streamline application processes and improve customer service;
    - Child Welfare Division to ensure use of promising and best practices for the best outcomes for the children served; and
    - Adult Outpatient Services to accommodate same day access and provide critically needed psychiatric care on demand in preparation for compliance with the state Department of Behavioral Health and Developmental Services STEP VA (System Transformation, Excellence and Performance in Virginia) mandates, which are currently being piloted in eight CBSs across Virginia.
  - The demand for psychiatric evaluations and treatment exceeds the supply of Psychiatrists in the city as well as nationwide. According to the National Alliance on Mental Illness, psychiatrists are in high demand as one in every five adults in the U.S. experiences some form of mental illness and nearly 1 in 20 adults live with a serious mental illness. Nationwide, 55% of the active psychiatrist population are age 55 or older numbering 12,486 psychiatrists. There is a concern locally as well as nationwide that with the aging population of Psychiatrists, the number leaving the field will exceed the number entering. The Department is deeply concerned about this trend and is implementing some of the measures above in response to these statistics.

- The department is currently engaged in a national search for a highly qualified psychiatrist to take on the role of Medical Director.

- Four main sources of funding - DHS implements necessary practices to maximize the use of all available outside funding sources (fees, state and federal governments) to optimize services. For FY 2017-18, city funding is anticipated to be consistent with FY 2016-17 levels, while fee revenue (mainly from Medicaid), state and federal revenues (e.g. Public Assistance Grant revenue, Department of Juvenile Justice Block Grant and State Ward revenues) are anticipated to rise slightly due to anticipated increases in clients to be served by various programs including the Juvenile Detention Center, Children's Services Act, Child and Youth Services, and increased client payments and Medicaid reimbursements for costs incurred at some Intermediate Care Facilities. For FY 2017-18, the city is funding 31.5% of Human Services' budget for special programs not funded by state or federal governments and funding matches required to obtain state and federal funding. State funding comprises 27.8% of the department's budget and is provided by the Department of Behavioral Health and Developmental Services, Virginia Department of Social Services, Virginia Department of Juvenile Justice, and a grant from the Department of Criminal Justice Services for Community Corrections and Pretrial Services. Fees mainly from Medicaid and other insurance payments comprise 23.4% of the department's budget. Federal funding supports 17.3% of the department's budget and provides for general public assistance grants for substance abuse prevention and selected mental health services.



- SNAP and Medicaid Benefits – The department must comply with state and federal timeframes for processing applications for public assistance to ensure timelines in the distribution of benefits to residents. SNAP active caseloads decreased by 1,336 (8.6%) in FY 2015-16. Medicaid recipient counts increased by 15,409 (36.1%) over the same time period.

SNAP and Medicaid Recipients by Fiscal Year

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
SNAP Active Cases	15,705	16,868	17,361	17,628	15,533	14,197
Medicaid Recipients	47,312	47,775	50,328	50,554	42,626	58,035

Major Budget Changes

	Change	Impact
↑	Operating Costs for Human Services Portion of Housing Resource Center	Adds four months of the estimated operating costs totaling $56,115 (utility, building maintenance contract, custodial services, security services) to be allocated to Human Services for the Housing Resource Center, which is scheduled to open in March 2018.
↔	Conversion of Contracted Manpower to Full-Time Staff for Infant Toddler Program to Ensure Retention and Stability of Staff	Reallocates $675,710 in existing appropriations by converting contracted manpower positions to 10 MH/MR Clinician IIs to provide services to infants and toddlers ages 0 – 3 years encountering developmental delays to get children ready for mainstream schooling. The Clinicians will work directly with the children and their families. The conversion to City staff is a continuation of a strategy Human Services developed in FY 2015-16 and first implemented in the FY 2016-17 Budget to reduce reliance on using temporary contracted manpower in critical service roles to enable HS to attract higher quality candidates, establish consistency in staffing, and provide a higher level of supervision.
↑	Addition of Clinicians for Child and Youth Services to Address Demand for Services	Adds two full-time MH/MR Clinician IIs to address the increasing caseload for the Child and Youth unit, which provides services to seriously mentally ill children accessing Community Services Board (CSB) and Children's Services Act (CSA) programs. Current caseloads are maxed out at the recommended level of 25 high intensity, high complexity cases per existing clinician (22 FTEs) with no capacity to accept new cases. Recent changes by the State will increase the need for case management as an influx of 45 to 50 new cases is estimated over the next year. The additional personnel will generate user fees sufficient to cover the cost of adding these personnel and related operating costs totaling $146,078.
↑	Adds Staff to Benefits Unit to address State and Federal Requirements	Adds 11 full-time staff in the Benefits Unit at a total cost of $710,072 to address under-staffing in this unit to meet federal and state requirements for timely and accurate processing and distribution of public assistance applications and benefits including SNAP, Medicaid, TANF, and Daycare. Additional staff requested include 5 Eligibility Worker IIs, 2 Eligibility Worker Assistants, and 4 Eligibility Worker Supervisors, one of which will oversee the Fraud Investigation activities. Currently, Eligibility Workers carry caseloads of approximately 750 – 800, with experienced personnel carrying nearly 900 each. The cost will be supported by revenues from the Virginia Department of Social Services/State Public Assistance at $475,748 (about 67% of total cost), and the General Fund at $234,324 (33% of total cost).

	Change	Impact
↑	Adds Staff to Personnel Unit to Strengthen the Unit	Adds 3 full-time staff at a total cost of $231,976 to strengthen and stream-line the 13-person Personnel unit, which serves a department of over 1,144 FTEs. It is responsible for the recruitment of department staff into positions ranging from entry level administration to medical professionals. Also this unit is responsible for ensuring that ongoing training and documentation are kept in compliance with state program licensure requirements. Three positions will address: employee relations, recruitment, to include negotiating salaries with prospective staff, and administration of a training program that covers state mandates. The cost will be supported by revenues from the Virginia Department of Social Services/State Public Assistance at $69,593 (approximately 30% of total cost), and the General Fund at $162,383 (70% of the total cost).
↑	Adds Staff to Child Welfare Unit	Adds 3 full-time staff (2 Family Services Specialist IIs and 1 Human Services Supervisor II) at a total cost of $240,205 in the Child Welfare unit, which provides Child Protective Services and other support programs for children in the City. Two Family Services Specialists are needed to implement best practices to move children toward permanent placements more quickly instead of remaining in foster care for years. An additional Human Services Supervisor II is required to address insufficient supervision of the provision of services in this unit. The cost will be supported by revenues from the Virginia Department of Social Services/State Public Assistance at $160,937 (approximately 67% of the total cost), and General Fund at $79,268. (33% of the total cost).
↑	Adds Temporary Psychiatrist for Adult Outpatient Services to Address Backlog in Demand for Services	Adds funding of $336,000 for an additional temporary psychiatrist to reduce wait times for individuals needing immediate mental health assessments and medication management services. The Adult Outpatient Services unit provides acute and ongoing medical and clinical care for individuals dealing with mental health and substance abuse conditions. Psychiatrists are in high demand and short supply, making recruitment for permanent and temporary positions difficult. As of January 24, 2017, there is a waiting list of 41 people needing psychiatric evaluations.
↑	Conversion of Contracted Manpower for Continuous Quality Improvement Unit	Converts contracted manpower staff in the Continuous Quality Improvement Unit (CQI) into 4 full-time staff including: 1 Administrative Specialist II, 2 Business Application Specialist IIs, and 1 MH/MR Clinician IV. CQI provides a vast array of monitoring and compliance services to Human Services including handling highly sensitive and confidential information, clinical records review, policy and procedure development, state licensure and accreditation compliance and processes, records management, human rights compliance, and FOIA request responses. The conversion of these positions is needed to attract top talent, establish consistency in staffing, and provide a higher level of supervision. The cost is funded by a reallocation of $273,907 in existing appropriations and additional $13,939 in revenues received

	Change	Impact
		from the Virginia Department of Social Services, which cover 30% of administrative staff and operations costs.
↑	Conversion of Contracted Manpower for Intermediate Care Facilities to Ensure Adequate Customer Care and Reliable Staffing Coverage	Converts contracted manpower staff serving the four Intermediate Care Facilities to 12.25 FTEs including 6 full-time FTEs (3 Behavioral Specialists, 2 Nurse Is, 1 MH/MR Clinician III) and 6.25 part-time FTEs (4.7 MH/MR Assistants, 1.55 Behavioral Specialist). The Intermediate Care Facilities provide 24-hour residential care for 47 individuals with intellectual and developmental disabilities and have significant medical health issues. There are 74 contracted manpower and 139 permanent full-time and part-time positions supporting these facilities. This conversion would reduce the percentage of contracted manpower staff to 24% of total staff. The conversion to City staff is a continuation of a strategy Human Services developed in FY 2015-16 and first implemented in the FY 2016-17 Budget to reduce reliance on using temporary contracted manpower in critical service roles to enable HS to attract higher quality candidates, establish consistency in staffing, and provide a higher level of supervision. This cost is funded by reallocation of $521,799 in existing appropriations and one-time funding from the General Fund of $80,940. Medicaid reimbursements are anticipated to cover the cost in future years.
↑	Conversion of Contracted Manpower in Accounts Payable Unit	Converts one contracted manpower position to a full-time Account Clerk III for the Accounts Payable Unit ($47,615 total cost) to maintain the Special Welfare funds. This position receives, records, tracks and balances social security and other outside support funds received by the department on behalf of children in foster care. These funds must be monitored to avoid supplanting with Title IV-E federal funds, and must be maintained below a certain balance. The contractual employee is not permitted to have access to the City's financial system and cannot provide the support required. One full-time Account Clerk III rather than a temporary worker is required and would better serve this program unit. The cost is funded by reallocation of $43,121 in existing appropriations, and $4,494 in additional State revenues from the Virginia Department of Social Services.

Human Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Central Administration	1,258,187	1,735,482	1,337,023	(398,459)
Information Technology Services	606,502	0	0	0
Reimbursement	892,732	832,985	842,774	9,789
Quality Assurance	1,365,780	2,162,254	2,681,172	518,918
Personnel	462,322	771,815	3,913,398	3,141,583
Accounts Payable	503,612	384,676	323,513	(61,163)
Transportation	1,523,330	1,754,397	1,504,120	(250,277)
Facilities and Fleet Management	0	0	514,898	514,898
CSB Administration	0	0	661,244	661,244
MHSA Program Support	716,778	622,394	263,215	(359,179)
Senior Adult Services	229,439	233,450	227,694	(5,756)
Adult Outpatient Services	5,025,719	5,922,721	6,355,011	432,290
MH Community Rehabilitation	1,395,441	1,676,164	1,404,027	(272,137)
MH Emergency Services	1,377,481	1,605,084	1,594,432	(10,652)
Child and Youth Services	2,675,832	2,840,811	3,025,201	184,390
Residential Services	3,226,348	3,188,589	2,432,618	(755,971)
Permanent Supportive Housing	0	740,195	682,500	(57,695)
Crisis Management	0	1,172,214	922,823	(249,391)
MH Case Management Unit	3,217,195	2,339,075	2,092,141	(246,934)
MH PATH	255,280	261,101	222,554	(38,547)
Harbour	848,199	881,857	763,772	(118,085)
Program of Assertive Community Treatment	1,314,293	1,525,887	1,655,964	130,077
Discharge Assistance Planning (DAP)	0	0	953,085	953,085
Office of Consumer and Family Affairs	0	182,483	212,561	30,078
DS Program Clinical Support	396,221	454,211	400,523	(53,688)
DS Case Management	2,580,437	2,929,672	2,833,433	(96,239)
DS Employment Services	1,499,334	1,668,694	1,464,849	(203,845)
DS Skillquest	3,075,030	3,247,435	2,954,565	(292,870)
DS Respite Care Program	408,241	486,037	361,481	(124,556)
DS Infant Program	592,752	2,127,641	2,229,208	101,567
DS Supportive Living	2,908,999	3,034,089	2,751,347	(282,742)
DS Skilled Nursing	813	423,764	412,450	(11,314)
DS Family Support	63,001	66,125	67,757	1,632
DS Supportive Living - Homes	2,587,288	2,756,990	2,757,403	413
DS Kentucky Avenue Project	1,757,440	2,055,578	2,090,188	34,610
DS Early Intervention	1,459,697	0	0	0
DS Colby Way ICF/MR	892,497	972,592	941,961	(30,631)
DS West Neck Side A	4,764,323	2,916,015	2,554,111	(361,904)
Indian River Road ICF/MR	2,356,990	2,461,258	2,407,708	(53,550)
DS West Neck Side B	498	2,539,295	2,577,102	37,807
Pathways at Birdneck	2,521,521	3,078,683	3,089,518	10,835
MHSA Adult Day Treatment Services	296,170	282,171	346,660	64,489
SA Prevention	856,070	586,572	584,802	(1,770)
SA Adult Correctional Services	719,528	898,270	714,631	(183,639)
SA - HIV Prevention	107,823	125,768	81,611	(44,157)
SA - Project LINK	358,548	347,366	282,449	(64,917)
Child Services	17,048,860	14,905,508	14,933,821	28,313

Human Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
002 General Fund				
Benefit Program	11,139,465	11,387,188	10,948,237	(438,951)
Employment Services	3,177,728	3,475,615	3,341,101	(134,514)
Adult Services	2,064,926	1,754,529	2,139,746	385,217
Social Services Administration	0	2,032,006	2,272,431	240,425
Virginia Beach Juvenile Detention Center	4,615,527	5,197,207	4,986,136	(211,071)
CSA Administration and Social Services	9,206,672	10,132,483	10,807,937	675,454
Total Expenditures	104,350,869	113,176,396	115,918,906	2,742,510
Revenues				
Fees	25,884,400	26,400,820	27,526,102	1,125,282
State	28,362,398	31,178,047	31,667,374	489,327
Federal	19,345,412	19,222,164	20,220,284	998,120
Transfers	180,701	250,000	350,000	100,000
Fund Balance	0	431,749	143,124	(288,625)
Total Revenues	73,772,911	77,482,780	79,906,884	2,424,104
General City Support	30,577,958	35,693,616	36,012,022	318,406
183 Grants Consolidated Fund				
Expenditures				
Hard to Serve Grant	68,206	70,999	135,647	64,648
Community Corrections and Pre-Trial	1,681,305	1,703,875	1,752,815	48,940
Human Services Grants	71,142	78,694	0	(78,694)
Transfer to Other Funds	3,436	0	0	0
Total Expenditures	1,824,089	1,853,568	1,888,462	34,894
Revenues				
Fees	32,047	33,068	33,068	0
State	1,140,014	1,140,013	1,140,013	0
Federal	90,305	85,116	135,647	50,531
Transfers	564,050	595,371	579,734	(15,637)
Total Revenues	1,826,416	1,853,568	1,888,462	34,894
General City Support	(2,327)	0	0	0
916 Social Services Gift Fund				
Expenditures				
Social Services - Holiday Project	0	4,000	14,000	10,000
Social Services - Pennies for Prescriptions	0	2,500	12,500	10,000
Domestic Violence Assistance	0	0	5,000	5,000
Memories and Educational Milestones (MEM)	0	0	3,000	3,000
Total Expenditures	0	6,500	34,500	28,000
Revenues				
Fees	57,694	6,500	6,500	0
Fund Balance	0	0	28,000	28,000
Total Revenues	57,694	6,500	34,500	28,000
General City Support	(57,694)	0	0	0

Human Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Total Department Expenditure	106,174,958	115,036,464	117,841,868	2,805,404
Total Department Revenue	75,657,021	79,342,848	81,829,846	2,486,998
Total General City Support	30,517,937	35,693,616	36,012,022	318,406

Position Summary by Program				
002 General Fund				
Central Administration	7.00	11.00	9.00	-2.00
Information Technology Services	1.00	0.00	0.00	0.00
Reimbursement	14.00	12.00	12.00	0.00
Quality Assurance	14.50	15.00	25.00	10.00
Personnel	6.00	12.50	16.00	3.50
Accounts Payable	8.00	5.00	5.00	0.00
Transportation	26.82	31.19	30.44	-0.75
Facilities and Fleet Management	0.00	0.00	9.00	9.00
CSB Administration	0.00	0.00	8.00	8.00
MHSA Program Support	8.38	5.75	1.00	-4.75
Senior Adult Services	2.63	2.63	2.63	0.00
Adult Outpatient Services	51.07	51.07	52.82	1.75
MH Community Rehabilitation	18.00	18.00	17.00	-1.00
MH Emergency Services	16.75	16.63	16.63	0.00
Child and Youth Services	29.56	29.30	32.05	2.75
Residential Services	22.74	22.04	22.04	0.00
Permanent Supportive Housing	0.00	1.50	1.50	0.00
Crisis Management	0.00	13.25	12.25	-1.00
MH Case Management Unit	37.25	23.00	24.00	1.00
MH PATH	2.75	1.75	2.75	1.00
Harbour	10.53	9.63	8.63	-1.00
Program of Assertive Community Treatment	14.00	14.00	15.00	1.00
Office of Consumer and Family Affairs	0.00	2.00	2.00	0.00
DS Program Clinical Support	5.00	5.00	4.00	-1.00
DS Case Management	33.23	35.65	35.65	0.00
DS Employment Services	19.00	19.00	19.00	0.00
DS Skillquest	39.95	39.71	41.33	1.62
DS Respite Care Program	6.75	6.75	4.75	-2.00
DS Infant Program	6.45	9.45	19.45	10.00
DS Supportive Living	47.75	43.15	43.15	0.00
DS Skilled Nursing	0.00	4.00	4.00	0.00
DS Supportive Living - Homes	38.79	38.79	39.54	0.75
DS Kentucky Avenue Project	23.00	24.00	26.55	2.55
DS Early Intervention	3.00	0.00	0.00	0.00
DS Colby Way ICF/MR	10.50	11.50	11.50	0.00
DS West Neck Side A	60.00	30.00	31.40	1.40
Indian River Road ICF/MR	31.50	32.50	34.35	1.85
DS West Neck Side B	0.00	31.00	35.70	4.70
Pathways at Birdneck	28.78	29.78	29.78	0.00
MHSA Adult Day Treatment Services	2.00	3.00	3.00	0.00
SA Prevention	8.13	6.13	6.13	0.00
SA Adult Correctional Services	7.75	8.75	8.75	0.00
SA - HIV Prevention	1.00	1.00	1.00	0.00
SA - Project LINK	2.75	2.75	2.63	-0.12
Child Services	105.00	109.00	107.50	-1.50
Benefit Program	160.79	151.00	146.00	-5.00

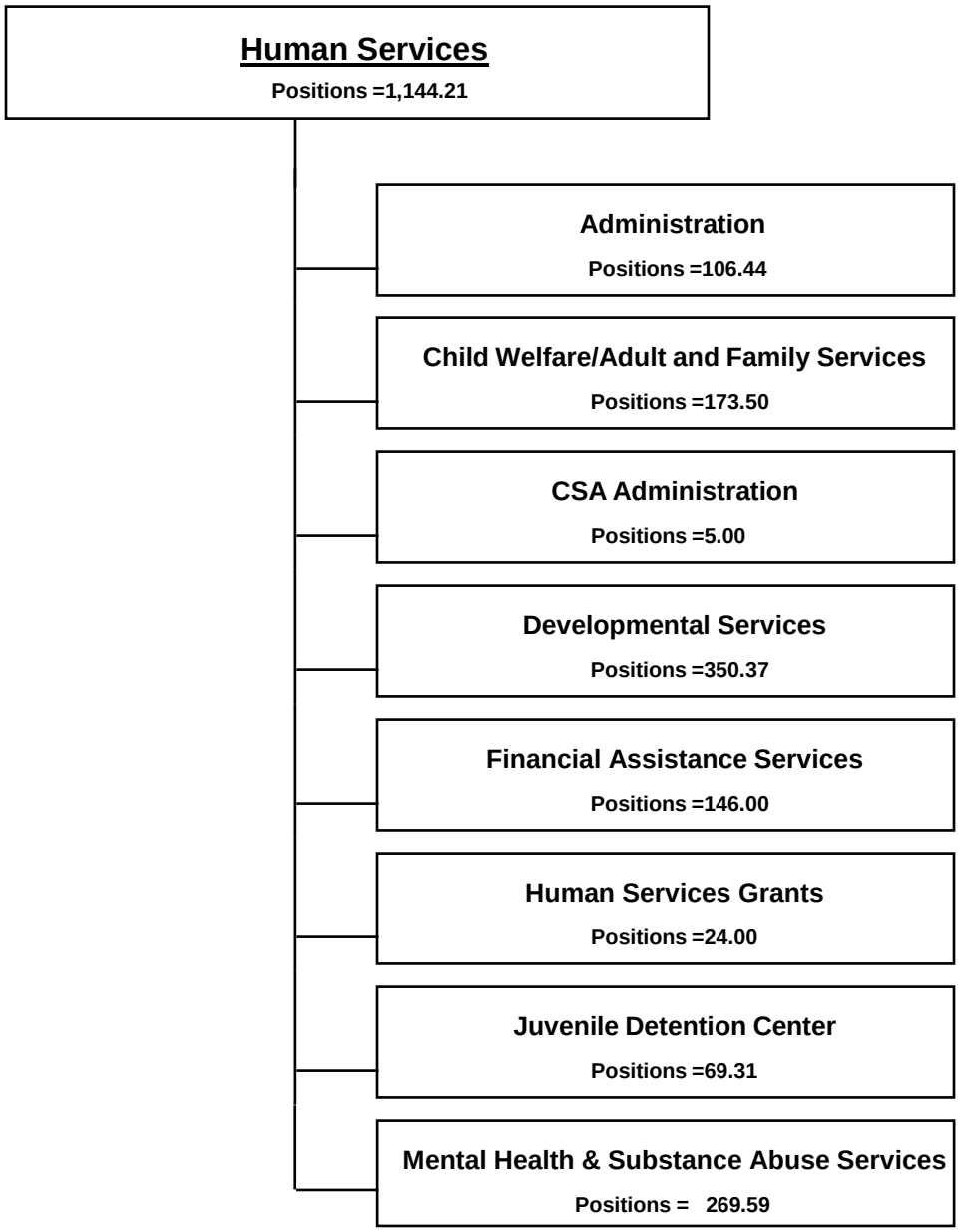
Human Services - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
002 General Fund				
Employment Services	44.00	42.00	40.00	-2.00
Adult Services	16.50	15.50	20.00	4.50
Social Services Administration	0.00	5.00	6.00	1.00
Virginia Beach Juvenile Detention Center	73.31	68.31	69.31	1.00
CSA Administration and Social Services	3.00	5.00	5.00	0.00
Total	1,068.91	1,074.96	1,120.21	45.25
183 Grants Consolidated Fund				
Hard to Serve Grant	1.00	1.00	1.00	0.00
Community Corrections and Pre-Trial	24.00	22.00	23.00	1.00
Human Services Grants	1.00	1.00	0.00	-1.00
Total	26.00	24.00	24.00	0.00
Total Position Summary	1,094.91	1,098.96	1,144.21	45.25
Expenditure Category by Department				
Personnel	72,983,900	80,529,449	81,427,803	898,354
Operating	33,147,121	34,482,015	36,390,315	1,908,300
Capital	40,501	25,000	23,750	(1,250)
Transfers	3,436	0	0	0
Total Expenditures:	106,174,958	115,036,464	117,841,868	2,805,404
Revenue Category by Department				
Charges for Services	24,768,374	25,798,005	26,863,381	1,065,376
Miscellaneous Revenue	1,205,767	642,383	702,289	59,906
Other Sources from the Commonwealth	29,502,412	32,318,060	32,807,387	489,327
Revenue from the Federal Government	19,435,717	19,307,280	20,355,931	1,048,651
Transfers from Other Funds	744,751	845,371	929,734	84,363
Specific Fund Reserves	0	431,749	171,124	(260,625)
Total Revenue:	75,657,021	79,342,848	81,829,846	2,486,998

Resource Summary Notes

Increased costs, revenues and FTEs address: increased demand for services; State and Federal requirements for processing/distributing financial benefits; conversion from contracted manpower to City FTEs to provide core services; and implementation of best practices in Child Welfare and Personnel Units. Contracted manpower costs and FTEs were reallocated within the department to meet program demands. One grant-funded position was eliminated with expiration of the grant.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

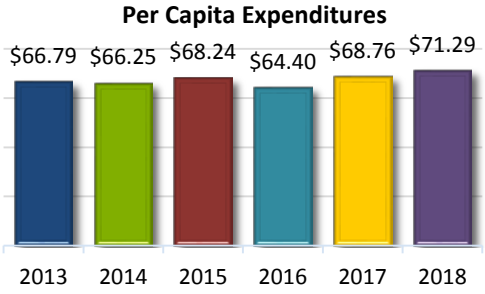


INFORMATION TECHNOLOGY

Information Technology (IT) is an organization committed to proactively delivering a dynamic and evolving set of core services and innovative technologies that the city and its constituents demand. IT achieves and maintains high standards in the following areas: Business and IT Alignment; Information Accessibility; Openness and Transparency; Civic Participation; Operational Efficiency; Quality Workforce; and IT Security.

Department Overview

IT provides a technology foundation supporting all city and school departments and agencies. Service delivery is based on three fundamental pillars: (1) Run, (2) Grow, (3) Transform. The Run pillar is for maintaining applications and infrastructure components by performing repairs and day-to-day activities. The Grow pillar is for replacement of outdated hardware and the patching of software applications or operating systems. The Transform pillar is for new product or system acquisition and implementation. The department's services are built upon the following operational areas:



The decrease in FY 2015-16 is due to the transfer of the Media and Communications division to the City Manager's Office.

Applications Support
Analyzes, develops, tests, integrates, manages, and supports organizati applications.

Business Center and Mail Services
Responsible for departmental purchasing, human resources, payroll, accounts payable, reception, central support, print shop billing, telecommunication billing, and organization wide mail delivery.

Center for Geospatial Information Services (GIS)
Provides GIS base mapping and GIS web services for public safety and other city and school agencies. GIS also maintains maps and databases, support functions, and components including GIS data elements.

Systems Support
Provides organizational computer, server, and network design, engineering, maintenance, repair, and support services.

Telecommunications
Provides telephone, network and radio maintenance, support, contract administration, cable management, billing, dial tone provision, service coordination, and configuration changes.

Technology Services
Provides technology project portfolio management, customer support, information security and privacy, and account management services.

IT Security
Provides protection for all city electronic data and the information technology infrastructure within the city through information security training, and by employing administrative, technical, and physical controls.

Data & Information Management
Enables city businesses to share, manage and reuse information created in different solutions and stored in different repositories. Delivers Business Analytics and Intelligence capabilities that fosters business innovation and improved service delivery.

Strategy & Architecture
Establishes and maintains the current and future technical architecture needed to support the City's strategic objectives. This includes facilitating and documenting the IT Strategic Plan, coordinating business, technology and information architecture functions and facilitating the IT innovation process.

Key Performance Measures

Goal: Data and Technology is used to Enhance Community Livability, Prosperity and Sustainability

Mean to Residents: Increased Cyber Security	Means to Residents: Access to affordable broadband and wireless connectivity	Means to Residents: Increased government responsiveness
384 - Phising Service Tickets 158 - Virus Service Tickets 25 - Applications at security risk	Free WiFi Locations 25 Buildings 105 Access Points	93.4% of Service Desk customers "very satisfied" with services received
City members receiving training: 958 - classroom info security 3,917 - online awareness	Availability of municipal center based WAN 99.8%	39,320 - Service Tickets 98.8% - Closed

Trends & Issues

- **Transoceanic Fiber Could Be A Game Changer for Virginia Beach**
  The IT department and the city have embarked on a transformational project that will establish Virginia Beach as the Mid-Atlantic hub for transoceanic fiber communications. Microsoft and Facebook are partnering to build and manage MAREA, the highest-capacity subsea cable to ever cross the Atlantic, and the first to connect the U.S. to southern Europe. It will run from Virginia Beach to Bilbao, Spain and is scheduled to be operational this fall.

  Additionally, Telefonica is building another subsea cable, BRUSA, which will connect Virginia Beach to Fortaleza and Rio de Janeiro, Brazil and on to San Juan, Puerto Rico. The BRUSA cable installation is scheduled for mid-year 2018.

  Work on the Next Generation Network Continues
  The IT department is also managing the development and implementation of a Next Generation Network (NGN) – a high-speed optical network that will expand network fiber to connect 60 government facilities throughout the city and help to provide excellent government services. The NGN

will support the city's transformation into a truly connected community and help to bridge the digital divide, enabling economic development and regional and educational opportunities throughout the city.

- **Mobile Applications Connect Citizens to Services**
  Connectivity is also backed by the creation and support of city mobile applications developed for users to conveniently find, use and manage their city services at anytime from anywhere. Within the IT department, there is a dedicated Mobile Applications Team which has developed numerous mobile apps across platforms to connect citizens to services. Each app is available on both iOS and Android and gives citizens and visitors easy access to information and city services using their mobile device.

  The Mobile Applications Team is currently working on two new workforce applications to be used by city members. The Infor Public Sector Workforce App is being developed for the Parks and Recreation department, and will enable better asset management functionality and timely fulfillment of work orders. The Accela Workforce App, developed for the Housing department, will allow inspectors to perform code enforcement functions via a mobile interface, minimizing the use of paper and increasing efficiencies. Both of these applications are scheduled for release within the year.

- **IT Department Receives National Recognition**
  The Department of Information Technology continues to support city agencies through the implementation of innovative technologies that align with city goals, enhance organizational transparency, and facilitates citizen engagement. The department's initiatives have earned the city a first place win in 2016 the annual Digital Cities Survey, a nationwide measure of municipal government's use of innovative technologies and emerging best practices.

Major Budget Changes

	Change	Impact
↑	Transfer position from VBSO to IT per Memorandum of Understanding (MOU) with the Virginia Beach Sheriff's Office	An additional civilian position is being transferred from the Sheriff's Office to IT to support the Sheriff's information technology infrastructure. This completes the 2-year phased transition of this responsibility from the Sheriff's Office to IT as outlined in a MOU between the two agencies. The impact will be better service to the Sheriff's Office as IT will be able to leverage additional resources available to the Department that the Sheriff's personnel may not be able to access. This should lead more frequent maintenance of systems and applications, which should reduce downtime.
↑	Update of City LIDAR Data	This funding will provide an update to the City's digital elevation model that is used to detect changes in sea level rise, flood hazard areas, vegetation health (using infrared returns), urban tree canopy, coastal dunes, coastal beach erosion and land use patterns and trends. LiDAR is collected at the same time as annual Pictometry flights, so the costs are reduced. If the LIDAR is not updated on a regular basis, departments are forced to perform more costly site visits and physical surveys to monitor these trends.

	Change	Impact
↑	Health and Human Services Community of Interest Support Team	DHS provides services to some of the most vulnerable citizens within our community and for years they have lacked the support of highly skilled technical resources from IT at the local and state level. The department will be provided with dedicated resources that will focus on modernizing their services to the citizens with state of the art IT tools while providing the necessary IT oversight and governance that reduces the organization's technical risk. DHS has over 50 line of business software applications. During a recent IT assessment of these applications, approximately 75% are in need of immediate attention to either be migrated to a more current platform or replaced with better tools. For example, City Council recently approved reallocation of over $800,000 to upgrade and modernize their primary business application (Anasazi to Cerner Millennium).
↑	Economic Growth and Vitality Community of Interest Support Team	This funding will establish IT support the Economic Growth and Vitality Community of Interest (COI). This COI includes the Departments of Agriculture, Convention and Visitor's Bureau, Housing and Neighborhood Preservation, and Planning. This COI has over 20 line of business applications and a recent assessment of these applications indicates that 25% need attention due to technical issues and concerns with these applications. In addition, IT does not have the depth of staff members to provide consistent management and lifecycle maintenance of the applications. In order for IT to provide adequate services to this COI, it requires resources to support the enterprise Accela solutions suite. This includes annual upgrades as well as implementing additional modules including next generation permit issuance and inspections, next generation solution integration to streamline data and information across systems and verticals, and mobile capabilities to automate the field workforce. Divisions using Accela include Housing and Neighborhood Preservation, and Planning and Community Development. Additionally, the Convention and Visitors Bureau requires an upgrade of the facilities management system, the event management system, environmental control systems, and implementation of a Customer Relationship Management (CRM) solution. The Housing Resource Center will require technology solutions to serve the customers and staff that will occupy the facility.

Information Technology - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Multimedia Services	122,221	0	0	0
Mail Service	232,683	218,835	223,545	4,710
Information Technology Business Center	949,631	1,141,996	996,786	(145,210)
Applications Support	7,862,016	8,498,336	8,764,640	266,304
Data & Information Management	0	972,860	1,088,486	115,626
Systems Support	6,099,511	6,726,864	7,999,133	1,272,269
Center for Geospatial Information Services	2,228,915	2,269,779	2,098,608	(171,171)
Information Technology Security	1,445,638	2,189,797	595,881	(1,593,916)
Technology Services	1,524,223	1,975,742	3,046,916	1,071,174
Strategy and Architecture	0	0	717,794	717,794
Total Expenditures	20,464,838	23,994,209	25,531,789	1,537,580
Revenues				
Fees	326	0	0	0
Transfers	1,979,427	1,974,273	1,985,721	11,448
Total Revenues	1,979,753	1,974,273	1,985,721	11,448
General City Support	18,485,085	22,019,936	23,546,068	1,526,132
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - Information Technology	447,519	0	0	0
Total Expenditures	447,519	0	0	0
Revenues				
Fees	447,519	0	0	0
Total Revenues	447,519	0	0	0
General City Support	0	0	0	0
620 Telecommunications Internal Service Fund				
Expenditures				
Telecommunications	2,833,971	3,052,792	2,957,958	(94,834)
Reserve for Contingencies	0	125,774	268,635	142,861
Total Expenditures	2,833,971	3,178,566	3,226,593	48,027
Revenues				
Fees	3,062,081	3,178,566	3,226,593	48,027
Total Revenues	3,062,081	3,178,566	3,226,593	48,027
General City Support	(228,110)	0	0	0

Information Technology - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
621 Subscriptions Internal Service Fund				
Expenditures				
Subscriptions	2,605,510	4,018,596	3,498,797	(519,799)
Reserve for Contingencies	0	0	242,501	242,501
Total Expenditures	2,605,510	4,018,596	3,741,298	(277,298)
Revenues				
Fees	2,503,439	2,469,103	2,562,707	93,604
Fund Balance	0	1,549,493	1,178,591	(370,902)
Total Revenues	2,503,439	4,018,596	3,741,298	(277,298)
General City Support	102,071	0	0	0
Total Department Expenditure	26,351,838	31,191,371	32,499,680	1,308,309
Total Department Revenue	7,992,792	9,171,435	8,953,612	(217,823)
Total General City Support	18,359,046	22,019,936	23,546,068	1,526,132

Position Summary by Program

002 General Fund				
Mail Service	4.00	4.00	4.00	0.00
Information Technology Business Center	12.00	14.00	13.00	-1.00
Applications Support	55.00	52.00	52.00	0.00
Data & Information Management	0.00	9.00	9.00	0.00
Systems Support	38.00	35.00	43.00	8.00
Center for Geospatial Information Services	19.00	19.00	16.00	-3.00
Information Technology Security	13.00	16.00	4.00	-12.00
Technology Services	13.00	16.00	27.00	11.00
Strategy and Architecture	0.00	0.00	6.00	6.00
Total	154.00	165.00	174.00	9.00
610 Capital Projects Internal Service Fund				
Capital Projects - Information Technology	4.00	0.00	0.00	0.00
Total	4.00	0.00	0.00	0.00
620 Telecommunications Internal Service Fund				
Telecommunications	10.00	10.00	10.00	0.00
Total	10.00	10.00	10.00	0.00
Total Position Summary	168.00	175.00	184.00	9.00

Expenditure Category by Department

Personnel	15,107,276	17,652,109	18,517,989	865,880
Operating	11,195,130	12,469,308	13,172,955	703,647
Capital	49,432	944,180	297,600	(646,580)
Reserves	0	125,774	511,136	385,362
Total Expenditures:	26,351,838	31,191,371	32,499,680	1,308,309

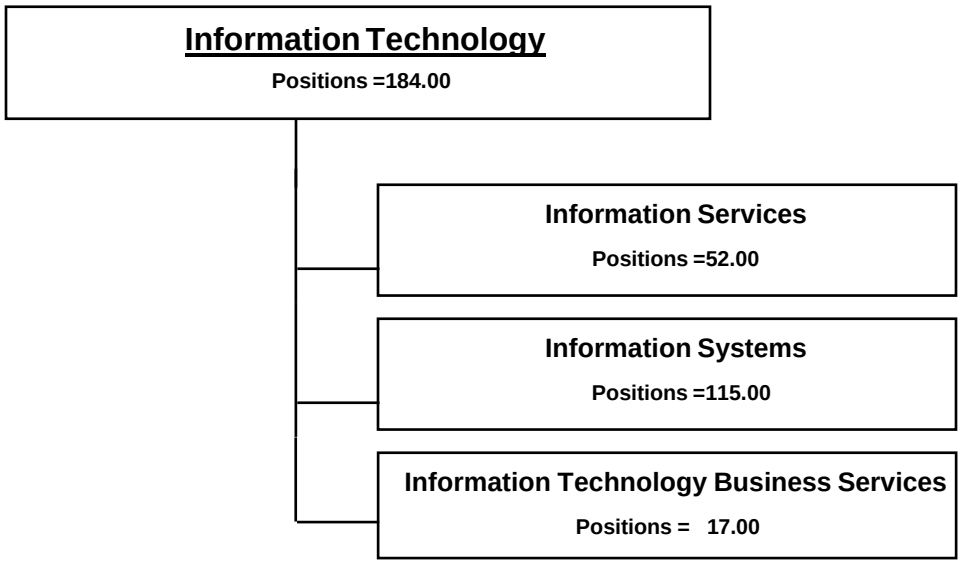
Information Technology - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Revenue Category by Department				
From the Use of Money and Property	89,107	6,475	6,475	0
Charges for Services	5,924,258	5,641,194	5,782,825	141,631
Transfers from Other Funds	1,979,427	1,974,273	1,985,721	11,448
Specific Fund Reserves	0	1,549,493	1,178,591	(370,902)
Total Revenue:	7,992,792	9,171,435	8,953,612	(217,823)

Resource Summary Notes

Per an MOU between the Sheriff's Office and the Information Technology Department, a position was transferred in December of 2016 from the VBSO to IT to support the information technology needs of the Sheriff's office. An additional position is being transferred in the FY 2017-18 budget.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



LIBRARY

The mission of the Virginia Beach Public Libraries is to provide diverse opportunities for learning and gathering that promote personal fulfillment, self-reliance and a sense of community, provide free and convenient access to accurate and current information and materials, and to promote reading as a critical life skill and an enjoyable activity for the entire Virginia Beach community.

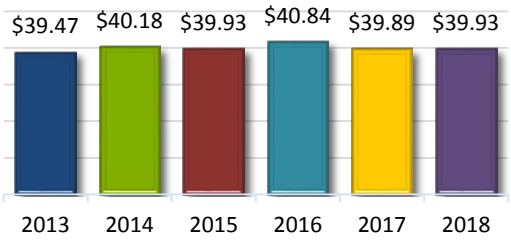
Department Overview

Virginia Beach Public Libraries includes 10 locations and a digital presence which provide residents with a vast collection of resources and educational programming. Although the Library collects some revenues from fines, fees, and state aid, most of its funding is provided by general city support. Some of the department's major programs are highlighted below:

Joint Use Library

This library is the result of a joint-partnership between Tidewater Community College and the City of Virginia Beach and is open to students, faculty, and the general public; however, because of its affiliation with Tidewater Community College, it has extended hours of operation.

Per Capita Expenditures



Note: The 91 cent increase in 2016 was due to the appropriation of a large portion of the Law Library's fund balance in order to fund a renovation of their facility.

The Wahab Public Law Library

This library assists students, members of the general public, and legal professionals with legal research in person, by telephone, or by email. The Law Library acts as the primary agency to which city departments can refer citizens in need of legal information.

Online Library Services

This program is available twenty-four hours a day, seven days a week and allows citizens to access library resources easily from anywhere patrons have internet access. The library's website allows customers to download audio books, e-books, and music.

Early Literacy Outreach (Bookmobile)

The Bookmobile travels to preschools, child care centers, Title I Schools, Head Start programs, at risk neighborhoods, and after school programs throughout the city. It reaches children and parents who otherwise might not be able to visit the library and provides access to books and electronic databases to support educational and recreational needs for young children and their parents.

Special Services for the Blind and Physically Handicapped

This is a sub-regional library of the National Library Service for the Blind located at the Bayside Area Library. This service loans braille, recorded, and large print materials and equipment to registered customers and provides information services for individuals with disabilities.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services
Goal: Our Community has World Class Schools and Educational Programs

Means to Residents: City services that are readily accessible and are provided in a customer friendly manner	Means to Residents: Opportunities for lifetime learning	Means to Residents: Quality schools and libraries	
88.8% of customers satisfied with the Library's collection	1.7M visitors to the library; 2.7M to the library's virtual resources	43,138 visitors attended library programs	654,000 children's materials circulated
838,086 materials in circulation	298,440 registered borrowers; 158,746 active within the past 12 months		

Trends & Issues

- The rapid pace at which technology is advancing is one of the biggest challenges facing libraries in the coming years. As technology has advanced, so have the needs of library patrons which require libraries to constantly reevaluate their technology offerings to ensure they are meeting those needs. In addition to the hardware itself, many new technologies also bring different space requirements. This can necessitate renovations or updates to library spaces such as meeting rooms to ensure they remain relevant and useful to patrons.

- In recent years, libraries have seen an increase in program participation for all major age groups including youth, teen, and adult learning courses. Besides being simply a place to find information, there is a desire from many residents for libraries to offer even more engaging programing for people of all ages. In order to remain relevant to the community, and to contribute towards making Virginia Beach a learning community, libraries must continue delivering quality programing for everyone.

Major Budget Changes

	Change	Impact
↑	New technology for the Law Library	The Law Library will create a training lab with 10 mobile laptop workstations for patrons and TCC classes. These mobile workstations will complement the renovation to the entire facility and will allow groups to meet anywhere in the library.
↑	$85,600 self-checkout study	The Library will be conducting a study to develop specifications for a self-checkout system for all branches. Once installed, the system will allow patrons to check-out their own materials and pay any fines without the assistance of Library staff. This will free up staff time by allowing librarians to focus on issues such as patron research requests, rather than checking out customers.

Library - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	1,361,107	1,501,862	1,474,565	(27,297)
Meyera E. Oberndorf Central Library	2,582,566	2,568,103	2,480,660	(87,443)
Great Neck Area Library	612,678	655,818	647,765	(8,053)
Bayside Area Library	920,035	962,371	979,678	17,307
Oceanfront Area Library	732,464	768,540	765,930	(2,610)
Kempsville Area Library	1,099,659	1,175,559	1,214,134	38,575
Windsor Woods Area Library	586,208	661,082	654,209	(6,873)
Pungo - Blackwater Area Library	403,190	416,462	414,225	(2,237)
Princess Anne Area Library	1,074,740	1,141,017	1,145,280	4,263
Joint Use Library	1,820,035	1,905,093	1,886,804	(18,289)
Records Management	378,019	376,242	379,533	3,291
Technology Services	888,156	0	0	0
Materials Management	3,503,833	0	0	0
Support Services	6	4,390,317	4,598,506	208,189
Youth and Family Services	1,032,887	1,259,291	1,246,450	(12,841)
Total Expenditures	16,995,583	17,781,757	17,887,739	105,982
Revenues				
Fees	480,197	560,172	562,707	2,535
State	250,926	238,275	240,684	2,409
Total Revenues	731,123	798,447	803,391	4,944
General City Support	16,264,460	16,983,310	17,084,348	101,038
130 Law Library Fund				
Expenditures				
Law Library	196,318	224,960	256,582	31,622
Reserve for Contingencies	0	1,263	13,483	12,220
Transfer to Other Funds	68,834	80,416	40,000	(40,416)
Total Expenditures	265,152	306,639	310,065	3,426
Revenues				
Fees	256,299	283,475	271,065	(12,410)
Fund Balance	0	23,164	39,000	15,836
Total Revenues	256,299	306,639	310,065	3,426
General City Support	8,853	0	0	0

Library - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
909 Library Gift Fund				
Expenditures				
Library Donations	2,051	3,095	3,060	(35)
Special Services Gift Fund	1,348	3,000	3,000	0
Total Expenditures	3,399	6,095	6,060	(35)
Revenues				
Fees	2,357	6,095	6,060	(35)
Total Revenues	2,357	6,095	6,060	(35)
General City Support	1,042	0	0	0
Total Department Expenditure	17,264,134	18,094,491	18,203,864	109,373
Total Department Revenue	989,779	1,111,181	1,119,516	8,335
Total General City Support	16,274,355	16,983,310	17,084,348	101,038

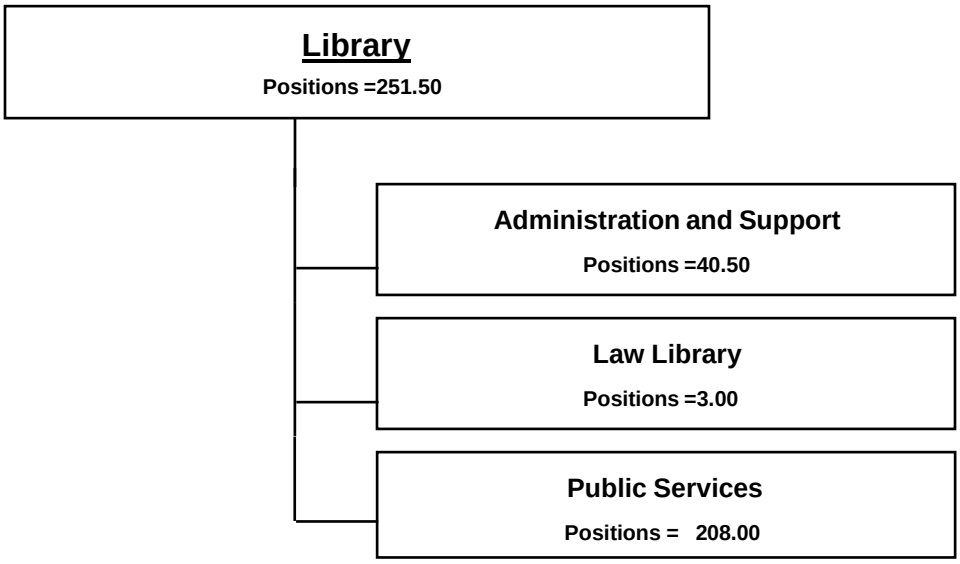
Position Summary by Program				
002 General Fund				
Director's Office	16.00	16.50	16.00	-0.50
Meyera E. Oberndorf Central Library	48.50	45.50	44.00	-1.50
Great Neck Area Library	12.00	12.00	12.00	0.00
Bayside Area Library	18.00	18.00	19.00	1.00
Oceanfront Area Library	13.50	13.50	13.50	0.00
Kempsville Area Library	22.50	22.50	24.50	2.00
Windsor Woods Area Library	12.00	12.00	12.00	0.00
Pungo - Blackwater Area Library	7.00	6.50	6.50	0.00
Princess Anne Area Library	21.50	21.50	22.00	0.50
Joint Use Library	35.50	34.50	32.50	-2.00
Records Management	4.50	3.50	4.00	0.50
Technology Services	5.50	0.00	0.00	0.00
Materials Management	18.00	0.00	0.00	0.00
Support Services	0.00	24.50	24.50	0.00
Youth and Family Services	16.00	18.00	18.00	0.00
Total	250.50	248.50	248.50	0.00
130 Law Library Fund				
Law Library	3.00	3.00	3.00	0.00
Total	3.00	3.00	3.00	0.00
Total Position Summary	253.50	251.50	251.50	0.00

Expenditure Category by Department				
Personnel	13,421,727	14,344,602	14,322,614	(21,988)
Operating	3,767,606	3,668,210	3,792,767	124,557
Capital	5,967	0	35,000	35,000
Reserves	0	1,263	13,483	12,220
Transfers	68,834	80,416	40,000	(40,416)
Total Expenditures:	17,264,134	18,094,491	18,203,864	109,373

Departmental Resource Summary Page 2

Revenue Category by Department	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
From the Use of Money and Property	105,763	120,437	120,707	270
Charges for Services	630,046	723,210	713,065	(10,145)
Miscellaneous Revenue	3,044	6,095	6,060	(35)
Other Sources from the Commonwealth	250,926	238,275	240,684	2,409
Specific Fund Reserves	0	23,164	39,000	15,836
Total Revenue:	989,779	1,111,181	1,119,516	8,335

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



MUNICIPAL COUNCIL

Our city organization exists to enhance the economic, educational, social, and physical quality of the community while providing municipal services effectively, efficiently, and equitably with quality education for life-long learning.

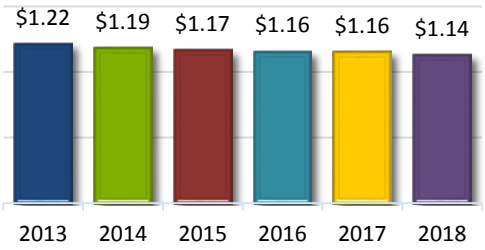
Department Overview

The Municipal Council establishes city goals (both long-term and short-term), policies, interprets and represents the community's needs, and promotes the economic, social, educational, and physical quality of the city. They have identified the following goals:

Grow the Local Economy

- Job opportunities with higher pay for residents to work in Virginia Beach.
- Reasonable property tax rate through a more diverse tax base resulting in more revenues for the city.
- Local economy more insulated from an economic downturn.
- Opportunities to start and grow business in Virginia Beach.
- Greater convenience in residents' daily lives – less commute time and more time for family.

Per Capita Expenditures



Create a Financially Sustainable City Providing Excellent Services

- City services delivered in the most cost-effective manner.
- Reliable city services that contributes to hassle-free daily living.
- Feeling safe and secure within Virginia Beach – any place, anytime.
- Timely response to an emergency call for service.
- City services that are readily accessible and are provided in a customer friendly manner.

Improve the Transportation System

- Great ease of movement within Virginia Beach and the region.
- More predictable and acceptable travel times from "point A" to "point B" within Virginia Beach.
- Choices of transportation mode: car, trail system, public transportation.
- Safer streets for automobile, pedestrians, and bike travel.
- Quality public transportation linking Town Center, Convention Center, and Oceanfront.

Revitalize Neighborhoods and Plan for the Future

- Protection of residents' property values.
- Safe homes and buildings in the city.
- More attractive and inviting city.
- Upgraded older, aging homes, and buildings.
- Convenient access to commercial and retail areas.

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

- Job opportunities for residents and youth.
- Tourist amenities for use by residents and added value to the quality of life.
- New tourist dollars for the local economy.
- More choices for your leisure time.
- Quality leisure activities for families.

Be the Safest City in Virginia

- Residents feel safe throughout city
- Decreased opioid addiction
- Increased access to quality healthcare
- Increased property values
- Increased business relocations and openings
- Engaged citizens

We are an Inclusive Community that is Welcoming and Empowers All

- Executing neighborhoods and events
- Comfort and welcoming community and neighborhoods
- Easy access to government participation and services

Our Community has World Class Schools and Educational Programs

- Opportunities for lifelong learning.
- Quality schools and libraries
- Enhanced community workforce
- Access to diverse arts and cultural activities

Data and Technology is Utilized to Enhance Community Livability, Prosperity and Sustainability

- Transparent government
- Access to affordable broadband and wireless connectivity
- Increased government responsibilities
- Increased cyber security
- Engaged citizens

Assets and Infrastructure are Well Maintained and Meet Community Expectations

- Assets needed for daily life are reliable and accessible
- Green spaces and parks increase quality of life
- Decreased flooding of neighborhoods and businesses
- Decreased cost of service due to improved maintenance over the long term.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services. Goal: Grow the Local Economy

Means to Residents: Feeling safe and secure within Virginia Beach - any place, anytime	Means to Residents: More attractive and inviting city	Means to Residents: City services that are readily available and delivered in a customer friendly manner
90.7% of citizens feel safe in their neighborhoods	96% of citizens feel Virgina Beach is a good place to live	93.8% of residents satisfied with city services

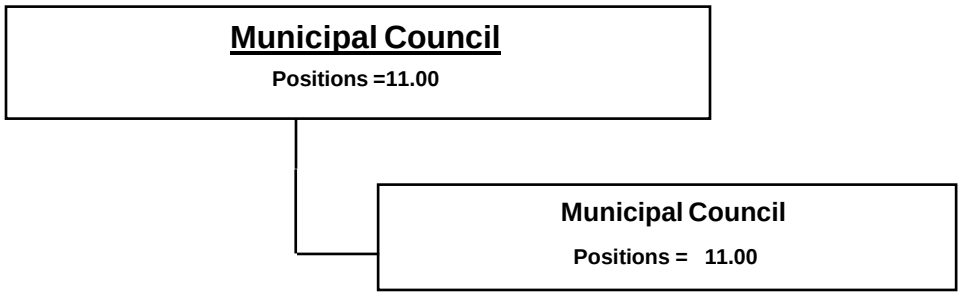
Municipal Council - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Municipal Council	546,774	525,226	517,719	(7,507)
Total Expenditures	546,774	525,226	517,719	(7,507)
Revenues				
Fees	9,275	0	0	0
Total Revenues	9,275	0	0	0
General City Support	537,499	525,226	517,719	(7,507)
Total Department Expenditure	546,774	525,226	517,719	(7,507)
Total Department Revenue	9,275	0	0	0
Total General City Support	537,499	525,226	517,719	(7,507)
Position Summary by Program				
002 General Fund				
Municipal Council	11.00	11.00	11.00	0.00
Total	11.00	11.00	11.00	0.00
Total Position Summary	11.00	11.00	11.00	0.00
Expenditure Category by Department				
Personnel	342,675	333,715	333,715	0
Operating	204,099	191,511	184,004	(7,507)
Total Expenditures:	546,774	525,226	517,719	(7,507)
Revenue Category by Department				
Miscellaneous Revenue	9,275	0	0	0
Total Revenue:	9,275	0	0	0

Resource Summary Notes

For FY 2017-18, funding for advocacy services was transferred to the STiR Office for the advocate services contract.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



NON-DEPARTMENTAL

City Council Amendment:

- Provides an additional $450,000 in revenue reimbursements for Tax Relief for the Elderly mainly due to a higher than projected amount of tax relief for disabled veterans and their spouses.
- Reduces Reserve for Contingencies in the General Fund by $450,000.
- Provides $25,000 to the Children's Hospital of the Kings Daughters
- Provides $13,700 to Southeastern Tidewater Opportunity Project (STOP)
- Increases the Reserve for Future Use for the Tourism Investment Program (TIP) Fund by $386,072.
- Reduces the reserve established for opportunity grants by $140,641.

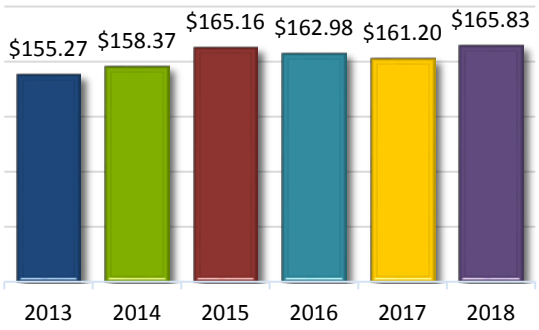
Overview

The Non-Departmental section of the budget serves as an umbrella for appropriations that are citywide in nature and as such, are not contained in an operational department. These include:

Organizational Grants and Community Organization Grants (COG)

Organization Grants provide funds to non-profit organizations, regional colleges, and governmental agencies that support City Council goals and complement city services. COG provides an opportunity to encourage non-profit agencies to provide services that affect the welfare of residents of Virginia Beach by providing a system to award monetary grants to qualified non-profit organizations. City Council has appointed members to serve on the COG Review and Allocation Committee to review applications and make recommendations for all grant requests filed under the COG program. Financial and service delivery reports are required from those agencies receiving grant funding.

Per Capita Expenditures



Independent Financial Services

Provides funding for the city's annual external audit.

Employee Special Benefits

Provides employee service awards, tuition reimbursement, the Employee Assistance Program (EAP), the employer's share of health and dental insurance for eligible retirees as well as line-of-duty payments to local public safety officers or their beneficiaries.

Benefits Administration

Provides the city's portion of funding for the staff and operations of the Consolidated City/School Employee Benefits Office, which oversees the administration of the health insurance contract and the Employee Wellness Program.

Revenue Reimbursement

Provides real estate tax relief to certain private properties from which the city derives the primary benefit. Real estate tax relief and water/sewer line fee cost reductions are available to the elderly and disabled and other persons who have financial limitations and meet the criteria of the program.

Citywide Leases
Provides the necessary leases for office space, contracts for building security, provides facilities management of the Municipal Center buildings, rental space, and parking.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City services delivered in the most cost-effective manner

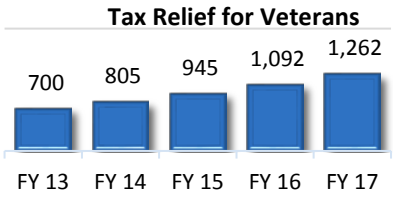
72.5% of citizens satisfied with services for needy or homeless families; 76.6% if citizens satisfied with City's work with other communities

26 regional organizations funded

17 community organizations funded

Trends & Issues

- Program participation in the Veterans Real Estate Tax Relief Program has risen 80% since its adoption in FY 2012-13, as shown in the following chart while the cost has increased 105% from $1,745,343 to $3,578,442.



- **Community Organization Grant (COG) Program**
  Allocates funding to organizations that benefit Virginia Beach by providing food, shelter, medical care, training, and other services. The COG Review and Allocation Committee, appointed by City Council, reviews grant applications, interviews qualified applicants, and recommends the allocation of funds. For FY 2017-18, a total of $501,436 is budgeted ($1.1 per capita, which matches the funding for Arts and Humanities Commission), and the application period for upcoming fiscal year runs from early March through early April, with grants awarded in June. The table at left shows the organizations that received funding in FY 2016-17.

Community Organization	FY 2016-17
AidNow	4,000
Armed Services YMCA of Hampton Roads	27,500
Beach Health Clinic	47,500
Chesapeake Care	20,000
Children's Health Investment Program	9,050
Children's Hospital of the King's Daughters, Inc	25,000
Endependence Center, Inc	26,332
Equi-Kids	5,000
ForKids	15,000
Judeo-Christian Outreach	60,000
Legal Aid Society of Eastern Virginia	20,000
Mother Seton House/Seton Youth Shelters	20,000
Samaritan House, Inc.	30,982
Senior Services of Southeastern Virginia	57,804
Southeastern Virginia Health Systems	36,832
The Foodbank of Southeastern Virginia	75,000
Together We Can Foundation	20,000
Total	**$500,000**

Organizational Grants Program

Allocates funding to organizations that benefit Virginia Beach as well as the entire region. Listed below are the organizations that will receive funding in FY 2017-18.

Organizational Grants	FY 2017-18*
Achievable Dream	3,000
American Red Cross	20,000
Children's Hospital of the King's Daughters	25,000
Court Appointed Special Advocate	48,000
Eastern Virginia Medical School	450,528
Feed the Kids	20,000
Hampton Roads Chamber of Commerce	10,000
Hampton Roads Economic Development Alliance	400,000
Hampton Roads Military & Federal Facilities Alliance	226,700
HRPDC – Membership	362,800
HRPDC – MMRS	90,700
Navy League	21,250
Opportunity Inc. (Hampton Roads Workforce Development)	106,436
Southeast 4-H	7,500
Southeastern Tidewater Opportunity Project	13,700
Square One/GrowSmart Foundation	53,000
Students of the Swim	20,000
Tidewater Builders Association	78,000
Tidewater Community College	6,000
USO Wounded Warrior Week	20,000
Virginia Arts Festival	275,000
Virginia Beach SPCA	30,000
Virginia Dare Soil & Water Conservation District	8,000
Virginians for High Speed Rail	10,000
Virginia Symphony	25,000
Opportunity Grants	34,359
Total	**$ 2,364,973**

*The total reflects the adopted FY 2017-18 Amount

Major Budget Changes

	Change	Impact
↔	Organizational Grants	Funding to Organization Grants are reflected above.
↑	Real Estate Tax Relief	$963,059 in additional funding to address increased demand from qualified Veterans as well as modest overall property appreciation.
↑	Opportunity Grants	$175,000 in opportunity grants for non-profit organizations that help achieve city goals.

Reserve for Contingencies by Fund

Reserve for Contingencies by Fund

Fund and Purpose	Amount
General Fund (002)	
Compensation	$ 8,000,000
Regular	1,210,690
Vertical Compression	850,000
Neighborhood Dredging	340,000
Law Library Fund (130)	
Compensation	3,472
Regular	10,011
State Rental Assistance Program (146)	
Regular	83,380
Sheriff's Department Special Revenue Fund (149)	
Compensation	491,743
Parks and Recreation Special Revenue Fund (151)	
Compensation	203,778
Part-Time Pay Increases	1,015,361
Summer Youth Employment Program	173,600
Tourism Investment Program Fund (152)	
Compensation	40,649
Future CIP Commitments	6,847,214
Agriculture Reserve Program Special Revenue Fund (161)	
Compensation	2,521
Regular	656,271
Tourism Advertising Program Special Revenue Fund (163)	
Compensation	22,020
Sandbridge Tax Increment Financing (166)	
Future Capital Projects	8,000,000
Future Commitments	140,323
Open Space Special Revenue Fund (172)	
Compensation	7,582
Regular	27,656
Future Capital Projects	1,500,000
Water and Sewer Fund (241)	
Compensation	628,909
Regular	780,000
Rolling Stock Replacements	200,000
Compression Reserves	120,000
Parking Enterprise Fund (253)	
Compensation	8,287
Waste Management Special Revenue Fund (254)	
Compensation	192,120

Reserve for Contingencies by Fund (Continued)

Fund and Purpose	Amount
Storm Water Utility Enterprise Fund (255)	
Compensation	278,594
Regular	196,238
Future CIP Commitments	412,743
Old Donation Creek Area Dredging SSD (310)	
Regular	2,881
Shadowlawn Area Dredging SSD (312)	
Regular	1,299
Hurds Cove Dredging SSD (316)	
Regular	23,173
City Garage Internal Service Fund (606)	
Compensation	118,135
Regular	34,288
School Landscaping Internal Service Fund (613)	
Compensation	49,990
Telecommunications Internal Service Fund (620)	
Compensation	43,194
Regular	225,441
Subscription Internal Service Fund (621)	
Regular	242,501
Total	**$ 33,184,064**

Non-Departmental - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Community Organization Grants	409,126	500,000	501,436	1,436
Virginia Beach Living River Trust	0	100,000	100,000	0
Employee Special Benefits	7,293,415	7,993,800	7,928,800	(65,000)
Benefits Administration	635,538	635,538	735,538	100,000
Vehicle Replacements	5,043,331	5,107,514	5,357,514	250,000
Computer Replacement Program	1,013,033	1,567,179	1,590,365	23,186
Revenue Reimbursements	13,239,529	13,877,317	15,290,376	1,413,059
Organization Grants	2,213,478	2,306,691	2,364,973	58,282
Independent Financial Services	164,999	164,999	164,999	0
Leases	1,646,256	1,711,319	1,762,659	51,340
Citywide Municipal Waste Management	750,000	0	0	0
Total Expenditures	32,408,705	33,964,357	35,796,660	1,832,303
Revenues				
Fees	694,134	628,500	653,500	25,000
Transfers	1,291,209	1,083,590	0	(1,083,590)
Total Revenues	1,985,343	1,712,090	653,500	(1,058,590)
General City Support	30,423,362	32,252,267	35,143,160	2,890,893
152 Tourism Investment Program Fund				
Expenditures				
Debt Service	23,107,211	22,795,037	23,411,427	616,390
Reserve for Contingencies	0	5,209,892	6,887,863	1,677,971
Transfer to Other Funds	3,205,623	850,811	14,873	(835,938)
Total Expenditures	26,312,834	28,855,740	30,314,163	1,458,423
Revenues				
Local Taxes	31,019,066	28,928,530	30,309,163	1,380,633
Fees	7,584	1,800	5,000	3,200
Total Revenues	31,026,650	28,930,330	30,314,163	1,383,833
General City Support	(4,713,816)	(74,590)	0	74,590
169 Central Business District-South TIF (Twn Cntr) Fd				
Expenditures				
Debt Service	7,469,028	7,786,521	7,814,195	27,674
Transfer to Other Funds	150,000	150,000	150,000	0
Total Expenditures	7,619,028	7,936,521	7,964,195	27,674
Revenues				
Local Taxes	7,001,079	7,436,483	7,607,950	171,467
Fees	369,309	2,000	2,000	0
Fund Balance	0	539,010	354,245	(184,765)
Total Revenues	7,370,388	7,977,493	7,964,195	(13,298)
General City Support	248,640	(40,972)	0	40,972

Non-Departmental - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
174 Town Center Special Service District				
Expenditures				
Town Center Parking Operations	1,565,699	1,917,321	1,951,144	33,823
Transfer to Other Funds	412,726	452,726	479,999	27,273
Total Expenditures	1,978,425	2,370,047	2,431,143	61,096
Revenues				
Local Taxes	1,799,992	1,920,070	1,947,343	27,273
Fees	361,023	281,300	333,800	52,500
Transfers	150,000	150,000	150,000	0
Fund Balance	0	18,677	0	(18,677)
Total Revenues	2,311,015	2,370,047	2,431,143	61,096
General City Support	(332,590)	0	0	0
Total Department Expenditure	68,318,992	73,126,665	76,506,161	3,379,496
Total Department Revenue	42,693,396	40,989,960	41,363,001	373,041
Total General City Support	25,625,596	32,136,705	35,143,160	3,006,455

Position Summary by Program

	Total
Total Position Summary	

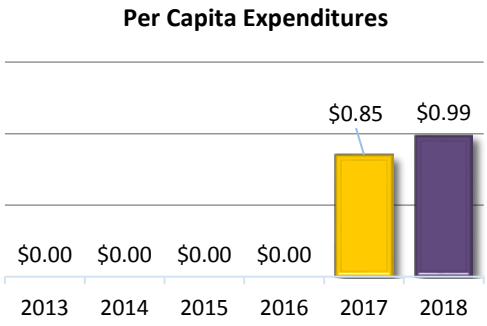
Expenditure Category by Department				
Personnel	7,219,853	7,928,349	7,863,349	(65,000)
Operating	21,022,997	21,615,450	23,362,522	1,747,072
Capital	5,731,554	6,337,879	6,521,933	184,054
Debt Service	30,576,239	30,581,558	31,225,622	644,064
Reserves	0	5,209,892	6,887,863	1,677,971
Transfers	3,768,349	1,453,537	644,872	(808,665)
Total Expenditures:	68,318,992	73,126,665	76,506,161	3,379,496
Revenue Category by Department				
Real Estate	8,301,071	8,856,553	9,055,293	198,740
Cigarette Tax	677,616	790,245	793,794	3,549
Amusement Tax	7,034,792	6,201,490	6,331,312	129,822
Hotel Room Tax	11,706,350	10,061,248	10,820,141	758,893
Restaurant Meal Tax	12,100,308	12,375,547	12,863,916	488,369
From the Use of Money and Property	276,669	263,300	295,000	31,700
Charges for Services	36,788	24,300	24,300	0
Miscellaneous Revenue	1,105,879	600,000	625,000	25,000
Fines and Forfeitures	12,714	26,000	50,000	24,000
Transfers from Other Funds	1,441,209	1,233,590	150,000	(1,083,590)
Specific Fund Reserves	0	557,687	354,245	(203,442)
Total Revenue:	42,693,396	40,989,960	41,363,001	373,041

OFFICE OF EMERGENCY MANAGEMENT

The mission of the Office of Emergency Management is to promote a comprehensive emergency management program to mitigate the community's impacts from manmade, natural or technological disasters and potential catastrophic incidents by utilizing mitigation, preparedness, response, and recovery strategies.

Department Overview

The Office of Emergency Management was established in FY 2016-17. Prior to being a separate Office, it was a division of the Fire Department.



The Office of Emergency Management is responsible for all city wide emergency initiatives. The city's emergency management system is outlined in the State Code and within the City Code. The Deputy City Manager of Public Safety is the city's Emergency Management Coordinator. The Director of the Office of Emergency Management oversees day-to-day operations and activities.

Some of the key priorities for the Office include:

- Completion of a city-wide Continuity of Operations Plan
- Development of a recovery plan for the city
- Increased outreach to the community on flood insurance, flooding and mitigation
- Update of the Emergency Operations Plan and the incident specific annexes
- Improve the emergency operations center functionality for staff
- Provide ongoing training and exercise opportunities

The Office has a three pronged approach to emergency management which includes mitigation, recovery and response.

The Virginia Beach Community Emergency Response Team (VBCERT) program is a division within the Office of Emergency Management. The Virginia Beach Community Emergency Response Team (VBCERT) has been operational since 2003. The VBCERT program educates citizens in disaster preparedness for hazards that may affect their area and trains them in basic disaster response skills, such as fire safety, light search and rescue, team organization and disaster medical operations. Using the training learned in the classroom and during exercises, VBCERT members can assist others in their neighborhood or workplace following an event when professional responders are not immediately available to help

Key Performance Measures

Goal: Safest City in Virginia
Goal: Revitalize Neighborhoods and Plan for the Future

Means to Residents : Residents feel safe throughout city

Means to Residents: Protection of residents' property values

75% completion rate of the EOP including annexes.

5 exercises annually that include more than 5 departments

90% compliance from Tier II facilities for reporting through E-plan

15% of exercises, planning, and training activities relate to Core Capabilities

20 All-Hazards Emergency Preparedness presentations given to the community

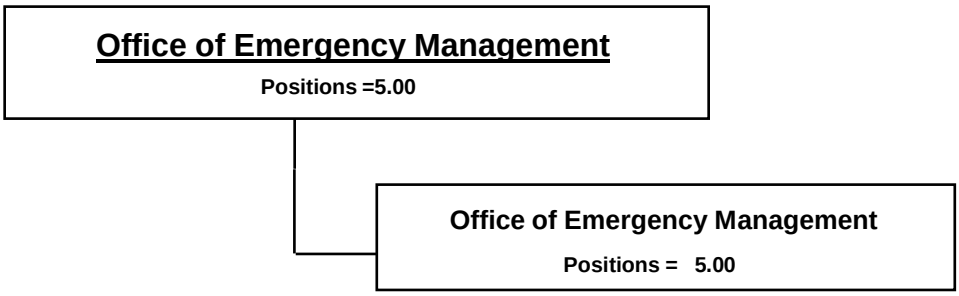
Major Budget Changes

	Change	Impact
↑	Public Safety Analyst 1.0 FTE	A Public Safety Analyst position has been added to the Office to assist with providing comprehensive emergency management, disaster response and recovery planning initiatives. This position will also focus on assisting with the completion of the Emergency Operations Plan and annexes.

Office of Emergency Management - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Office of Emergency Management	0	386,785	451,130	64,345
Total Expenditures	0	386,785	451,130	64,345
Revenues				
Federal	0	102,851	102,851	0
Total Revenues	0	102,851	102,851	0
General City Support	0	283,934	348,279	64,345
Total Department Expenditure	0	386,785	451,130	64,345
Total Department Revenue	0	102,851	102,851	0
Total General City Support	0	283,934	348,279	64,345
Position Summary by Program				
002 General Fund				
Office of Emergency Management	0.00	4.00	5.00	1.00
Total	0.00	4.00	5.00	1.00
Total Position Summary	0.00	4.00	5.00	1.00
Expenditure Category by Department				
Personnel	0	310,838	376,472	65,634
Operating	0	75,947	71,806	(4,141)
Capital	0	0	2,852	2,852
Total Expenditures:	0	386,785	451,130	64,345
Revenue Category by Department				
Revenue from the Federal Government	0	102,851	102,851	0
Total Revenue:	0	102,851	102,851	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



PARKS AND RECREATION

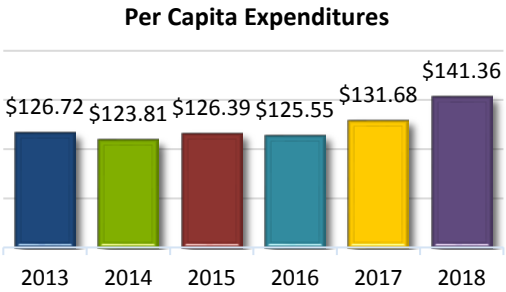
The mission of the Department of Parks and Recreation is to provide a balanced, sustainable, and value-focused system of parks, recreation, and public spaces that creates a sense of community. The department's mission is to: deliver parks, recreation programs, and public spaces that reflect the priorities of our community; support tiered levels of service that recognize the diverse needs of our community; and focus on sustainability of core programs, services, and facilities through efficient business practices

City Council Amendment:

- Decreases Recreation Center Membership revenue by $100,000 due to a delay in the implementation of increased recreation center membership fees for six months (the fees will become effective on January 1, 2018 instead of July 1, 2017).
- Decreases by $100,000 transfers to other funds from the Parks and Recreation Special Revenue Fund (151) to the General Government Capital Projects Fund (540).

Department Overview

Funding for the department comes primarily through fees, dedicated referendum funding from the real estate tax, a non-dedicated general fund transfer, and a revenue transfer from schools (for maintaining landscaping and site infrastructure of school facilities). The core services provided by Parks and Recreation are divided into four broad areas:



The increase in 2018 is a result of an increase in part-time hourly wages, rate increases for fees, and restored funding for the Open Space Program.

Administration and Building Systems
Responsible for budgeting, finance, human resources, marketing, resource development, sponsorships, partnerships, and information systems management for all divisions.

Planning, Design, and Development
Manages the construction and replacement of parks and recreation facilities, the city's Open Space Program and implements the Virginia Beach Outdoors and Bikeways and Trails Plans. Oversees the development and implementation of the department's Capital Improvement Program.

Programming and Operations
Includes all indoor and outdoor recreation and park operations and programs, the Youth Opportunities Office, operation of the community recreation centers, Out-of-School Time programs, golf course lease management, therapeutic recreation, and inclusion services to accommodate those with varying abilities.

Landscape Management
Provides landscape maintenance for all public landscape infrastructure on roadways, public buildings including the Municipal Center, the Oceanfront, Town Center, public spaces, parks, and school sites.

Key Performance Measures

Goal: Revitalize Neighborhoods and Plan for the Future
Goal: Be A Competitive, First Class Resort For Residents, Businesses and Tourists

Means to Residents: More attractive and inviting city		Means to Residents : More choices for leisure time	Means to Residents: Quality leisure activities for families
91.7% of residents satisfied with the appearance of the city	79.1% satisfied with efforts to protect natural resources, the environment, & open space	97.3% of residents satisfied with city recreation centers	93.5% of residents satisfied with city Parks
18 day average mowing cycle for divided roadways	17.5 acres of open space aquired 3% of open space acres developed	Recreation Centers: 2.51 million visitors, 56% report a member of their household has used in past year	City Parks: 2.91 million visitors, 76% report a member of their household has visited in past year

Trends and Issues

- **Contractual Maintenance Services**
  The rising cost of contractual maintenance services has presented a significant budget challenge for the Landscape Management Division. Several contractors used by the City for roadway maintenance have gone out of business and newly awarded contracts average 25% higher since November 2015. Maintenance cycles have been impacted on many facilities, and without additional funding to fill the gap, landscape maintenance cycles on some roadways, building sites and parks will be extended beyond recently restored frequencies.

- **Part-Time Wages**
  The last part-time salary increase based on a market review occurred in 2007. To update the information, a recent review was conducted of pay rates of comparable jobs in six local cities, the YMCA, the Morale, Welfare and Recreation Program (a military program), and local businesses. The information revealed that the pay rates for some department part-time workers have fallen well behind the local and regional market. Several important Parks and Recreation programs and facilities rely heavily on the performance of part-time staff members to maintain safe environments and provide excellent customer service. Many of the part-time positions are directly responsible for the safety of participants such as lifeguards, swim instructors, and child care workers. Job titles selected for salary increases are experiencing high turnover and several, like lifeguards and child care workers have proven difficult to fill. Over 98% of the job titles selected have been identified as needing increases support revenue-producing programs. Without such positions, the department will have to continue limiting enrollment in programs such as the Out-of-School Time program.

- **Open Space Program Funding Restoration**
  On July 7, 1998 City Council approved a resolution to establish the Open Space Advisory Committee, with its mission "to study the possibility of establishing a City-wide open space program; [and] to identify strategies for the implementation and funding of such a program." On May 15, 2001 City Council adopted an ordinance

to allocate 0.44% of the meals tax to the Open Space Special Revenue Fund. On May 12, 2016 City Council action redirected a portion of that funding with 0.22% dedicated for Open Space and the other 0.22% to be used to finance the Light Rail Project in the Multimodal Fund. This budget proposes that the 0.22% of the Meal tax be returned to the Open Space Program to focus on development and maintenance of open space and park infrastructure.

- **Resident Satisfaction and Awards**
  Survey results from the most recent Citizen Survey in 2017 indicate high residential satisfaction with the city's recreation centers (97.3%), with city parks (93.5%), and with the overall appearance of the city (91.7%). The Bow Creek Community Recreation Center and Family Golf Center has received a Best New Facility Award. The Princess Anne Athletic Complex has received the National Softball Complex of the Year Award. The Virginia Beach Trees for Clean Water Grant Initiative has received the Best New Environmental Sustainability Award.

Major Budget Changes

	Change	Impact
↑	Wage increase for Part-Time Employees	Funding was provided in a dedicated compensation reserve totaling $1,015,361, to be used to increase the hourly rates of selected part-time positions to reduce turnover and attract qualified candidates. The department relies on part-time staff to maintain a safe environment and provide excellent customer service. A portion of the costs will be offset by approximately $330,528 in additional fees.
↑	New Fees, Increase in Existing Fees, and Expansion of Programs with additional positions (5.61 FTEs)	This budget includes fee increases in existing fees and two new fees. The two new fees are a Youth Franchise Fee of $500 for team registrations and a weekly fee of $480 for a Therapeutic Adult Day Program. The recreation center annual membership fee for residents will increase from $98 to $104 for Adults, from $79 to $84 for Seniors, and from $37 to $39 for Youths. Some programs, which will have fee increases include: 1) Out-of-School Time; 2) Aquatics Learn to Swim; 3) Therapeutic Recreation Learn to Swim; and 3) Students on the Swim Expansion. In total, the increased fees are projected to generate $568,968. The additional fees will allow expansion of other programs with 5.61 additional positions, and a portion will be used toward the cost of wage increases for part-time positions. A complete list of fee increases for the department is included in the Appendix section of the Executive Summary.
↑	Expansion of the Summer Youth Employment Program	Adds a full time Recreation Specialist I and related cost of $61,650 to support the Summer Youth Employment Program (SYEP). This program will employ approximately 70 youth ages 16 to 21, who will be placed in city departments for seven weeks during the summer. The youth will gain work experience, develop skills, and earn wages. This program is a tool to develop the city's workforce as young people are introduced to a variety of careers in public service. A dedicated compensation reserve totaling $173,600 is available to support this program.
↓	Closing of the Pottery and Ceramics Studio	Due to the deteriorating condition of the facility, the Pottery and Ceramics Studio will close in December 2017. It is no longer feasible to maintain. This will eliminate the need for a part-time position (0.33 FTES) and $12,892 of costs.

	Change	Impact
↑	Landscape Maintenance of Neighborhood Parks	Funding totaling $120,225 was provided to improve the landscape maintenance of all neighborhood parks will improve from every 16 to 18 days to every 14 to 16 days. This will result in a more aesthetically acceptable appearance in city neighborhoods. The neighborhood parks were last maintained on a 14-day cycle in July 2011. The maintenance at 178 parks will be improved by this change.
↑	Landscape Maintenance of New Capital Projects	Provides $66,869 of additional funding for landscape maintenance. This includes $20,762 for one full-time Groundskeeper I position (Beginning January 1, 2018) to serve on the landscape maintenance team at the Princess Anne Athletic Complex to provide maintenance for the new Parks and Recreation Administration building and support for other athletics and tournament needs. Also provides $46,107 for contract landscape maintenance for capital projects including the Housing Resource Center, Sandler Center for the Performing Arts, Pungo Ferry Park, and Lynnhaven Parkway XI.
↑	Parks and Recreation Administration Moving Costs	Provides $165,000 for moving and related transitioning costs related to the new Parks and Recreation Administration Building at Princess Anne Athletic Complex. Anticipated expenses include relocation costs for 115 staff, computers, printers, and phones to the new facility ($43,000). Also included are purchases of equipment and supplies: a printer/plotter ($25,000); a finger printing machine ($15,000) additional copier lease ($12,000); and additional office supplies ($70,000).

Parks and Recreation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Landscape Asset Management	2,384,818	2,406,196	2,526,553	120,357
Landscape Maintenance Management	6,500,886	7,213,340	7,460,337	246,997
Landscape Life Cycle Management	3,016,799	3,160,858	3,111,652	(49,206)
Landscape Special Zone Management - Resort Area	785,655	808,784	795,721	(13,063)
Landscape Special Zones Management - Municipal Center	705,966	725,247	731,077	5,830
Total Expenditures	13,394,124	14,314,425	14,625,340	310,915
Revenues				
Fees	26,103	36,705	47,550	10,845
State	1,290,166	5,038,000	5,250,075	212,075
Transfers	646,926	703,102	798,870	95,768
Total Revenues	1,963,195	5,777,807	6,096,495	318,688
General City Support	11,430,929	8,536,618	8,528,845	(7,773)
151 Parks and Recreation Special Revenue Fund				
Expenditures				
Director's Office	300,838	320,741	321,206	465
Planning, Design and Development	624,397	654,081	842,179	188,098
Business Systems	872,895	1,110,950	1,165,017	54,067
Parks and Recreation Human Resources	541,314	586,623	574,627	(11,996)
Parks and Natural Areas	2,172,152	2,196,686	2,268,214	71,528
Lynnhaven Boat Ramp and Beach Facility	138,442	142,490	142,564	74
Outdoor Programming and Special Events	379,360	404,383	347,272	(57,111)
Little Island Park	253,782	222,338	225,328	2,990
Lynnhaven Municipal Marina	36,123	18,529	18,528	(1)
Owl Creek Municipal Tennis Center	27,375	0	0	0
Recreation Centers Landscaping	51,664	152,988	163,554	10,566
Sports Management	109,012	163,150	1,725,755	1,562,605
CRC - Kempsville	17,019	1,305,193	1,801,867	496,674
CRC- Bow Creek	1,952,352	1,992,996	2,020,685	27,689
CRC- Seatack	1,016,630	1,078,531	1,029,549	(48,982)
CRC - Great Neck	1,693,372	1,934,393	1,975,501	41,108
CRC - Bayside	1,852,490	1,920,265	1,940,746	20,481
CRC - Princess Anne	1,759,367	1,912,455	1,836,724	(75,731)
CRS-Williams Farm	1,772,185	1,807,473	1,838,056	30,583
Early Childhood Programs	0	0	1,982,760	1,982,760
Out-of-School Time - Recreation Center Based	2,115,040	2,908,388	750,909	(2,157,479)
Programming and Operations Administration	491,493	581,242	679,776	98,534
Marketing and Resource Development	902,273	854,762	957,717	102,955
Youth Opportunities Office	307,965	406,210	531,597	125,387
Athletic Leagues	770,253	764,866	0	(764,866)
Therapeutic Recreation Programs	460,249	514,016	510,301	(3,715)
Athletic Complexes	677,982	807,078	0	(807,078)
Inclusion Services	330,218	643,325	715,560	72,235
Out-of-School Time - School Based	4,318,557	4,532,841	4,772,327	239,486
Landscape Special Zone Management - Princess Anne Athletic Complex	524,710	617,685	614,721	(2,964)

Parks and Recreation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
151 Parks and Recreation Special Revenue Fund				
Pottery and Ceramics	29,282	49,994	21,302	(28,692)
Debt Service	3,796,152	4,673,630	4,564,702	(108,928)
Reserve for Contingencies	0	213,120	1,392,739	1,179,619
Future C.I.P. Commitments	0	237,346	0	(237,346)
Transfer to Other Funds	6,796,450	1,561,550	1,472,427	(89,123)
Total Expenditures	37,091,393	37,290,318	39,204,210	1,913,892
Revenues				
Local Taxes	15,415,334	15,648,922	15,741,662	92,740
Fees	15,118,959	16,793,190	16,732,330	39,140
State	11,630	24,250	11,000	(13,250)
Transfers	4,416,459	4,800,997	5,993,510	1,192,513
Fund Balance	0	27,000	725,708	698,708
Total Revenues	34,962,382	37,294,359	39,204,210	1,909,851
General City Support	2,129,011	(4,041)	0	4,041
152 Tourism Investment Program Fund				
Expenditures				
Landscape Special Zone Management - TIP Resort Area	571,185	632,569	633,250	681
Total Expenditures	571,185	632,569	633,250	681
Revenues				
Local Taxes	658,105	627,026	633,250	6,224
Total Revenues	658,105	627,026	633,250	6,224
General City Support	(86,920)	5,543	0	(5,543)
172 Open Space & Park Infrastructure Development & Maintenance SRF				
Expenditures				
Open Space Management and Maintenance	309,793	348,118	236,085	(112,033)
Open Space Planning	172,845	190,509	164,246	(26,263)
Debt Service	2,501,469	2,582,588	2,557,043	(25,545)
Reserve for Contingencies	0	2,945	1,535,238	1,532,293
Transfer to Other Funds	1,718	0	1,000,000	1,000,000
Total Expenditures	2,985,825	3,124,160	5,492,612	2,368,452
Revenues				
Local Taxes	2,532,601	2,589,265	5,492,612	2,903,347
Fees	1,520	0	0	0
Fund Balance	0	534,895	0	(534,895)
Total Revenues	2,534,121	3,124,160	5,492,612	2,368,452
General City Support	451,704	0	0	0

Parks and Recreation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
174 Town Center Special Service District				
Expenditures				
Landscape Special Zone Management - Town Center	16,479	50,508	60,338	9,830
Total Expenditures	16,479	50,508	60,338	9,830
Revenues				
Local Taxes	47,518	50,508	60,338	9,830
Total Revenues	47,518	50,508	60,338	9,830
General City Support	(31,039)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Parks and Recreation - Grants	35,904	0	0	0
Total Expenditures	35,904	0	0	0
Revenues				
Federal	39,851	0	0	0
Total Revenues	39,851	0	0	0
General City Support	(3,947)	0	0	0
613 School Landscaping Internal Service Fund				
Expenditures				
Schools Landscaping	3,523,539	4,080,160	4,117,918	37,758
Reserve for Contingencies	0	87,748	49,990	(37,758)
Total Expenditures	3,523,539	4,167,908	4,167,908	0
Revenues				
Fees	3,886,601	4,167,908	4,167,908	0
Total Revenues	3,886,601	4,167,908	4,167,908	0
General City Support	(363,062)	0	0	0
908 City Beautification Fund				
Expenditures				
Landscape Beautification Projects	52,693	100,000	100,000	0
Total Expenditures	52,693	100,000	100,000	0
Revenues				
Fees	27,333	100,000	100,000	0
Total Revenues	27,333	100,000	100,000	0
General City Support	25,360	0	0	0

Parks and Recreation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
911 Parks and Recreation Gift Fund				
Expenditures				
Parks and Recreation Gift Fund	8,406	30,000	30,000	0
Sponsorships / Partnerships	29,206	25,000	25,000	0
Total Expenditures	37,612	55,000	55,000	0
Revenues				
Fees	46,442	55,000	55,000	0
Total Revenues	46,442	55,000	55,000	0
General City Support	(8,830)	0	0	0
Total Department Expenditure	57,708,754	59,734,888	64,338,658	4,603,770
Total Department Revenue	44,165,548	51,196,768	55,809,813	4,613,045
Total General City Support	13,543,206	8,538,120	8,528,845	(9,275)

Position Summary by Program				
002 General Fund				
Landscape Asset Management	24.00	24.00	24.00	0.00
Landscape Maintenance Management	81.00	81.00	81.00	0.00
Landscape Life Cycle Management	39.00	39.00	39.00	0.00
Landscape Special Zone Management - Resort Area	11.00	11.00	11.00	0.00
Landscape Special Zones Management - Municipal Center	14.00	14.00	15.00	1.00
Total	169.00	169.00	170.00	1.00
151 Parks and Recreation Special Revenue Fund				
Director's Office	2.00	2.00	2.00	0.00
Planning, Design and Development	7.00	7.00	7.00	0.00
Business Systems	10.00	10.00	11.00	1.00
Parks and Recreation Human Resources	8.72	8.72	8.72	0.00
Parks and Natural Areas	50.31	49.70	49.70	0.00
Lynnhaven Boat Ramp and Beach Facility	4.10	4.10	4.10	0.00
Outdoor Programming and Special Events	8.12	5.84	4.84	-1.00
Little Island Park	6.55	6.55	6.55	0.00
Lynnhaven Municipal Marina	0.75	0.00	0.00	0.00
Sports Management	1.00	2.00	24.04	22.04
CRC - Kempsville	0.00	39.91	40.66	0.75
CRC- Bow Creek	40.12	40.54	40.54	0.00
CRC- Seatack	21.95	20.92	19.92	-1.00
CRC - Great Neck	37.46	38.74	39.74	1.00
CRC - Bayside	37.22	37.64	38.64	1.00
CRC - Princess Anne	38.36	38.85	37.85	-1.00
CRS-Williams Farm	42.31	40.63	41.30	0.67
Early Childhood Programs	0.00	0.00	66.29	66.29
Out-of-School Time - Recreation Center Based	66.58	84.69	10.15	-74.54
Programming and Operations Administration	5.00	6.00	7.00	1.00

Parks and Recreation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
151 Parks and Recreation Special Revenue Fund				
Marketing and Resource Development	7.00	7.00	7.00	0.00
Youth Opportunities Office	3.00	3.00	5.00	2.00
Athletic Leagues	12.47	9.50	0.00	-9.50
Therapeutic Recreation Programs	13.32	12.82	13.06	0.24
Athletic Complexes	10.77	12.54	0.00	-12.54
Inclusion Services	7.52	13.52	15.14	1.62
Out-of-School Time - School Based	132.80	124.02	130.90	6.88
Landscape Special Zone Management - Princess Anne Athletic Complex	9.00	7.00	7.00	0.00
Pottery and Ceramics	1.30	1.67	0.67	-1.00
Total	584.73	634.90	638.81	3.91
152 Tourism Investment Program Fund				
Landscape Special Zone Management - TIP Resort Area	10.00	10.00	10.00	0.00
Total	10.00	10.00	10.00	0.00
172 Open Space & Park Infrastructure Development & Maintenance SRF				
Open Space Management and Maintenance	5.40	5.40	4.40	-1.00
Open Space Planning	2.00	2.00	2.00	0.00
Total	7.40	7.40	6.40	-1.00
613 School Landscaping Internal Service Fund				
Schools Landscaping	59.00	61.00	61.00	0.00
Total	59.00	61.00	61.00	0.00
Total Position Summary	830.13	882.30	886.21	3.91

Expenditure Category by Department				
Personnel	34,479,549	38,922,354	39,231,014	308,660
Operating	10,085,165	11,393,607	12,494,270	1,100,663
Capital	40,132	60,000	41,235	(18,765)
Debt Service	6,297,621	7,256,218	7,121,745	(134,473)
Reserves	0	541,159	2,977,967	2,436,808
Transfers	6,798,168	1,561,550	2,572,427	1,010,877
Depreciation and Bad Debt Expense	8,119	0	0	0
Total Expenditures:	57,708,754	59,734,888	64,438,658	4,703,770

Revenue Category by Department				
Real Estate	15,462,852	15,699,430	15,802,000	102,570
Hotel Room Tax	658,105	627,026	633,250	6,224
Restaurant Meal Tax	2,532,601	2,589,265	5,492,612	2,903,347
Permits, Privilege Fees, and Regulatory Licenses	2,677	1,375	1,000	(375)
From the Use of Money and Property	1,590,008	1,679,934	1,629,967	(49,967)
Charges for Services	17,431,570	19,305,094	19,399,421	94,327
Miscellaneous Revenue	82,703	166,400	172,400	6,000
Other Sources from the Commonwealth	1,301,796	5,062,250	5,261,075	198,825
Revenue from the Federal Government	39,851	0	0	0
Transfers from Other Funds	5,063,385	5,504,099	6,792,380	1,288,281
Specific Fund Reserves	0	561,895	725,708	163,813
Total Revenue:	44,165,548	51,196,768	55,909,813	4,713,045

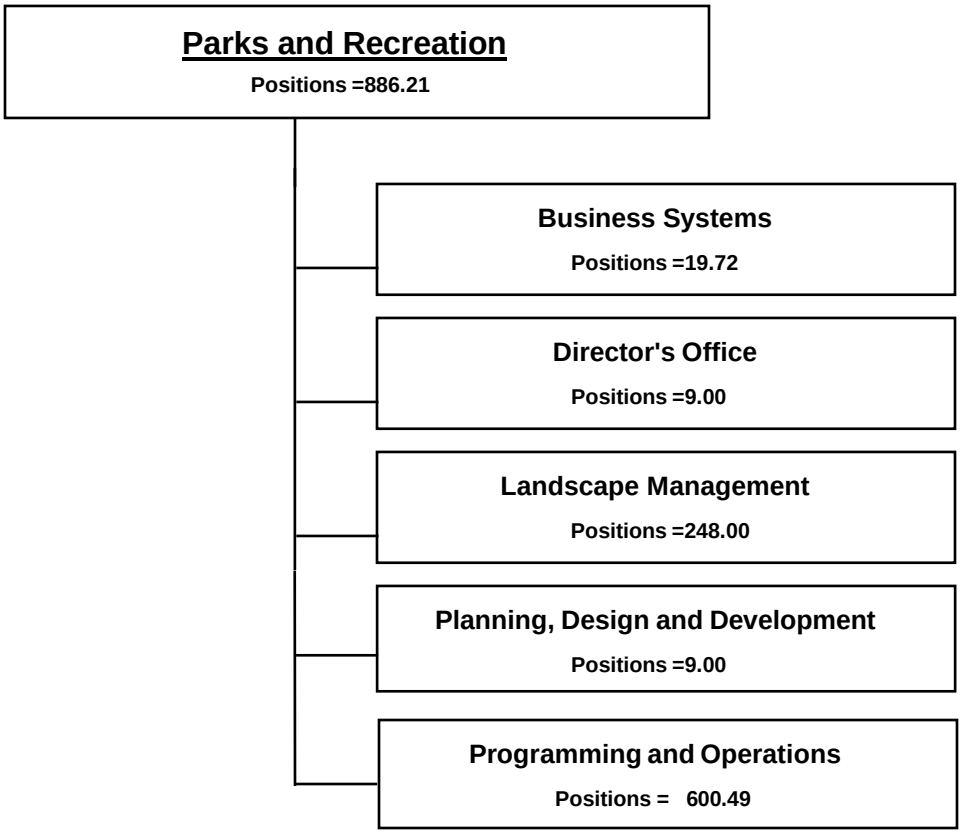
Parks and Recreation - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017

Resource Summary Notes

The Department of Parks and Recreation was approved an additional 7.61 FTEs for FY 2018. The elimination of a program and the conversion of some part-time positions to full-time resulted in a reduction of 3.70 FTEs. This resulted in a net increase of 3.91 FTEs over the FY 2017 Adjusted total.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



PLANNING & COMMUNITY DEVELOPMENT

The mission of the Planning & Community Development Department is to:

- *Provide Customer Service Excellence: Provide superior, rewarding, and responsive services by meeting or exceeding customers' expectations.*
- *Protect & Preserve: Protect and preserve the safety and welfare of citizens and visitors through upholding codes, policies, and regulations.*
- *Collaborate & Communicate: Collaborate and communicate with all stakeholders in all facets and functions of community design and development.*

City Council Amendment:

- Decrease the payment from the General Fund to HRT for the FY 2016 true-up by $1,186,393.
- Decrease the payment from the Tourism Investment Program (TIP) Fund to HRT for the FY 2016 true-up by $386,072.

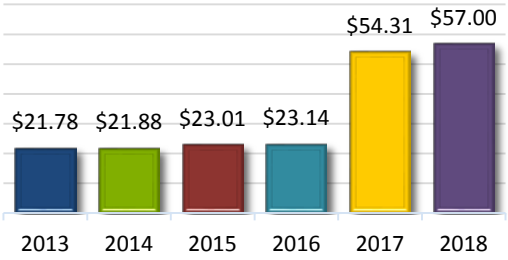
Department Overview

Planning Services
Includes the Director's Office and the Management and Support Division, which provides human resources, financial, technical, development liaison services and executive leadership of the Planning Department.

Planning Administration
Provides staff support for planning items to City Council, Planning Commission, Wetlands Board, Chesapeake Bay Board, Historic Preservation Commission, and Historical Review Board.

Zoning Administration
Is responsible for the interpretation and enforcement of the City's Zoning Ordinance and provides staff support for Board of Zoning Appeals.

Per Capita Expenditures



Note: the increase in FY 2016-17 per capita expenditures reflects the reorganization of the SGA Office with the Planning Department, which added costs and revenues for: resort programs and special events, parking operations, mass transit.

Development Services
Coordinates the review and approval of subdivision plats and development plans to ensure engineering compliance with ordinances, standards, specifications, and City Council requirements. Development projects can be either public or private and include plans for commercial sites, subdivision construction, land management for septic systems in poorly draining soils, and Chesapeake Bay Preservation Area single family sites. This unit administers development sureties and coordinates review and recordation of legal documents and agreements designed to ensure construction of requirements established during the plan review and approval process.

Permits and Inspections
Administers the Uniform Statewide Building Code and associated laws and ordinances by issuing permits for, and performing inspections of building construction, plumbing, electrical, and mechanical systems installation and alteration. Administers the Department of Environmental Quality Stormwater and Erosion and Sediment Control regulations as applicable to private development and franchise utilities.

Strategic Growth Areas

Includes Strategic Growth Areas (SGA), Comprehensive Planning, Transportation Planning and Parking Management. The SGA uses innovative land use planning, design, transportation, parking, marketing, and financial tools to implement the eight SGA Master Plans (Burton Station, Centerville, Hilltop, Lynnhaven, Newtown, Resort, Pembroke, and Rosemont), which will provide strategically located unique centers where people can work, live, and play. Comprehensive Planning coordinates the review and update of the Comprehensive Plan every five years. Transportation Planning coordinates short and long-range multi-modal transportation issues (pedestrians, bicycles, vehicles, and public transit). This division also serves as the City's liaison with Hampton Roads Transit (HRT), which provides mass transit and paratransit services to residents and visitors. Comprehensive Planning also provides on-going professional planning and program management support to Virginia Beach Commissioners and City Council liaisons to the Transportation District Commission of Hampton Roads and actively participates in long-range strategic planning for regional public transportation. In addition, it serves as City Planning representatives on Hampton Roads Transportation Planning Organization's various committees reviewing and making recommendations on all regional transportation planning programs, projects and initiatives.

The Parking Management Office is responsible for the administrative and financial oversight of the Parking Enterprise Fund and other parking related funds that are designed to be revenue producing and self-sufficient to meet the City's overall parking mission and goals. The office provides guidelines, and plans to operate, manage, maintain, and repair parking facilities and other parking programs including parking permits, enforcement and adjudication.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Goal: Improve the Transportation System

Goal: Revitalize Neighborhoods and Plan for the Future

Goal: Be a Competitive, First Class Resort for Residents, Businesses & Tourists

Means to Residents: Protection of residents' property values; Safe homes & buildings in the city; More attractive and inviting city; Deliver Services in the most cost effective manner

Means to Residents: Tourist amenities for use by residents that add value to the quality of life; Quality leisure activities for families; Greater ease of movement within Virginia Beach and Region; Choices of transportation mode; Safer streets for cars, pedestrians and bike travel

71.9% of citizens are satisfied with planning for residential development

91.7% of residents are satisfied with the overall appearance of the city

79.1% of residents satisfied with city's efforts to protect natural resources, the environment, & open green space

94.6% of residents agree they can conveniently access city services

99,477 inspections

35,312 permits issued

5,280 zoning inspections with 2,103 zoning permits issued

108 cases heard by the Board of Zoning Appeals

2,856 plans reviewed in Development Services Center

336 applications heard by Planning Commission/ City Council

84 applications heard by Wetlands Board

48 Chesaspeake Bay Preservation heard

324 Joint Waterfront Plan Review permit applications

950 vehicles per day for parking garages & 1,100 per day for surface lots with 0.5 parking space turnover rate for garages & parking lots

13,000 enforcement hours equaling 1.2 violations issued per hour

16,000 parking violations issued

Trends & Issues

- The Planning & Community Development Department initiatives support City Council priorities including:
  - Further review by the SGA Office of the State Tourism Development Financing program and its implementation within the Resort Area Strategic Action Plan (RASAP) area.
  - Growth of the local economy through coordination of Inter-Facility Traffic Area Master Plan, SGA's and Arena Development
  - Coordination of the 19th Street Pedestrian Connection project, work with a consultant on a Resort Parking Strategy Plan and Oceanfront Parking initiatives support being a competitive first class resort for residents, businesses and tourists
  - Working with Hampton Roads Transit on bus shelter expansion project
  - Improvement to the Transportation System by working on Public Transit, Uber regulations, Bikeways, trails and sidewalks

- City Assets and Infrastructure are well maintained and meet community expectations with the work on revisions to the long range plan related to Burton Station Development and Lynnhaven Corridor Improvements
- Coordination of the ViBe Arts District project
- Development of Zoning Code for the Pembroke Strategic Growth Area

- The Planning & Community Development has initiated customer service improvements including:
  - Significant progress meeting plan review deadlines
  - Hiring of the development liaison
  - Planned and began office renovation to create welcoming customer service experience
  - Pre-submittal meetings with developers to facilitate more collaborative processes

- The Planning & Community Development was audited and re-organized to meet future challenges including:
  - Human Resource audit of each full time equivalent position in department, which achieved role and responsibility clarity
  - City Auditor completed audit of internal financial controls, which centralized review of financial activities and provided tighter controls of revenue processing.
  - Planning Administration Division centralized three programs into one making staff support more consistent and efficient.

Major Budget Changes

	Change	Impact
↑	1 FTE for Finance-Related Activities	The Planning Director requested a management audit by the City Auditor. The result was a need for greater centralized review of financial activities and tighter controls of revenue processing and reconciliation. This budget includes $54,192 for an Administrative Specialist position to help implement recommendations of the audit.
↑	1 FTE for Enhancement of the Historic Preservation Program	Adds a Historic Preservation Planner III, at a cost of $80,923 to provide implementation and coordination of the City's Historic Preservation Program. This position is responsible for ensuring that the City maintains its recent designation by the National Park Service as a Certified Local Government (CLG) through coordination of the historic resources inventory, and survey projects development of historic district guidelines and standards. This position will ensure that the City complies with the CLG agreement with the Virginia Department of Historic Resources. The CLF designation signifies that the City of Virginia Beach places a high value on preserving the historical identity of the city. Approval of this position allows elimination of two part-time positions. Also included is increased funding of $54,076 for the Historic Preservation Commission.
↑	Legislative Management Automation Program	Funding of $70,000 is provided for purchase of the Legislative Management Automation Module for the Accela Program. This module will allow automation for the large number of documents needed for cases to be heard by the various boards and commissions. Also included is $30,000 to allow the live streaming

		broadcast of commission meetings, which will have to be coordinated with Media and Communications.
↑	Mass Transit Operations Cost Increases	Total budgeted costs for HRT services increased by $2,106,873 to $9,290,872 in FY 2017-18 from $7,183,999 in FY 2016-17. This cost increase includes $1,572,465 in costs owed to HRT for FY 2015-16 services as part of the annual accounting true-up analysis ($1,186,393 General Fund and $386,072 TIP Fund) and $534,408 for annual budget cost increase ($166,048 General Fund and $368,360 TIP Fund). Reasons for the annual budget increase include: increased service hours of 11,944 totaling 181,586 in FY 2017-18 versus 169,642 in FY 2016-17 for paratransit services, the General Booth Boulevard route, and net increase from eliminating the Shopper's Express seasonal route and adding the Bayfront-Oceanfront Circular route for the Atlantic Avenue Trolley; declining revenues from fare-box fees due to continual decline in ridership, and reduction in State and Federal government grants. As in previous budgets, the FY 2017-18 budget includes the City's share of costs for rolling stock replacement ($368,910), and HRT Commission costs ($178,714), which increased by $31,824 from FY 2016-17.

Planning and Community Development - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	1,166,793	1,969,571	1,721,721	(247,850)
Environment and Sustainability Office	379,117	786,280	0	(786,280)
Chesapeake Bay Program	236,533	0	0	0
Wetlands Program	141,053	0	0	0
Mass Transit Operations	0	0	6,517,545	6,517,545
Comprehensive Planning	602,691	411,224	0	(411,224)
Current Planning	450,871	406,008	1,288,525	882,517
Zoning Administration	1,129,126	1,210,828	1,196,923	(13,905)
Development Services Center	1,778,443	2,084,330	2,029,456	(54,874)
PU / Development Services	299,152	312,388	312,961	573
Building Permits and Inspections	3,586,489	3,961,626	3,933,172	(28,454)
Strategic Growth Areas	199	845,850	933,688	87,838
Transportation Planning	0	232,478	232,956	478
Chesapeake Bay Preservation Board	9,613	9,756	9,756	0
Wetlands Board	3,428	5,071	5,071	0
Planning Commission	23,680	26,687	26,687	0
Board of Zoning Appeals	14,817	16,708	1,808	(14,900)
Total Expenditures	9,822,005	12,278,805	18,210,269	5,931,464
Revenues				
Fees	4,768,037	5,214,501	5,233,436	18,935
Transfers	437,271	455,171	455,285	114
Total Revenues	5,205,308	5,669,672	5,688,721	19,049
General City Support	4,616,697	6,609,133	12,521,548	5,912,415
152 Tourism Investment Program Fund				
Expenditures				
TIP Trolley Mass Transit	0	0	1,200,862	1,200,862
Total Expenditures	0	0	1,200,862	1,200,862
Revenues				
Local Taxes	0	0	1,200,862	1,200,862
Total Revenues	0	0	1,200,862	1,200,862
General City Support	0	0	0	0
169 Central Business District-South TIF (Twn Cntr) Fd				
Expenditures				
Future C.I.P. Commitments	0	40,972	0	(40,972)
Total Expenditures	0	40,972	0	(40,972)
General City Support	0	40,972	0	(40,972)

Planning and Community Development - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
179 Multimodal Transportation Special Revenue Fund				
Expenditures				
Mass Transit Operations	0	6,351,497	0	(6,351,497)
Trolley Mass Transit	0	832,502	0	(832,502)
Total Expenditures	0	7,183,999	0	(7,183,999)
Revenues				
Transfers	0	7,183,999	0	(7,183,999)
Total Revenues	0	7,183,999	0	(7,183,999)
General City Support	0	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Planning - Grants	4,222	0	0	0
Total Expenditures	4,222	0	0	0
General City Support	4,222	0	0	0
253 Parking Enterprise Fund				
Expenditures				
Parking Management	0	3,683,877	3,675,171	(8,706)
Retiree Health Insurance Expenditures	0	9,487	9,487	0
Parking Enterprise Fund	3,322,197	0	0	0
Debt Service	686,786	672,373	580,130	(92,243)
Reserve for Contingencies	0	14,928	8,287	(6,641)
Transfer to Other Funds	666,629	752,765	728,879	(23,886)
Total Expenditures	4,675,612	5,133,430	5,001,954	(131,476)
Revenues				
Fees	4,664,884	5,108,430	4,934,681	(173,749)
Transfers	20,581	25,000	67,273	42,273
Total Revenues	4,685,465	5,133,430	5,001,954	(131,476)
General City Support	(9,853)	0	0	0
Total Department Expenditure	14,501,839	24,637,206	24,413,085	(224,121)
Total Department Revenue	9,890,773	17,987,101	11,891,537	(6,095,564)
Total General City Support	4,611,066	6,650,105	12,521,548	5,871,443

Position Summary by Program

002 General Fund				
Director's Office	10.00	11.00	14.00	3.00
Environment and Sustainability Office	3.00	7.00	0.00	-7.00
Chesapeake Bay Program	2.00	0.00	0.00	0.00
Wetlands Program	2.00	0.00	0.00	0.00
Comprehensive Planning	5.50	3.97	0.00	-3.97
Current Planning	5.00	4.00	13.00	9.00
Zoning Administration	14.00	14.00	14.00	0.00
Development Services Center	21.00	23.00	22.00	-1.00

Planning and Community Development - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
002 General Fund				
PU / Development Services	3.00	3.00	3.00	0.00
Building Permits and Inspections	50.00	52.00	52.00	0.00
Strategic Growth Areas	0.00	7.00	8.00	1.00
Transportation Planning	0.00	2.00	2.00	0.00
Total	115.50	126.97	128.00	1.03
253 Parking Enterprise Fund				
Parking Management	0.00	6.00	6.00	0.00
Parking Enterprise Fund	9.00	0.00	0.00	0.00
Total	9.00	6.00	6.00	0.00
Total Position Summary	124.50	132.97	134.00	1.03

Expenditure Category by Department				
Personnel	9,428,224	10,946,091	10,880,427	(65,664)
Operating	3,721,194	12,148,966	12,208,806	59,840
Capital	(994)	61,111	6,556	(54,555)
Debt Service	686,786	672,373	580,130	(92,243)
Reserves	0	55,900	8,287	(47,613)
Transfers	666,629	752,765	728,879	(23,886)
Total Expenditures:	14,501,839	24,637,206	24,413,085	(224,121)

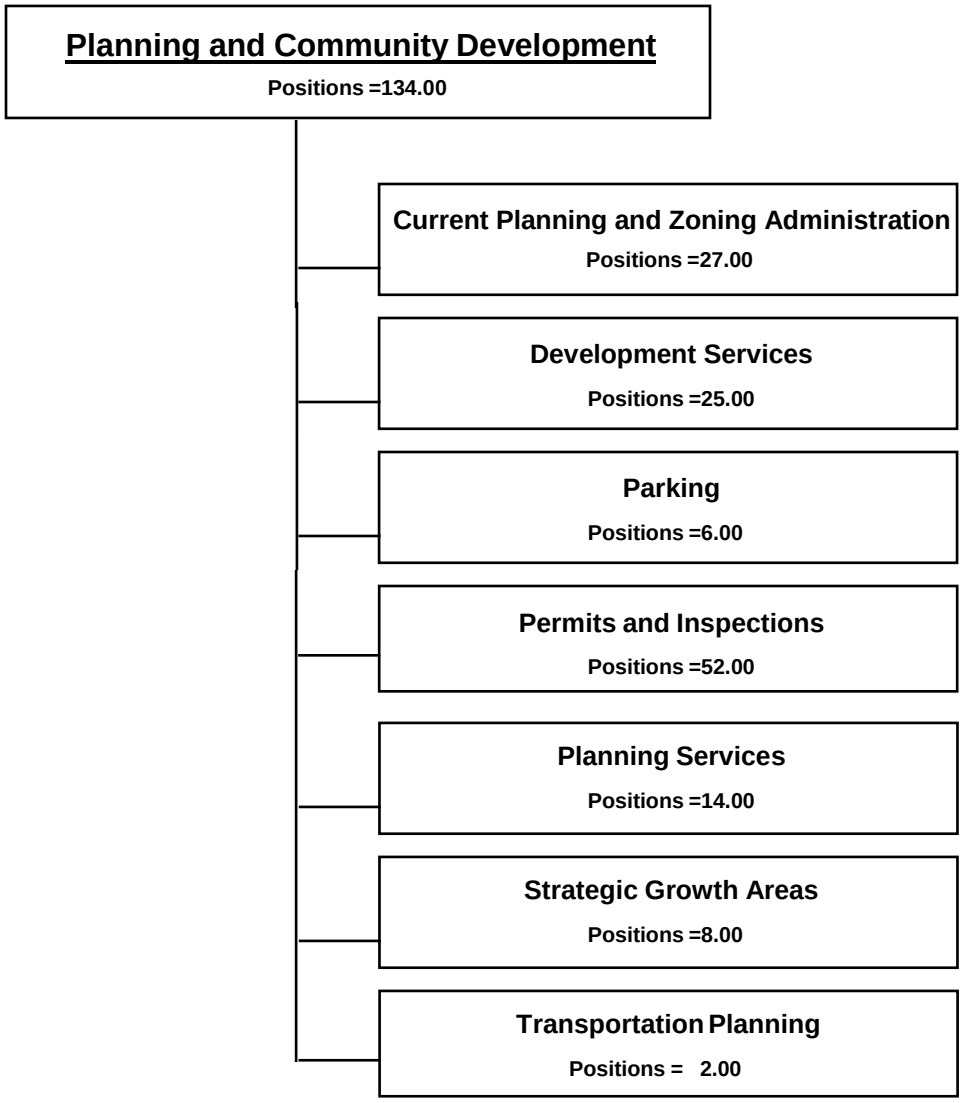
Revenue Category by Department				
Hotel Room Tax	0	0	932,579	932,579
Restaurant Meal Tax	0	0	268,283	268,283
Permits, Privilege Fees, and Regulatory Licenses	4,379,105	4,894,207	4,827,383	(66,824)
From the Use of Money and Property	268,252	207,362	10,000	(197,362)
Charges for Services	4,618,158	5,041,362	5,150,734	109,372
Miscellaneous Revenue	12,380	0	0	0
Fines and Forfeitures	155,026	180,000	180,000	0
Transfers from Other Funds	457,852	7,664,170	522,558	(7,141,612)
Total Revenue:	9,890,773	17,987,101	11,891,537	(6,095,564)

Resource Summary Notes

As a result of the November 8, 2016 voter referendum in which the Light Rail project was not approved, the Multimodal Transportation Special Revenue Fund has been eliminated. The funding for Mass Transit Operations is budgeted in the General Fund and the Tourism Investment Program Fund.

Approval of two additional full-time 2.0 FTEs eliminated the need for two part-time positions totaling 0.97 FTEs resulting in a net increase of 1.03 FTEs over the FY 217 Amended total.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

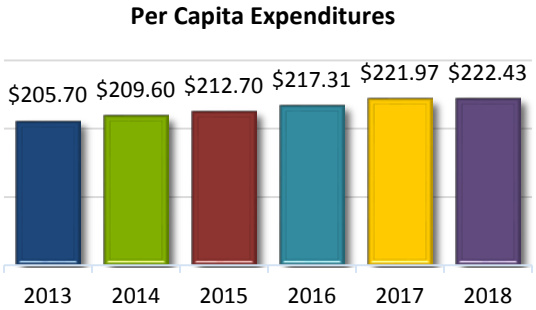


POLICE

The Mission of the Virginia Beach Police Department is to remain committed to providing a safe community and improving the quality of life for all people. This is accomplished by delivering quality police services and enforcing laws with equity and impartiality. In partnership with the community, the Department reduces crime through public education, prevention, and awareness. In meeting this objective, the Police Department demands of its officers the highest professional standards and dedication to core values.

Department Overview

The Police Department's core areas of operations are:



Administration
Administration includes the Chief's Office, Professional Standards, Public Information Office, and volunteer Police Chaplains.

Uniform Patrol
This bureau of the Operations Division includes basic patrol, initial response to criminal incidents, calls for service, traffic control, and enforcement.

Special Operations
This bureau of the Operations Division supports department wide operations with various highly trained specialty tactical units including S.W.A.T., crisis negotiators, K-9 unit, helicopter unit, dive team, marine patrol, bomb squad, selective enforcement team, motorcycle unit, traffic safety unit, fatal crash team, hit and run team, mounted patrol, and motor carrier safety unit.

Crime Prevention
This division provides for a safer city by preventing and/or reducing crime through various educational programs for the public and forming community partnerships.

Detective Bureau
This bureau of the Investigative Division investigates most crimes in the city including homicides, rapes, robberies, assaults, domestic violence, burglaries, larcenies, auto thefts, identity theft, embezzlements, and other property crimes. It includes a Forensics Unit to provide various technical services needed for investigations.

Special Investigations
This bureau of the Investigative Division has several units conducting investigations of various types of criminal activity including the Criminal Intelligence Unit (including gangs), Narcotics Unit, Vice Squad, Diversion Unit related to investigations involving pharmaceutical drugs, and Computer Crimes Unit.

Support Division
Staffed by mostly civilians, this division is responsible for maintaining police records, property and evidence storage, uniform and supply issue, department payroll, entering data such as protective orders and other warrants into local, state, and national systems, conducting criminal history checks, administering the "PHOTOSafe" red light camera and false alarm programs, coordinating departmental purchasing and budgeting, conducting statistical analysis, and special projects.

Key Performance Measures

Goal: Be the Safest City in Virginia

Goal: Create a Financial Sustainable City Providing Excellent Services

Means to Residents: Safer streets for automobiles, pedestrians and bike travel	Means to Residents: Residents feel safe throughout the city		Means to Residents: Timely response to an emergency call for service	
16 fatal crashes and 2,200 DUI arrests	94% believe Virignia Beach is a safe place to live	91% of citizens believe that their neighborhood is a safe place to live	Average 7.1 minutes response time to emergency calls	
	Part 1 property & violent crime clearance rate of 23% & 75%, respectively	374 neighborhood watch communities	12,700 emergency calls for service	137,750 non-emergency calls for service

Trends & Issues

- There were 262 documented heroin overdoses in 2016 – a 94.8% increase over 2015 – resulting in 54 deaths. Patrol personnel began carrying Narcan as first responders in March 2016 and made 40 deployments with 39 saves through December 2016.

- In recent years, mental health related calls for service in have grown and in 2016 the Police Department had 4,223 mental health calls which accounted for 18,333 hours of officer time spent on these types of calls.

- Total sworn officer turnover increased slightly from 9.6% in FY 2014-15 to 9.8% in FY 2015-16. However, when recruits and retirements are excluded from the turnover rate, Police Officer turnover was 3.3% in FY 2015-16.

Major Budget Changes

	Change	Impact
↑	10 Additional Police Officers	The department will be adding a total of ten Police Officer FTEs for FY 2017-18. The department has outlined a plan to increase the sworn Police Officers by a total of fifty-three over a five year period. These officers will help prepare them for expected population and business growth in different areas of Virginia Beach (i.e. Town Center, Ocean Front). The department received ten additional Police Officers in FY 2016-17. The ten added in FY 2017-18 will result in an increase of twenty total Police Officers.
↑	2 FTEs for the Body Camera Program	In FY 2017-18 the department will begin the second year of a four-year phase-in for 450 Police Body Cameras. The camera phase-in will be completed by FY 2020-21. The Police Department is receiving two additional FTEs to meet redaction and FOIA demands related to body cameras. The body camera equipment is being purchased with the help of Police Federal & State Seized Assets Fund.

Police - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	2,110,608	2,236,133	2,359,516	123,383
False Alarms	57,285	78,707	72,374	(6,333)
Personnel and Training	4,472,676	4,727,510	4,864,769	137,259
Crime Prevention	674,983	861,195	822,719	(38,476)
Support	4,816,636	5,194,432	5,280,496	86,064
K-9 Unit	1,853,412	1,867,996	1,861,528	(6,468)
Helicopter Unit	1,200,417	1,024,163	1,081,745	57,582
Uniform Patrol	52,002,743	55,776,590	56,834,111	1,057,521
Red Light Camera Program	1,149,174	1,188,350	1,059,888	(128,462)
Mounted Patrol	1,189,653	1,270,126	1,158,254	(111,872)
Marine Patrol	1,062,349	1,092,514	1,096,869	4,355
School Resource Officer Program	2,441,594	2,534,037	2,480,519	(53,518)
Investigative Division	12,621,078	13,511,561	13,095,525	(416,036)
Special Investigative Unit	4,779,161	5,020,392	5,082,565	62,173
Commercial Extraditions	341,599	387,562	391,274	3,712
Animal Control	3,272,328	3,659,326	3,566,112	(93,214)
Total Expenditures	94,045,696	100,430,594	101,108,264	677,670
Revenues				
Fees	3,683,866	3,402,750	3,498,670	95,920
State	318,526	350,000	350,000	0
Federal	33,139	41,500	37,000	(4,500)
Transfers	15,000	15,000	0	(15,000)
Total Revenues	4,050,531	3,809,250	3,885,670	76,420
General City Support	89,995,165	96,621,344	97,222,594	601,250
142 Police Federal & State Seized Assets SRF				
Expenditures				
DEA - Uniform Patrol Grants	68,231	0	0	0
DEA - Personnel and Training	8,500	0	0	0
DEA - Support	9,371	0	0	0
DEA - K-9	15,000	0	0	0
DEA - Uniform Patrol	507,342	260,205	285,915	25,710
DEA - Investigative	23,780	0	0	0
DEA - Special Investigative Unit	90,193	0	0	0
Transfer to Other Funds	7,750	0	0	0
Total Expenditures	730,167	260,205	285,915	25,710
Revenues				
Fees	8,097	0	0	0
State	439,144	0	0	0
Federal	81,070	0	0	0
Fund Balance	0	260,205	285,915	25,710
Total Revenues	528,311	260,205	285,915	25,710
General City Support	201,856	0	0	0

Police - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
183 Grants Consolidated Fund				
Expenditures				
Police - Uniform Patrol Grants	383,054	0	0	0
Total Expenditures	383,054	0	0	0
Revenues				
Fees	3,000	0	0	0
State	30,064	0	0	0
Federal	182,627	0	0	0
Transfers	12,422	0	0	0
Total Revenues	228,113	0	0	0
General City Support	154,941	0	0	0
Total Department Expenditure	95,158,917	100,690,799	101,394,179	703,380
Total Department Revenue	4,806,955	4,069,455	4,171,585	102,130
Total General City Support	90,351,962	96,621,344	97,222,594	601,250

Position Summary by Program

002 General Fund				
Director's Office	16.80	20.80	22.80	2.00
False Alarms	1.75	1.75	1.75	0.00
Personnel and Training	32.72	33.72	33.72	0.00
Crime Prevention	8.00	8.00	8.00	0.00
Support	61.00	61.00	61.00	0.00
K-9 Unit	16.00	16.00	16.00	0.00
Helicopter Unit	8.00	8.00	8.00	0.00
Uniform Patrol	571.63	584.63	594.63	10.00
Red Light Camera Program	2.40	2.40	2.40	0.00
Mounted Patrol	16.00	12.00	12.00	0.00
Marine Patrol	10.46	10.46	10.46	0.00
School Resource Officer Program	30.00	30.00	30.00	0.00
Investigative Division	143.00	142.00	140.00	-2.00
Special Investigative Unit	52.00	52.00	54.00	2.00
Animal Control	46.00	46.00	46.00	0.00
Total	1,015.76	1,028.76	1,040.76	12.00
Total Position Summary	1,015.76	1,028.76	1,040.76	12.00

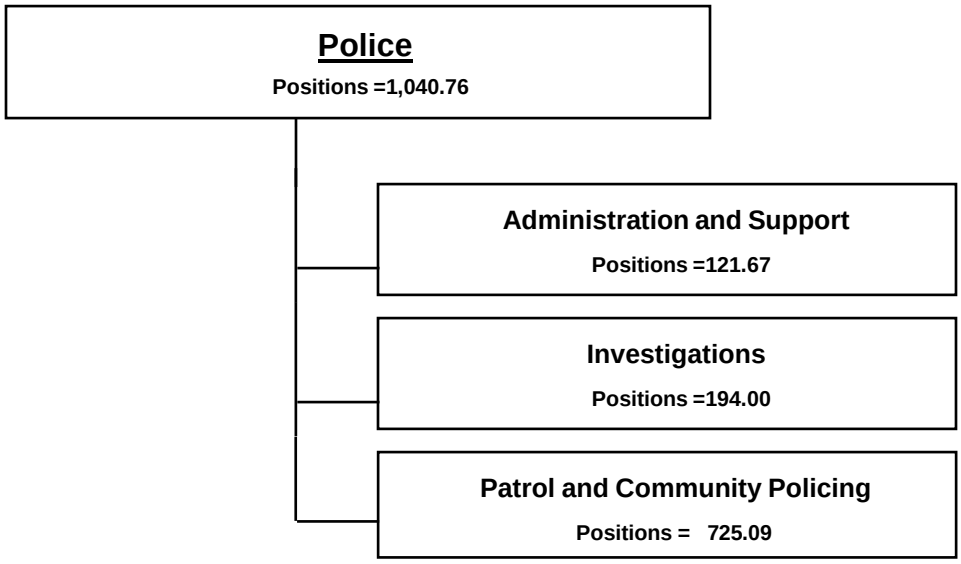
Expenditure Category by Department

Personnel	79,271,810	84,055,631	84,673,996	618,365
Operating	15,547,436	15,921,793	15,860,808	(60,985)
Capital	331,921	713,375	859,375	146,000
Transfers	7,750	0	0	0
Total Expenditures:	95,158,917	100,690,799	101,394,179	703,380

Police - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Revenue Category by Department				
Permits, Privilege Fees, and Regulatory Licenses	575,305	615,775	554,675	(61,100)
From the Use of Money and Property	12,196	2,700	3,400	700
Charges for Services	864,912	655,875	724,895	69,020
Miscellaneous Revenue	23,780	9,000	9,000	0
Fines and Forfeitures	2,218,770	2,119,400	2,206,700	87,300
Other Sources from the Commonwealth	787,734	350,000	350,000	0
Revenue from the Federal Government	296,836	41,500	37,000	(4,500)
Transfers from Other Funds	27,422	15,000	0	(15,000)
Specific Fund Reserves	0	260,205	285,915	25,710
Total Revenue:	4,806,955	4,069,455	4,171,585	102,130

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



PUBLIC EDUCATION

The mission of the Virginia Beach City Public Schools (VBCPS), in partnership with the entire community, will empower every student to become a life-long learner who is a responsible, productive and engaged citizen within the global community.

Department Overview

The City Council appropriates funding to the schools by major category (Instruction, Administration, Health, Attendance, Pupil Transportation, Operations and Maintenance, Technology, and Debt Service) in the School Operating Fund and by fund for each of the schools remaining funds. How the schools allocate this funding within these categories and specific funds is solely at the discretion of the School Board.

City/School Revenue Sharing Formula (RSF)

The City Council first adopted a City/School Revenue Sharing Policy in 1997 to provide a stable source of local funding for the public school system. This policy shared, at that time, seven of the fastest growing and most stable revenue sources between city and school services and programs. The formula was revised several times to reflect changes in state law and the revenue streams. The City Council and School Board adopted a new RSF in FY 2013-14 and modified it again in November 2015. The following represents the current four-step computation for updating the formula:

- **Total Non-Dedicated Local Revenues**
  The base from which the computation derives is the total non-dedicated local tax revenues, which represents a diverse stream of revenues.
- **Fund 100% of Required Local Standards of Quality (SOQ) Match**
  The formula acknowledges the required local match under the SOQ by dedicating 100% of local revenues to equal this match, which is then subtracted from the total non-dedicated local tax revenues.
- **Funding Above SOQ Match**
  The formula specifies that 34.11% of the remaining total non-dedicated local tax revenues (after subtracting the local SOQ match) are allocated to the School system as the discretionary local match.
- **Additional Dedication of Real Estate Taxes**
  Finally, the formula adds the dedication of 4 cents of real estate taxes established by the City Council with the FY 2012-13 Operating Budget to offset lost state funding due to the recession. As state revenues increase, this dedication may be recalculated. In FY 2017-18, an additional 1.25 cents is included to phase-in full day kindergarten.

SOL Local Funding Percentage

The Composite Index determines a locality's ability to pay education costs fundamental to the Commonwealth' SOQ. The Composite Index is calculated using: (1) true value of real property (weighted 50%); (2) adjusted gross income (weighted 40%); and (3) taxable retail sales (weighted 10%).

Each locality's index is adjusted to maintain an overall statewide local share of 45% and an overall state share of 55%. The schools' new Composite Index funding level for FY 2015-16 to FY 2017-18 is .3924, which means the city is responsible for 39.24% of the SOQ funding level. The next table shows a recent history which has been slowly rising over time, except for this last update. This sets the required local SOQ match included in the formula. Also,

as previously noted, the city provides funding well above the SOQ requirements.

Local Composite Index – Virginia Beach			
FY 00-02	.3523	FY 10-12	.4060
FY 02-04	.3394	FY 12-14	.4110
FY 06-08	.3353	FY 14-16	.4033
FY 08-10	.3492	FY 16-18	.3924

Key Performance Measures

Goal: Our Community has World Class Schools and Educational Programs

Means to Residents: Quality schools and libraries

- SOL Passage Rates: 85% Reading; 81% Writing; 85% Math; 87% Science; 88% History
- 127.3% of local funding above SOQ
- Pupil/Teacher Ratios 2014-15: grades K-7: 15.02; grades 8-12: 13.46
- 85.8% graduation rate
- 32.9% of students enrolled in advanced placement
- 15.4% of students enrolled in technical and education certification-related classes

Residents feel safe throughout the community

- 14.1% - safety offenses as a percentage of enrollment (duplicated)

Trends and Issues

- For the fifth consecutive year, the school division's students outperformed the nation on all three components of the SAT and led all other school divisions in Hampton Roads in scores for reading, math, and writing.
- 94% of the city's schools earned full State accreditation.
- The Class of 2016 achieved both the division's highest On-Time Graduation rate and lowest dropout rate since 2008. In addition, the students of this class were offered a record $76 million in scholarships.
- VBCPS continues to be a model for the Commonwealth regarding industry certifications earned by students. Last year, students earned more than 11,300 industry credentials in areas ranging from plumbing and heating and practical nursing to computer repair and networking.
- All Virginia Beach Public High Schools have made the Washington Post's "America's Most Challenging High School" list.
- Advanced placement enrollment increased by 6% in the 2015-16 school year. Of the 9,712 AP exams administered, 58.3% of the students achieved scores of 3 or higher, earning either college credit or advanced college placement.
- Princess Anne Middle School and Woodstock Elementary School were named National PTA Schools of Excellence.
- Old Donation School, Kingston Elementary, Strawbridge Elementary, and Thoroughgood Elementary all received 2016 Board of Education Excellence Awards.

- John B. Dey Elementary, Glenwood Elementary, Great Neck Middle, North Landing Elementary, Ocean Lakes High, Pembroke Elementary, Princess Anne Elementary, Princess Anne Middle, Red Mill Elementary, and Three Oaks Elementary all received 2016 Board of Education Distinguished Achievement Awards.

Major Budget Changes

	Change	Impact
↑	Phase in for Full Day Kindergarten	The School Board formally requested $14,093,300 to expand full-day kindergarten to 53 elementary schools and to increase the number of at-risk students serviced in the pre-kindergarten program from 704 to 1,154 students by 2021-22. Virginia Beach City Public Schools (VBCPS) is one of only three school divisions in the Commonwealth that do not currently offer full-day kindergarten to all eligible students. The School Board's request represents the annual cost of fully implementing and expanding these programs. This budget includes $6,750,000 in funding to support VBCPS' plans to begin a phased-in expansion of pre-kindergarten and full-day kindergarten over the next several years. Full-day kindergarten is currently offered at 12 elementary schools with plans to expand to 53 sites in five years, adding between 15 and 18 full-day classes each year. The preschool expansion would require the addition of six classes each year for four years and one additional class in the final year of expansion.
↑	Other School Board Budget Highlights	• A 2% pay raise. • 40 additional positions to strategically reduce class size on the secondary level. In recent years, the schools have increased class size to balance the budget. These additional positions represent an effort to reverse this trend. Overall, however, there are 1.65 fewer positions in the School Operating Fund due to declining student enrollment (down 4.65 overall). • Six additional instructional technology specialists. Instructional technology specialists (ITS) are assigned to schools to serve as technology program managers, leaders, and partners/coaches for teachers across all subject areas. The staffing standards and guidelines for ITS positions allocate between .50 and 2.0 full-time equivalent positons per site based on enrollment and school needs. There are currently nine positions splitting time between 18 schools (.50 per school). These additional positions will assure that 12 schools will obtain a ratio of 1 ITS per schools, leaving six schools with a ratio of .5 per school. • Equity adjustments for staff compensated on the Unified Pay Scale (non-instructional positions). • The budget includes nearly $6.6 million in costs related to VRS employer-contribution rate increases. The VRS rate will climb by 1.66% from 14.66% in FY 2016-17 to 16.32% in FY 2017-18. Click here to be taken to the Schools budget website.

Public Education - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
104 Green Run Collegiate Charter School				
Expenditures				
School Green Run Collegiate Charter Instruction	2,651,550	3,365,054	3,440,666	75,612
School Green Run Collegiate Administration	0	11,000	11,000	0
School Green Run Collegiate Charter Transportation	189,128	260,766	260,766	0
School Green Run Collegiate Charter Oper & Maint	0	19,400	19,400	0
School Green Run Collegiate Charter Technology	73,948	30,466	31,615	1,149
Total Expenditures	2,914,626	3,686,686	3,763,447	76,761
Revenues				
Transfers	2,885,023	3,686,686	3,763,447	76,761
Total Revenues	2,885,023	3,686,686	3,763,447	76,761
General City Support	29,603	0	0	0
107 School Equipment Replacement Special Revenue Fund				
Expenditures				
Reserve for Contingencies	0	1,106,301	170,193	(936,108)
Total Expenditures	0	1,106,301	170,193	(936,108)
Revenues				
Fund Balance	3,596	1,106,301	170,193	(936,108)
Total Revenues	3,596	1,106,301	170,193	(936,108)
General City Support	(3,596)	0	0	0
108 School Instructional Technology Fund				
Expenditures				
Instructional Technology	106,000	53,678	79,579	25,901
Total Expenditures	106,000	53,678	79,579	25,901
Revenues				
Fund Balance	41,272	53,678	79,579	25,901
Total Revenues	41,272	53,678	79,579	25,901
General City Support	64,728	0	0	0
109 School Vending Operations Fund				
Expenditures				
School Vending Operations	215,523	229,702	229,702	0
Total Expenditures	215,523	229,702	229,702	0
Revenues				
Fees	192,550	192,550	192,550	0
Fund Balance	100	37,152	37,152	0
Total Revenues	192,650	229,702	229,702	0
General City Support	22,873	0	0	0

Public Education - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
112 School Communication Tower Technology Fund				
Expenditures				
Communication Tower Technology	389,907	600,000	850,000	250,000
Total Expenditures	389,907	600,000	850,000	250,000
Revenues				
Fees	527,135	260,000	510,000	250,000
Fund Balance	0	340,000	340,000	0
Total Revenues	527,135	600,000	850,000	250,000
General City Support	(137,228)	0	0	0
114 School Cafeteria Fund				
Expenditures				
Food Services	27,214,337	30,742,626	31,679,250	936,624
Total Expenditures	27,214,337	30,742,626	31,679,250	936,624
Revenues				
Fees	11,291,363	12,221,495	11,995,988	(225,507)
State	541,231	500,000	500,000	0
Federal	18,059,542	18,021,131	18,086,468	65,337
Fund Balance	0	0	1,096,794	1,096,794
Total Revenues	29,892,136	30,742,626	31,679,250	936,624
General City Support	(2,677,799)	0	0	0
115 School Operating Fund				
Expenditures				
Instruction	512,328,091	535,962,362	553,425,629	17,463,267
Administration, Attendance, and Health	21,867,910	24,281,035	25,267,186	986,151
Pupil Transportation	30,582,949	34,454,774	35,940,046	1,485,272
Operations and Maintenance	85,664,943	88,378,600	90,017,261	1,638,661
Technology	29,734,609	30,578,943	31,782,368	1,203,425
Debt Service	44,672,603	46,289,542	45,417,364	(872,178)
Transfer to Other Funds	10,214,728	11,273,085	11,673,239	400,154
City Manager Adjustment	0	0	6,750,000	6,750,000
Total Expenditures	735,065,833	771,218,341	800,273,093	29,054,752
Revenues				
Fees	2,920,941	3,418,341	3,518,341	100,000
State	321,967,608	338,165,630	347,161,821	8,996,191
Federal	11,820,922	12,946,597	12,669,684	(276,913)
Transfers	419,873,795	416,687,773	436,923,247	20,235,474
Total Revenues	756,583,265	771,218,341	800,273,093	29,054,752
General City Support	(21,517,432)	0	0	0

Public Education - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
116 School Grants Fund				
Expenditures				
School Grants	43,509,103	55,023,849	58,856,748	3,832,899
Total Expenditures	43,509,103	55,023,849	58,856,748	3,832,899
Revenues				
Fees	204,541	484,121	440,958	(43,163)
State	9,078,548	11,820,594	15,365,288	3,544,694
Federal	31,314,953	39,551,377	39,736,533	185,156
Transfers	2,911,063	3,167,757	3,313,969	146,212
Total Revenues	43,509,105	55,023,849	58,856,748	3,832,899
General City Support	(2)	0	0	0
117 School Textbook Fund				
Expenditures				
Textbook	6,093,086	9,182,874	5,179,602	(4,003,272)
Total Expenditures	6,093,086	9,182,874	5,179,602	(4,003,272)
Revenues				
Fees	81,174	110,000	53,611	(56,389)
State	3,897,199	4,489,728	4,462,985	(26,743)
Fund Balance	0	4,583,146	663,006	(3,920,140)
Total Revenues	3,978,373	9,182,874	5,179,602	(4,003,272)
General City Support	2,114,713	0	0	0
119 School Athletic Special Revenue Fund				
Expenditures				
Athletics	4,679,599	4,922,642	5,099,823	177,181
Total Expenditures	4,679,599	4,922,642	5,099,823	177,181
Revenues				
Fees	529,095	504,000	504,000	0
Transfers	4,418,642	4,418,642	4,595,823	177,181
Total Revenues	4,947,737	4,922,642	5,099,823	177,181
General City Support	(268,138)	0	0	0
614 School Risk Management Fund				
Expenditures				
School Risk Management	5,541,855	6,805,724	6,805,724	0
Total Expenditures	5,541,855	6,805,724	6,805,724	0
Revenues				
Fees	8,151,007	6,805,724	6,805,724	0
Total Revenues	8,151,007	6,805,724	6,805,724	0
General City Support	(2,609,152)	0	0	0

Public Education - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
615 City and School Health Insurance Fund				
Expenditures				
City and School Health Insurance	133,103,936	155,908,780	155,908,780	0
Total Expenditures	133,103,936	155,908,780	155,908,780	0
Revenues				
Fees	142,514,671	155,908,780	155,908,780	0
Total Revenues	142,514,671	155,908,780	155,908,780	0
General City Support	(9,410,735)	0	0	0
Total Department Expenditure	958,833,805	1,039,481,203	1,068,895,941	29,414,738
Total Department Revenue	993,225,970	1,039,481,203	1,068,895,941	29,414,738
Total General City Support	(34,392,165)	0	0	0

Position Summary by Program				
104 Green Run Collegiate Charter School				
School Green Run Collegiate Charter Instruction	32.90	39.30	39.30	0.00
Total	32.90	39.30	39.30	0.00
114 School Cafeteria Fund				
Food Services	490.89	490.89	495.89	5.00
Total	490.89	490.89	495.89	5.00
115 School Operating Fund				
Instruction	6,736.60	6,800.00	6,808.85	8.85
Administration, Attendance, and Health	276.80	279.80	280.30	0.50
Pupil Transportation	666.13	675.13	675.13	0.00
Operations and Maintenance	1,169.50	1,169.50	1,152.50	-17.00
Technology	170.00	176.00	182.00	6.00
Total	9,019.03	9,100.43	9,098.78	-1.65
116 School Grants Fund				
School Grants	478.50	509.20	504.80	-4.40
Total	478.50	509.20	504.80	-4.40
117 School Textbook Fund				
Textbook	1.50	1.50	1.50	0.00
Total	1.50	1.50	1.50	0.00
614 School Risk Management Fund				
School Risk Management	5.00	7.00	4.00	-3.00
Total	5.00	7.00	4.00	-3.00
615 City and School Health Insurance Fund				
City and School Health Insurance	6.50	6.50	6.50	0.00
Total	6.50	6.50	6.50	0.00
Total Position Summary	10,034.32	10,154.82	10,150.77	-4.05

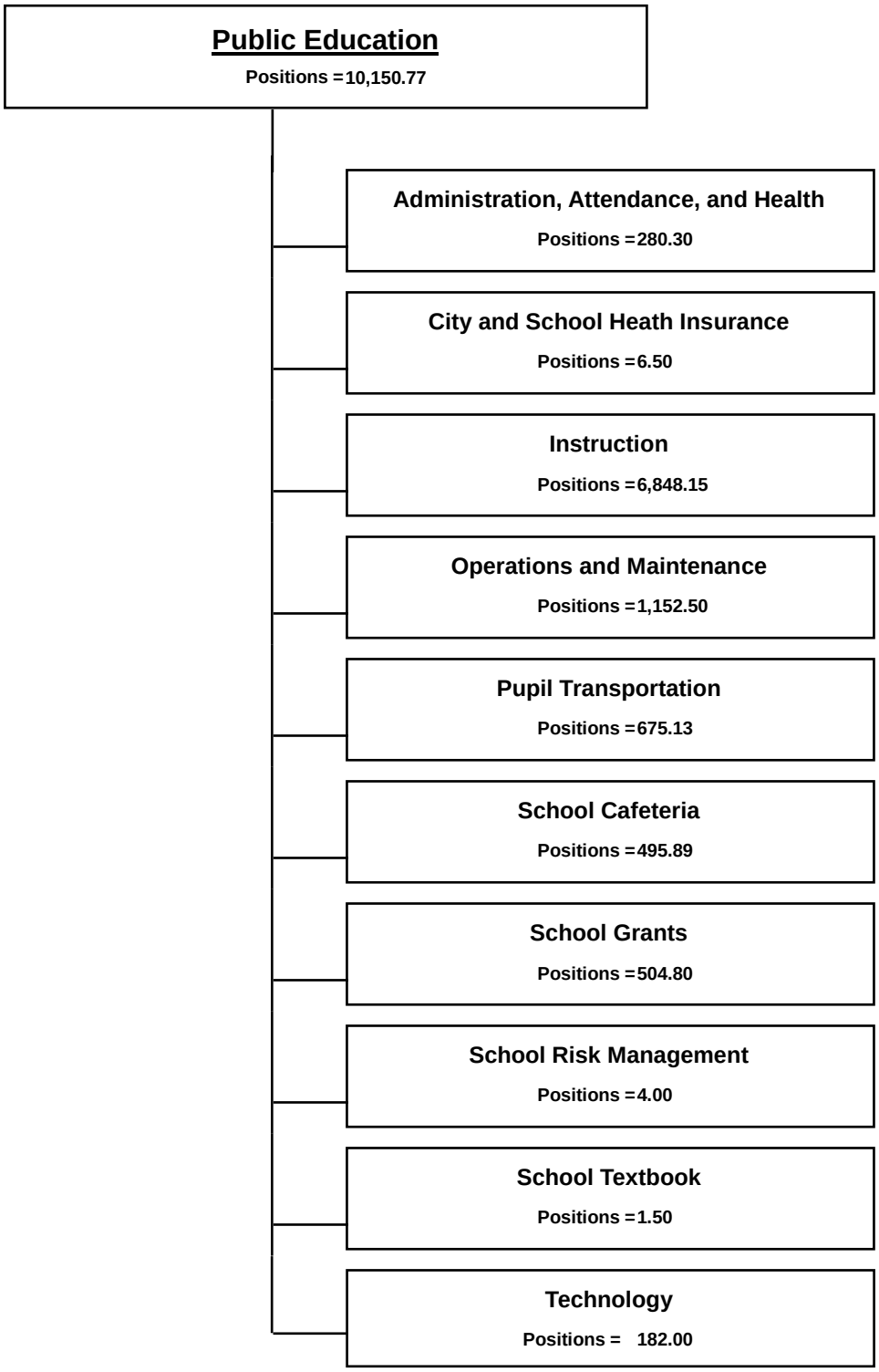
Public Education - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Expenditure Category by Department				
Personnel	633,923,687	669,470,950	690,683,245	21,212,295
Operating	266,443,937	305,811,612	308,208,650	2,397,038
Capital	3,578,850	6,636,014	6,163,443	(472,571)
Debt Service	44,672,603	46,289,542	45,417,364	(872,178)
Transfers	10,214,728	11,273,085	11,673,239	400,154
City Manager Adjustment	0	0	6,750,000	6,750,000
Total Expenditures:	958,833,805	1,039,481,203	1,068,895,941	29,414,738
Revenue Category by Department				
From the Use of Money and Property	1,135,531	837,000	1,032,361	195,361
Charges for Services	20,699,642	21,430,857	21,141,600	(289,257)
Miscellaneous Revenue	144,577,305	157,637,154	157,755,991	118,837
State Shared Sales Tax	75,228,019	74,741,805	73,718,340	(1,023,465)
Other Sources from the Commonwealth	260,256,567	280,234,147	293,771,754	13,537,607
Revenue from the Federal Government	61,195,416	70,519,105	70,492,685	(26,420)
Transfers from Other Funds	430,088,523	427,960,858	448,596,486	20,635,628
Specific Fund Reserves	44,968	6,120,277	2,386,724	(3,733,553)
Total Revenue:	993,225,970	1,039,481,203	1,068,895,941	29,414,738

Resource Summary Notes

The FY 2017-18 budget establishes inter-fund transfers from the School Operating Fund (115) to the School Grant Fund (116) and Athletic Fund (119). For consistency in comparisons, these inter-fund transfers are shown in the FY 2016-17 Adjusted Budget. Inter-fund transfers reflect a net, rather than a gross, budget approach. In the total Public Education budget display, these transfers are netted from the budget (the expense is only reflected once rather than twice).

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

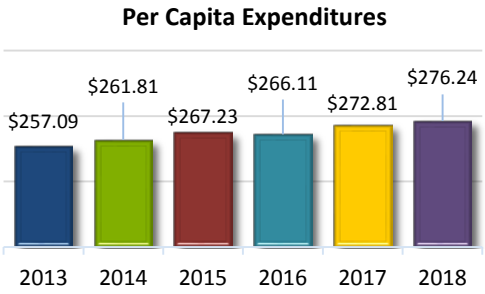


PUBLIC UTILITIES

The mission of the Department of Public Utilities is to provide public water, including water for fire protection and public sanitary sewer service to the urban areas of Virginia Beach. The goals of this department include: 1) to operate as a revenue-supported enterprise; 2) to provide quality public water and sanitary sewer service at reasonable costs; 3) to plan, build, operate and maintain facilities that meet community needs, environmental responsibilities and regulatory requirements; and 4) to develop an environment that fosters innovation and adaptability to meeting the needs of our customers.

Department Overview

The Department of Public Utilities provides water and sanitary sewer services to the residents of Virginia Beach. The water distribution system is part of the utility infrastructure that carries potable water from the water treatment plant and delivers it to customers. The system also provides water for fire protection through fire hydrants installed throughout the pipe network. The sanitary sewer system is the part of the utility infrastructure that carries wastewater from individual properties to one of two Hampton Roads Sanitation District sewer treatment plants in the city.



Public Utilities is primarily supported by a schedule of fees for water and sewer system connections and monthly charges for both water and sanitary sewer services. These charges are necessary to fund the water and sanitary sewer operations, capital improvement program, ensure continued compliance with state and federal laws and regulations, and ensure reliable, quality customer service. The combined Public Utilities and Public Works City Services Bill includes charges for water supply, service availability, utility tax, sanitary sewer service, as well as storm water and the solid waste collection fee for Public Works. The Water and Sewer Enterprise Fund issues debt through revenue bond sales and maintains a strong AAA bond rating.

The core services provided by Public Utilities are divided into the following areas:

Engineering and Capital Construction
Includes the review, development and implementation (project management and construction inspection) of the capital improvment program for the water and sanitary sewer systems; coordination of departmental efforts to reduce/eliminate sanitary sewer overflows to comply with the Clean Water Act and other requirements of the U.S. Environmental Protection Agency and the Virginia Department of Environmental Quality's 2007 Hampton Roads Regional consent order; assessment of the city's water supply needs; operation and maintenance of the Lake Gaston and Stumpy Lake supply projects; and provision of engineering technical support in other areas such as water quality, groundwater monitoring, map maintenance, record keeping, and regional water and sanitary sewer issues.

Operations and Maintenance
Includes provision of continuous 24-hour-per-day water supply services and the sanitary sewer service collection system to meet customer demands; monitoring, maintenance and repair of the city's water and sanitary sewer collection system including: 8 treated and 2 raw water pump stations, 12 water storage facilities, 411 sanitary sewer pump stations, 8,646 public fire hydrants, and other components of the utility systems such as mains and laterals; protection of the utility systems by location of facilities in accordance with the Underground Utility Damage Prevention Act; compliance with the Safe Drinking Water Act by collecting and analyzing water samples on a monthly, quarterly, semi-annual, and annual basis; and flushing water distribution lines to maintain water quality.

Business Operations
Includes management of the department's customer call center that answers over 116,000 calls annually about water, sewer, storm water and waste collection services and billing, customer transactions for 135,258 accounts (i.e. account initiation, billings, payment arrangements, revenue collection), sending over a million paper and electronic bill statements and delinquent notices annually for water, sewer, storm water and waste collection services, revenue collections exceeding $197 million annually for four services, completing field service orders to initiate and discontinue water service; ensures the fiscal intergrity and budgetary self-sufficiency of the water and sewer utility enterprise fund including compliance with the requirements of the Master Bond Resolution; administration of the Norfolk Water Services Contract; and production of various public education and awareness programs including water conservation, the Fats, Oils and Grease Program, and backflow prevention.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: Reliable city services that contributes to hassle-free daily living

78.9% of Respondents to the Citzen Survey satisfied with the city's drinking water and wastewater collection services

3,224 sewer stoppages 0.69 overflows/ 100 miles of pipe 726,022 feet of main cleaned 921 FOG program inspections	Water quality standards were met for all 2,605 water samples taken	133,411 active water connections 1,569 fire hydrants serviced	Water meter reading error rate of less than 0.18%	709,392 water meter readings 8,130 water meters replaced

Trends and Issues

- **Vacuum Sewer Systems** - During Tropical Storm Julia, issues were encountered in the vacuum systems at Sandbridge due to flooding. During Hurricane Matthew, issues were encountered in all six vacuum systems in Virginia Beach due to flooding. In both instances, the flooding took the systems down and they had to recover, which is a tedious and time consuming process. After these two extreme wet weather events, a Vacuum System Improvement Team was formed to focus on improving the reliability and resiliency of the vacuum sewer systems.

  There is a pilot project involving installing a monitoring system in 52 pits in the Sandbridge South Service Area. The system allows diagnostics of individual pits to be monitored remotely and enables quick identification and location of a problem in a vacuum pit. Public Utilities is currently evaluating options to expand the monitoring system to the remaining pits in the Sandbridge South service area.

  The development or redevelopment of large homes in Sandbridge with numerous bathrooms and fixtures, places a substantial burden on the vacuum pits. Public Utilities will be developing recommendations for best practices related to these structures to reduce the likelihood of overflows.

The department is also working on improving public education and outreach to the residents served by the vacuum sewer system in particular, by highlighting common causes of sewer stoppages and increasing information available to customers during emergency events.

- **Mobile Dispatching** – The first phase of mobile dispatching has been implemented in the Business Division and Operations Division Meter Shop. This initiative puts customer data into the hands of field workers, eliminating the inefficiencies associated with paper work orders, including manual updating and two-way radio communication. Resources once allocated to performing these manual processes are now being redirected to address other department initiatives. In September 2017, the second phase of mobile dispatching will be implemented in the Operations Division's Water Distribution and Wastewater Collection bureaus.

- **Monthly Billing**- The City Services bill is moving to monthly billing beginning July 1st, 2017. Based on best practices and public input, monthly billing has been determined to be the best billing option. Billing smaller amounts more frequently will assist customers with budget planning and help to align the City Services Bill with other billing schedules. The move to monthly billing is discussed further in the Major Budget Changes section below.

Major Budget Changes

	Change	Impact
↑	Monthly Billing 3.0 FTEs	The budget includes $667,684 in cost related to the transition of the City Services Bill from a bi-monthly billing cycle to a monthly billing cycle. The bill includes four services (water, sanitary sewer, storm water, and solid waste) and averages $180 – $200 for a bi-monthly residential billing cycle. Moving to monthly billing will result in smaller, but more frequent bills to the customer. In order to produce a monthly bill, the water meters will need to be read monthly. Public Utilities will be using a meter reading contractor to supplement existing city staff to produce additional readings. Over time, the readings will be fully transitioned to contracted service. Three additional Account Clerk II positions are also included in the budget to assist with the impact of monthly billing.
↑	Increase Water Assistance Program $100k	The budget includes a $100,000 increase in the Water Assistance Program. The Water Assistance Program assists customers who meet specific income and need-based criteria. This program is offered through the Department of Human Services.
↑	Rolling Stock $2.7 million	The budget includes a large number of vehicles that qualify for replacement in FY 2017-18. The total cost for rolling stock replacements is $2,726,517. This cost includes stock that has been deferred from the FY 2016-17.

Public Utilities - Departmental Resource Summary

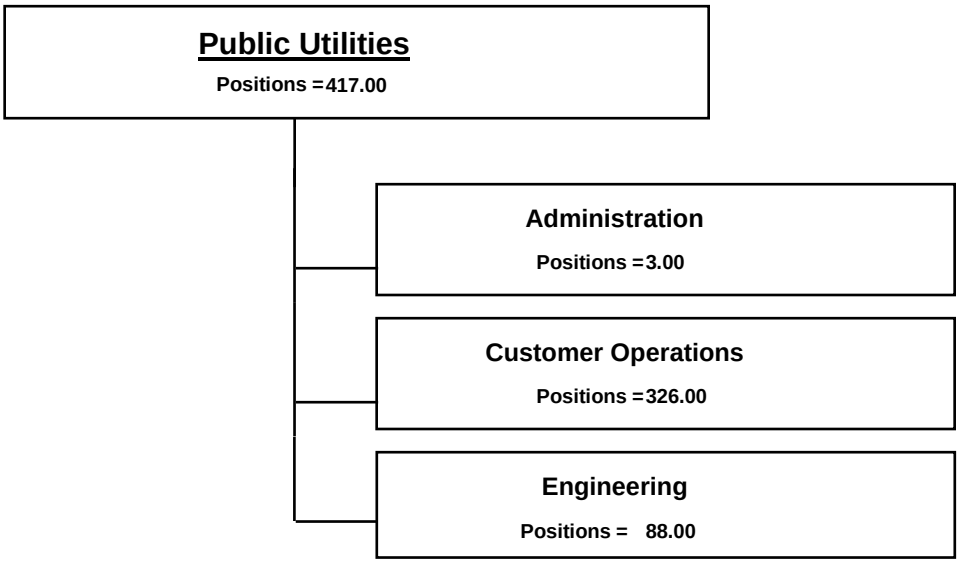
	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
241 Water and Sewer Fund				
Expenditures				
Director's Office	401,497	455,011	442,846	(12,165)
Engineering	9,035,102	10,533,167	10,507,201	(25,966)
Lake Gaston Facilities	1,908,403	3,300,000	3,278,393	(21,607)
Water Services Contract	24,487,885	25,294,000	25,789,880	495,880
Retiree Health Care	550,497	439,567	550,500	110,933
Operations Administration	4,451,957	6,776,643	6,014,638	(762,005)
Water Distribution	5,026,251	5,396,443	5,522,656	126,213
Water Pump Stations	17,921	0	0	0
Meter Operations	3,482,193	3,542,514	4,762,372	1,219,858
Electrical Support	1,520,152	1,501,661	1,607,960	106,299
Sewer Collection	6,738,928	6,623,776	8,103,367	1,479,591
Sewer Pump Stations	6,305,031	6,512,414	7,589,420	1,077,006
Business Division	7,169,761	9,035,812	9,734,101	698,289
Debt Service	19,100,000	24,809,333	21,794,421	(3,014,912)
Reserve for Contingencies	0	1,067,597	1,728,909	661,312
Transfer to Other Funds	15,723,100	18,466,048	18,499,445	33,397
Total Expenditures	105,918,678	123,753,986	125,926,109	2,172,123
Revenues				
Fees	131,006,621	121,320,068	123,147,146	1,827,078
Federal	945,982	936,823	945,982	9,159
Transfers	1,224,131	1,497,095	1,832,981	335,886
Total Revenues	133,176,734	123,753,986	125,926,109	2,172,123
General City Support	(27,258,056)	0	0	0
Total Department Expenditure	105,918,678	123,753,986	125,926,109	2,172,123
Total Department Revenue	133,176,734	123,753,986	125,926,109	2,172,123
Total General City Support	(27,258,056)	0	0	0

Position Summary by Program				
241 Water and Sewer Fund				
Director's Office	3.00	3.00	3.00	0.00
Engineering	88.00	88.00	88.00	0.00
Operations Administration	36.00	36.00	37.00	1.00
Water Distribution	48.00	48.00	46.00	-2.00
Meter Operations	43.00	39.00	38.00	-1.00
Electrical Support	17.00	17.00	19.00	2.00
Sewer Collection	62.00	62.00	62.00	0.00
Sewer Pump Stations	51.00	51.00	51.00	0.00
Business Division	70.00	70.00	73.00	3.00
Total	418.00	414.00	417.00	3.00
Total Position Summary	418.00	414.00	417.00	3.00

Public Utilities - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Expenditure Category by Department				
Personnel	29,868,681	31,578,546	31,592,260	13,714
Operating	39,681,100	44,904,712	48,301,802	3,397,090
Capital	1,088,732	2,380,000	3,324,959	944,959
Debt Service	23,070,189	24,810,833	21,795,921	(3,014,912)
Reserves	0	1,067,597	1,728,909	661,312
Transfers	15,723,100	18,466,048	18,499,445	33,397
Depreciation and Bad Debt Expense	(3,513,124)	546,250	682,813	136,563
Total Expenditures:	105,918,678	123,753,986	125,926,109	2,172,123
Revenue Category by Department				
From the Use of Money and Property	994,421	401,600	535,148	133,548
Charges for Services	121,456,512	118,203,578	119,800,900	1,597,322
Miscellaneous Revenue	4,218,933	215,000	225,464	10,464
Revenue from the Federal Government	945,982	936,823	945,982	9,159
Non-Revenue Receipts	4,336,755	2,499,890	2,585,634	85,744
Transfers from Other Funds	1,224,131	1,497,095	1,832,981	335,886
Total Revenue:	133,176,734	123,753,986	125,926,109	2,172,123

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



PUBLIC WORKS

The mission of the skilled and professional people of the Department of Public Works is to provide total life cycle management of the public infrastructure and key essential services. We succeed through the proper management of programs and resources to enhance the health, safety, and welfare of the residents, businesses, and visitors of the City of Virginia Beach.

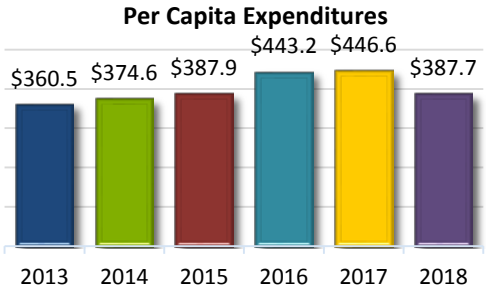
City Council Amendment:

- Provides an additional $50,000 for the lake treatment program.
- Decreases reserves in the Storm Water Utility Fund by $50,000.

Department Overview

Infrastructure Maintenance, Repairs and Asset Management

This is the primary interface of the Public Works Department with the citizens and city employees. Public Works receives, records, investigates, and resolves reports of deficiencies that require maintenance, repair, and restoration. Assets managed include all city owned facilities; all roadways, bridges, curbs, gutters, sidewalks, storm water pipe, swales, roadside and off-road ditch network; storm water BMP inspections; public beaches; navigational maintenance dredging of waterways; traffic management operations, traffic signs, intersection traffic signals; mosquito control, reporting and mosquito population assessment. Public Works uses various asset management methods to determine necessary maintenance cycles; provides engineering design and solutions in support of maintenance; and administers architectural and engineering services on construction contracts.



Capital Construction and Replacement

This includes system planning, design, acquisition of property, project management, construction, and inspection of all new and replacement roadways, storm water, coastal, and building infrastructure, as well as parks and recreation and other large capital projects. Public Works develops project scopes, coordinates with numerous city, state, and federal agencies, coordinates with citizens, develops design plans that are functional, low maintenance, and ensures quality control during construction.

Waste Management

This includes long range planning, providing citywide residential solid waste collections, providing containers for residents to dispose of large quantities of yard debris, centralizing the city's recycling effort, operating a city landfill, and serving as the point of contact between the city and the Southeastern Public Service Authority (SPSA), which is the agency responsible for the regional waste disposal program.

Automotive Services

This provides both routine and preventive maintenance and full life cycle services to the city's rolling stock inventory of about 3,600 major pieces of equipment including automobiles, construction vehicles, fire and rescue apparatus, helicopters, boat motors, and generators. Automotive Services provides fuel and motor pool

services to all city agencies.

Key Performance Measures

Goal: Improve the Transportation System

Means to Residents: Safer streets for automobile, pedestrians and bike travel

- 81% street system meeting the minimum physical condition rating
- 71.4% of citizens are satisfied or very satisfied with the maintenance of existing city roads
- Reconstruct/ repave 12 lane miles
- 26 year roadways resurfacing cycle

Means to Residents: More predictable/ acceptable travel times "point A to point B"

- 50.3% of citizens are satisfied or very satisfied with the flow of traffic in the city
- 19% percent of lane miles in the two lowest grades for transportation efficiency

Goal: City Assets and Infrastructure are Well Maintained and Meet Community Expectations

Means to Residents: Decreased Flooding of Neighborhoods and Businesses

- Achieve 8-10 year ditch cleaning cycle
- 95 year lake dredging cycle

-18.3 miles of ditch cleaned
-Maintenance of 450 miles of roadside ditches
-Maintenance of 160 miles off road ditches

-Dredge five lakes
-Removal of 110,000 cubic yards of material

Means to Residents: Decreased cost of service due to improved maintenance over long term

- Responsible for overall maintenance of 1,200 miles of pipe, 15 pump stations & 58 dams and spillways

-2,196,294 Linear feet of pipe cleaned
-1,086 cave in repairs on structures

Trends & Issues

- Storm Water's implementation of Virginia Pollutant Discharge Elimination System (VPDES) Municipal Separate Storm Sewer System (MS4) permit mandates will have an impact on the city for years to come. State and federal mandates will continue to become more stringent in the monitoring and reporting of pollutants that enter the waterways. With the renewal of each five-year permit, requirements tighten on the number of pollutants allowed to enter the waterways. Most significantly, implementation of the Chesapeake Bay pollution reductions are to be phased in with the first phase costing $10 million over the next five years. Phase II is anticipated to cost $75 million with Phase III estimated to cost an additional $250 million.

- In November 2016, the City of Virginia Beach was negatively impacted by Hurricane Matthew. Compounding the impact of the storm was the fact that the ground was saturated with water due to the level of rainfall that occurred the previous week. As a result of the storm, hundreds of individuals were forced to vacate their homes and millions of dollars in damages occurred across the City. The City of Virginia Beach made great efforts in reaching out to the neighborhoods affected and provided many methods of support. Post Hurricane Matthew a great amount of discussion occurred about areas of the City's storm water system incapable of handling water run off associated with a "500 year storm" event similar to what occurred. The FY 2017-18 Public Work's Operating Budget includes additional FTEs and funding within the storm water CIP to improve flood control in different areas throughout the City.

- To address the aforementioned storm water flood control needs and mandated regulations, the City Manager's Proposed Budget includes a phased in rate adjustment of the Storm Water Equivalent Residential Unit (ERU) Rate. In FY 2017-18, the ERU is proposed to increase from 43.3 cents per day to 45.8 cents per day. This 2.5-cent increase will result in homeowners paying $9.12 annually. The City Manager's Proposed Budget includes a recommendation for future year increases of 2.5-cents per year until FY 2021-22. This phased ERU increase is critical to the financing plan established supporting the Proposed FY 2017-18 Storm Water CIP.

- Included in Public Works FY 2017-18 Operating Budget is a transfer of $5.7 million from the General Fund to the Waste Management Enterprise Fund. The capped rate agreement with SPSA ended in January 2016. The tipping fee increased from the previously capped rate of $56 per ton to $125 per ton. The General Fund provided a transfer of $5 million in FY 2015-16 to offset this loss for half of the fiscal year. A total of $10 million was provided to offset the loss of SPSA revenue for the full fiscal year 2016-17. The tipping fee is anticipated to remain at $125 per ton until January 2018 (mid-year FY 2017-18)

when it is anticipated to decline to be more in line with the market rate. FY 2017-18 is the final year of this plan with a General Fund transfer of $5.7 million in fund balance to the Waste Management Enterprise fund.

- Waste Management continues to look for a location for a recycling drop off center to serve the bayside area; however, efforts have been unsuccessful to this point. This area of the City is a highly populated area with no immediate recycling drop off center available for residents to take their recyclables. Areas of the City with private drives, condos, apartments and some town-houses do not receive trash collection via City services or through the City's recycling contract. These residents are responsible for securing their own trash collection and recycling services. A recycling drop off center in this location is a high priority for Waste Management.

- In recent years, the City has continued to experience growth in requirements for building maintenance services. Since 2001, the City has replaced 10 buildings with larger buildings and has constructed an additional 29 new buildings resulting in an additional 548,872 square feet of facilities to be maintained. The number of skilled tradesmen responsible for maintaining City buildings has not grown at a commensurate pace. As the City continues to add new buildings to the inventory, and the existing buildings continue to age and require additional maintenance, additional staffing will be needed to ensure that the City's buildings continue to be well maintained. To begin addressing this need, the FY 2017-18 Operating Budget has increased Facility Maintenance staffing levels.

Major Budget Changes

	Change	Impact
↓	Elimination of Light Rail Office	Reduction of five FTEs and operating supplies eliminating the Light Rail Office.
↑	Additional Staff for Architectural Planning and Design	Funding this initiative includes the reclassification of a position and the addition of a Planner FTE. These positions will coordinate the City's asset management and CIP project planning programs, as well as, provide detailed cost estimating support of the sustainment, restoration, modernization, demolition, long-range maintenance, and capital improvement design and construction plans of City facilities.
↑	Operations Storeroom Staff	Addition of a Storekeeper Supervisor and Storekeeper to operate, manage and implement better controls and procedures within Public Work's operations storeroom. These positions are in part supported by the Stormwater Fund.
↑	Addition of Traffic Modeling Engineer	Addition of a Traffic Engineer to modify, update and sustain the recently completed Trafficking Model. Regularly updating the model will be critical to ensure that model outputs are deemed statistically significant by VDOT increasing the likelihood of securing State revenue for roadways.
↑	Reorganization of Public Works Asset Management and Work Management Teams	Reorganize the Asset Management and Work Management Teams within Public Works to become proactive in the maintenance and repair of assets and infrastructure. This will be accomplished through the reclassification of an FTE and through the purchase of additional software to improve asset/work order data integrity.
↑	Building Maintenance Additional Staffing	Four additional Building Maintenance FTEs are included in Public Works Building Maintenance's FY 2017-18 Operating Budget. These positions include three tradesman and a contract manager to increase the level of maintenance provided throughout the year and reduce the existing backlog of facility maintenance needs.

↑	Expansion of Facilities Management Office	Addition of two Building Maintenance Inspectors and an Account Clerk I to assess and inspect the 800 City owned buildings. Assessing and performing mechanical, electrical, plumbing, structural, and architectural inspections will be a critical step in developing a comprehensive plan to recapitalize or replace City owned facilities.
↑	City Garage Mechanic III	Addition of a Mechanic III position to the City Garage's operating budget. The primary purpose of this position is to service portable and place generators. An increase in overall generators has occurred in recent years creating the demand for this additional position. The addition of this position will allow City Garage to dedicate two FTEs to the maintenance/repair of the City's 226 generators.
↑	Sandbridge Beach Operations	Beginning in FY 2017-18, Public Works will begin providing Beach Operations in Sandbridge similar to what is offered at the Oceanfront. These services include clean up and on the beach trash collection. Previously the City only provided trash collection at the beach accesses in Sandbridge. To provide these services, three FTEs and contractual positions are included in the FY 2017-18 Operating Budget. These positions and equipment are funded through the Sandbridge SSD fund.
↑	Stormwater- Staffing for Enhanced BMP inspections	Increase of two Construction Inspector IIs and associated equipment for Enhanced BMP Inspections. These positions are necessary for the implementation of the mandated regulations for the Municipal Separate Storm Sewer System (MS4) storm water discharge permit. Mandates now require annual inspections of BMPs rather than the 1 to 5 year schedule previously required for the permit.
↑	Stormwater- Permit Related Project Management Staffing	Increase of two Engineer III positions and associated equipment. These positions will be responsible for the management of the necessary design and retrofitting of current storm water systems. Retrofitting the current system will be a necessity to comply with the MSF permit mandates.
↑	Stormwater- Staffing for the new Storm Water Structural Flooding Projects	Addition of two Engineer III positions to Public Work's operating budget. These positions will manage the new storm water / tidally influenced projects included in the FY 2017-18 CIP. These projects are to increase flood control measures and address structural flooding that was experienced during the last three severe weather events of 2016.
↑	Stormwater- Additional personnel for the Storm Water Center of Excellence	Addition of three Engineer III positions for the new Storm Water Center of Excellence. The Center of Excellence will focus on the components of the Storm Water Strategic Planning and the Special Services element of the Storm Water Center of Excellence. Below are several components listed in the Strategic Plan: • Citywide Storm Water Master Planning • Development of the City's Comprehensive Response Plan to Sea Level Rise and Recurrent Flooding • Development of Regional Storm Water Master Plans • Research and Development of maximized storm water management practices for the Tidewater Area • Engineering support to the Development Services Center (DSC) Provide the storm water engineering needed in cases where the City is considering partnering with or otherwise facilitating

		development that supports City SGA and/or economic development initiatives • Storm water engineering related to establishing and maintaining appropriate storm water design standards and data management
↑	Stormwater- Staffing for Surface Water Regulatory Compliance	Addition of one Engineer III, one Engineer I, one Media and Communications Coordinator I, and one Administrative Technician for the Surface Water Quality Regulatory Compliance Division. The Surface Water Quality Regulatory Compliance Division of Public Works Engineering is responsible for management of the City's Municipal Separate Storm Sewer System (MS4) Storm water Permit.

Public Works - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Director's Office	320,814	301,751	302,088	337
Business Center	7,016,033	7,186,723	7,113,203	(73,520)
Contracts	462,899	489,853	490,184	331
Facilities Management	533,397	974,414	1,497,920	523,506
Energy Management	0	191,564	201,357	9,793
Real Estate	921,179	924,513	933,682	9,169
Engineering Program Management	781,204	881,713	1,227,848	346,135
Surveys	1,150,360	1,237,762	1,288,472	50,710
Engineering Technical Support	381,356	352,155	353,192	1,037
Traffic Engineering	1,323,067	1,431,411	1,491,790	60,379
Transportation Program and Project Management	1,698,767	1,769,351	1,467,652	(301,699)
Engineering and Construction Management Services	1,011,928	1,138,517	1,050,656	(87,861)
Coastal Program and Project Management	440,324	460,647	452,330	(8,317)
Facilities Design and Construction	715,473	808,561	813,480	4,919
Street Light Installations	263,371	510,000	510,000	0
Operations Management Support	(2,283,324)	1,127,324	1,137,683	10,359
Planning, Estimating, and Scheduling	100	0	0	0
Technical Services and Asset Management	868,538	1,119,097	1,452,758	333,661
Infrastructure Maintenance Contracts	719,820	730,369	742,398	12,029
Infrastructure Maintenance Support	799,543	975,511	972,154	(3,357)
Street Maintenance	20,413,712	15,734,012	15,877,146	143,134
Dredge Maintenance	1,976,059	1,609,222	1,634,358	25,136
Mosquito Control	1,236,611	0	0	0
Traffic Management Operations	4,365,947	4,987,046	5,127,679	140,633
Beach Operations	8,646	0	0	0
Bridge Maintenance	367,975	894,002	720,667	(173,335)
PW - Capital Maintenance	186,241	0	0	0
Beach Operations Residential Beaches	438,600	333,525	353,416	19,891
Building Maintenance Management and Support	6,719,586	8,512,249	8,581,001	68,752
Electrical	1,797,755	1,829,610	1,807,468	(22,142)
Heat and Air Conditioning	2,113,381	2,088,375	2,013,975	(74,400)
General Maintenance	3,395,858	3,187,947	3,379,016	191,069
Custodial	3,893,283	4,311,299	4,214,127	(97,172)
Resort Building Maintenance	479,633	595,148	599,341	4,193
Total Expenditures	64,518,136	66,693,671	67,807,041	1,113,370
Revenues				
Fees	280,660	717,500	717,040	(460)
State	46,657,043	41,912,140	42,629,019	716,879
Transfers	2,370,102	2,349,380	2,402,018	52,638
Total Revenues	49,307,805	44,979,020	45,748,077	769,057
General City Support	15,210,331	21,714,651	22,058,964	344,313

Public Works - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
151 Parks and Recreation Special Revenue Fund				
Expenditures				
Recreation Centers Building Maintenance	2,657,678	2,635,333	3,100,000	464,667
Total Expenditures	2,657,678	2,635,333	3,100,000	464,667
Revenues				
Local Taxes	2,325,724	2,631,292	3,100,000	468,708
Transfers	303,394	0	0	0
Total Revenues	2,629,118	2,631,292	3,100,000	468,708
General City Support	28,560	4,041	0	(4,041)
152 Tourism Investment Program Fund				
Expenditures				
TIP - Recycling	52,000	52,000	52,000	0
TIP Beach Operations	1,498,787	1,752,287	2,081,167	328,880
TIP Resort Building Maintenance	465,314	583,206	580,378	(2,828)
Total Expenditures	2,016,101	2,387,493	2,713,545	326,052
Revenues				
Local Taxes	2,307,421	2,370,672	2,713,545	342,873
Transfers	1,500	0	0	0
Total Revenues	2,308,921	2,370,672	2,713,545	342,873
General City Support	(292,820)	16,821	0	(16,821)
157 Sandbridge Special Service District Spec Rev Fd				
Expenditures				
Sandbridge Beach Operation	0	0	972,695	972,695
Total Expenditures	0	0	972,695	972,695
Revenues				
Local Taxes	0	0	972,695	972,695
Total Revenues	0	0	972,695	972,695
General City Support	0	0	0	0
172 Open Space & Park Infrastructure Development & Maintenance SRF				
Revenues				
Local Taxes	465	0	0	0
Total Revenues	465	0	0	0
General City Support	(465)	0	0	0

Public Works - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
179 Multimodal Transportation Special Revenue Fund				
Expenditures				
Reserve for Contingencies	0	15,710,723	0	(15,710,723)
Transfer to Other Funds	10,247,630	10,517,959	0	(10,517,959)
Total Expenditures	10,247,630	26,228,682	0	(26,228,682)
Revenues				
Local Taxes	25,462,204	26,228,682	0	(26,228,682)
Total Revenues	25,462,204	26,228,682	0	(26,228,682)
General City Support	(15,214,574)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Public Works - Grants	15,000	15,000	20,000	5,000
Total Expenditures	15,000	15,000	20,000	5,000
Revenues				
State	71,480	0	0	0
Federal	312,834	15,000	20,000	5,000
Total Revenues	384,314	15,000	20,000	5,000
General City Support	(369,314)	0	0	0
254 Waste Management Enterprise Fund				
Expenditures				
WM Program Support	840,023	1,076,174	1,282,832	206,658
WM Bureau of Waste Disposal	18,453,365	18,551,828	15,266,014	(3,285,814)
WM Bureau of Waste Collection	12,992,431	14,194,405	13,987,424	(206,981)
WM Yard Debris & Hazardous Household Waste	1,398,465	1,718,598	1,766,485	47,887
WM Recycling	4,825,748	5,207,565	4,854,074	(353,491)
Retiree Health Insurance	0	173,929	173,929	0
WM Reserve for Contingencies	0	1,152,477	192,120	(960,357)
Transfer to Other Funds	2,533,598	2,818,909	2,988,429	169,520
Total Expenditures	41,043,630	44,893,885	40,511,307	(4,382,578)
Revenues				
Fees	37,768,267	34,786,380	34,754,266	(32,114)
State	45,522	45,000	45,000	0
Transfers	5,166,556	10,062,505	5,712,041	(4,350,464)
Total Revenues	42,980,345	44,893,885	40,511,307	(4,382,578)
General City Support	(1,936,715)	0	0	0

Public Works - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
255 Storm Water Utility Enterprise Fund				
Expenditures				
SWU - Project Management	2,648,719	2,301,493	3,096,164	794,671
SWU - Customer Service	54,444	38,893	0	(38,893)
SWU - Operations and Maintenance	12,066,443	13,587,720	13,352,787	(234,933)
SWU - Inspections and Environmental Spill Response	811,337	712,777	1,158,834	446,057
SWU - Street Sweeping	730,997	2,961,318	2,971,868	10,550
SWU - Construction and Engineering	1,105,360	2,085,917	1,931,926	(153,991)
SWU - Surface Water Regulatory Compliance	0	1,072,051	1,459,276	387,225
SWU - Mosquito Control	25,716	2,423,098	2,605,786	182,688
Retiree Health Insurance	0	177,092	177,092	0
Debt Service	3,525,966	3,397,182	3,543,563	146,381
Debt Service (General)	(125,966)	0	0	0
Reserve for Contingencies	0	608,139	937,575	329,436
Transfer to Other Funds	11,109,631	10,494,003	10,716,746	222,743
Total Expenditures	31,952,647	39,859,683	41,951,617	2,091,934
Revenues				
Fees	39,783,630	39,562,213	41,654,147	2,091,934
Federal	268,750	267,597	267,597	0
Transfers	29,873	29,873	29,873	0
Total Revenues	40,082,253	39,859,683	41,951,617	2,091,934
General City Support	(8,129,606)	0	0	0
606 City Garage Internal Service Fund				
Expenditures				
Automotive Services	12,415,696	12,957,518	13,338,262	380,744
Motor Pool	370,843	269,712	150,623	(119,089)
Reserve for Contingencies	0	71,030	152,423	81,393
Total Expenditures	12,786,539	13,298,260	13,641,308	343,048
Revenues				
Fees	13,009,133	13,069,390	13,641,308	571,918
Fund Balance	0	228,870	0	(228,870)
Total Revenues	13,009,133	13,298,260	13,641,308	343,048
General City Support	(222,594)	0	0	0
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - PW Light Rail Office	0	772,366	0	(772,366)
Capital Projects - PW Energy	0	51,664	50,857	(807)
Capital Projects - Public Works	184,508	310,459	328,668	18,209
Total Expenditures	184,508	1,134,489	379,525	(754,964)
Revenues				
Fees	184,508	1,139,647	379,525	(760,122)
Total Revenues	184,508	1,139,647	379,525	(760,122)
General City Support	0	(5,158)	0	5,158

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
616 Fuels Internal Service Fund				
Expenditures				
Fuels	3,838,848	5,475,919	5,638,349	162,430
Total Expenditures	3,838,848	5,475,919	5,638,349	162,430
Revenues				
Fees	3,866,204	5,475,919	5,638,349	162,430
Total Revenues	3,866,204	5,475,919	5,638,349	162,430
General City Support	(27,356)	0	0	0
Total Department Expenditure	169,260,717	202,622,415	176,735,387	(25,887,028)
Total Department Revenue	180,215,270	180,892,060	154,676,423	(26,215,637)
Total General City Support	(10,954,553)	21,730,355	22,058,964	328,609

Position Summary by Program

002 General Fund				
Director's Office	2.00	2.00	2.00	0.00
Business Center	12.00	10.00	9.00	-1.00
Contracts	7.00	7.00	7.00	0.00
Facilities Management	3.00	8.00	14.00	6.00
Energy Management	0.00	2.00	2.00	0.00
Real Estate	11.00	11.00	11.00	0.00
Engineering Program Management	9.00	9.00	12.00	3.00
Surveys	16.00	16.00	16.00	0.00
Engineering Technical Support	4.00	3.00	3.00	0.00
Traffic Engineering	14.00	14.00	15.00	1.00
Transportation Program and Project Management	16.00	15.00	13.00	-2.00
Engineering and Construction Management Services	11.00	11.00	10.00	-1.00
Coastal Program and Project Management	4.00	4.00	4.00	0.00
Facilities Design and Construction	7.00	7.00	7.00	0.00
Operations Management Support	14.00	13.00	13.00	0.00
Technical Services and Asset Management	9.00	8.00	9.00	1.00
Infrastructure Maintenance Contracts	7.00	7.00	7.00	0.00
Infrastructure Maintenance Support	9.00	9.00	11.88	2.88
Street Maintenance	60.00	60.00	59.00	-1.00
Dredge Maintenance	21.00	21.00	21.00	0.00
Mosquito Control	18.00	0.00	0.00	0.00
Traffic Management Operations	41.88	42.88	42.00	-0.88
Bridge Maintenance	6.00	7.00	7.00	0.00
Beach Operations Residential Beaches	4.00	4.00	4.00	0.00
Building Maintenance Management and Support	13.00	14.00	15.00	1.00
Electrical	21.00	21.00	21.00	0.00
Heat and Air Conditioning	22.00	22.00	22.00	0.00
General Maintenance	43.00	39.00	42.00	3.00
Custodial	60.00	58.00	57.00	-1.00
Resort Building Maintenance	3.00	3.00	3.00	0.00

Public Works - Departmental Resource Summary

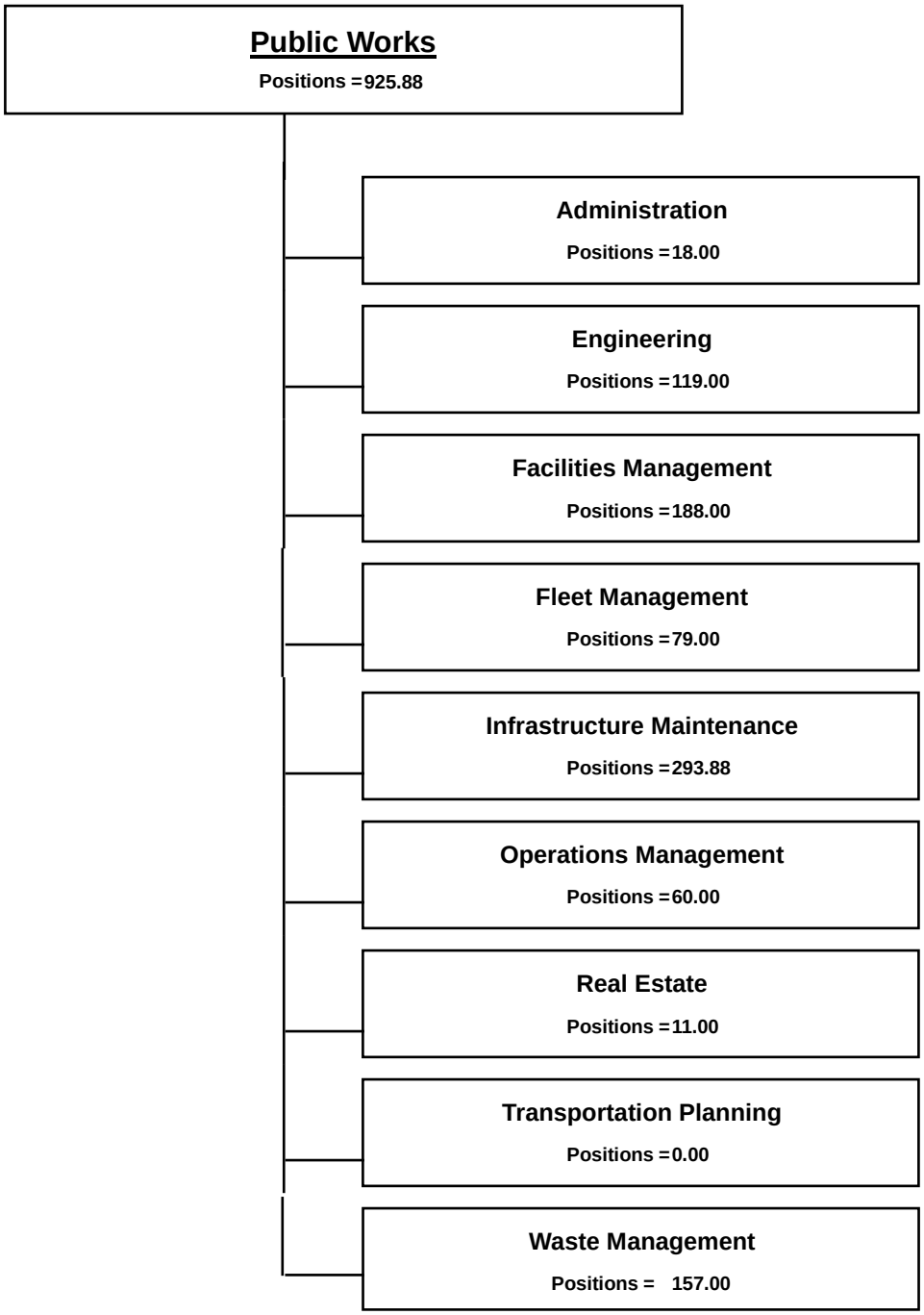
	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adp[ted	Variance from FY 2017
Total	467.88	447.88	458.88	11.00
151 Parks and Recreation Special Revenue Fund				
Recreation Centers Building Maintenance	4.00	4.00	4.00	0.00
Total	4.00	4.00	4.00	0.00
152 Tourism Investment Program Fund				
TIP Beach Operations	10.00	10.00	10.00	0.00
TIP Resort Building Maintenance	8.00	8.00	8.00	0.00
Total	18.00	18.00	18.00	0.00
157 Sandbridge Special Service District Spec Rev Fd				
Sandbridge Beach Operation	0.00	0.00	3.00	3.00
Total	0.00	0.00	3.00	3.00
254 Waste Management Enterprise Fund				
WM Program Support	13.00	14.00	14.00	0.00
WM Bureau of Waste Disposal	10.00	10.00	10.00	0.00
WM Bureau of Waste Collection	134.00	125.00	125.00	0.00
WM Yard Debris & Hazardous Household Waste	5.00	5.00	5.00	0.00
WM Recycling	3.00	3.00	3.00	0.00
Total	165.00	157.00	157.00	0.00
255 Storm Water Utility Enterprise Fund				
SWU - Project Management	23.00	19.00	25.00	6.00
SWU - Operations and Maintenance	112.00	96.00	99.00	3.00
SWU - Inspections and Environmental Spill Response	9.00	7.00	12.00	5.00
SWU - Street Sweeping	11.00	6.00	3.00	-3.00
SWU - Construction and Engineering	12.00	20.00	19.00	-1.00
SWU - Surface Water Regulatory Compliance	0.00	8.00	11.00	3.00
SWU - Mosquito Control	0.00	34.00	34.00	0.00
Total	167.00	190.00	203.00	13.00
606 City Garage Internal Service Fund				
Automotive Services	78.00	78.00	79.00	1.00
Total	78.00	78.00	79.00	1.00
610 Capital Projects Internal Service Fund				
Capital Projects - PW Light Rail Office	0.00	5.00	0.00	-5.00
Capital Projects - Public Works	3.00	3.00	3.00	0.00
Total	3.00	8.00	3.00	-5.00
Total Position Summary	902.88	902.88	925.88	23.00

Expenditure Category by Department				
Personnel	59,238,775	64,657,916	65,961,815	1,303,899
Operating	78,049,561	89,538,538	87,072,433	(2,466,105)
Capital	4,690,817	3,633,277	5,126,775	1,493,498
Debt Service	4,869,887	3,397,182	3,543,563	146,381
Reserves	0	17,554,631	1,255,626	(16,299,005)
Transfers	23,890,859	23,830,871	13,705,175	(10,125,696)
Depreciation and Bad Debt Expense	(1,479,182)	10,000	70,000	60,000
Total Expenditures:	169,260,717	202,622,415	176,735,387	(25,887,028)

Public Works - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Revenue Category by Department				
Real Estate	23,455,754	24,403,468	3,100,000	(21,303,468)
Automobile License	1,799,108	1,867,242	0	(1,867,242)
Hotel Room Tax	2,307,421	2,370,672	3,686,240	1,315,568
Restaurant Meal Tax	2,533,531	2,589,264	0	(2,589,264)
Permits, Privilege Fees, and Regulatory Licenses	118,356	125,000	113,000	(12,000)
From the Use of Money and Property	426,600	215,000	215,000	0
Charges for Services	92,864,376	92,859,119	94,877,349	2,018,230
Miscellaneous Revenue	1,483,070	1,551,930	1,579,286	27,356
Other Sources from the Commonwealth	46,774,045	41,957,140	42,674,019	716,879
Revenue from the Federal Government	581,584	282,597	287,597	5,000
Transfers from Other Funds	7,871,425	12,441,758	8,143,932	(4,297,826)
Specific Fund Reserves	0	228,870	0	(228,870)
Total Revenue:	180,215,270	180,892,060	154,676,423	(26,215,637)

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



SHERIFF'S OFFICE

The mission of the Sheriff's Office is to provide for the public safety of the citizens of Virginia Beach through the efficient and professional operations of the Sheriff's Office as provided for in the Constitution and the Code of Virginia.

City Council Amendment:

- Provides a stipend of $12,363 to compensate the Sheriff in a manner consistent with the methodology that has been in place since 2006.
- Decreases reserves in the Sheriff's Special Revenue Fund by $12,363.

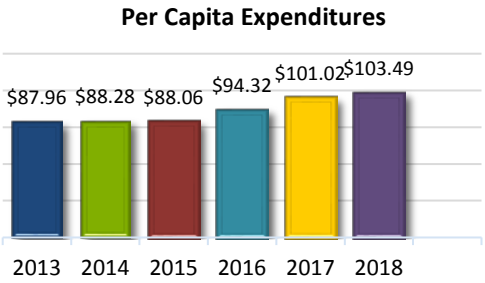
Department Overview

The Sheriff's Office is funded through a combination of state, local, and federal revenues. State funding is based on the requirements stipulated in the Code of Virginia. Local funds are currently provided by the city for Central Booking, Workforce Services, state employee salary supplements, and overall jail support. Federal revenues are tied to the number of Federal inmates housed in the facility. The services provided by the Sheriff's Office are divided into two primary divisions:

The Administrative Division

Administration - Provides personnel, training, financial administration, accreditation and compliance for the Office as well as program development.

Court Support - Provides security and order in the various Virginia Beach courts, and processes and serves civil documents.



The Operations Division

Correctional Operations - Provides for the care and custody of persons placed in the Correctional Center. The functions include safety and security, providing food and medical care during incarceration, and access to educational and work opportunities.

Central Booking - Processes all offenders for all law enforcement agencies utilizing the Correctional Center. This involves fingerprinting and photographing. This is a contract between the City and Sheriff's Office and is 100% locally funded.

Inmate Services - Provides additional services to inmates financed by inmate fees. These services include GED classes, substance abuse counseling, and provision of Alcoholics and Narcotics Anonymous.

Workforce Services - Utilizes inmate labor to provide various services to the community at little cost, while providing inmates with the opportunity to learn a skill and self-development.

Key Performance Measures

Goal: Be the Safest City in Virginia

Means to Residents: Feeling safe and secure within Virginia Beach --any place, anytime

94% of residents agreed Virginia Beach, in general, is a safe place to live

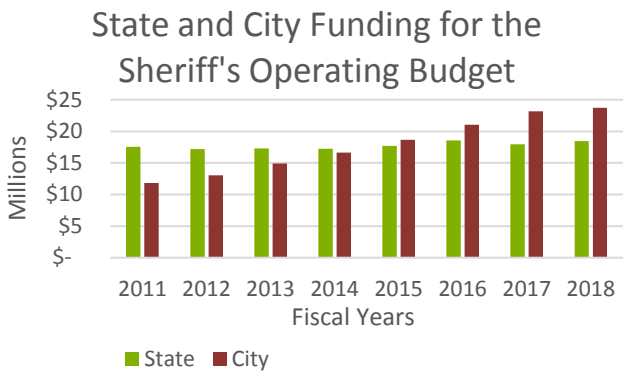
Approximately 130,000 civil process documents served & 25,000 arrestees processed

Security provided for 23 courtrooms

Daily cost per inmate approximately $80 with an average daily population of 1,450

Trends & Issues

The state funding includes amounts from the state Compensation Board and the Department of Corrections. As shown on the chart, state financing has remained relatively steady averaging $17.7 million per year. Meanwhile, there is an increasing trend in city financing starting with $11.8 million in FY 2010-11 to $23.7 million in FY 2017-18, an annual growth rate of 10.5%. The $23.7 million does not include City funding of $1.036 million for the Sheriff Inmate Tracking and Status Monitoring capital project.



The State Compensation Board has authorized funding for 413 state positions for the Sheriff's Office. The Approved FY 2016-17 Compensation Board budget is used as the basis for preparing the Sheriff's Office FY 2017-18 budget for the state-funded positions. The Compensation Board has budgeted an average of $33,038 for salaries, and $3,324 for fringe benefits, for a total of $36,362 per position. As with the majority of localities, Virginia Beach supplements the salaries of the Compensation Board positions to attract applicants. For these positions, the city has budgeted an average of $51,262 for salaries and $18,138 for fringes for a total of $69,400. The Code of Virginia requires the city to provide the appointees of the Sheriff's Office with the same fringe benefits that are provided to city employees. The average city supplement of $33,038 equates to 90.9% over the state compensation amount. A comparison of the average state and city compensation is shown below.

Cost Element	Average State Compensation	Average City Compensation	City Supplement
Salary	$ 33,038	$ 51,262	$18,224
Fringes	3,324	18,138	14,814
Total	$ 36,362	$69,400	$33,038

Medical care for inmates is the single largest expense item in the Sheriff's Office Operating Budget. Medical services are provided through a medical contractor and budgeted at $6.01 million for FY 2018. The contract terms place an annual cap of $20,000 for hospitalization services for each inmate per illness or injury. Any costs incurred by the health contractor beyond that cap would have to be reimbursed by the City. In FY 2016, care was provided to 14

inmates, which exceed the per person cap by a total of $759,823. Four inmates accounted for $473,910, or 62% of the total.

Additional costs have incurred due to the increased number of inmates with mental illness. The Virginia Beach Correctional Center is increasingly being used as an alternative to local mental health services. The Correctional Center was not designed, nor equipped to provide the necessary mental health care to inmates. The ratio of deputies needed to adequately supervise this inmate population is often one-on-one. This leaves other areas of the Correctional Center short-staffed.

All inmates that are transported to medical appointments and/or hospitalized must be in the custody of a deputy. All hospital watches require at least one-on-one custody. The increased demand has contributed to high overtime costs and greater workload on staff.

Major Budget Changes

	Change	Impact
↑	3 FTEs for Law Enforcement Academy Certification Training.	Adds three Master Deputies at a total cost of $199,917 to provide training at the Law Enforcement Academy for deputies to become certified to aid other local law enforcement agencies when needed. To become certified, the Department of Criminal Justice Services has mandated 100 hours of field training for certification.
↑	3 FTEs for to meet increasing needs related to Inmate medical care.	Adds one Master Deputy and two Deputies at a total cost of $180,863 to provide inmate security related to medical care of inmates. The deputies will escort to and from medical, mental health and dental service areas in support of the Medical Program. In addition deputies are need to support transport and hospital watches for inmates admitted to hospitals. Additional security is needed when inmates are taken to public areas.
↑	Job Task and Staff Analysis	Provides funding totaling $260,000 for a job task and staff analysis by an outside contractor to assist the Sheriff's Office in promotional testing process, training assessments and entry-level testing to determine whether candidates possess the basic skills necessary to perform effectively.
↑	Sheriff Inmate Video Visitation System Capital Project	The Visitation System capital project, shown in the Capital Improvement Program is to renovate the existing inmate visitation system. The current system requires visitors to be on site to conduct their visit. The upgraded system will allow for remote visits by attorneys, law enforcement officers, and inmate family members from their homes or offices. The estimated $500,000 cost will be funded by the Sheriff's Office Special Revenue Fund.
↑	Sheriff Inmate Tracking and Status Monitoring Capital Project	This capital project is for a Passive Radio Frequency Identification (RFID) System to allow staff the ability to monitor inmate locations and statues with the aid of a handheld reader. The estimated cost of $1,036,930 will be funded with City funds.

Sheriff's Office - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
141 Sheriff's Federal & State Seized Assets SRF				
Expenditures				
DEA - Sheriffs Department	174,805	0	0	0
Total Expenditures	174,805	0	0	0
Revenues				
Fees	632	0	0	0
Total Revenues	632	0	0	0
General City Support	174,173	0	0	0
149 Sheriff's Department Special Revenue Fund				
Expenditures				
Sheriff's Office	2,227,157	3,424,837	3,199,481	(225,356)
Court Support Services	3,539,466	4,658,348	4,710,643	52,295
Correctional Operations	34,327,517	29,722,300	30,043,782	321,482
Sheriff's Care Mart	295,775	461,141	432,968	(28,173)
Centralized Booking	1,346,620	3,045,804	3,049,425	3,621
Sheriff's Workforce	914,735	840,651	1,220,440	379,789
Inmate Support	0	2,397,005	2,537,154	140,149
Inmate Services	738,243	0	43,464	43,464
Law Enforcement Training	88,706	1,277,566	1,448,215	170,649
Reserve for Contingencies	0	0	491,743	491,743
Total Expenditures	43,478,219	45,827,652	47,177,315	1,349,663
Revenues				
Fees	4,447,239	4,533,608	4,608,608	75,000
State	18,539,110	17,950,000	18,450,000	500,000
Federal	147,858	160,000	140,000	(20,000)
Transfers	21,027,050	23,184,044	23,718,707	534,663
Fund Balance	0	0	260,000	260,000
Total Revenues	44,161,257	45,827,652	47,177,315	1,349,663
General City Support	(683,038)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Sheriff - Grants	5,178	0	0	0
Total Expenditures	5,178	0	0	0
Revenues				
Federal	6,528	0	0	0
Total Revenues	6,528	0	0	0
General City Support	(1,350)	0	0	0
Total Department Expenditure	43,658,202	45,827,652	47,177,315	1,349,663
Total Department Revenue	44,168,417	45,827,652	47,177,315	1,349,663
Total General City Support	(510,215)	0	0	0

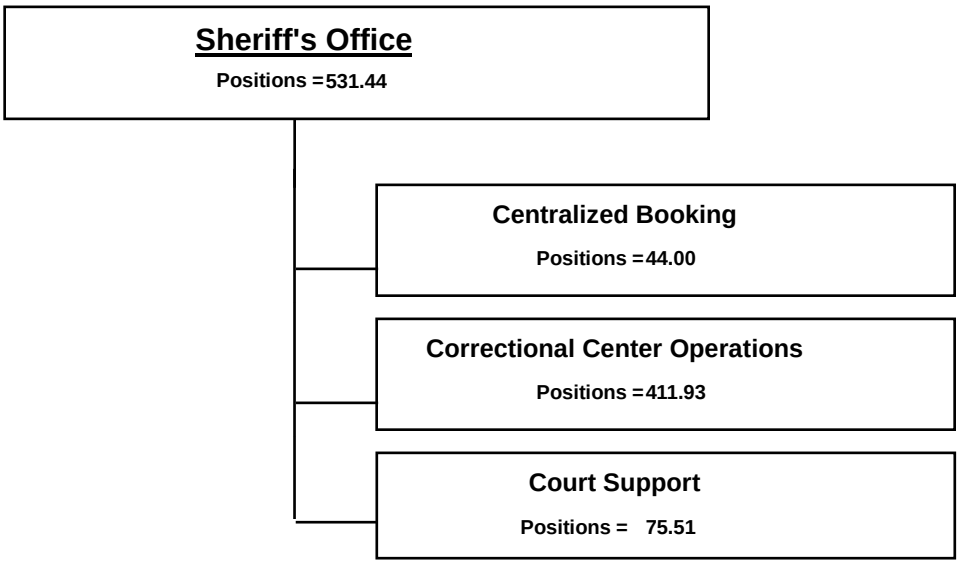
Sheriff's Office - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Position Summary by Program				
149 Sheriff's Department Special Revenue Fund				
Sheriff's Office	23.06	34.49	32.49	-2.00
Court Support Services	62.04	75.64	75.51	-0.13
Correctional Operations	358.30	297.89	298.49	0.60
Sheriff's Care Mart	9.09	8.67	7.80	-0.87
Centralized Booking	37.00	44.00	44.00	0.00
Sheriff's Workforce	10.00	10.00	14.00	4.00
Inmate Support	0.00	42.05	41.00	-1.05
Inmate Services	13.95	0.00	1.45	1.45
Law Enforcement Training	1.00	13.70	16.70	3.00
Total	514.44	526.44	531.44	5.00
Total Position Summary	514.44	526.44	531.44	5.00
Expenditure Category by Department				
Personnel	33,688,757	35,608,206	36,230,941	622,735
Operating	9,794,640	10,165,446	10,442,089	276,643
Capital	174,805	54,000	0	(54,000)
Reserves	0	0	504,285	504,285
Total Expenditures:	43,658,202	45,827,652	47,177,315	1,349,663
Revenue Category by Department				
From the Use of Money and Property	11,633	11,000	11,000	0
Charges for Services	4,429,068	4,520,608	4,595,608	75,000
Miscellaneous Revenue	7,170	2,000	2,000	0
Other Sources from the Commonwealth	18,539,110	17,950,000	18,450,000	500,000
Revenue from the Federal Government	154,386	160,000	140,000	(20,000)
Transfers from Other Funds	21,027,050	23,184,044	23,718,707	534,663
Specific Fund Reserves	0	0	260,000	260,000
Total Revenue:	44,168,417	45,827,652	47,177,315	1,349,663

Resource Summary Notes

Per an MOU between the Sheriff's Office and the Information Technology Department, a position was transferred in December of 2016 from the VBSO to IT to support the information technology needs of the Sheriff's office. An additional position is being transferred in the FY 2017-18 budget. In addition to the position reduction, six additional positions are added for a net increase of five FTEs.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



STRATEGY, TRANSPARENCY, INNOVATION, & RESILIENCY OFFICE

The mission of the STiR Office is to create a resilient and innovative organization that leverages the use of data, strategic planning, and the principles of innovation to make decisions that result in effective, efficient and transparent service delivery valued by the community and staff and places the City of Virginia Beach among internationally recognized cities of excellence.

Department Overview

The Strategy, Transparency, Innovation, and Resiliency Office (STiR) was created by the City Manager in October 2016 to provide organizational focus and prominence to these critical areas.

- STiR works with the organization to ensure that the work of the various programs and services are linked to the City Council's goals. The Office monitors the activities associated with the Council goals and objectives and provides frequent feedback to the City Council, City Manager and the community.
- Opening city datasets to the public increases the transparency of the city organization to our community and encourages positive citizen engagement.
- The innovation efforts identify opportunities to improve service delivery, monitor goals, and encourage innovative decisions through the use of data. The Office will provide specific training to employees on techniques to analyze data for opportunities, determine the return on the idea and assist in implementing the innovation within the organization.
- Working closely with city departments the office will highlight existing resiliency efforts and develop new initiatives within the community and organization.

Key Performance Measures

Goal: Create a Financially Sustainable City Providing Excellent Services

Means to Residents: City Services are delivered in the most cost-effective manner

80% of taxpayers feel that they recieve a good value for their city tax dollars

25 municipal data sets open to the organization and the public	15 departments created management dashboards to use data analytics	Provided 1 performance management analysis to a department using data to help improve service delivery

Trends & Issues

- In FY 2016-17, the Organizational Development Office (ODO) was renamed to the Office of Strategy, Transparency, Innovation, and Resiliency (STiR) and no longer resides within the operating budget of the City Manager's Office. The STiR office is a newly established department and is reflected for the first time in the FY 2017-18 Operating Budget.

- For FY 2017-18, funding for advocacy services has been moved from the Municipal Council Operating Budget to STiR. The objective of moving the funding to the STiR operating budget is to allow the office to assist City Council with the development of strategic goals and initiatives.

Major Budget Changes

	Change	Impact
↑	Executive Assistant	This position will provide administrative support for the newly created STiR Office.
↑	Addition of Data Analyst	The STiR Office is receiving one additional data analyst which will be responsible for reviewing, evaluating, and analyzing existing data and processes to define inefficiencies and to develop process improvement strategies.
↑	Funding for Innovation Academy	For FY 2017-18, the City of Virginia Beach and Old Dominion University (ODU) will be partnering to conduct two Innovation Academy sessions. These sessions will focus on combining practice and theory to teach innovative techniques, skills, and ways to identify innovation within an organization.

Strategy, Transparency, Innovation, & Resiliency Office - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Strategy, Transparency, Innovation & Resiliency Office	0	277,706	687,625	687,625
Total Expenditures	0	277,706	687,625	687,625
General City Support	0	277,706	687,625	687,625
Total Department Expenditure	0	277,706	687,625	687,625
Total Department Revenue	0	0	0	0
Total General City Support	0	277,706	687,625	687,625
Position Summary by Program				
002 General Fund				
Strategy, Transparency, Innovation & Resiliency Office	0.00	4.00	6.00	2.00
Total	0.00	4.00	6.00	2.00
Total Position Summary	0.00	4.00	6.00	2.00
Expenditure Category by Department				
Personnel	0	261,338	554,882	554,882
Operating	0	16,368	128,943	128,943
Capital	0	0	3,800	3,800
Total Expenditures:	0	277,706	687,625	687,625

Resource Summary Notes

During FY 2016-17, the Organizational Development Office was re-organized into the Strategy, Transparency, Innovation, and Resiliency Office. Along with the re-organization, funding for advocate services was transferred to the STiR Office from Municipal Council for FY 2017-18.

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart

Strategy, Transparency, Innovation, & Resiliency Office

Positions = 6.00

Strategy, Transparency, Innovation, & Resiliency Office

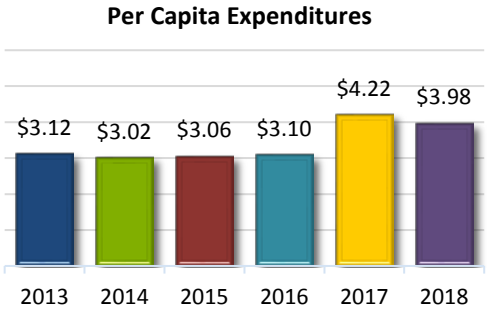
Positions = 6.00

VOTER REGISTRATION & ELECTIONS

The mission of the Voter Registration & Elections Office is to maintain the current registration and elections process for Virginia Beach voters, to meet mandatory state and federal standards for access to voter registration and to handle the regulations of the National Voter Registration Act, Help America Vote Act and the Department of Elections policies. Also to provide convenient ways for citizens to change voter registration records, vote by absentee ballot, and pursue their candidacies for office

Department Overview

The state reimburses the city for a portion of the General Registrar's salary. Reimbursements are also received for the Electoral Board members' salaries. The Voter Registration & Elections Office maintains the current registration and elections process for Virginia Beach voters and supports 98 precincts by:



- Complying with mandatory state and federal standards.
- Providing convenient ways for citizens to register to vote, change voter registration records, request their free voter photo ID, vote by absentee ballot, and pursue their candidacy for an elected office.
- Handling mail registration sites at the U.S. Post Office, city schools, and city recreation centers. In person registration at public libraries, Department of Human Services, Offices of City Treasurer, Commissioner of the Revenue, Clerk of the Circuit Court, Sheriff's Office, and Virginia Beach Department of Motor Vehicles Offices (in conjunction with DMV transactions). Online Voter Registration is available at the Department of Elections website www.vote.virginia.gov.
- Maintaining and checking the campaign financial reports of all local candidates.

The variation in the department's operating budget from year to year is based on the election needs for that year. The department's per capita expenditures increased in FY 2016-17 due to the November 2016 Presidential Election.

Key Performance Measures

Goal: We are an Inclusive Community that is Welcoming and Empowers All

Means to Resident: Easy access to government participation and services

78.8% of respondents to the Citizen Survey reported they are registed to vote in the City of Virginia Beach

301,000 registered voters/26,819 registered voters served by each registrar	24,888 net new registrants	30% of residents voting in a local election	1,734 outside poll voters on election day

Trends and Issues

- As part of on-going process improvement, the Office replaced out dated look-up devices with tablets. These devices are used to ensure voters are in the correct polling location on Election Day. Additional laptops were added as electronic poll books (EPBs) on Election Day to help move voters through the line quicker.

- In addition to replacing EPBs, the Office is currently in the process of discussing the need for additional space to accommodate growing needs. During elections, the Office needs additional staffing and must borrow space from other city departments.

  Currently, the Office of Voter Registration and Elections uses part of Building 14 for office space, a warehouse on Leroy Road, and temporary space in Building 23 for precinct storage and distribution.

  Ideally, the Office would like to renovate the existing building which houses their Offices and the Department of Agriculture, or the Office would like to find a new building that will accommodate staff needs, the electoral board, training, candidate processing, election official processing, voter registration, in-person absentee voting, and election preparation and distribution of materials for 98 precincts.

  The anticipated space need is for 16,000 square feet (8,000 sf for office, training and absentee voting functions and 8,000 sf for election equipment storage and testing).

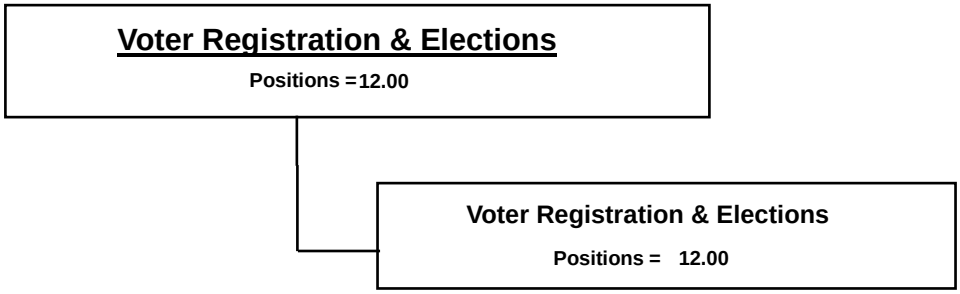
Major Budget Changes

	Change	Impact
↑	Gubernatorial Election	The budget includes $396,929 for an upcoming Gubernatorial Election in FY 2017-18. This is the Department's second largest election, with the Presidential Election being the largest. This funding will be used for Election Officials, contracted manpower, operating supplies and other contractual services.

Voter Registration & Elections - Departmental Resource Summary

	FY 2016 Actual	FY 2017 Adjusted	FY 2018 Adopted	Variance from FY 2017
Program Summary				
002 General Fund				
Expenditures				
Voter Registration & Elections	1,982,999	1,916,217	1,812,948	(103,269)
Total Expenditures	1,982,999	1,916,217	1,812,948	(103,269)
Revenues				
Fees	302	0	0	0
State	292,563	76,954	76,954	0
Total Revenues	292,865	76,954	76,954	0
General City Support	1,690,134	1,839,263	1,735,994	(103,269)
Total Department Expenditure	1,982,999	1,916,217	1,812,948	(103,269)
Total Department Revenue	292,865	76,954	76,954	0
Total General City Support	1,690,134	1,839,263	1,735,994	(103,269)
Position Summary by Program				
002 General Fund				
Voter Registration & Elections	11.86	12.00	12.00	0.00
Total	11.86	12.00	12.00	0.00
Total Position Summary	11.86	12.00	12.00	0.00
Expenditure Category by Department				
Personnel	1,017,893	1,121,785	937,471	(184,314)
Operating	965,106	794,432	875,477	81,045
Total Expenditures:	1,982,999	1,916,217	1,812,948	(103,269)
Revenue Category by Department				
Charges for Services	2	0	0	0
Miscellaneous Revenue	300	0	0	0
Other Sources from the Commonwealth	292,563	76,954	76,954	0
Total Revenue:	292,865	76,954	76,954	0

City of Virginia Beach
Fiscal Year 2018 Department Organizational Chart



DEBT SERVICE

Department Overview

Debt service is issued for three major purposes: general government, schools, and utilities (including water, sewer, and storm water). To guide future capital improvement program development and address long-term debt management issues, City Council uses debt indicators as well as the following guidelines listed below:

- Debt will be the last source of funding considered.
- The city will issue bonds for capital improvements with a cost in excess of $250,000 or which cannot be financed from current revenues.
- When the city finances capital projects by issuing bonds it will pay back the debt within a period not to exceed the expected useful life of the projects. Generally the city issues debt over a 20 year-term for general obligation debt and a 25 year term for revenue bonds.
- Where possible, the city will develop, authorize, and issue revenue, special fee, or other self-supporting instruments instead of general obligation bonds.
- The debt structure of the government will be managed in a manner that results in minimal deviation from the indicators listed in this policy.
- The city will maintain good communications regarding its financial conditions. It will regularly evaluate its adherence to its debt policies. The city will promote effective communications with bond rating agencies and others in the marketplace based on full disclosure.

Trends and Issues

- **Debt Projections Change Due to Referendum Outcome**
  In November of 2016, voters in Virginia Beach voted down a referendum that would have extended "The Tide" light rail line into the City of Virginia Beach. Due to the result of this referendum, the projected sale of all debt associated with light rail projects has been removed from the City's analysis of debt service. By excluding these projects, some of the calculations, especially those for Public Facility Revenue Bond debt have decreased; however, some of the revenue used to finance these light rail projects has been redirected to the City's storm water program, which will cause projections of revenue bond debt to increase.

- **Interest Rates May Begin to Rise**
  After several years of low cost borrowing, interest rates are poised to rise. According to a Wall Street Journal survey of 57 economists, the post-election forecast for FY 2017 and FY 2018 suggests slightly higher economic growth, and higher interest rates and inflation. Their average forecasts for growth, inflation, and interest rates in both 2017 and 2018 all rose from a survey conducted before the election in October. While the City has worked diligently to maintain its AAA bond rate, the cost of borrowing is projected to rise in the coming years.

Projected Debt

The total outstanding debt for the city is projected to be $1.29 billion by June 30, 2017 as summarized in the table below:

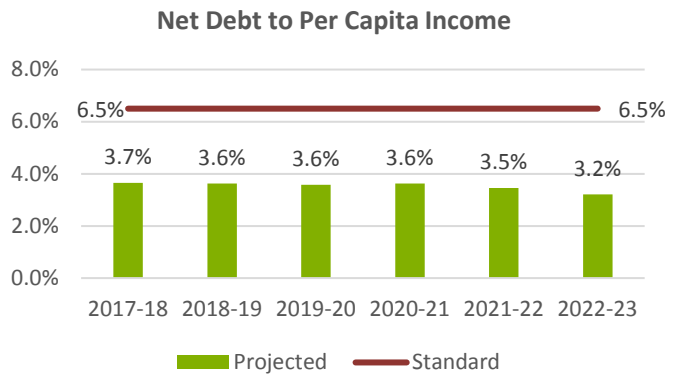
Purpose	Amount	Percent
Schools	$ 319,081,703	24.2%
General Government	711,695,158	55.4%
Utilities	254,576,004	19.8%
Total	**$1,285,352,865**	**100.0%**

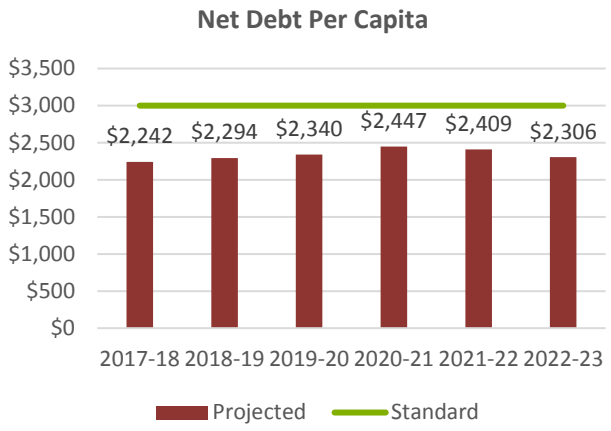
Legal Debt Limit

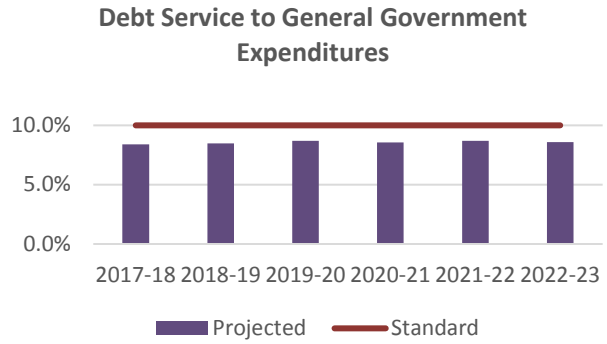
State statute imposes on cities a legal debt margin for general obligation debt; a limit of 10% of the assessed value of real property. Revenue bonds, such as those for utilities, are not subject to the State limit. For FY 2017-18, the city's assessed value of real property is estimated at $55.3 billion. By the end of the fiscal year, the city's projected debt amount will be 1.86% of the total assessed value.

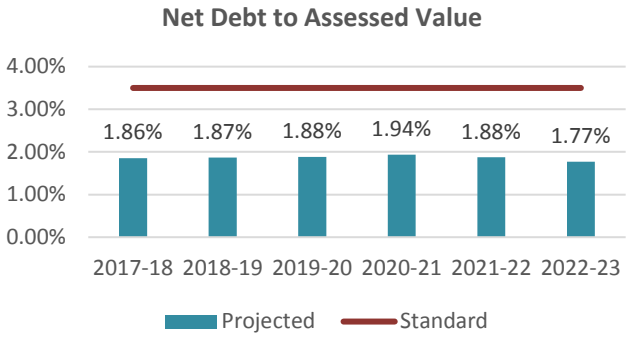
Debt Indicators

The city uses four indicators to help in its debt management. Using data from the FY 2017-18 through FY 2022-23 Capital Improvement Program, projections of these indicators are shown on the following charts. Additional information on the debt management policies of the city can be found in the Financial Management section of this document.









Debt Service by Purpose

The table below provides a comparison of the debt service costs by functional area for FY 2016-17 and FY 2017-18. The amounts shown for "Utilities" includes water, sewer, and storm water debt. The amount shown for "General Government" includes all other City debt including debt for the Agricultural Reserve Program. School related debt is shown separately.

Purpose	FY 2016-17	FY 2017-18	% Change
Schools	$ 46,289,542	$ 45,417,364	-1.9%
General Government	92,968,371	96,030,359	3.3%
Utilities	28,206,515	25,337,984	-10.2%
Total	**$ 167,464,428**	**$ 166,785,707**	**-0.4%**

Debt Service by Fund

The following table lists the various funds in which debt service costs are budgeted.

Fund	FY 2016-17	FY 2017-18	% Change
General Fund	$ 50,486,171	$ 53,067,145	5.1%
School Operating Fund	46,289,542	45,417,364	-1.9%
Parks and Recreation SRF	4,673,630	4,564,702	-2.3%
Tourism Investment Program	22,795,037	23,411,427	2.7%
Agricultural Reserve Program	3,972,051	4,035,717	1.6%
Central Business District South TIF	7,786,521	7,814,195	0.4%
Open Space SRF	2,582,588	2,557,043	1.0%
Water and Sewer Enterprise Fund	24,809,333	21,794,421	-12.2%
Parking Enterprise Fund	672,373	580,563	-13.7%
Storm Water Utility Enterprise Fund	3,397,182	3,543,563	4.3%
Total	**$ 167,464,428**	**$ 166,785,707**	**-0.4%**

General Obligation Debt

The following tables show the projected debt over the next six-year period. The City of Virginia Beach issues General Obligation Bonds for construction of schools, roadways, buildings, and other capital needs of the city. Payment of the bonds are backed by the full faith and credit of the city and paid from property taxes and other general revenues. The amounts below represent the outstanding balance of the city's general obligation debt. The beginning balance of General Obligation Bonds at the start of FY 2017-18 is projected at $595.6 million. As a result of principal retirements and the anticipated issuances of new debt, the balance is projected to be $680.4 million at the end of six years. Funding of $2.6 million of unallocated Charter Bond capacity is available in the six-year CIP. If the Charter Bond capacity is used, the outstanding debt reflected in this table would increase as well as the net debt per capita.

Projection of Outstanding General Obligation Debt (Charter Bonds)

	Issue Amt.	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
General Obligation Bonds							
Beginning General Obligation Debt		595,646,664	539,293,470	485,479,435	431,548,933	382,046,299	335,331,222
Less: Principal Retirement		56,353,194	53,814,035	53,930,502	49,502,635	46,715,076	42,558,092
Ending General Obligaton Debt		539,293,470	485,479,435	431,548,933	382,046,298	335,331,223	292,773,130
Spring 2017 Issue	58,855,111	58,855,111	55,912,355	52,969,600	50,026,844	47,084,089	44,141,333
Less: Principal Retirement		2,942,756	2,942,756	2,942,756	2,942,756	2,942,756	2,942,756
Ending General Obligaton Debt		55,912,355	52,969,600	50,026,844	47,084,089	44,141,333	41,198,577
Spring 2018 Issue	56,057,951	56,057,951	56,057,951	53,255,054	50,452,156	47,649,258	44,846,361
Less: Principal Retirement			2,802,898	2,802,898	2,802,898	2,802,898	2,802,898
Ending General Obligaton Debt		56,057,951	53,255,054	50,452,156	47,649,258	44,846,361	42,043,463
Spring 2019 Issue	65,078,230		65,078,230	65,078,230	61,824,318	58,570,407	55,316,495
Less: Principal Retirement				3,253,911	3,253,911	3,253,911	3,253,911
Ending General Obligaton Debt		-	65,078,230	61,824,318	58,570,407	55,316,495	52,062,584
Spring 2020 Issue	68,088,548			68,088,548	68,088,548	64,684,120	61,279,693
Less: Principal Retirement					3,404,427	3,404,427	3,404,427
Ending General Obligaton Debt		-	-	68,088,548	64,684,120	61,279,693	57,875,266
Spring 2021 Issue	68,493,655				68,493,655	68,493,655	65,068,972
Less: Principal Retirement						3,424,683	3,424,683
Ending General Obligaton Debt		-	-	-	68,493,655	65,068,972	61,644,290
Spring 2022 Issue	67,462,448					67,462,448	67,462,448
Less: Principal Retirement						-	3,373,122
Ending General Obligaton Debt		-	-	-	-	67,462,448	64,089,326
Spring 2023 Issue	68,682,638						68,682,638
Less: Principal Retirement							-
Ending General Obligaton Debt		-	-	-	-	-	68,682,638
Total-Outstanding Gen Obligation Debt		**651,263,776**	**656,782,318**	**661,940,799**	**668,527,828**	**673,446,526**	**680,369,274**

Leases & Other Debt

Leases and Other Debt are comprised of long-term financing from Lease-Purchases, Certificates of Participation, and Public Facility Bonds. A Lease-Purchase is a contractual agreement whereby the city acquires equipment or real property through a lease from a vendor, leasing company, or another governmental entity. Certificates of Participation and Public Facility Bonds are subject to the annual appropriation of funds. This debt is included in the net debt per capita calculation.

Projection of Outstanding Debt Public Facility Bonds and Lease Debt

	Issue Amt.	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Leases and Other Debt							
Beginning Outstanding Debt		331,395,000	298,755,000	265,605,000	231,570,000	198,330,000	164,215,000
Less: Principal Retirement		32,640,000	33,150,000	34,035,000	33,240,000	34,115,000	33,380,000
Ending Outstanding Debt		298,755,000	265,605,000	231,570,000	198,330,000	164,215,000	130,835,000
Fall 2017 Issue	76,979,948	76,979,948	76,979,948	73,130,950	69,281,953	65,432,955	61,583,958
Less: Principal Retirement		-	3,848,997	3,848,997	3,848,997	3,848,997	3,848,997
Ending General Obligaton Debt		76,979,948	73,130,950	69,281,953	65,432,955	61,583,958	57,734,961
Fall 2018 Issue	60,654,767		60,654,767	60,654,767	57,622,029	54,589,291	51,556,552
Less: Principal Retirement			-	3,032,738	3,032,738	3,032,738	3,032,738
Ending General Obligaton Debt		-	60,654,767	57,622,029	54,589,291	51,556,552	48,523,814
Fall 2019 Issue	61,828,499			61,828,499	61,828,499	58,737,074	55,645,649
Less: Principal Retirement				-	3,091,425	3,091,425	3,091,425
Ending General Obligaton Debt		-	-	61,828,499	58,737,074	55,645,649	52,554,224
Fall 2020 Issue	49,351,918				49,351,918	49,351,918	46,884,322
Less: Principal Retirement					-	2,467,596	2,467,596
Ending General Obligaton Debt		-	-	-	49,351,918	46,884,322	44,416,726
Fall 2021 Issue	42,625,588	-	-	-	42,625,588	42,625,588	42,625,588
Less: Principal Retirement		-	-	-	-	-	2,131,279
Ending General Obligaton Debt		-	-	-	42,625,588	42,625,588	40,494,309
Fall 2022 Issue	29,139,943					29,139,943	29,139,943
Less: Principal Retirement						-	1,456,997
Ending General Obligaton Debt		-	-	-	-	29,139,943	27,682,946
Total-Outstanding Leases & Other Debt		**375,734,948**	**399,390,717**	**420,302,481**	**469,066,826**	**451,651,013**	**402,241,980**

Agricultural Reserve Program

The Agricultural Reserve Program (ARP) provides funding for the city to buy development rights from rural landowners. The goal of the program is to preserve and protect approximately 20,000 acres of farm and forested lands in the southern part of the city. The city has purchased zero-coupon U.S. Treasury Securities to fund the cost of development rights. For giving up their rights to development of their land, property owners will receive interest payments for 25 years, and at the end of the 25-year period, they will receive a lump sum payment, but they forego their right for development permanently. Additional information on the ARP is in the operating budget section for the Agriculture department. ARP debt is regarded as self-supporting (analogous to enterprise debt), this debt is not included in the net debt per capita calculation.

Projection of Outstanding Agricultural Reserve Program Debt

	Issue Amt.	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Agricultural Reserve Program							
Beginning Outstanding Debt		44,880,086	44,880,086	44,880,086	44,880,086	44,880,086	42,669,020
Less: Principal Retirement		-				2,211,066	6,949,719
Ending Outstanding Debt		44,880,086	44,880,086	44,880,086	44,880,086	42,669,020	35,719,301
FY 2018 Installment Purchase	3,545,346	3,545,346	3,545,346	3,545,346	3,545,346	3,545,346	3,545,346
Less: Principal Retirement		-	-	-	-	-	-
Ending Outstanding Debt		3,545,346	3,545,346	3,545,346	3,545,346	3,545,346	3,545,346
FY 2019 Installment Purchase	3,687,160		3,687,160	3,687,160	3,687,160	3,687,160	3,687,160
Less: Principal Retirement			-	-	-	-	-
Ending Outstanding Debt			3,687,160	3,687,160	3,687,160	3,687,160	3,687,160
FY 2020 Installment Purchase	3,834,647			3,834,647	3,834,647	3,834,647	3,834,647
Less: Principal Retirement				-	-	-	-
Ending Outstanding Debt				3,834,647	3,834,647	3,834,647	3,834,647
FY 2021 Installment Purchase	3,988,032				3,988,032	3,988,032	3,988,032
Less: Principal Retirement					-	-	-
Ending Outstanding Debt					3,988,032	3,988,032	3,988,032
FY 2022 Installment Purchase	4,147,554					4,147,554	4,147,554
Less: Principal Retirement						-	-
Ending Outstanding Debt						4,147,554	4,147,554
FY 2023 Installment Purchase	4,313,456						4,313,456
Less: Principal Retirement							-
Ending Outstanding Debt							4,313,456
Total Outstanding ARP Debt		**48,425,432**	**52,112,592**	**55,947,239**	**59,935,271**	**61,871,759**	**59,235,496**

Enterprise Funds Debt

The city has two major enterprise funds, the Water and Sewer Enterprise Fund and the Storm Water Utility Enterprise Fund. Revenue bonds are issued for the expansion and maintenance of water lines, sewer lines, and the storm water system. These bonds are paid from the revenues collected from customers. This is revenue-supported debt; therefore, it is not included in the net debt per capita calculation.

Projection of Outstanding Debt

Water & Sewer Utility Debt	Issue Amt.	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Beginning Water & Sewer Revenue Bond Debt		211,056,004	202,235,276	193,020,000	183,395,000	173,350,000	162,865,000
Less: Principal Retirement		8,820,728	9,215,276	9,625,000	10,045,000	10,485,000	10,980,000
Ending Outstanding Debt		202,235,276	193,020,000	183,395,000	173,350,000	162,865,000	151,885,000
FY 2019 Issue	22,000,000		22,000,000	22,000,000	21,369,055	20,703,407	20,001,150
Less: Principal Retirement			-	630,945	665,647	702,258	740,882
Ending Outstanding Debt			22,000,000	21,369,055	20,703,407	20,001,150	19,260,268
FY 2021 Issue	22,000,000				22,000,000	22,000,000	21,369,055
Less: Principal Retirement					-	630,945	665,647
Ending Outstanding Debt					22,000,000	21,369,055	20,703,407
FY 2023 Issue	25,000,000						25,000,000
Less: Principal Retirement							-
Ending Outstanding Debt							25,000,000
Total Outstanding W&S Debt		**202,235,276**	**215,020,000**	**204,764,055**	**216,053,407**	**204,235,204**	**216,848,675**

Storm Water Utility Debt	**Issue Amt.**	**FY 2017-18**	**FY 2018-19**	**FY 2019-20**	**FY 2020-21**	**FY 2021-22**	**FY 2022-23**
Beginning Storm Water Bond Debt		43,520,000	41,780,000	39,985,000	38,130,000	36,215,000	34,235,000
Less: Principal Retirement		1,740,000	1,795,000	1,855,000	1,915,000	1,980,000	2,055,000
Ending Outstanding Debt		41,780,000	39,985,000	38,130,000	36,215,000	34,235,000	32,180,000
FY 2018 Issue	50,000,000	50,000,000	50,000,000	48,878,049	47,705,609	46,480,410	45,200,077
Less: Principal Retirement		-	1,121,951	1,172,439	1,225,199	1,280,333	1,337,948
Ending Outstanding Debt		50,000,000	48,878,049	47,705,609	46,480,410	45,200,077	43,862,130
FY 2020 Issue	70,000,000			70,000,000	70,000,000	68,429,268	66,787,853
Less: Principal Retirement				-	1,570,732	1,641,415	1,715,279
Ending Outstanding Debt				70,000,000	68,429,268	66,787,853	65,072,575
FY 2022 Issue	40,000,000					40,000,000	40,000,000
Less: Principal Retirement						-	897,561
Ending Outstanding Debt						40,000,000	39,102,439
Total Outstanding SW Utility Debt		**91,780,000**	**88,863,049**	**155,835,609**	**151,124,678**	**186,222,931**	**180,217,143**

Computation of Charter Bonding Limits

The City Charter allows Virginia Beach to increase its long term general obligation by $10 million each year. As part of its Capital Improvement Program, City Council is presented with an ordinance to authorize the issuance of General Obligation Bonds equal to the amount of principal retired in a calendar year plus the additional $10 million as allowed by charter. These general obligation bonds are also known as charter bonds. The table below shows the projected amounts of charter bond authorizations over a six year period. The amount for calendar year 2017 is used for FY 2017-18 bond authorization and the same calendar year to fiscal year relationship is used for each subsequent year.

Computation of Bonding Limits

CALENDAR YEAR RETIREMENT		Year 1 2017 FY 2017-18	Year 2 2018 FY 2018-19	Year 3 2019 FY 2019-20	Year 4 2020 FY 2020-21	Year 5 2021 FY 2021-22	Year 6 2022 FY 2022-23	Total
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		59,272,406	62,208,245	57,564,710	48,821,841	43,564,280	46,462,046	**317,893,528**
New Bond Issues	Amount							
2016 Bonds (Spring 2017)	58,855,111	0	2,942,756	2,942,756	2,942,756	2,942,756	2,942,756	**14,713,778**
2017 Bonds (Spring 2018)	56,057,951	0	0	2,802,898	2,802,898	2,802,898	2,802,898	**11,211,590**
2018 Bonds (Spring 2019)	65,099,952	0	0	0	3,254,998	3,254,998	3,254,998	**9,764,993**
2019 Bonds (Spring 2020)	68,119,053	0	0	0	0	3,405,953	3,405,953	**6,811,905**
2020 Bonds (Spring 2021)	68,518,118	0	0	0	0	0	3,425,906	**3,425,906**
2021 Bonds (Spring 2022)	67,486,320	0	0	0	0	0	0	**0**
2022 Bonds (Spring 2023)	68,720,613	0	0	0	0	0	0	**0**
Total Estimated Principal Retirement		59,272,406	65,151,001	63,310,363	57,822,492	55,970,883	62,294,555	**363,821,700**
Total Bonding Limits		69,272,406	75,151,001	73,310,363	67,822,492	65,970,883	72,294,555	**423,821,700**
Charter Bonds Allocated		66,176,110	77,107,265	74,122,692	68,763,000	65,270,000	70,525,099	**421,964,166**
Total Annual Unallocated Bond Authority		3,096,296	(1,956,264)	(812,329)	(940,508)	700,883	1,769,456	**1,857,534**
Prior Year Unallocated Bond Authority		769,067	0	0	0	0	0	**769,067**
Cumulative Unallocated Bond Authority		3,865,363	1,909,099	1,096,770	156,261	857,145	2,626,601	

Notes: Retirement of bonded debt assumes the issuance of bonds with 20-year, level principal retirement with principal payments beginning one year from the date of issue. Annual bond limits are calculated on a calendar year basis. The fiscal year identified in the heading represents the period in which they are traditionally appropriated. The Charter Bond capacity in the out years is retained for future City Council policy decisions.

AN ORDINANCE MAKING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018 IN THE SUM OF $1,969,677,901 FOR OPERATIONS

WHEREAS, the City Manager has heretofore submitted an Annual Budget for the City for the fiscal year beginning July 1, 201~~6~~7, and ending June 30, 201~~7~~8, and it is necessary to appropriate sufficient funds to cover said budget;

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

Sec. 1. That the amounts named aggregating $2,754,862,624 consisting of $573,176,352 in inter-fund transfers, $212,008,371 for internal service funds, and $1,969,677,901 for operations, are hereby appropriated subject to the conditions hereinafter set forth for the use of departments, and designated funds of the City government, and for the purposes hereinafter mentioned, as set forth in the Annual Operating Budget, which is hereby incorporated by reference, for the fiscal year beginning July 1, 201~~6~~7, and ending June 30, 201~~7~~8 (hereinafter, the "Fiscal Year"), a summary of which is attached to this ordinance as "Attachment A – Appropriations." The City Council elects to fund the Virginia Beach City Public Schools by lump sum appropriation.

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

Sec. 3. With the exception of the funds under the control of the School Board, specifically the funds numbered 104, 107, 108, 109, 112, 114, 115, 116, 117, 119, 614, and 615 (hereinafter referred to as "School Board Funds"), the total number of full-time permanent positions shall be the maximum number of positions authorized for the various departments of the City during the Fiscal Year, except for changes or additions authorized by the Council or as hereinafter provided. The City Manager may from time to time increase or decrease the number of part-time or temporary positions provided the aggregate amount expended for such services shall not exceed the respective appropriations made therefore. The City Manager is further authorized to make such rearrangements of positions within and between the departments as may best meet the needs and interests of the City, including changes necessary to implement the employee transition program.

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

Sec. 5. All current and delinquent collections of local taxes shall be credited to the General Fund, Special Service District Funds, Tax Increment Financing Fund or any fund to which City Council has, by ordinance, dedicated a tax levy.

Sec. 6. All balances of the appropriations payable out of each fund of the City Treasury at the close of the Fiscal Year, unless otherwise provided for, are hereby declared to be lapsed into the fund balance of the respective funds, except all appropriations to School Board Funds derived from local public sources which shall lapse and revert to the General Fund Balance, and may be used for the payment of the appropriations that may be made in the appropriation ordinance for the fiscal year beginning July 1, 201~~7~~8. Prior to the expenditure of any sums that have lapsed to the fund balance of any fund, an appropriation by the City Council shall be required.

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

Sec. 8. All balances of appropriations in each fund which support authorized obligations or are encumbered at the close of the business for the Fiscal Year, are hereby declared to be re-appropriated into the fiscal year beginning July 1, 201~~7~~8, and estimated revenues adjusted accordingly.

Sec. 9. All balances of appropriations attributable to grants or other similar funding mechanism from state or federal sources and trust or gift funds, whose period of expenditure extends beyond the fiscal year ending on June 30, 201~~6~~7, are hereby declared to be re-appropriated into the Fiscal Year, and estimated revenues adjusted accordingly. The close-out of any grant or similar funding mechanism shall account for all expenditures in such grant, and provided there is any remaining balance in the grant, the portion of the balance attributable to local sources shall revert to the General Fund, special revenue fund, or enterprise fund that provided the local contribution.

Sec.10. No department or agency for which appropriations are made under the provisions of this ordinance shall exceed the amount of such appropriations except with the consent and approval of the City Council first being obtained. It is expressly provided that the restrictions with respect to the expenditure of the funds appropriated shall apply only to the totals for each Appropriation Unit included in this ordinance and does not apply to Inter-fund Transfers.

Sec. 11. That revenues collected or appropriated in FY 2016-17 that exceed expenditures within the Multi-modal fund are moved into the fund balance of the General Fund; hereby, eliminating the Multi-Modal Fund. Any revenues previously directed to the Multi-Modal Fund are subject to the appropriations set forth herein.

Sec. 12. That $386,072 is hereby transferred from the TIP Fund to the Multi-modal Fund in the FY 2016-17 operating budget and $1,186,393 is hereby transferred within the Multi-modal fund in the FY 2016-17 operating budget for the payment of the FY 2015-16 true-up for Hampton Roads Transit.

Sec.~~11~~ 13. The City Manager or the Director of Budget and Management Services is hereby authorized to approve transfers of appropriations in an amount up to $100,000 between any Appropriation Units included in this ordinance through the accrual period. The City Manager shall make a monthly report to the City Council of all transfers between $25,000 and $100,000. In addition, the City Manager may transfer, in amounts necessary, appropriations from all Reserves for Contingencies except Reserve for Contingencies – Regular, within the intent of the Reserve as approved by City Council.

Sec. ~~12~~ 14. The City Manager or the Director of Budget and Management Services is hereby authorized to establish and administer budgeting within Appropriation Units consistent with best management practices, reporting requirements, and the programs and services adopted by the City Council. Consistent with best management practices, the City utilizes a modified accrual system of accounting. Revenues are considered available when collectible either during the current period or after the end of the current period, but in time to pay year-end liabilities. Expenditures are recognized when a transaction or event is expected to draw upon current spendable resources rather than future resources. In practical effect, the modified accrual system allows a window of 45 days wherein the City may accrue back to the immediately preceding fiscal year revenues and expenditures. The City Manager or the Director of Budget and Management Services is further authorized to establish administrative directives to provide additional management oversight and control to ensure the integrity of the City's budget.

Sec. ~~13~~ 15. The City Manager or the Director of Budget and Management Services is hereby authorized to change the Estimated Revenues included in this ordinance to reflect expected collections. If the Estimated Revenue in support of an Operating Appropriation Unit declines, the City Manager or the Director of Budget and Management Services is hereby authorized to reduce, subject to any other provision of law, those appropriations to equal the decline in Estimated Revenue. The City Manager shall give prior notice to the City Council of any reduction to total appropriations exceeding $100,000. The notice to City Council shall identify the basis and amount of the appropriation reduction and the Appropriation Units affected. The accounting records of the City will be maintained in a manner that the total of Estimated Revenue is equal to the total of the Appropriation Units for each of the City's funds. The City Manager or the Director of Budget and Management Services is hereby authorized to transfer any excess appropriations to the Reserve for Contingencies after all anticipated expenditures for which those funds were appropriated have been incurred. Nothing in this section shall be construed as authorizing any reduction to be made in the amount appropriated in this ordinance for the payment of interest or principal on the bonded debt of the City Government.

Sec. ~~14~~ 16. The Department of Economic Development is hereby authorized to pay an amount up to $1,000,000 from their FY 201~~6~~7-1~~7~~8 Operating Budget to the Virginia Beach Economic Development Authority, for the purpose of pursuing, implementing, and furthering initiatives recommended by the Bio-medical Task Force.

Sec. ~~15~~ 17. Allowances made from the appropriations made in this ordinance by any or all of the City departments, bureaus, or agencies, to any of their officers and employees for expenses on account of the use by such officers and employees of their personal automobiles in the discharge of their official duties shall follow the Internal Revenue Service standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Sec. ~~16~~ 18. In the event of an emergency and under emergency circumstances wherein the City Council cannot reasonably hold a meeting, the City Manager is authorized to transfer and expend appropriated sums from any budget account to ensure that the emergency is handled as efficiently and expeditiously as possible. Immediately following the expenditure of funds under this provision, and as soon as the City Council can reasonably meet under the existing circumstances, the City Manager shall notify the City Council of the reason for such action, how funds were expended, and present to the City Council for adoption an emergency appropriations ordinance that sets forth what measures are required to ensure that funds are forthwith restored to the appropriate accounts and that the budget is balanced at the end of the fiscal year in which the emergency expenditures occurred.

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

Sec. ~~17~~ 19. All travel expense accounts shall be submitted on forms approved by the Director of Finance and according to regulations approved by the City Council. Each account shall show the dates expenses were incurred or paid; number of miles traveled; method of travel; hotel expenses; meals; and incidental expenses. The Director of Finance is specifically directed to withhold the issuance of checks in the event expense accounts are submitted for "lump-sum" amounts.

~~**Sec. 18.** The City Manager is hereby authorized to allocate funding, within the aggregate amounts approved by City Council for total compensation, to implement the General Assembly mandated changes to the Virginia Retirement System ("VRS") that require all full-time City employees hired before July 1, 2010 to pay five percent (5%) of their salaries to the VRS to be offset by a pay increase of five percent (5%) by July 1, 2016. The City Council has chosen to phase this in with 1% increments with 1% provided for fiscal year 2017. To accommodate VRS requirements that the entire paycheck provided on July 15th include the fiscal year 2017 increase, the City Manager or designee is authorized to make the changes in this section for the pay period relating back to June 22, 2016. While not mandated by the General Assembly, a 1% increase is provided for all full time City employees hired after July 1, 2010.~~

Sec. ~~19~~ 20. A salary increase of 1.~~34~~0% on the pay period relating back to June 22, 201~~6~~7 for all full-time City employees, and employees of the Constitutional Officers is hereby provided. ~~and~~ A salary increase of 2.0% on the pay period dating back to June 22, 2017 for the five Constitutional Officers, part-time City employees, and part-time employees of the Constitutional Officers is also hereby provided. ~~The amount authorized by this Section 19 does not include the 1% VRS required increase provided in Section 18 for full-time City employees.~~

Sec. ~~20~~ 21. A 1% merit pay increase is authorized for full-time City employees with a performance feedback completed from ~~December~~ July 1, 201~~5~~6 to ~~November~~ June 30, 201~~6~~7 that indicates overall performance meets expectations. The merit pay increase shall be calculated against the mid-point of each pay range and paid as a flat dollar amount to full-time employees on that pay range. Notwithstanding the timing provisions provided by City Code §§ 2-109 and 2-116, the merit pay increase authorized by this section shall be provided on ~~December~~ July 1, 201~~6~~7. The other requirements provided by City Code §§ 2-109 and 2-116 such as the eligibility for such merit pay being limited to non-probationary employees shall still apply. To ensure accountability, the failure of a supervisor responsible for preparing the performance feedback, to complete the same prior to ~~December~~ July 1, 201~~6~~7 shall result in the supervisor and employee(s) merit pay increase being delayed until such time as the performance feedback is completed. In those cases, the merit pay increase will be retroactive upon completion of the performance feedback for both the supervisor responsible for completing the performance feedback and the employee(s). This section shall also apply to the employees of the Constitutional Officers. Any additional stipends, special pay, or executive entitlement pay to employees appointed by the City Council and subject to City Code §2-89 or Constitutional Officers must be approved by a separate action of the City Council.

~~**Sec. 21.** In lieu of the 1% merit pay increase authorized in Section 20, those employees that are the subject of the state-funded general pay increase authorized by the General Assembly in the 2016-2018 Biennial Budget will be provided a 0.66% general salary increase and a 0.34% merit pay increase December 1, 2016. The mid-point calculation and current performance feedback status, for employees and supervisors, requirements of the merit pay increase set forth in Section 20 shall apply to issuance of the merit pay increase only.~~

~~**Sec. 22 20.** The city will be moving from semi-monthly payroll (24 pay checks) to bi-weekly payroll (26 pay checks) effective May 2017. As a result of this switch paychecks for employees will be smaller and more frequent. Employee salaries will not be affected. Because of the impact of the smaller checks the city manager is authorized to provide short term pay supplements for the first 2 to 3 pay periods after the conversion to assist employees with this transition.~~

Sec. ~~23~~ 22. Violation of this ordinance may result in disciplinary action by the City Manager against the person or persons responsible for the management of the Appropriation Unit in which the violation occurred.

Sec. ~~24~~ 23. This ordinance shall be effective on July 1, 201~~6~~7. The portion of Sections 18 and 19 addressing ~~the requirements of VRS and~~ the payroll period that crosses fiscal years shall be effective June 22, 201~~6~~7. Section 12 of this ordinance shall become effective as of the date of adoption of this ordinance.

Sec. ~~25~~ 24. If any part of this ordinance is for any reason declared to be unconstitutional or invalid, such decision shall not affect the validity of the remaining parts of this ordinance.

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

Adopted by the Council of the City of Virginia Beach, Virginia, on the 9th day of May, 2017.

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

	FY 2017-18 Adopted
002 General Fund	
Agriculture	837,120
Aquarium and Historic Houses	12,656,076
Benefits Administration	735,538
Board of Equalization	3,004
Budget and Management Services	1,442,622
Circuit Court	1,096,374
City Attorney	4,226,703
City Auditor	851,682
City Clerk	648,579
City Manager	2,296,969
City Real Estate Assessor	3,238,304
City Treasurer	6,067,276
Clerk of the Circuit Court	3,428,563
Commissioner of the Revenue	4,624,431
Commonwealth's Attorney	8,380,781
Communications Office	1,611,987
Community Organization Grants	501,436
Computer Replacement Program	1,590,365
Convention and Visitor Bureau	10,133,691
Cultural Affairs	2,383,283
Debt Service	53,067,145
Economic Development	4,232,370
Emergency Communications and Citizen Services	10,909,854
Emergency Management	451,130
Emergency Medical Services	11,587,020
Employee Special Benefits	7,928,800
Finance	5,051,767
Fire	52,343,161
General District Court	462,413
Health	3,395,214
Housing and Neighborhood Preservation	3,921,477
Human Resources	4,698,598
Human Services	115,918,906
Independent Financial Services	164,999
Information Technology	25,531,789
Juvenile and Domestic Relations District Court	181,768
Juvenile Probation	1,501,428
Leases	1,762,659
Library	17,887,739
Magistrates	70,483
Municipal Council	517,719
Parks and Recreation	14,625,340
Planning	18,210,269
Police	101,108,264
Public Works	67,807,041
Regional Participation	2,364,973
Reserve for Contingencies	10,400,690
Revenue Reimbursements	15,290,376
Strategy, Transparency, Innovation & Resiliency Office	687,625
Transfer to Other Funds	508,325,125
Vehicle Replacements	5,357,514

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

		FY 2017-18 Adopted
Virginia Beach Living River Trust		100,000
Voter Registration & Elections		1,812,948
	Fund 002 Appropriation Totals	1,134,431,388

098 School Reserve Special Revenue Fund

Transfer to Other Funds		8,803,897
	Fund 098 Appropriation Totals	8,803,897

104 Green Run Collegiate Charter School

Education		3,763,447
	Fund 104 Appropriation Totals	3,763,447

107 School Equipment Replacement Special Revenue Fund

Reserve for Contingencies		170,193
	Fund 107 Appropriation Totals	170,193

108 School Instructional Technology Fund

Instructional Technology		79,579
	Fund 108 Appropriation Totals	79,579

109 School Vending Operations Fund

Vending		229,702
	Fund 109 Appropriation Totals	229,702

112 School Communication Tower Technology Fund

Instructional Technology		850,000
	Fund 112 Appropriation Totals	850,000

114 School Cafeteria Fund

Cafeteria		31,679,250
	Fund 114 Appropriation Totals	31,679,250

115 School Operating Fund

Debt Service		45,417,364
Education		743,182,490
Transfer to Other Funds		11,673,239
	Fund 115 Appropriation Totals	800,273,093

116 School Grants Fund

Grants		58,856,748
	Fund 116 Appropriation Totals	58,856,748

117 School Textbook Fund

Textbook		5,179,602
	Fund 117 Appropriation Totals	5,179,602

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

		FY 2017-18 Adopted
119 School Athletic Special Revenue Fund		
Athletic		5,099,823
	Fund 119 Appropriation Totals	5,099,823
130 Law Library Fund		
Library		256,582
Reserve for Contingencies		13,483
Transfer to Other Funds		40,000
	Fund 130 Appropriation Totals	310,065
140 Commonwealth Attorney's Fed & State Seized Assets SRF		
Commonwealth's Attorney		100,000
	Fund 140 Appropriation Totals	100,000
142 Police Federal & State Seized Assets SRF		
Police		285,915
	Fund 142 Appropriation Totals	285,915
146 State Rental Assistance Program		
Housing and Neighborhood Preservation		833,796
Reserve for Contingencies		83,380
	Fund 146 Appropriation Totals	917,176
147 Federal Section 8 Program Special Revenue Fund		
Housing and Neighborhood Preservation		21,208,400
	Fund 147 Appropriation Totals	21,208,400
149 Sheriff's Department Special Revenue Fund		
Reserve for Contingencies		491,743
Sheriff and Corrections		46,685,572
	Fund 149 Appropriation Totals	47,177,315
151 Parks and Recreation Special Revenue Fund		
Debt Service		4,564,702
Parks and Recreation		31,774,342
Public Works		3,100,000
Reserve for Contingencies		1,392,739
Transfer to Other Funds		1,472,427
	Fund 151 Appropriation Totals	42,304,210

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

	FY 2017-18 Adopted
152 Tourism Investment Program Fund	
Convention and Visitor Bureau	4,593,595
Cultural Affairs	50,500
Debt Service	23,411,427
Parks and Recreation	633,250
Planning	1,200,862
Public Works	2,713,545
Reserve for Contingencies	6,887,863
Transfer to Other Funds	14,873
Fund 152 Appropriation Totals	39,505,915
157 Sandbridge Special Service District Spec Rev Fd	
Public Works	972,695
Transfer to Other Funds	4,235,380
Fund 157 Appropriation Totals	5,208,075
161 Agriculture Reserve Program Special Revenue Fund	
Agriculture	215,859
Debt Service	4,035,717
Reserve for Contingencies	658,792
Fund 161 Appropriation Totals	4,910,368
163 Tourism Advertising Program Special Revenue Fund	
Convention and Visitor Bureau	12,162,292
Reserve for Contingencies	22,020
Transfer to Other Funds	56,838
Fund 163 Appropriation Totals	12,241,150
166 Sandbridge Tax Increment Financing Fund	
Future C.I.P. Commitments	8,000,000
Reserve for Contingencies	140,323
Transfer to Other Funds	2,114,620
Fund 166 Appropriation Totals	10,254,943
169 Central Business District-South TIF (Twn Cntr) Fd	
Debt Service	7,814,195
Transfer to Other Funds	150,000
Fund 169 Appropriation Totals	7,964,195
172 Open Space & Park Infrastructure Development & Maintenance SRF	
Debt Service	2,557,043
Parks and Recreation	400,331
Reserve for Contingencies	1,535,238
Transfer to Other Funds	1,000,000
Fund 172 Appropriation Totals	5,492,612

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

		FY 2017-18 Adopted
174 Town Center Special Service District		
Parks and Recreation		60,338
Town Center Special Tax District		1,951,144
Transfer to Other Funds		479,999
	Fund 174 Appropriation Totals	2,491,481
180 Community Development Special Revenue Fund		
Housing and Neighborhood Preservation		1,660,449
Transfer to Other Funds		128,858
	Fund 180 Appropriation Totals	1,789,307
181 CD Loan and Grant Fund		
Housing and Neighborhood Preservation		756,831
	Fund 181 Appropriation Totals	756,831
182 Federal Housing Assistance Grant Fund		
Housing and Neighborhood Preservation		882,798
	Fund 182 Appropriation Totals	882,798
183 Grants Consolidated Fund		
Commonwealth's Attorney		792,808
Emergency Communications and Citizen Services		2,000
Emergency Medical Services		375,000
Fire		862,857
Housing and Neighborhood Preservation		1,381,742
Human Services		1,888,462
Public Works		20,000
Transfer to Other Funds		1,111,057
	Fund 183 Appropriation Totals	6,433,926
241 Water and Sewer Fund		
Debt Service		21,794,421
Public Utilities		83,903,334
Reserve for Contingencies		1,728,909
Transfer to Other Funds		18,499,445
	Fund 241 Appropriation Totals	125,926,109
253 Parking Enterprise Fund		
Debt Service		580,130
Planning		3,684,658
Reserve for Contingencies		8,287
Transfer to Other Funds		728,879
	Fund 253 Appropriation Totals	5,001,954
254 Waste Management Enterprise Fund		
Public Works		37,330,758
Reserve for Contingencies		192,120
Transfer to Other Funds		2,988,429
	Fund 254 Appropriation Totals	40,511,307

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

		FY 2017-18 Adopted
255 Storm Water Utility Enterprise Fund		
Debt Service		3,543,563
Public Works		26,803,733
Reserve for Contingencies		887,575
Transfer to Other Funds		10,716,746
	Fund 255 Appropriation Totals	41,951,617
310 Old Donation Creek Area Dredging SSD		
Reserve for Contingencies		2,881
Transfer to Other Funds		67,940
	Fund 310 Appropriation Totals	70,821
311 Bayville Creek Neighborhood Dredging SSD Fund		
Transfer to Other Funds		87,105
	Fund 311 Appropriation Totals	87,105
312 Shadowlawn Area Dredging SSD		
Reserve for Contingencies		1,299
Transfer to Other Funds		24,908
	Fund 312 Appropriation Totals	26,207
313 Chesopeian Colony Dredging SSD		
Transfer to Other Funds		214,922
	Fund 313 Appropriation Totals	214,922
314 Harbour Point Dredging SSD		
Transfer to Other Funds		17,892
	Fund 314 Appropriation Totals	17,892
315 Gills Cove Dredging SSD		
Transfer to Other Funds		24,774
	Fund 315 Appropriation Totals	24,774
316 Hurds Cove Dredging SSD		
Reserve for Contingencies		23,173
Transfer to Other Funds		198,999
	Fund 316 Appropriation Totals	222,172
540 General Government Capital Projects Fund		
Building Capital Projects		10,322,812
Coastal Capital Projects		9,386,385
Economic and Tourism Development Capital Projects		4,326,966
Information Technology Projects		5,223,763
Parks and Recreation Capital Projects		5,324,270
Roadways Capital Projects		13,446,712
	Fund 540 Appropriation Totals	48,030,908

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

		FY 2017-18 Adopted
541 Water and Sewer Capital Projects Fund		
Water and Sewer Capital Projects		8,000,000
	Fund 541 Appropriation Totals	8,000,000
555 Storm Water Capital Projects Fund		
Storm Water Capital Projects		12,920,501
	Fund 555 Appropriation Totals	12,920,501
606 City Garage Internal Service Fund		
Public Works		13,488,885
Reserve for Contingencies		152,423
	Fund 606 Appropriation Totals	13,641,308
607 Risk Management Internal Service Fund		
Finance		18,254,856
	Fund 607 Appropriation Totals	18,254,856
610 Capital Projects Internal Service Fund		
City Treasurer		70,000
Finance		174,030
Public Works		379,525
	Fund 610 Appropriation Totals	623,555
613 School Landscaping Internal Service Fund		
Parks and Recreation		4,117,918
Reserve for Contingencies		49,990
	Fund 613 Appropriation Totals	4,167,908
614 School Risk Management Fund		
School Risk Management		6,805,724
	Fund 614 Appropriation Totals	6,805,724
615 City and School Health Insurance Fund		
City and School Health Insurance		155,908,780
	Fund 615 Appropriation Totals	155,908,780
616 Fuels Internal Service Fund		
Public Works		5,638,349
	Fund 616 Appropriation Totals	5,638,349
620 Telecommunications Internal Service Fund		
Information Technology		2,957,958
Reserve for Contingencies		268,635
	Fund 620 Appropriation Totals	3,226,593

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment A - Appropriations

		FY 2017-18 Adopted
621 Subscriptions Internal Service Fund		
Information Technology		3,498,797
Reserve for Contingencies		242,501
	Fund 621 Appropriation Totals	3,741,298
908 City Beautification Fund		
Parks and Recreation		100,000
	Fund 908 Appropriation Totals	100,000
909 Library Gift Fund		
Library		6,060
	Fund 909 Appropriation Totals	6,060
910 Parking Meters - Homeless Donation Fund		
Housing and Neighborhood Preservation		1,000
	Fund 910 Appropriation Totals	1,000
911 Parks and Recreation Gift Fund		
Parks and Recreation		55,000
	Fund 911 Appropriation Totals	55,000
916 Social Services Gift Fund		
Human Services		34,500
	Fund 916 Appropriation Totals	34,500
Total Budget Appropriations		2,754,862,624
Less Internal Service Funds		212,008,371
Less Interfund Transfers		573,176,352
NET BUDGET APPROPRIATIONS		1,969,677,901

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

		FY 2017-18 Adopted
002 General Fund		
Revenue From Local Sources		
Automobile License		10,807,765
Business License		46,786,036
Charges for Services		40,774,745
Cigarette Tax		11,113,112
Fines and Forfeitures		5,800,656
From the Use of Money and Property		6,043,760
General Sales Tax		65,135,023
Hotel Room Tax		7,215,382
Miscellaneous Revenue		5,662,019
Other Taxes		19,668,372
Permits, Privilege Fees, and Regulatory Licenses		5,535,829
Personal Property		155,933,379
Real Estate		521,861,044
Restaurant Meal Tax		43,841,222
Utility Tax		41,972,385
Revenue from the Commonwealth		
Other Sources from the Commonwealth		102,814,312
Revenue from the Federal Government		20,737,501
Specific Fund Reserves		6,264,165
Transfers from Other Funds		16,464,681
	Fund 002 Revenue Totals	1,134,431,388
098 School Reserve Special Revenue Fund		
Specific Fund Reserves		8,803,897
	Fund 098 Revenue Totals	8,803,897
104 Green Run Collegiate Charter School		
Transfers from Other Funds		3,763,447
	Fund 104 Revenue Totals	3,763,447
107 School Equipment Replacement Special Revenue Fund		
Specific Fund Reserves		170,193
	Fund 107 Revenue Totals	170,193
108 School Instructional Technology Fund		
Specific Fund Reserves		79,579
	Fund 108 Revenue Totals	79,579
109 School Vending Operations Fund		
Revenue From Local Sources		
Miscellaneous Revenue		192,550
Specific Fund Reserves		37,152
	Fund 109 Revenue Totals	229,702

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

		FY 2017-18 Adopted
112 School Communication Tower Technology Fund		
Revenue From Local Sources		
From the Use of Money and Property		510,000
Specific Fund Reserves		340,000
	Fund 112 Revenue Totals	850,000
114 School Cafeteria Fund		
Revenue From Local Sources		
Charges for Services		11,620,238
From the Use of Money and Property		25,750
Miscellaneous Revenue		350,000
Revenue from the Commonwealth		
Other Sources from the Commonwealth		500,000
Revenue from the Federal Government		18,086,468
Specific Fund Reserves		1,096,794
	Fund 114 Revenue Totals	31,679,250
115 School Operating Fund		
Revenue From Local Sources		
Charges for Services		2,216,638
From the Use of Money and Property		465,000
Miscellaneous Revenue		836,703
Revenue from the Commonwealth		
Other Sources from the Commonwealth		273,443,481
State Shared Sales Tax		73,718,340
Revenue from the Federal Government		12,669,684
Transfers from Other Funds		436,923,247
	Fund 115 Revenue Totals	800,273,093
116 School Grants Fund		
Revenue From Local Sources		
Miscellaneous Revenue		440,958
Revenue from the Commonwealth		
Other Sources from the Commonwealth		15,365,288
Revenue from the Federal Government		39,736,533
Transfers from Other Funds		3,313,969
	Fund 116 Revenue Totals	58,856,748
117 School Textbook Fund		
Revenue From Local Sources		
From the Use of Money and Property		26,611
Miscellaneous Revenue		27,000
Revenue from the Commonwealth		
Other Sources from the Commonwealth		4,462,985
Specific Fund Reserves		663,006
	Fund 117 Revenue Totals	5,179,602

Attachment B - Revenue

		FY 2017-18 Adopted
119 School Athletic Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		499,000
From the Use of Money and Property		5,000
Transfers from Other Funds		4,595,823
	Fund 119 Revenue Totals	5,099,823
130 Law Library Fund		
Revenue From Local Sources		
Charges for Services		270,065
From the Use of Money and Property		1,000
Specific Fund Reserves		39,000
	Fund 130 Revenue Totals	310,065
140 Commonwealth Attorney's Fed & State Seized Assets SRF		
Specific Fund Reserves		100,000
	Fund 140 Revenue Totals	100,000
142 Police Federal & State Seized Assets SRF		
Specific Fund Reserves		285,915
	Fund 142 Revenue Totals	285,915
146 State Rental Assistance Program		
Revenue from the Commonwealth		
Other Sources from the Commonwealth		917,176
	Fund 146 Revenue Totals	917,176
147 Federal Section 8 Program Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		2,694,500
Miscellaneous Revenue		2,000
Revenue from the Federal Government		18,396,900
Transfers from Other Funds		115,000
	Fund 147 Revenue Totals	21,208,400
149 Sheriff's Department Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		4,595,608
From the Use of Money and Property		11,000
Miscellaneous Revenue		2,000
Revenue from the Commonwealth		
Other Sources from the Commonwealth		18,450,000
Revenue from the Federal Government		140,000
Specific Fund Reserves		260,000
Transfers from Other Funds		23,718,707
	Fund 149 Revenue Totals	47,177,315

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

		FY 2017-18 Adopted
151 Parks and Recreation Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		15,099,963
From the Use of Money and Property		1,629,967
Miscellaneous Revenue		1,400
Permits, Privilege Fees, and Regulatory Licenses		1,000
Real Estate		18,841,662
Revenue from the Commonwealth		
Other Sources from the Commonwealth		11,000
Specific Fund Reserves		725,708
Transfers from Other Funds		5,993,510
	Fund 151 Revenue Totals	42,304,210
152 Tourism Investment Program Fund		
Revenue From Local Sources		
Amusement Tax		6,331,312
Cigarette Tax		793,794
Fines and Forfeitures		458,900
From the Use of Money and Property		802,333
Hotel Room Tax		17,608,079
Miscellaneous Revenue		3,500
Permits, Privilege Fees, and Regulatory Licenses		275,798
Restaurant Meal Tax		13,232,199
	Fund 152 Revenue Totals	39,505,915
157 Sandbridge Special Service District Spec Rev Fd		
Revenue From Local Sources		
From the Use of Money and Property		7,037
Hotel Room Tax		3,739,385
Real Estate		735,744
Specific Fund Reserves		635,909
Transfers from Other Funds		90,000
	Fund 157 Revenue Totals	5,208,075
161 Agriculture Reserve Program Special Revenue Fund		
Revenue From Local Sources		
From the Use of Money and Property		31,917
Real Estate		4,878,451
	Fund 161 Revenue Totals	4,910,368
163 Tourism Advertising Program Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		101,600
From the Use of Money and Property		46,504
Hotel Room Tax		5,834,443
Miscellaneous Revenue		17,000
Restaurant Meal Tax		6,241,603
	Fund 163 Revenue Totals	12,241,150

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

	FY 2017-18 Adopeted
166 Sandbridge Tax Increment Financing Fund	
Revenue From Local Sources	
From the Use of Money and Property	28,126
Real Estate	10,226,817
Fund 166 Revenue Totals	10,254,943
169 Central Business District-South TIF (Twn Cntr) Fd	
Revenue From Local Sources	
From the Use of Money and Property	2,000
Hotel Room Tax	500,000
Real Estate	7,107,950
Specific Fund Reserves	354,245
Fund 169 Revenue Totals	7,964,195
172 Open Space & Park Infrastructure Development & Maintenance SRF	
Revenue From Local Sources	
Restaurant Meal Tax	5,492,612
Fund 172 Revenue Totals	5,492,612
174 Town Center Special Service District	
Revenue From Local Sources	
Charges for Services	24,300
Fines and Forfeitures	50,000
From the Use of Money and Property	259,500
Real Estate	2,007,681
Transfers from Other Funds	150,000
Fund 174 Revenue Totals	2,491,481
180 Community Development Special Revenue Fund	
Revenue from the Federal Government	1,282,136
Transfers from Other Funds	507,171
Fund 180 Revenue Totals	1,789,307
181 CD Loan and Grant Fund	
Non-Revenue Receipts	125,000
Revenue from the Federal Government	495,565
Transfers from Other Funds	136,266
Fund 181 Revenue Totals	756,831
182 Federal Housing Assistance Grant Fund	
Non-Revenue Receipts	75,000
Revenue from the Federal Government	807,798
Fund 182 Revenue Totals	882,798

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

	FY 2017-18 Adopted
183 Grants Consolidated Fund	
Revenue From Local Sources	
Charges for Services	33,068
Revenue from the Commonwealth	
Other Sources from the Commonwealth	3,078,756
Revenue from the Federal Government	2,089,957
Transfers from Other Funds	
Revenue from the Federal Government	421,191
Fund 183 Revenue Totals	6,433,926
241 Water and Sewer Fund	
Non-Revenue Receipts	2,585,634
Revenue From Local Sources	
Charges for Services	119,800,900
From the Use of Money and Property	535,148
Miscellaneous Revenue	225,464
Revenue from the Federal Government	945,982
Transfers from Other Funds	1,832,981
Fund 241 Revenue Totals	125,926,109
253 Parking Enterprise Fund	
Revenue From Local Sources	
Charges for Services	4,691,181
Fines and Forfeitures	180,000
From the Use of Money and Property	8,500
Permits, Privilege Fees, and Regulatory Licenses	55,000
Transfers from Other Funds	67,273
Fund 253 Revenue Totals	5,001,954
254 Waste Management Enterprise Fund	
Revenue From Local Sources	
Charges for Services	33,816,980
From the Use of Money and Property	130,000
Miscellaneous Revenue	694,286
Permits, Privilege Fees, and Regulatory Licenses	113,000
Revenue from the Commonwealth	
Other Sources from the Commonwealth	45,000
Transfers from Other Funds	5,712,041
Fund 254 Revenue Totals	40,511,307
255 Storm Water Utility Enterprise Fund	
Revenue From Local Sources	
Charges for Services	41,509,147
From the Use of Money and Property	85,000
Miscellaneous Revenue	60,000
Revenue from the Federal Government	267,597
Transfers from Other Funds	29,873
Fund 255 Revenue Totals	41,951,617

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

		FY 2017-18 Adopted
310 Old Donation Creek Area Dredging SSD		
Revenue From Local Sources		
Real Estate		70,821
	Fund 310 Revenue Totals	70,821
311 Bayville Creek Neighborhood Dredging SSD Fund		
Revenue From Local Sources		
Real Estate		87,105
	Fund 311 Revenue Totals	87,105
312 Shadowlawn Area Dredging SSD		
Revenue From Local Sources		
Real Estate		26,207
	Fund 312 Revenue Totals	26,207
313 Chesopeian Colony Dredging SSD		
Revenue From Local Sources		
Real Estate		204,035
Specific Fund Reserves		10,887
	Fund 313 Revenue Totals	214,922
314 Harbour Point Dredging SSD		
Revenue From Local Sources		
Real Estate		17,606
Specific Fund Reserves		286
	Fund 314 Revenue Totals	17,892
315 Gills Cove Dredging SSD		
Revenue From Local Sources		
Real Estate		13,601
Specific Fund Reserves		11,173
	Fund 315 Revenue Totals	24,774
316 Hurds Cove Dredging SSD		
Revenue From Local Sources		
Real Estate		222,172
	Fund 316 Revenue Totals	222,172
540 General Government Capital Projects Fund		
Transfers from Other Funds		48,030,908
	Fund 540 Revenue Totals	48,030,908
541 Water and Sewer Capital Projects Fund		
Transfers from Other Funds		8,000,000
	Fund 541 Revenue Totals	8,000,000
555 Storm Water Capital Projects Fund		
Transfers from Other Funds		12,920,501
	Fund 555 Revenue Totals	12,920,501

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

		FY 2017-18 Adopted
606 City Garage Internal Service Fund		
Revenue From Local Sources		
Charges for Services		13,456,308
Miscellaneous Revenue		185,000
	Fund 606 Revenue Totals	13,641,308
607 Risk Management Internal Service Fund		
Revenue From Local Sources		
Charges for Services		18,139,856
From the Use of Money and Property		40,000
Miscellaneous Revenue		75,000
	Fund 607 Revenue Totals	18,254,856
610 Capital Projects Internal Service Fund		
Revenue From Local Sources		
Charges for Services		623,555
	Fund 610 Revenue Totals	623,555
613 School Landscaping Internal Service Fund		
Revenue From Local Sources		
Charges for Services		4,167,908
	Fund 613 Revenue Totals	4,167,908
614 School Risk Management Fund		
Revenue From Local Sources		
Charges for Services		6,805,724
	Fund 614 Revenue Totals	6,805,724
615 City and School Health Insurance Fund		
Revenue From Local Sources		
Miscellaneous Revenue		155,908,780
	Fund 615 Revenue Totals	155,908,780
616 Fuels Internal Service Fund		
Revenue From Local Sources		
Charges for Services		5,638,349
	Fund 616 Revenue Totals	5,638,349
620 Telecommunications Internal Service Fund		
Revenue From Local Sources		
Charges for Services		3,220,118
From the Use of Money and Property		6,475
	Fund 620 Revenue Totals	3,226,593
621 Subscriptions Internal Service Fund		
Revenue From Local Sources		
Charges for Services		2,562,707
Specific Fund Reserves		1,178,591
	Fund 621 Revenue Totals	3,741,298

City of Virginia Beach, Virginia
Fiscal Year 2017-18 Budget Ordinance

Attachment B - Revenue

		FY 2017-18 Adopted
908 City Beautification Fund		
Revenue From Local Sources		
Miscellaneous Revenue		100,000
	Fund 908 Revenue Totals	100,000
909 Library Gift Fund		
Revenue From Local Sources		
Miscellaneous Revenue		6,060
	Fund 909 Revenue Totals	6,060
910 Parking Meters - Homeless Donation Fund		
Revenue From Local Sources		
Miscellaneous Revenue		1,000
	Fund 910 Revenue Totals	1,000
911 Parks and Recreation Gift Fund		
Revenue From Local Sources		
Miscellaneous Revenue		55,000
	Fund 911 Revenue Totals	55,000
916 Social Services Gift Fund		
Revenue From Local Sources		
Miscellaneous Revenue		6,500
Specific Fund Reserves		28,000
	Fund 916 Revenue Totals	34,500
Total Budget Revenues		2,754,862,624
Less Internal Service Funds		212,008,371
Less Interfund Transfers		573,176,352
NET BUDGET REVENUES		1,969,677,901

AN ORDINANCE ESTABLISHING THE TAX LEVY ON REAL ESTATE FOR FISCAL YEAR 2018

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

Sec. 1. Amount of Levy on Real Estate.

There shall be levied and collected for fiscal year 201~~7~~8 taxes for general purposes on all real estate, including all separate classifications of real estate set forth in the Code of Virginia, not exempt from taxation and not otherwise provided for in this ordinance, at the rate of ~~ninety-nine~~ one dollar and twenty-five hundredths of a cent ($~~0.99~~ 1.0025) on each one hundred dollars ($100) of assessed valuation thereof. The real property tax rate that has been prescribed in this section shall be applied on the basis of one hundred percentum of the fair market value of such real property, except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia. It is the intention of the Council that four cents of the tax rate is dedicated, subject to annual appropriation, to provide funding for the Schools to offset the decrease in State funding through the Local Composite Index~~, and two cents of the tax rate is dedicated, subject to annual appropriation, to offset the State reduction in funding for urban road construction~~ and the increased local obligations under the Line of Duty Act. The Council directs the City Manager in the production of future budgets to provide an analysis of State funding for Schools~~, urban road construction,~~ and the Line of Duty Act. At such time as the State restores funding above the following benchmarks: funding for Schools at $350M (per annum, net of School Facility Funds); ~~urban road construction at $20M (per annum);~~ and Line of Duty Act at $0 (per annum), the City Manager will recommend a reduction, in whole or in part, to the four cent or two cent tax rate dedication in an amount roughly equal to the increased State funding with a corresponding decrease in the real estate tax rate.

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

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 of the Code of Virginia, there shall be levied and collected for general purposes for fiscal year 201~~7~~8, taxes on all real estate (a) certified by the Department of Environmental Quality as "Certified Storm Water Management Developments and Property," (b) certified as provided by Code of Virginia Section 58.1-3661 as "Certified Solar Energy Equipment, Facilities or Devices," or "Certified Recycling Equipment, Facilities or Devices," (c) defined by Code of Virginia Section 58.1-3664 as an "Environmental Restoration Site," (d) improved to control erosion as defined by Code of Virginia § 58.1-3665, or (e) qualifying as wetlands and riparian buffers as described by Code of Virginia § 58.1-3666, not exempt from taxation, at a rate of ~~ninety-nine~~ one dollar and twenty-five hundredths of a cent ($~~0.99~~ 1.0025) on each one hundred dollars of assessed valuation thereof. The real property tax rates imposed in this section shall be applied on the basis of one hundred percentum of fair market value of such real property except for public service property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.

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

There shall be levied and collected for fiscal year 201~~7~~8, taxes for the special purpose of providing beach and shoreline restoration and management at Sandbridge on all real estate within the Sandbridge Special Service District, not exempt from taxation, at the rate of six cents ($0.06) on each one hundred dollars ($100) of assessed value thereof. This real estate tax rate shall be in addition to the real estate tax rate set forth in Section 1 of this ordinance. For real property that qualifies for Land Use Assessment, pursuant to Division 2 of Chapter 35 of the City Code, or Exemption, or Freeze for Elderly and Disabled Persons, pursuant to Division 3 of Chapter 35 of the City Code, this real estate tax rate shall be applied in the same manner as the real estate tax rate set forth in Section 1 of this ordinance. The real estate tax rate imposed herein shall be applied on the basis of one hundred percentum of the fair market value of such real property except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.

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

For the special purpose of operating and maintaining the parking garage and providing enhanced services for the plaza and public spaces within the boundaries of the service district at the Town Center, as well as other additional services authorized by Virginia Code § 15.2-2403, there shall be levied and collected for fiscal year 201~~7~~8, taxes on all real estate within the Town Center Special Service District, not exempt from taxation, at the rate of forty-five cents ($0.45) on each one hundred dollars ($100) of assessed value thereof. This real estate tax rate shall be in addition to the real estate tax set forth in Section 1 of this ordinance. For real property that qualifies for Land Use Assessment, pursuant to Division 2 of Chapter 35 of the City Code, or Exemption or Freeze for Elderly and Disabled Persons, pursuant to Division 3 of Chapter 35 of the City Code, this real estate tax rate shall be applied in the same manner as the real estate tax rate set forth in Section 1 of this ordinance. The real estate tax rate imposed herein shall be applied on the basis of one hundred percentum of the fair market value of such real property, except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.

Sec. 5. Amount of Levy on "Energy-Efficient Buildings".

In accordance with Section 58.1-3221.2 of the Code of Virginia and any relevant section of the City Code, there shall be levied and collected for general purposes for the fiscal year 201~~7~~8, taxes on all real estate that has been classified as an energy efficient building, not exempt from taxation, at a rate of eighty ~~four~~ five and twenty-five hundredths of a cent~~s~~ ($0.8~~4~~525) on each one hundred dollars of assessed valuation thereof. The real property tax rate imposed in this section shall be applied on the basis of one hundred percentum of fair market value of such real property except for public service property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.

Sec. 6. Amount of Levy on Properties Listed in the Virginia Landmarks Register.

In accordance with Section 58.1-3221.5 of the Code of Virginia and any relevant section of the City Code, there shall be levied and collected for general purposes for the fiscal year 201~~7~~8, taxes on buildings that are individually listed on the Virginia Landmarks Register, not including the real estate or land on which the building is located, so long as the building is maintained in a condition such that it retains the characteristics for which it was listed on the Virginia Landmarks Register at a rate of fifty ~~two~~ three and twenty-five hundredths of a cent ($0.5~~2~~325) on each one hundred dollars of assessed valuation thereof. The real property tax rate imposed in this section shall be applied on the basis of one hundred percentum of fair market value of such real property except for public service property, which shall be on the basis as provided by Section 58.1-2604 of the Code of Virginia.

Sec. 7. Amount of Levy on Real Estate Within the Various Dredging Special Service Districts.

There shall be levied and collected for fiscal year 201~~7~~8, taxes for the special purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing uses on all real estate within each special service district listed below:

a. Old Donation Special Service District, not exempt from taxation, at the rate of eighteen and four-tenths cents ($0.184) on each one hundred dollars ($100) of assessed value thereof.
b. Bayville Creek Special Service District, not exempt from taxation, at the rate of ~~thirty~~ fifty six and ~~three~~ nine-tenths cents ($0.~~363~~ 569) on each one hundred dollars ($100) of assessed value thereof.
c. Shadowlawn Special Service District, not exempt from taxation, at the rate of fifteen and ninety-four hundredths cents ($0.1594) on each one hundred dollars ($100) of assessed value thereof.
d. Chesopeian Special Service District, not exempt from taxation, at the rate of twenty nine and thirteen hundredths cents ($0.2913) on each one hundred dollars ($100) of assessed value thereof.
e. Harbour Point Special Service District, not exempt from taxation, at the rate of seven and nine-tenths cents ($0.079) on each one hundred dollars ($100) of assessed value thereof.
f. Gills Cove Special Service District, not exempt from taxation, at the rate of six and three-tenths cents ($0.063) on each one hundred dollars ($100) of assessed value thereof.
g. Hurd's Cove Special Service District, not exempt from taxation, at the rate of forty-three and eight-tenths cents ($0.438) on each one hundred dollars ($100) of assessed value thereof.

This real estate tax rate shall be in addition to the real estate tax rate set forth in Section 1 of this ordinance. Except as provided explicitly in Chapter 35.3 of the Code of the City of Virginia Beach, this tax rate shall apply without reduction to any properties subject to ad valorem taxes including those properties enrolled in the

Exemption or Freeze for Elderly and Disabled Persons, City Code §§ 35-61, et seq. As set forth in Code of Virginia, section 15.2-2403(6), written consent is required to apply this tax rate to the full assessed value of properties subject to special use value assessment. The real estate tax rate imposed herein shall be applied on the basis of one hundred percentum (100%) of the fair market value of such real property except for public service real property, which shall be on the basis as provided in Section 58.1-2604 of the Code of Virginia.

Sec. 8 Severability.

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.

Sec. 9 Effective Date.

The effective date of this ordinance shall be July 1, 201~~6~~7.

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

Adopted by the City Council of the City of Virginia Beach, Virginia on the 9th day of May, 2017.

AN ORDINANCE ESTABLISHING THE TAX LEVY ON PERSONAL PROPERTY AND MACHINERY AND TOOLS FOR THE CALENDAR YEAR 2018

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

Sec. 1. Amount of Levy on the General Classification of Tangible Personal Property.

In accordance with Chapter 35 of Title 58.1 of the Code of Virginia, taxes shall be levied and collected for general purposes for the calendar year 201~~7~~8 on all tangible personal property, including all separate classifications of personal property set forth in the Code of Virginia, not exempt from taxation and not otherwise provided for in this ordinance, at the rate of four dollars ($4.00) on each one hundred dollars ($100) assessed valuation thereof.

Sec. 2. Personal Property Tax Relief.

As required by § 58.1-3523 of the Code of Virginia, qualifying vehicles (as defined by § 58.1-3523), not otherwise exempted from taxation in this ordinance or by law, shall be subject to the following:

1. Any qualifying vehicle with a total assessed value of $1,000 or less will be levied no tax, reflecting a reimbursement of 100% Personal Property Tax Relief Act.
2. Any qualifying vehicle with an assessed value of between $1,001 and $20,000 will be levied ~~47.9%~~ 48.9% of the computed tax based on the total assessed value of the vehicle. Reimbursement is expected from the state under the Personal Property Tax Relief Act equal to the remaining ~~52.1%~~ 51.1% of the computed tax on the first $20,000 of assessed value.
3. Any qualifying vehicle with an assessed value of over $20,000 will be levied ~~47.9%~~ 48.9% of the computed tax based on the first $20,000 of assessed value and 100% of the computed tax based on the assessed value in excess of $20,000. Reimbursement is expected from the state under the Personal Property Tax Relief Act equal to the remaining ~~52.1%~~ 51.1% of the computed tax on the first $20,000 of assessed value.

Sec. 3. Amount of Levy on Certain Classifications of Tangible Personal Property

In accordance with Chapter 35 of Title 58.1 of the Code of Virginia, taxes shall be levied and collected for general purposes for the calendar year 201~~7~~8 on the certain classifications of tangible personal property set forth below at the rate of four dollars ($4.00) on each one hundred dollars ($100) assessed valuation thereof.

a. heavy construction equipment as described in Code of Virginia § 58.1-3506 (A) (8);

b. computer equipment as described in Code of Virginia § 58.1-3506 (A) (11);

c. tangible personal property as described in (a) Code of Virginia § 58.1-3506 as "certified pollution control equipment and facilities" and (b) Code of Virginia § 58.1-3661 as "certified solar equipment, facilities or devices and certified recycling equipment, facilities or devices";

d. furniture, office, and maintenance equipment as described in Code of Virginia § 58.1-3506 (A) (24);

e. all tangible personal property employed in a trade or business other than described in subdivisions A 1 through A 18, except for subdivision A 17, of § 58.1-3503 as described in Code of Virginia § 58.1-3506 (A) (26);

f. programmable computer equipment and peripherals employed in a trade or business ad described in Code of Virginia § 58.1-3506 (A) (27);

g. tangible personal property used in the provision of internet service as described in Code of Virginia § 58-1-3506 (A) (31);

h. forest harvesting and silvicultural activity as described in Code of Virginia § 58-1-3506 (A) (33);

i. equipment used primarily for research, development, production or provision of biotechnology as described in Code of Virginia § 58-1-3506 (A) (34);

j. tangible personal property which is owned and operated by a service provider who is not a CMRS provider and is not licensed by the FCC used to provide, for a fee, wireless broadband internet service as described in Code of Virginia § 58-1-3506 (A) (37).

Sec. 4. Amount of Levy on Manufactured Homes.

There shall be levied and collected for general purposes for the calendar year 201~~7~~8 taxes on all vehicles without motive power, used or designated to be used as manufactured homes, as defined by Section 36-85.3 of the Code of Virginia, at the rate of one dollar and twenty-five hundredths of a cent ($1.0025) ~~ninety-nine cents~~

~~($0.99)~~ on each one hundred dollars ($100) of assessed valuation thereof. Such property declared a separate class of tangible personal property in Section 58.1-3506 (A) (10).

Sec. 5. Amount of Levy on All Boats or Watercraft Used for Business Purposes Only.

There shall be levied and collected for general purposes for the calendar year 201~~7~~8 taxes on all boats or watercraft used for business purposes (both boats weighing less than five (5) tons and boats weighing five (5) tons or more), except as provided for in Section 8 of this ordinance, at the rate of one dollar and fifty cents ($1.50) on each one hundred dollars ($100) of assessed valuation thereof. Such property declared a separate class of tangible personal property in Sections 58.1-3506 (A) (35) and (A) (36).

Sec. 6. Amount of Levy on All Boats or Watercraft Not Used Solely for Business Purposes.

There shall be levied and collected for general purposes for the calendar year 201~~7~~8 taxes on all boats or watercraft not used solely for business purposes weighing less than five (5) tons, and weighing five (5) tons or more, except as provided for in Section 8 of this ordinance, at the rate of one dollar and fifty cents ($1.50) on each one hundred dollars ($100) of assessed valuation thereof. Such property declared a separate class of tangible personal property in Sections 58.1-3506 (A) (1) (a) and (A) (1) (b).

Sec. 7. Amount of Levy on Machinery and Tools.

In accordance with Section 58.1-3507 of the Code of Virginia, there shall be levied and collected for general purposes for the calendar year 201~~7~~8 taxes on machinery and tools, including machinery and tools used directly in the harvesting of forest products or semiconductor manufacturing, not exempt from taxation, at the rate of one millionth of one cent ($.000001) on each one hundred dollars ($100) of assessed valuation thereof. As provided by Code of Virginia § 58.1-3506 (B), the following personal property shall also be taxed at the rate of machinery and tools:

a. all tangible personal property used in research and development businesses, as described in Code of Virginia § 58.1-3506 (A) (7);

b. generating or cogenerating equipment, as described in Code of Virginia § 58.1-3506 (A) (9); and

c. all motor vehicles, trailers and semitrailers with a gross vehicle weight of 10,000 pounds or more used to transport property for hire by a motor carrier engaged in interstate commerce, as described in Code of Virginia § 58.1-3506 (A) (25).

Sec. 8. Amount of Levy on Privately Owned Pleasure Boats and Watercraft Used for Recreational Purposes Only.

There shall be levied and collected for general purposes for the calendar year 201~~7~~8 taxes on all privately owned pleasure boats and watercraft used for recreational purposes only, at the rate of one millionth of one cent ($.000001) on each one hundred dollars ($100) of assessed valuation thereof. Such property declared a separate class of tangible personal property in Sections 58.1-3506 (A) (12), (A) (28), and (A) (29).

Sec. 9. Amount of Levy on Privately Owned Camping Trailers, Privately Owned Travel Trailers, and Motor Homes Used for Recreational Purposes Only, and Privately Owned Horse Trailers.

There shall be levied and collected for general purposes for the calendar year 201~~7~~8 taxes at the rate of one dollar and fifty cents ($1.50) on each one hundred dollars ($100) of assessed valuation thereof on the following property: (a) all privately owned camping trailers and motor homes as defined in Section 46.2-100 of the Code of Virginia and privately owned travel trailers as defined in Code of Virginia § 46.2-1900, that are used for recreational purposes only; and (b) privately owned trailers as defined in § 46.2-100 of the Code of Virginia that are designed and used for the transportation of horses, except those trailers described in subdivision (A) (11) of § 58.1-3505 of the Code of Virginia. Such property declared a separate class of tangible personal property in Sections 58.1-3506 (A) (18) and (A) (30).

Sec. 10. Amount of Levy on One Motor Vehicle Owned and Regularly Used by a Disabled Veteran.

There shall be a reduced tax, levied and collected for general purposes for the calendar year 201~~7~~8 at the rate of one dollar and fifty cents ($1.50) on each one hundred dollars ($100) of assessed valuation, on one (1) motor vehicle owned and regularly 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 who is permanently and totally disabled as certified by the Department of Veterans' Affairs. Any motor vehicles in addition to the one (1) so taxed shall not qualify for the taxation at the

rate established herein, and shall be taxed at the rate or rates applicable to that class of property. To qualify, the veteran shall provide a written statement to the Commissioner of the Revenue from the Department of Veterans' Affairs that the veteran has been so designated or classified by the Department of Veterans' Affairs as to meet the requirements of Section 58.1-3506 (A) (19), and that his or her disability is service connected. Such property declared a separate class of tangible personal property in Section 58.1-3506 (A) (19).

Sec.11. Amount of Levy on a Motor Vehicle Owned and Used Primarily by or for Someone at Least Sixty-Five Years of Age or Anyone Found to be Permanently and Totally Disabled.

a. In accordance with Sections 58.1-3506.1 et seq. of the Code of Virginia, there shall be a reduced tax, levied and collected for general purposes for calendar year 201~~7~~8, at the rate of three dollars ($3.00) on each one hundred dollars ($100.00) of assessed valuation, on one (1) automobile or pickup truck owned and used primarily by or for anyone at least sixty-five years of age or anyone found to be permanently and totally disabled, as defined in Section 58.1-3506.3 of the Code of Virginia, subject to the following conditions:

1. The total combined income received, excluding the first $7,500 of income, from all sources during calendar year 201~~5~~6 by the owner of the motor vehicle shall not exceed twenty-two thousand dollars ($22,000).

2. The owner's net financial worth, including the present value of all equitable interests, as of December 31 of calendar year 201~~5~~6, excluding the value of the principal residence and the land, not exceeding one (1) acre, upon which it is situated, shall not exceed seventy thousand dollars ($70,000).

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

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

Sec. 12. Assessed Value Determination.

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

Sec. 13. Severability.

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.

Sec. 14. Effective Date.

This ordinance shall be effective January 1, 201~~7~~8.

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

Adopted by the City Council of the City of Virginia Beach, Virginia on the 9th day of May, 2017.

AN ORDINANCE TO DECLARE $8,000,000 OF FUNDING WITHIN THE SANDBRIDGE TAX INCREMENT FINANCING DISTRICT AS SURPLUS FUNDS IN THE FY 2016-17 OPERATING BUDGET

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

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

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

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

WHEREAS, $ 8,000,000 is available as an unencumbered appropriation in the FY 201~~5~~6-1~~6~~7 Sandbridge TIF Reserve for Future Commitments.

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

That $ 8,000,000 of funding within the Sandbridge TIF is hereby declared to be in excess of the long-term obligations for beach and shoreline restoration and management and is hereby declared surplus.

BE IT FURTHER ORDAINED: That this ordinance shall be effective on June 30, 2017.

Adopted by the City Council of the City of Virginia Beach, Virginia, on the 9th day of May, 2017.

A RESOLUTION REGARDING THE CITY'S 2018 EMPLOYEE AND RETIREE HEALTH INSURANCE PLANS

WHEREAS, the next Health Insurance Plan Year takes effect January 1, 201~~7~~8;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA THAT

1. The City Manager or his designee is hereby authorized to work with the Consolidated Benefits Office to implement the Health Insurance Offerings to City and School Employees as outlined below:

   a. Implement the plan design changes set forth in Attachment A for plan year 201~~7~~8 and maintain three plan offerings of Basic, Standard, and Premier.

   b. Establish an employer contribution strategy as to provide a defined contribution to each tier of each of the three plans offered, resulting in the following monthly defined employer contributions:

Employee Only	$490.53	Retiree Only	$567.68
Employee Plus Child	$743.77	Retiree Plus Child	$820.94
Employee Plus Children	$1,079.14	Retiree Plus Children	$1,157.87
Employee Plus Spouse	$904.84	Retiree Plus Spouse	$1,065.69
Family	$1,285.23	Retiree Family	$1,447.53

   c. A one-time lump sum Health Savings Account contribution in the amount of $500 will be made for members choosing to newly enroll in the Basic POS plan effective January 1, 201~~7~~8, as well as to newly enrolled members that were eligible in 201~~6~~7, but did not previously receive a contribution.

   d. Employees hired on or after July 1, 2014, will not receive an employer contribution to retiree health insurance. Per State law (Virginia Code § 15.2-1517), such employees with fifteen years of continuous service with the City or Schools may elect to continue on a City and School Health Insurance Plan upon retirement, but the retiree would be responsible for the full premium cost of the selected plan.

2. The City Auditor is directed to conduct an audit of health care claims by an independent outside firm. The City Auditor is also directed to perform periodic audits of the health care program as deemed necessary.

3. The City Auditor is directed to provide for an actuarial valuation of retiree health insurance costs biennially to meet the Government Accounting Standards Board (GASB) 45 pronouncement concerning fully costing out Other Post-Employment Benefits.

4. This Resolution shall become effective on January 1, 201~~7~~8.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 9th day of May, 2017.

Attachment A

Calendar Year Plans for 2018 Compared to Current Year

	2017 Plans			2018 Plans		
	POS Premier	POS Standard	POS Basic	**POS Premier**	**POS Standard**	**POS Basic**
Deductibles	$850/$1,700	$1,300/$2,600[5] (non-embedded)	$2,000/$4,000[5] (non-embedded)	$850/$1,700	$1,300/$2,600[5] (non-embedded)	$2,000/$4,000[5] (non-embedded)
HSA Eligible	No	Yes	Yes	No	Yes	Yes
HSA Funding	N/A	No	$500[1]	N/A	No	$500[1]
Out of Pocket Max	$3,000/$6,000	$3,500/$7,000[5]	$4,000/$8,000[5] (not to exceed $6,850 for one individual)	$3,000/$6,000	$3,500/$7,000[5]	$4,000/$8,000[5] (not to exceed $7,150 for one individual)
SQCN[2] PCP	$20 Copay[3]	10% Coinsurance[AD]	15% Coinsurance[AD]	$20 Copay[3]	10% Coinsurance[AD]	15% Coinsurance[AD]
Non-SQCN PCP	$40 Copay[3]	20% Coinsurance[AD]	25% Coinsurance[AD]	$40 Copay[3]	20% Coinsurance[AD]	25% Coinsurance[AD]
Preventive Visit	100%[3]	100%[3]	100%[3]	100%[3]	100%[3]	100%[3]
SQCN[2] Specialist	$40 Copay[3]	10% Coinsurance[AD]	15% Coinsurance[AD]	$40 Copay[3]	10% Coinsurance[AD]	15% Coinsurance[AD]
Non-SQCN Specialist	$60 Copay[3]	20% Coinsurance[AD]	25% Coinsurance[AD]	$60 Copay[3]	20% Coinsurance[AD]	25% Coinsurance[AD]
Diagnostic (x-ray, blood work)	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]
Imaging (CT/PET/MRI)	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]
Inpatient Hospital	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]
Outpatient Surgery	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]	15% Coinsurance[AD]	20% Coinsurance[AD]	25% Coinsurance[AD]
Maternity Care	$350 Copay[3]	20% Coinsurance[AD]	25% Coinsurance[AD]	$350 Copay[3]	20% Coinsurance[AD]	25% Coinsurance[AD]
Preferred Pharmacy[4] (Walgreens, Walmart/Sams Club)						
Tier 1	$10 Copay[3]	$10 Copay[AD]	$10 Copay[AD]	$10 Copay[3]	$10 Copay[AD]	$10 Copay[AD]
Tier 2	$25 Copay[3]	$25 Copay[AD]	$25 Copay[AD]	$25 Copay[3]	$25 Copay[AD]	$25 Copay[AD]
Tier 3	Covered at 75%[3] (Max $50)	Covered at 75%[3] (Max $50)	Covered at 75%[3] (Max $50)	25% Coinsurance[3] (Max $50)	25% Coinsurance[AD] (Max $50)	25% Coinsurance[AD] (Max $50)
Non-Preferred Pharmacy[4]						
Tier 1	$25 Copay[3]	$25 Copay[3]	$25 Copay[3]	$25 Copay[3]	$25 Copay[AD]	$25 Copay[AD]
Tier 2	$45 Copay[3]	$45 Copay[3]	$45 Copay[3]	$45 Copay[3]	$45 Copay[AD]	$45 Copay[AD]
Tier 3	Covered at 75%[3] (Max $75)	Covered at 75%[3] (Max $75)	Covered at 75%[3] (Max $75)	25% Coinsurance[3] (Max $75)	25% Coinsurance[AD] (Max $75)	25% Coinsurance[AD] (Max $75)
Specialty Pharmacy[4]	Covered at 75%[3] (Max $200)	Covered at 75%[3] (Max $200)	Covered at 75%[3] (Max $200)	25% Coinsurance[3] (Max $200)	25% Coinsurance[AD] (Max $200)	25% Coinsurance[AD] (Max $200)

Notes:

[1] Basic $500 HSA contribution offered first plan year ONLY

[2] Sentara Quality Care Network

[3] Deductible does not apply to this service

[4] Closed Formulary Prescription Drug Benefit - Contains specific drugs in each drug class. Non-formulary medications must meet medical necessity criteria through an exception process to be covered

[5] Pending IRS 2018 deductible limits for qualified HSA compatible plans

[AD] After Deductible

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

WHEREAS, the United States Congress has established legislation designated as the Housing and Community Development Act of 1974 that sets forth the development of viable urban communities as a national goal; and has established additional legislation addressing the goals of reducing homelessness, increasing affordable housing opportunities, and providing housing for people with HIV/AIDS; and

WHEREAS, there is federal assistance available to help achieve these goals and conduct related activities; and

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

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

That the City Manager is hereby authorized and directed, as the executive and administrative head of the City, to submit the City's FY 201~~6~~7-1~~7~~8 Annual Funding Plan (the "Plan") and amendments thereto, along with understandings and assurances contained therein and such additional information as may be required, to the Department of Housing and Urban Development to permit the review, approval, and funding of the Plan.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 9th day of May, 2017.

AN ORDINANCE TO AMEND THE CITY CODE PERTAINING TO THE EQUIVALENT RESIDENTIAL UNIT (ERU) FEE

SECTION AMENDED: § 32.5-2

WHEREAS, City Council held public a hearing on the proposed fee increase to provide for public comment;

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

That Section 32.5-2 of the Code of the City of Virginia Beach, Virginia is hereby amended and reordained to read as follows:

Sec. 32.5-2. Definitions.

The following words and terms used in this section shall have the following meanings:

(a) *Equivalent residential unit* or *ERU* means the equivalent impervious area of a single-family residential developed property per dwelling unit located within the city based on the statistical average horizontal impervious area of a single-family residence in the city. An equivalent residential unit (ERU) equals two thousand two hundred sixty-nine (2,269) square feet of impervious surface area.

(b) *ERU rate* means the utility fee charged on an equivalent residential unit, which shall ~~forty-three and three-tenth cents ($0.433) per day, effective July 1, 2014~~ <u>be forty-five and eight-tenth cents ($0.458) per day, effective July 1, 2017; forty-eight and three-tenth cents ($0.483) per day, effective July 1, 2018, fifty and eight-tenth cents ($0.508) per day, effective July 1, 2019, fifty-three and three-tenth cents ($0.533) per day, effective July 1, 2020, and fifty-five and eight-tenth cents ($0.558) per day, effective July 1, 2021</u>.

. . . .

BE IT FURTHER ORDAINED: That the effective date of this ordinance shall be July 1, 2017.

Adopted by the Council of the City of Virginia Beach, Virginia, on this 9th day of May, 2017.

AN ORDINANCE TO AMEND SECTIONS 35.1-4 AND 35.1-5 OF THE CITY CODE PERTAINING TO THE SANDBRIDGE SPECIAL SERVICE DISTRICT

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH THAT SECTIONS 35.1-4 AND 35.1-5 ARE AMENDED AND REORDAINED AS FOLLOWS:

Sec. 35.1-4. Facilities and services to be provided within the Sandbridge Special Service District.

The Sandbridge Special Service District is created for the purpose of providing financing for the local share of any beach and shoreline management and restoration project for the construction, maintenance, replenishment and restoration of the beach and shoreline on the Atlantic Ocean within the service district. <u>This purpose shall include maintenance of the recreational amenity that is the Sandbridge beach including services required in provide beautification, access, and upkeep of the beach.</u> Toward that end, there shall be provided within the Sandbridge Special Service District those facilities and services necessary or desirable to accomplish the purpose of the service district, including, without limitation, administrative, engineering and other professional services, sand dredging, pumping, grading and hauling facilities and equipment and such other equipment and facilities as may, from time to time, be needed to accomplish the purpose of the service district.

Sec. 35.1-5. Proposed plan for providing facilities and services within the Sandbridge Special Service District.

The plan is to accumulate dedicated revenue generated for use within the Sandbridge Special Service District to fund the creation and maintenance of a beach berm having an elevation approximately six (6) feet above mean sea level and a width of approximately fifty (50) feet from the nourishment line with a slope of approximately twenty to one (20:1) to the Atlantic Ocean. Implementation of the plan is expected to produce a designed dry beach area of approximately one hundred and twenty (120) feet, which in combination with the fifty-foot berm will yield a dry beach of approximately one hundred and seventy (170) feet at mean tide level. Actual or planned elevations, slopes and beach area may vary from time to time as determined by the district engineer of the Army Corp of Engineers, Norfolk District, and the city's director of public works. <u>In addition to nourishment activities, the Special Service District shall also provide services for the beautification, access, and upkeep of the beach berm.</u>

Adopted by the City Council of the City of Virginia Beach, Virginia, on this 9th day of May, 2017.

AN ORDINANCE TO AMEND SECTIONS 35-64 AND 35-67 OF THE CITY CODE PERTAINING TO THE EXEMPTION OR DEFERRAL OF REAL ESTATE TAXES FOR ELDERLY OR DISABLED PERSONS

SECTIONS AMENDED: §§ 35-64 AND 35-67

WHEREAS, the City Council has previously directed adjustments to the income component of the tax relief for elderly and disabled persons to be adjusted annually to mirror the average increase or decrease of the value of single family residences.

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

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

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

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

(1) The title to the property for which exemption or freeze is claimed is held, or partially held, on June thirtieth immediately preceding the taxable year, by the person or persons claiming exemption, deferral or freeze and is occupied as the sole dwelling of such person or persons.

(2) The head of the household occupying the dwelling and owning title or partial title thereto or either spouse in a dwelling jointly held by a husband and wife is either permanently and totally disabled or is sixty-five (65) years of age or older on June thirtieth of the year immediately preceding the taxable year; provided, however, that a dwelling jointly held by a husband and wife may qualify if either spouse is over sixty-five (65) years of age.

(3) For the tax exemption programs, the total combined income received from all sources during the preceding calendar year by: (i) the owner or owners of the dwelling who use it as their principal residence and (ii) the owner's or owners' relatives who live in the dwelling, shall not exceed ~~fifty two thousand three hundred and sixty eight dollars ($52,340)~~ fifty three thousand seven hundred and fifty three five dollars ($53,753) provided that the first ten thousand dollars ($10,000.00) of income of each relative, other than a spouse of the owner, who is living in the dwelling, shall not be included in such total: and provided further that the first ten thousand dollars ($10,000.00) or any portion thereof of income received by a permanently and totally disabled owner shall not be included in such total.

(4) For the tax freeze program, the total combined income received from all sources during the preceding calendar year by: (i) the owner or owners of the dwelling who use it as their principal residence and (ii) the owner's or owners' relatives who live in the dwelling, shall not exceed seventy thousand one hundred and thirty seven dollars ($70,137) ~~sixty eight thousand two hundred and ninety three dollars ($68,293);~~ provided that the first ten thousand dollars ($10,000.00) of income of each relative, other than a spouse of the owner, who is living in the dwelling, shall not be included in such total; and provided that the first ten thousand dollars ($10,000.00) or any portion thereof of income received by a permanently and totally disabled owner shall not be included in such total.

(5) For the tax exemption programs, the net combined financial worth, including equitable interests, as of December thirty-first of the year immediately preceding the taxable year, of the owners, and of the spouse of any owner, excluding the value of the dwelling and the land (not exceeding one acre) upon which it is situated, shall not exceed three hundred and fifty thousand dollars ($350,000.00).

(6) For the tax freeze program, the net combined financial worth, including equitable interests, as of December thirty-first of the year immediately preceding the taxable year, of the owners, and of the spouse of any

owner, excluding the value of the dwelling and the land (not exceeding one acre) upon which it is situated, shall not exceed three hundred and fifty thousand dollars ($350,000.00).

(7) The dwelling is occupied.

. . . .

Sec. 35-67. Amount of exemption.

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

Total income, All Sources		*Tax Exemption*
~~$0.00 - $39,944.00~~	$0.00 - $41,022.00	100%
~~$39,944.01 - $43,043.00~~	$41,022.01 - $44,205.00	80%
~~$43,043.01 - $46,142.00~~	$44,205.01 - $47,388.00	60%
~~$46,142.01 - $49,241.00~~	$47,388.01 - $50,571.00	40%
~~$49,241.01 - $52,340.00~~	$50,571.01 - $53,753.00	20%

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

BE IT FURTHER ORDAINED: That this ordinance shall be effective on July 1, 2017.

Adopted by the City Council of the City of Virginia Beach, Virginia, on this 9th day of May, 2017

AN ORDINANCE TO PROVIDE AN ADDITIONAL LOCAL SUPPLEMENT TO THE VIRGINIA BEACH SHERIFF

WHEREAS, since his assumption to Office of Sheriff, City has provided to the existing Sheriff a local supplement (or stipend) that matches the Career Development Program paid by the Commonwealth through its Compensation Board;

WHEREAS, for FY 2017-18 the stipend amount from the Career Development Program is $12,363, which is equal to 9.3% of the approved Compensation Board salary for the Sheriff;

WHEREAS, the Council acknowledges that removing the local supplement match of the Career Development Program is effectively a substantial pay cut for the Sheriff, so this ordinance would authorize the continuation of such local supplement until: (i) the Council, in its sole discretion, revokes it; or (ii) the election of a new Sheriff.

WHEREAS, it is the Council's intent that upon the election of a new Sheriff will not be provided the local supplement match of the Career Development Program, which will allow the salary of the Sheriff to not exceed the salary of the Police Chief.

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

That a local stipend equal to the amount provided by the Commonwealth of Virginia Compensation Board for the Career Development Program, which totals $12,363 for FY 2017-18 is hereby added to the compensation for the Virginia Beach Sheriff.

Adopted by the Council of the City of Virginia Beach, Virginia on the 9th day of May, 2017.

AN ORDINANCE TO AMEND THE REVENUE DEDICATIONS FOR THE AGRICULTURE RESERVE PROGRAM AND THE OPEN SPACE PROGRAM AND TO REDIRECT A PORTION OF THE REVENUE PREVIOUSLY DIRECTED TO MULTI-MODAL FUND TO THE GENERAL FUND

WHEREAS, the City Council has periodically dedicated revenues to targeted programs, and such revenue dedications are subject to appropriation of funds by the Council; and

WHEREAS, on May 9, 1995 the City Council adopted the Agricultural Lands Preservation Ordinance, establishing the Agricultural Reserve Program ("ARP") for the preservation of agricultural lands within the City, and the City Council initially dedicated One and one-half cent of the real estate tax for purposes of funding the ARP; and

WHEREAS, on May 11, 2004 the City Council lowered the amount of real estate tax dedicated to the ARP from one and one-half cent ($0.015) to one cent ($0.01); and

WHEREAS, on May 9, 2006, the City Council lowered the amount of real estate tax dedicated to the ARP from one cent ($0.01) to nine tenths of one cent ($0.009); and

WHEREAS, on May 15, 2001 the City Council adopted an ordinance that in part allocated the revenue generated by forty-four hundredths of a cent (0.44%) of the tax on meals purchased at food establishments to the Open Space Special Revenue Fund; and

WHEREAS, On May 12, 2015 the City Council adopted an ordinance that lowered the amount of real estate tax dedicated to the ARP from nine tenths of one-cent ($0.009) to fifty-six hundredths of one-cent ($0.0056) and lowered the amount of the tax on meals purchased at food establishments to the Open Space Special Revenue Fund from forty four hundredths of one percent (0.44%) to twenty-two hundredths of a percent (0.22%); and

WHEREAS, on May 12, 2015 the City Council adopted ordinances that increased the vehicle license fee from twenty-five dollars ($25.00) to thirty dollars ($30.00) and the real estate tax from ninety-three ($0.93) to ninety-nine ($0.99) per $100 of valuation; and

WHEREAS the City Council directed that the revenue derived from the five dollar ($5.00) increase on the vehicle license fee and a portion of the revenue derived from the six cent ($0.06) increase in the real estate tax equal to one and eight tenths of a cent ($0.018) of the real estate tax be directed to the Multimodal Fund;

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

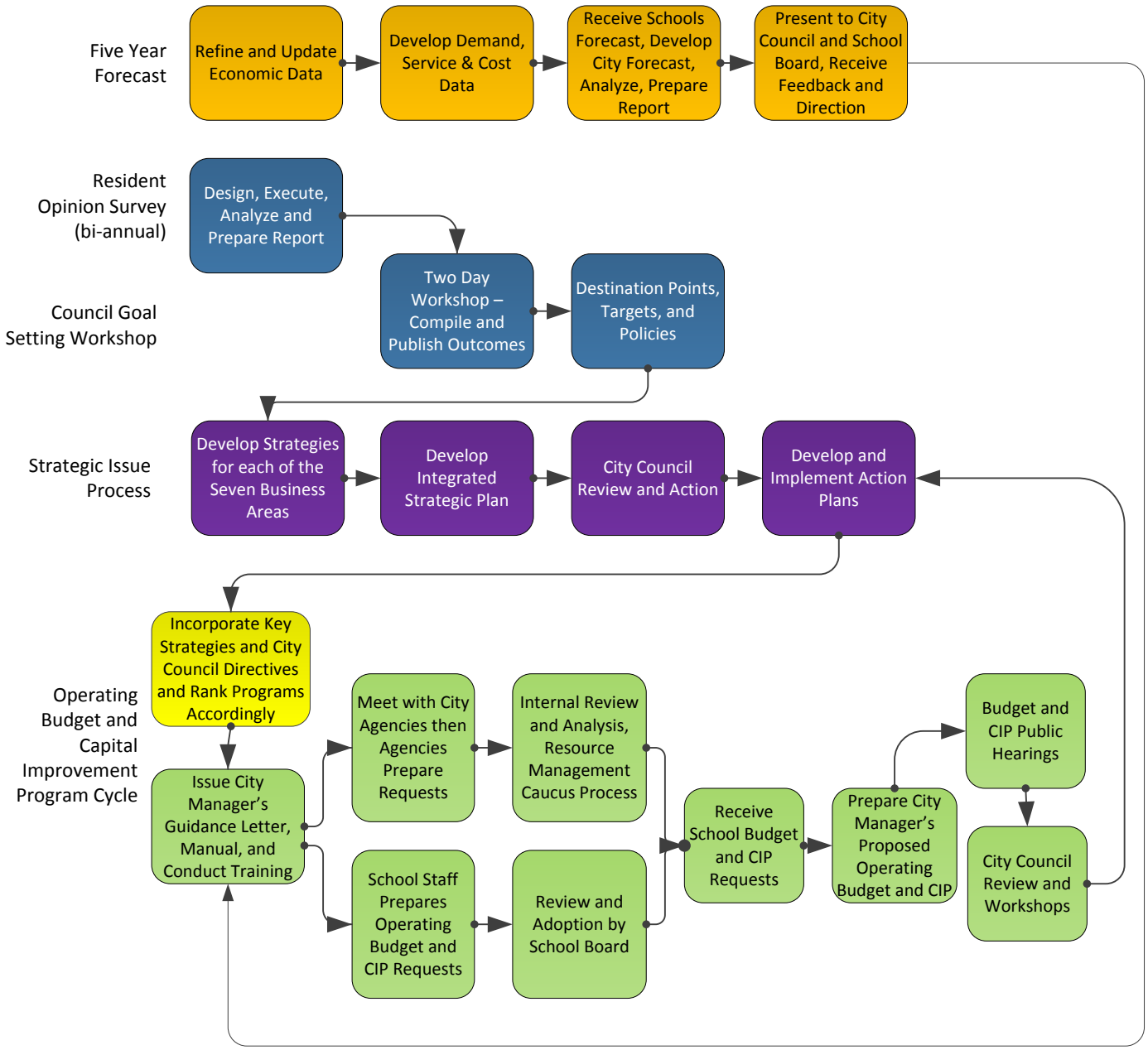
1. That the allocation of the real estate tax to the Agricultural Reserve Program is hereby increased from fifty-six hundredths of a cent ($0.0056) to nine tenths of a cent ($0.009) to preserve property in the Transition Area and other Agricultural Reserve Program costs;
2. That the allocation of the Meals Tax to the Open Space Program is hereby increased from twenty-two hundredths of a cent (0.22%) to forty four hundredths of a cent (0.44%);
3. That the Open Space Program includes the development and maintenance of open space and park infrastructure;
4. That the revenue derived from the five dollar ($5.00) increase in the vehicle license fee and one cent ($0.01) of the real estate tax are hereby redirected to the General Fund for the financing of general government capital projects; and
5. That the revenue derived from eight-tenths of a cent ($0.008) of the real estate tax is hereby redirected to the General Fund for the financing of Storm Water utility capital projects and operations in the storm water utility fund.

BE IT FURTHER ORDAINED: That the effective date of this ordinance shall be July 1, 2017.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 9th day of May, 2017.

RMP PROCESS OVERVIEW

The chart below provides a graphic view of the city's strategic planning and resource allocation process:



Legal Framework

Submission of the Budget – As required by section 5.02 of the City Charter, the City Manager shall submit to the City Council a budget and a budget message at least 90 days prior to the beginning of each fiscal year.

Balancing of the Budget - As required by Section 5.04 of the Virginia Beach Charter, the budget recommendation by the City Manager must be balanced with revenues equal to expenditures. If expenditures exceed the receipts estimated, the City Manager shall either recommend an increase in the tax rates on real estate, tangible property, or other new or existing items, or recommend a reduction in expenditures. If estimated receipts exceed estimated expenditures, the City Manager may recommend revisions in the tax and license ordinances to bring the budget into balance.

School Budget - The City Council appropriates funding to the schools by major category (Instruction, Administration, Health, Attendance, Pupil Transportation, Operations and Maintenance, Technology, and Debt Service) in the School Operating Fund and by fund for each of the schools remaining funds. How this funding is spent within these categories and funds is solely at the discretion of the School Board.

Base Level Budget Ordinance - The City Council adopts the Operating Budget Ordinance, which requires the Operating Budget to be presented with real estate tax revenue grown only by new construction. All other revenues of the government are allowed to reflect their normal growth. The anticipated growth in real estate tax revenue, which results from the growth in assessments, is held off at the base level of the budget. Then, in priority order, programs which would require the use of the growth are added back. This is shown as a table in the Executive Summary.

Public Hearings on the Budget - Section 5.07 of the Virginia Beach Charter requires City Council to hold a public hearing on the budget as submitted. Notice of the public hearing is published not less than seven days prior to the date of the hearing. As a practice, the City Council holds two such hearings each year. The City Council also holds several workshops to discuss the budget and to seek answers to questions concerning the Proposed Budget.

Adoption of the Budget - After the public hearing, City Council may make changes in the budget as it may determine. Following its revisions, the City Council then adopts the budget at one reading. To meet State requirements, the city must adopt a budget by May 15. If the City Council does not adopt a budget 30 days prior to the start of the fiscal year, the City Charter requires that the City Manager's Proposed Budget take effect on July 1.

Amending the Adopted Budget - The City Council may amend the budget from time to time during the fiscal year. The City Manager may transfer funding in amounts in accordance with the Operating Budget Ordinance. Section 2-187.1 of the Virginia Beach City Code states that supplemental appropriations which exceed 1% of the total revenue shown in the currently adopted budget must be accomplished by publishing a notice of a meeting and public hearing seven days prior to the meeting date.

Amending the Adopted Capital Improvement Program - The CIP and the Capital Budget are governed by City Code Section 2-195 which parallels the requirements of the City's Operating Budget.

Budget Administration - The legally appropriated funding level determines the spending limits for municipal operations. The City Manager establishes additional controls to assist in managing departmental operations within the amounts and intent approved by City Council. Departments/agencies are allowed during the fiscal year to make adjustments within their appropriation limits through the transfer process. The City Manager may transfer up to $100,000 on his signature and the City Council must approve transfers over $100,000.

Citizen Satisfaction Survey - A bi-annual citizen's survey is conducted to assist in evaluating city services and identifying areas in need of attention. One purpose of the survey is to provide City Council and departments with statistically valid citizen usage rates and perceptions regarding city services.

Council Goal Setting Workshop - An annual two-day City Council workshop is held to review the city's progress, assess city direction, and identify and discuss issues and priorities. The results of this workshop include a Policy Agenda which identifies 1) long-term priorities for a five-year period and 2) shorter-term targets for action. These goals and targets then become a part of management's planning, action, and monitoring process. They are incorporated in the Operating Budget and CIP preparation guidelines and review.

Strategic Issue Process - In order to develop implementation plans for attaining the City Council goal areas, the City Manager and Management Leadership Team (MLT) establish a series of director level teams. Each Strategic Issue Team (SIT), comprised of members from other departments, is charged with a specific goal, area, or sub-goal area. The teams examine the root causes, key factors, and driving forces of the issues defined. SITs work to examine viable alternatives and define potential strategic actions. This process does not automatically assume the need for additional funds, but often the need to redirect existing funds to higher priority areas.

Five Year Forecast - Each year an updated Five Year Forecast Report of revenues and expenditures for city and school programs is prepared and presented to City Council and the School Board. The forecast is designed to provide long-range financial and program information to the City Council and the School Board and to serve as a forum policy review.

Operating Budget Process - Department Directors, the MLT, and the Department of Budget and Management Services staff set priorities and provide advice on the package of services and programs to be recommended to the City Manager. The following describes the process used to develop the Operating Budget:

- Departments prepare their resource requests in accordance with program needs and issues in response to the City Council's goals and the Strategic Plan. Included in their request is:

  1. A description of the department, its mission, objectives, and performance indicators.
  2. Funding requests necessary to maintain the same levels of effort/service delivery as provided during the current fiscal year.
  3. Funding requests necessary to meet known increases in demand for existing services.
  4. Requests for expansion of services or new programs are submitted through the use of budget proposals in order to present a systems view of the programs being proposed.

- The requests are submitted to the Department of Budget and Management Services where they are analyzed for accuracy, completeness, and policy consistency.

- The Department of Budget and Management Services is responsible for all the revenue estimates.

- Summaries of each department's unfunded requests and information on revenues are provided to the MLT and City Manager for information and review. These summaries illustrate any gap between service needs and revenues.

- The MLT, through a series of meetings with the leadership of the Department of Budget and Management Services works through the issues and develops funding priorities based on strategic considerations. The City Manager finalizes funding decisions to be included in the upcoming Proposed Operating Budget.

- The City Council receives the Proposed Operating Budget and Capital Improvement Program no later than April 1, for their consideration. As part of their review process, the City Council holds workshops with the department directors to discuss issues and concerns. In addition, City Council holds two public hearings to receive public input for the proposed plan. Final action on the budget must occur no later than May 15.

Performance Measurement Process - The Operating Budget emphasizes selected indicators of departmental program performance in terms of impact on the community; internal processes; learning and growth; and financial management. Citywide indicators assess outcomes at the citywide and/or community levels within each of the major business areas of the city. In addition, the city regularly benchmarks programs against regional cities and best practices.

Capital Improvement Process - The development of the six-year Capital Improvement Program (CIP) from the distribution of forms to adoption by the City Council requires approximately 160 days. The process begins with the allocation of target funding levels based on prior years' CIPs and expected availability of financing. The development of the program requires coordination and cooperation from many departments. The following have major responsibilities in producing the CIP:

- Department of Planning and Community Development prepares the Comprehensive Plan regarding land use development. The departments of Planning, Public Works, Parks and Recreation and the Strategic Growth Area Office collaborate on comprehensive transportation project planning.

- Department of Budget and Management Services coordinates the overall process, determines funding and budget plans, provides technical assistance to departments, and makes recommendations. The CIP Focus Group consists of members from each department that manages/administers the CIP and submits project requests and financing. The purpose of this group is to foster communication and coordination regarding the city's capital projects.

- Departments responsible for submission of capital improvement projects requests are: School Division (schools and educational facilities), Public Works [(buildings: new city buildings, renovation, site work, or expansion), coastal, roadways (in cooperation with Public Utilities), and storm water projects], Strategic Growth Area Office (economic and tourism development projects in cooperation with Public Works), Communications and Information Technology (communication and information technology projects), Parks and Recreation (parks and recreational facilities), and Public Utilities (water and sewer lines, mains, pumps, and related facilities).

- The Department of Budget and Management Services analyzes departmental submissions for cost and benefit and to ensure that the CIP meets City Council priorities and overall debt limits.

- There is a CIP Caucus comprised of department directors from the city agencies that manage/administer the CIP, Strategic Issue Team leaders, and the MLT. The CIP Caucus reviews non-school project requests that are above the basic/target level of funding to determine priorities.

Thereafter, the MLT meets with the leadership of Budget and Management Services to work through project and funding issues and makes funding decisions.

- The CIP is submitted to City Council along with the Operating Budget and they are reviewed together.

Public Information - Citizens have the opportunity to attend two public hearings allowing citizens the opportunity to make comments before City Council formally votes to adopt the Resource Management Plan for the next fiscal year. The Proposed Resource Management Plan is available to citizens at public libraries, City Hall, and on the city's website at vbgov.com/budget. Public notices, which present highlights of the plan are published in the local newspaper.

RMP Calendar

August/September
08/01/16 - 09/30/16 – Budget and Management Services staff members start planning for the upcoming Operating Budget and CIP. They develop the initial revenue forecast and funding targets.

October
10/07/16 - Operating Budget Caucus is held to disseminate information to departments on revenue estimates, the state budget outlook, the economy, budget process overview and changes, and funding targets.

10/07/16 – 11/28/16 - Departments, with assistance as needed from their assigned analysts from Budget and Management Services, spend the next six weeks developing individual program resource requests, capital project requests, program priority rankings, and entering the data into the Budget and CIP database.

November
11/01/16 - CIP requests are due to the Department of Budget and Management Services.

11/15/16 – Five Year Forecast Report is presented to City Council and School Board members detailing the city's financial position over the next five years and other economic trends affecting the city.

11/28/16- Department budget submissions are due to the Department of Budget and Management Services.

January
01/05/17 - 02/25/17 - Budget meetings are held between Budget and Management Services and the MLT discuss the departments' budget requests and reach consensus on which items will receive further consideration for funding.

01/27/17 - CIP Caucus meets to prioritize funding requests of capital project needs.

February
02/07/17 - School Superintendent submits the schools Estimate of Needs for FY 2017-18 to the School Board.

02/14/17 – 03-07/17 - The CIP Caucus members meet to listen to presentations by the managing agencies of the different CIP sections outlining the highlights and funding for roadways, buildings, communication and information technology, parks and recreation, water, sewer, storm water, coastal, and economic and tourism development projects.

March
03/07/17 - Adoption of Schools Operating Budget and Capital Improvement Program by the School Board.

03/28/17 - Proposed Resource Management Plan is presented to the City Council.

April
04/04/17 - City Council Workshop on the Proposed Resource Management Plan.

04/11/17 - City Council Workshop on the Proposed Resource Management Plan.

04/18/17 - City Council Workshop on the Proposed Resource Management Plan.

04/18/17 - Public Hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.

04/25/17 - City Council Workshop on the Proposed Resource Management Plan.

May
05/02/17 - City Council Reconciliation Workshop on the Proposed Resource Management Plan.

05/09/17 - Vote on the Resource Management Plan.

ACCOUNTING AND BUDGETING BASIS

The accounting, budgeting, and financial reporting treatment applied to a fund is determined by its measurement focus and the modified accrual basis of accounting. All governmental funds are budgeted and accounted for using a current financial resource measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction that can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities for the current period. Available is limited to collection within forty-five days of the fiscal year end. The city considers property taxes as available if they are collected within 45 days after year end. Expenditures are recorded when the related fund liability is incurred, if measurable (except for un-matured interest on general long-term debt which is recognized when due and paid). Interest on general long-term debt is recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The following is a list of the major revenue sources which meet the susceptible to accrual criteria:

- General Property Taxes / Interest on Deposits / General Sales Taxes / Revenue from the Commonwealth / Revenue from the Federal Government / Utility Taxes / Amusement Taxes / Hotel Taxes / Restaurant Taxes

All proprietary funds are budgeted and accounted for on a flow of measurement of economic resources and the accrual basis of accounting. With this measurement, revenues are recognized when earned and expenses are recorded when a liability is incurred. All assets and liabilities associated with the operation of these funds are included on the statement of net assets.

In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 20, “Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting” (Statement No. 20, proprietary fund types follow all applicable GASB pronouncements as well as all Financial Accounting Standards Board (FASB) pronouncements, predecessor Accounting Principles Board Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989). Under paragraph 7 of Statement No. 20, the city has elected not to apply FASB pronouncements issued after November 30, 1989.

The city reports deferred revenue in the fund financial statements. Deferred revenues arise when resources are received by the government before it has a legal claim to them (i.e. grant monies are received prior to incurring qualifying expenditures). In subsequent periods when revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the fund balance sheet and revenue is recognized.

Included through June 30 financial statements are: unbilled water, sewer, and storm water funds received for services provided.

FY 2017-18 Nonrecurring Capital Budget Appropriations

This section reflects nonrecurring capital appropriations/expenditures for FY 2017-18. Capital appropriations/expenditures include projects that are $250,000 or more. For more detailed information, reference the CIP.

Buildings and Assets

3025000	Building 2 Electrical Upgrade	2,138,400
3056000	Public Safety Equipment Replacement Project	1,200,000
3065000	Central Plant Generator	5,305,585
3071000	VA Beach Public Library Transformation	3,820,501
3072000	City Hall Replacement	910,000
3075000	Fire/EMS Station Burton Station	6,085,307
3103000	Heritage Building Maintenance	625,000
3115000	Judicial Center Maintenance	254,678
3121000	EOC Space Revisions, Tech and Security Upgrade	500,000
3122000	Police Department Helicopter	4,500,000
3133000	Fire Training Center Improvements III	1,111,057
3134000	Fire Apparatus III	2,648,254
3136000	Various Buildings HVAC Rehabilitation & Renewal III	2,250,000
3137000	Various Buildings Rehabilitation and Renewal III	1,950,000
3139000	Various Site Acquisitions II	343,644
3140000	Energy Performance Contracts (City)	350,000
3146000	VA Aquarium Bldg Systems & Facility Infrastructure	1,500,000
3278000	Virginia Aquarium Renewal and Replacement II	470,000
3292000	Virginia Aquarium Marine Animal Care Center	2,000,000
3506000	Fire Facility Rehabilitation and Renewal III	500,000
3508000	ARC Flash Mitigation	700,000
3510000	Intermediate Care Facilities Renewal/Replacement	120,627
3518000	Convention Center Capital Maintenance	643,560
	Total Buildings and Assets Projects	39,926,613

Coastal

8011000	Various Minor Dredging Projects II	350,000
8013000	Lynnhaven Inlet Maintenance Dredging II	325,000
8015000	Beach Profile Monitoring Program II	110,000
8020000	Bay Beaches Resiliency Study and Restoration	125,000
8021000	Croatan Beach Restoration	1,760,000
8025000	Beach Replenishment II	1,150,000
8026000	Sandbridge Beach Restoration III	6,050,000
8405000	Sandbridge Beach Access Improvements II	300,000
8406000	Rudee Inlet Federal Dredging II	400,000
8407000	Rudee Inlet Outer Channel Maintenance Dredging II	700,000
8409000	Chesapeake Beach Restoration	4,000,000

	Total Coastal Projects	15,270,000

Economic and Tourism Development

9020000	ViBe District Street Infrastructure Improvements Ph I	1,250,000
9021000	London Bridge Commerce Center Infrastructure Improvements I	795,100
9028000	Lynnhaven Parkway Corridor Improvements	1,947,319
9041000	Convention Center Field House	4,000,000
9059000	Oceana & ITA Conformity & Acquisition II	886,100
9082000	Oceanfront Parking Facilities Capital Maintenance/Development	1,100,000
9083000	Town Center Garage and Plaza Capital Maintenance	352,726
9096000	Oceanfront Capital Projects Reinvestment	600,000
9141000	Economic Development Investment Program (On-Going)	2,540,140
9500000	Virginia Beach Amphitheater Capital Maintenance	200,000
	Total Economic and Tourism Development Projects	13,671,385

Information Technology

3068000	CIT-IT Network Infrastructure Replacement II	1,214,952
3095000	CIT-Police Integrated Public Safety Record Management	1,233,777
3119000	CIT-Cable Access Infrastructure Replacement I	322,000
3615000	CIT-Business Rev/Personal Property RACS Implementation	350,000
3652000	CIT-Telecommunications Replacement II	550,000
3663000	CIT-Enterprise Scheduling and Timekeeping System	1,519,070
3664000	CIT-Next Generation Network	1,000,000
3681000	CIT-Electronic Procurement System	1,402,547
3693000	CIT-IT Service Continuity II	1,123,000
3695000	CIT-21ST Century Enterprise Resource Planning (ERP) System	1,000,000
3697000	CIT-City Software Upgrade/Replacement Plan	1,415,900
3706000	CIT-Sheriff Inmate Tracking and Status Monitoring	1,036,930
3707000	CIT-Sheriff Inmate Video Visitation System	500,000
	Total Information Technology Projects	12,668,176

Parks and Recreation

4064000	City Bikeways and Trails Plan Implementation II	475,000
4080000	Sportsplex/Field Hockey National Trng Ctr Rep/Reno I	226,135
4300000	Community Recreation Centers Repairs and Renovations III	1,900,000
4301000	Parks and Special Use Facilities Development/Reno III	1,352,949
4302000	Golf Courses Contractual Obligations-Maintenance I	120,000
4303000	Greenways, Scenic Waterways and Natural Areas III	250,000
4305000	Tennis Court Renovations III	300,000
4306000	Open Space & Park Infrastructure Development & Maintenance II	1,000,000
4307000	Athletic Fields Lighting and Renovations III	275,000
4500000	Park Playground Renovations lll	377,167

4502000	Lynnhaven Boat Ramp & Beach Facility Repairs/Reno I	21,019
4517000	Stumpy Lake Golf Course Contractual Obligations I	27,000
4519000	Bikeways/Trails Repairs and Renovations I	280,000
	Total Parks and Recreation Projects	6,604,270

Roadways

2022000	Major Bridge Rehabilitation II	1,460,000
2024000	Rural Road Improvements II	200,000
2026000	Street Reconstruction II	1,150,000
2027000	Various Cost Participation Projects II	25,000
2028000	Wetlands Mitigation Banking II	100,000
2038000	Rosemont Road Phase V	1,853,822
2040000	Laskin Road Bridge Replacement	3,192,878
2050000	Landstown Road Improvements Phase I	1,455,522
2078000	Sandbridge Road-Nimmo Phase VII-A	800,000
2094000	Bus Stop Infrastructure and Accessibility Improvements	586,157
2111000	Traffic Safety Improvements IV	2,119,099
2117000	Shore Drive Corridor Improvements Phase III	5,000,000
2119000	Providence Road Sidewalk	30,570
2120000	West Great Neck Road Sidewalk	63,953
2126000	Laskin Road Phase I-A (VDOT)	5,000,000
2127000	I-264/Independence Interchange Improvements	250,000
2130000	Buccaneer Road Bulkhead Replacement	4,500,000
2138000	Atlantic Avenue Reconfiguration	245,000
2141000	Norfolk-Southern Right-of-Way Acquisition Refund	5,000,000
2146000	Laskin Road Phase III	300,000
2158000	Holland Road-Phase VI (VDOT)	1,005,990
2160000	Citywide Street Lighting Improvements II	60,000
2168000	Lesner Bridge Replacement	317
2176000	Transportation Network Modeling	100,000
2195000	Princess Anne Road Phase VII	5,200,000
2256000	Indian River Road Phase VII-A	20,000,000
2401000	Greenwich Rd Crossover & Cleveland St Improvements	5,061,250
2409000	Centerville Turnpike Phase II	3,870,433
2410000	Traffic Signal Rehabilitation II	350,000
2414000	Shipps Corner Road Improvements	149,271
2416000	Sandbridge Road Bridge Replacement	2,189,789
2418000	Indian River Rd/Kempsville Rd Intersection Improvements	2,142,796
2419000	Centerville Turnpike Phase III	1,110,000
2501000	Nimmo Parkway Phase II	1,619,317
	Total Roadways Projects	76,191,164

Schools

1003000	Renovation and Replacement Energy Management/Sustainability	1,000,000
1004000	Tennis Court Renovations II	200,000
1025000	Kempsville High School Entrepreneurial Academy Improvements	500,000
1043000	Thoroughgood Elementary School Replacement	14,000,000
1056000	Princess Anne Middle School Replacement	20,491,000
1099000	Renovations and Replacements Grounds II	1,250,000
1102000	21st Century Learning Environment Improvements	2,100,000
1103000	Renovations and Replacements HVAC Systems II	5,700,000
1104000	Renovations and Replacements Reroofing II	4,000,000
1105000	Renovations and Replacements Various II	1,750,000
1110000	Energy Performance Contracts II	5,000,000
	Total Schools Projects	55,991,000

Sewer Utility

6019000	Resort Area Neighborhood Revitalization	360,000
6041000	Pump Station Modifications V	7,970,000
6043000	Landstown Road Sewer Improvements	20,000
6058000	Royal Palm Arch Sanitary Sewer Rehabilitation	150,000
6070000	Infiltration, Inflow, and Rehabilitation V	520,000
6075000	Laskin Road Sewer Improvements Phase I (VDOT)	410,000
6091000	Sewer Requests & Agreements VI 51% Program	50,000
6092000	Vacuum Valve Monitoring System	785,000
6099000	Arrowhead Susquehanna Sanitary Sewer Rehabilitation Ph III	50,000
6101000	ViBes District Sewer Improvements	1,000,000
6121000	Camp Pendleton Sewer Improvements	700,000
6122000	Service Order Automation Phase II	300,000
6151000	Landstown Yard Improvements IV	1,415,000
6405000	Customer Information System Version Migration	500,000
6551000	System Expansion Cost Participation Agreements III	1,030,000
6552000	Sanitary Sewer System Revitalization Program II	3,000,000
6556000	Various Roadway/Storm Water Coordination VI	1,030,000
6557000	SGA Sanitary Sewer System Improvements	350,000
6601000	First Colonial Rd/VA Beach Blvd Intersection Improvements	50,000
6604000	Witchduck Road Phase II Sewer Improvements	125,000
6804000	Sanitary Sewer Regulatory Compliance Program I	390,000
6953000	Sewer Tap Installation Program II	575,000
	Total Sewer Utility Projects	20,780,000

Storm Water

7005000	North Lake Holly Watershed	1,400,000
7016000	South Lake Holly Watershed	600,000
7023000	Primary System Infrastructure Improvements II	2,270,000
7024000	Southern Canal/Lead Ditch and Culvert Improvements	300,000
7026000	Residential Drainage Cost Participation Program II	50,000
7027000	SWM Master Planning, Analysis, and Inventory	2,700,000
7028000	Windsor Woods Drainage	2,000,000
7042000	Surface Water Regulatory Compliance Program	2,400,000
7043000	Water Quality and Restoration Participation Projects II	150,000
7047000	Ashville Park Drainage Improvements	2,000,000
7048000	Sherwood Lakes Drainage Improvements	1,000,000
7050000	Princess Anne Plaza Drainage Area	2,000,000
7051000	The Lakes Drainage Improvements	2,000,000
7053000	Lake Chubb/Bradford Lake	1,084,100
7151000	Eastern Shore Drive Drainage Phase I	1,000,000
7153000	Lynnhaven Watershed Restoration	1,209,068
7400000	Aragona Drainage Improvements	1,400,000
7406000	Elizabeth River TMDL Implementation Plan	2,800,000
7410000	Southern Rivers TMDL Implementation Plan	300,000
7411000	Oceanfront Storm Water Facilities Maintenance	1,650,000
7412000	Storm Water Pump Station Modifications	1,750,000
7413000	Neighborhood SW Infrastructure Improvements II	550,000
7414000	Storm Water Quality Enhancements II	1,752,694
7415000	Lake Management II	4,947,652
7416000	SW Infrastructure Rehabilitation & Improvements II	5,750,000
	Total Storm Water Projects	43,063,514

Water Utility

5010000	Lake Gaston Raw Water Transmission System Rehabilitation I	3,220,000
5028000	Witchduck Rd Phase II Water Improvements	305,000
5031000	System Expansion Cost Participation Agreements III	120,000
5043000	Landstown Road Water Improvements	270,000
5045000	Rosemont Road PH V Water Improvements	3,740,000
5101000	ViBes District Water Improvements	600,000
5121000	Camp Pendleton Water Improvements	600,000
5122000	Service Order Automation - Phase II	300,000
5151000	Landstown Yard Improvements Phase IV	1,415,000
5168000	Shore Drive Water Line Improvements Phase IV	175,000
5207000	Laskin Road Water Improvements Phase I (VDOT)	325,000
5251000	Various Roadway & Storm Water Coordination VI	600,000
5254000	Water Requests & Agreements VI 51% Program	50,000
5405000	Customer Information System Version Migration	500,000

5501000	Water Transmission System Upgrade Program I	1,930,000
5601000	First Colonial Rd/VA Beach Blvd Intersection Improvements	25,000
5604000	Princess Anne Road Water Improvements Phase VII	260,000
5708000	Resort Area Neighborhood Revitalization	1,500,000
5953000	Water Tap Installation Program II	355,000
	Total Water Utility Projects	16,290,000
	Total Capital Budget	300,456,122

City of Virginia Beach, Virginia
Fiscal Years 2018 through 2023 Capital Improvement Program
Appropriation and Financing Plan

Appropriation/Financing	Appropriated to Date	FY 2018 Budget	Un-Appropriated Subsequent Years FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	CIP Total
Capital Improvement Program By Business Area/Category								
Capital Projects								
Buildings and Assets	165,116,563	39,926,613	34,331,407	42,956,351	43,163,851	20,836,906	38,313,291	384,644,982
Coastal	51,271,883	15,270,000	12,674,000	18,809,000	12,430,157	13,625,777	11,405,000	135,485,817
Economic and Tourism Development	209,041,621	13,671,385	53,463,785	6,641,940	4,893,485	4,845,670	4,798,811	297,356,697
Information Technology	80,829,834	12,668,176	9,515,832	15,554,461	10,859,365	14,659,365	13,180,024	157,267,057
Parks and Recreation	66,270,177	6,604,270	8,225,770	8,225,770	8,225,770	8,475,770	8,475,770	114,503,297
Roadways	440,959,472	76,191,164	61,478,440	63,169,180	54,687,179	53,406,200	27,960,516	777,852,151
Schools	215,846,363	55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000	493,792,363
Sewer Utility	225,217,706	20,780,000	25,300,000	21,845,000	20,000,000	21,370,000	19,270,000	353,782,706
Storm Water	154,841,248	43,063,514	43,663,514	44,263,514	46,663,514	44,263,514	45,263,514	422,022,332
Water Utility	52,634,572	16,290,000	8,415,000	9,195,000	9,310,000	9,185,000	12,085,000	117,114,572
Total Capital Projects	1,662,029,439	300,456,122	297,958,748	287,551,216	252,624,321	233,559,202	219,642,926	3,253,821,974
Total Capital Improvement Program	1,662,029,439	300,456,122	297,958,748	287,551,216	252,624,321	233,559,202	219,642,926	3,253,821,974
Means of Financing								
Operating Budget CIP Allocations								
ATD Local Funding	1,395,155,305	0	0	0	0	0	0	1,395,155,305
General Appropriations								
Cigarette Tax	0	2,540,140	2,489,337	2,439,550	2,390,759	2,342,944	2,296,085	14,498,815
Pay-As-You-Go - Bayville Creek	151,008	0	0	60,000	375,000	0	0	586,008
Pay-As-You-Go - Fire Programs Fund	2,497,323	1,111,057	665,427	665,427	665,427	665,427	665,427	6,935,515
Pay-As-You-Go - General Fund	0	23,062,848	18,912,793	17,856,551	16,550,917	15,438,037	16,616,297	108,437,443
Pay-As-You-Go - Gills Cove Dredging	39,781	0	0	0	0	0	0	39,781
Pay-As-You-Go - Harbour Point Dredging	36,923	0	0	0	18,500	0	0	55,423
Pay-As-You-Go - Housing CD Loan/Grant SR Fund	0	0	0	0	0	0	0	0
Pay-As-You-Go - Old Donation Creek Area Dredging	191,993	0	88,000	352,000	0	0	0	631,993
Pay-As-You-Go - Open Space	0	1,000,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	13,500,000
Pay-As-You-Go - Outdoor Initiative	0	2,547,635	2,547,635	2,547,635	2,547,635	2,547,635	2,547,635	15,285,810
Pay-As-You-Go - Parks & Recreation Fd - Ref.	0	900,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,900,000
Pay-As-You-Go - Parks and Recreation SR Fund	0	175,500	197,000	197,000	197,000	197,000	197,000	1,160,500
Pay-As-You-Go - Sandbridge SSD	0	4,235,380	4,213,367	4,250,889	4,289,574	4,329,462	4,366,745	25,685,417
Pay-As-You-Go - Sandbridge TIF	0	2,114,620	2,136,633	2,404,111	2,365,426	2,350,538	2,338,255	13,709,583
Pay-As-You-Go - Schools	0	0	0	1,000,000	1,500,000	2,000,000	3,000,000	7,500,000
Pay-As-You-Go - Town Center SSD	0	352,726	352,726	352,726	352,726	352,726	352,726	2,116,356
Pay-As-You-Go - Transportation General Fund	0	9,641,002	9,641,002	9,641,002	9,641,002	9,641,002	9,641,002	57,846,012
Pay-As-You-Go Chesopeian Colony	591,599	0	0	0	218,000	0	0	809,599
Pay-As-You-Go Hurds Cove	464,321	0	0	0	0	0	0	464,321
Pay-As-You-Go Shadowlawn	50,648	0	0	30,000	105,000	0	0	185,648
Storm Water Utility Fund- Pay-As-You-Go-General Fund	0	5,420,501	5,420,501	5,420,501	5,420,501	5,420,501	5,420,501	32,523,006
Tourism Investment Program	0	0	0	0	0	0	0	0
Parking Enterprise Fund	0	350,000	350,000	350,000	350,000	350,000	350,000	2,100,000
Storm Water Utility Fund	30,000	7,500,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	47,530,000
Water and Sewer Fund	310,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	48,310,000
Total Operating Budget CIP Allocations	1,399,518,901	68,951,409	66,514,421	67,067,392	66,487,467	65,135,272	67,291,673	1,800,966,535
Policy Allocation of Year Ending Balances								
Fund Balance - General Fund	0	23,539,544	10,921,723	10,324,777	7,591,000	7,591,000	7,616,000	67,584,044
Fund Balance - Other	572,854	1,500,000	1,000,000	1,000,000	1,000,000	1,250,000	1,250,000	7,572,854
Retained Earnings - Parking Enterprise Fund	0	750,000	0	0	0	0	0	750,000
Retained Earnings - Telecommunications	104,494	550,000	0	0	0	0	0	654,494

City of Virginia Beach, Virginia
Fiscal Years 2018 through 2023 Capital Improvement Program
Appropriation and Financing Plan

Appropriation/Financing	Appropriated to Date	FY 2018 Budget	Un-Appropriated Subsequent Years FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	CIP Total
Retained Earnings - Storm Water Utility	0	0	0	0	0	0	0	0
Retained Earnings - Water and Sewer Fund	0	27,770,000	14,715,000	13,340,000	10,000,000	10,000,000	10,000,000	85,825,000
Total Policy Allocation of Year Ending Balances	677,348	54,109,544	26,636,723	24,664,777	18,591,000	18,841,000	18,866,000	162,386,392
Other Sources of Funding								
Other Localities	9,500,000	0	0	0	0	0	0	9,500,000
Federal Contribution	43,873,842	3,872,653	6,918,488	8,896,629	1,119,175	10,890,236	8,977,074	84,548,097
State Contribution	151,057,345	62,452,223	9,229,622	9,724,157	3,279,794	12,722,559	7,244,268	255,709,968
Developer Contribution	0	1,316,626	0	0	0	0	0	1,316,626
Development Proffers	0	0	0	0	0	0	0	0
Franchise Fees	2,882,331	322,000	322,000	322,000	322,000	322,000	322,000	4,814,331
Reimburement - Interest Expense	2,223,549	0	0	0	0	0	0	2,223,549
Interest Income	6,602,427	100,000	0	0	0	0	0	6,702,427
Insurance Recovery	18,173	0	0	0	0	0	0	18,173
Lease of Properties (BRAC)	75,711	54,938	0	0	0	0	0	130,649
Lease of Property	98,172	98,172	98,172	98,172	98,172	98,172	98,172	687,204
Medicaid Cost Settlement	1,308,522	120,627	120,627	120,627	120,627	120,627	120,627	2,032,284
Medicaid-Meaningful Use	72,250	0	0	0	0	0	0	72,250
Miscellaneous Funding	0	1,315,548	0	0	0	0	0	1,315,548
Private Contribution	10,661,078	2,000,000	928,150	0	0	0	0	13,589,228
Rental Income	807,679	0	0	0	0	0	0	807,679
Sale of Equipment	0	2,100,000	0	0	0	0	0	2,100,000
Sale of Property	7,476,223	4,497,762	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	16,973,985
Total Other Sources of Funding	236,657,302	78,250,549	18,617,059	20,161,585	5,939,768	25,153,594	17,762,141	402,541,998
Debt Financing								
Contractual Obligation Debt	25,175,888	-25,175,888	0	0	0	0	0	0
General Obligation Bonds	0	66,176,110	77,107,265	74,122,692	68,763,000	65,270,000	70,525,099	421,964,166
Public Facility Bonds	0	28,001,385	67,840,267	60,991,757	48,290,073	15,761,323	0	220,884,805
Storm Water Utility Bonds	0	30,143,013	30,243,013	30,843,013	33,243,013	30,843,013	31,843,013	187,158,078
Water and Sewer Bonds	0	0	11,000,000	9,700,000	11,310,000	12,555,000	13,355,000	57,920,000
Energy Performance Contract	0	0	0	0	0	0	0	0
Total Debt Financing	25,175,888	99,144,620	186,190,545	175,657,462	161,606,086	124,429,336	115,723,112	887,927,049
Total Means of Financing	1,662,029,439	300,456,122	297,958,748	287,551,216	252,624,321	233,559,202	219,642,926	3,253,821,974

SUMMARY OF POSITIONS BY DEPARTMENT

	Adopted Budget FY 2015-16 FTE	Adopted Budget FY 2016-17 FTE	Adjusted Budget FY 2016-17 FTE	Adopted Budget FY 2017-18 FTE	Change in FTEs From Adjusted FY 2016-17 to FY 2017-18	Change in FTEs from FY 2015-16 to FY 2017-18
Agriculture	12.00	12.00	12.00	12.50	0.50	0.50
Aquarium and Museums	164.47	156.75	156.75	153.61	(3.14)	(10.86)
Budget and Management Services	15.00	15.00	14.00	14.00	0.00	(1.00)
City Attorney	39.61	40.61	40.61	42.61	2.00	3.00
City Auditor	7.00	7.00	7.00	7.00	0.00	0.00
City Clerk	6.00	6.00	6.00	6.00	0.00	0.00
City Manager	34.00	36.00	33.00	16.50	(16.50)	(17.50)
City Real Estate Assessor	34.27	34.00	34.00	34.00	0.00	(0.27)
City Treasurer	74.60	74.60	74.60	74.60	0.00	0.00
Commissioner of the Revenue	64.93	64.93	64.93	64.93	0.00	0.00
Commonwealth's Attorney	87.43	91.43	94.85	94.83	(0.02)	7.40
Communications Office	0.00	0.00	0.00	17.50	17.50	17.50
Convention and Visitors Bureau	106.28	106.28	120.28	120.28	0.00	14.00
Courts and Courts' Support	75.00	75.00	75.00	75.00	0.00	0.00
Cultural Affairs	3.00	3.00	3.00	3.00	0.00	0.00
Economic Development	18.00	18.00	18.00	19.00	1.00	1.00
Emergency Communications and Citizen Services	131.75	130.75	130.75	137.75	7.00	6.00
Emergency Medical Services	75.05	80.05	80.05	87.55	7.50	12.50
Finance	57.00	57.00	57.00	59.00	2.00	2.00
Fire	485.71	493.71	501.71	506.71	5.00	21.00
Health	9.08	9.08	9.08	9.08	0.00	0.00
Housing and Neighborhood Preservation	61.00	61.00	64.00	79.00	15.00	18.00
Human Resources	47.00	47.00	47.00	49.00	2.00	2.00
Human Services	1,091.91	1,094.46	1,098.96	1,144.21	45.25	52.30
Information Technology	168.00	174.00	175.00	184.00	9.00	16.00
Library	253.50	251.50	251.50	251.50	0.00	(2.00)
Municipal Council	11.00	11.00	11.00	11.00	0.00	0.00
Office of Emergency Management	0.00	0.00	4.00	5.00	1.00	5.00
Parks and Recreation	830.13	882.30	882.30	886.21	3.91	56.08
Planning and Community Development	115.50	139.97	132.97	134.00	1.03	18.50
Police	1,015.76	1,028.76	1,028.76	1,040.76	12.00	25.00
Public Education	10,034.32	10,154.82	10,154.82	10,192.77	37.95	158.45
Public Utilities	417.00	414.00	414.00	417.00	3.00	0.00
Public Works	903.88	902.88	902.88	925.88	23.00	22.00
Sheriff's Office	514.44	527.44	526.44	531.44	5.00	17.00
Strategic Growth Area	20.00	0.00	0.00	0.00	0.00	(20.00)
Strategy, Transparency, Innovation and Resiliency Office	0.00	0.00	4.00	6.00	2.00	6.00
Voter Registration and Elections	11.86	12.00	12.00	12.00	0.00	0.14
Total	**16,995.48**	**17,212.32**	**17,242.24**	**17,425.22**	**182.98**	**429.74**

City Council and School Board Policy

Title: City/School Revenue Sharing Policy Alternative Version		Index Number:
Date of Adoption: October 23, 2012	Date of Revision: 11/17/2015	Page: 1 of 6

1. Purpose:

1.1. This policy ("Policy") is to establish a procedure for allocating to the City and to the Public School System revenues estimated to be available in any given fiscal year. It is the intent of this Policy to provide sufficient funding to maintain Virginia Beach City Public Schools' academic success as well as the City's strategic goals.

1.2. This Policy is designed to accomplish these goals by providing better planning for school funding by clearly and predictably sharing local revenues. It provides a balance between the funding requirements for School and City programming. This Policy seeks to provide a diverse stream of revenues that mitigates dramatic changes in the economy by relying upon all local tax General Fund tax revenues that are under the City Council's control rather than a subset of those revenues. It also recognizes decisions by the City Council to dedicate some of these same revenues to City and School priorities outside of the formula discussed herein. This Policy seeks to rectify some of the concerns with the past formula by linking City funding to the School directly to the State Standards of Quality ("SOQ") which periodically takes into account changes in student enrollment, true property value, adjusted gross income, taxable retail sales, and population.

2. Definitions:

2.1. "City" refers to the City of Virginia Beach exclusive of the Virginia Beach City Public Schools.

2.2. "Schools" refer to the Virginia Beach City Public Schools.

2.3. "Local Tax Revenues" refers to all General Fund revenues generated by non-dedicated local taxes: real estate (less dedications such as the dedication for Schools, and the Outdoor Initiative); Personal Property (less dedication for public safety); General Sales; Utility; Virginia Telecommunications; Business License (BPOL); Cable Franchise; Cigarette (less dedication for Economic Development Incentive Program (EDIP)); Hotel Room; Restaurant Meals; Automobile License; Bank Net Capital; City Tax on Deeds; and City Tax on Wills"

2.4. "Dedicated Local Tax" refers to taxes that have been previously obligated by the City Council or State law to support specific projects or programs. Examples of dedicated local taxes that are excluded from this Policy include, but are not limited to: Tax Increment Financing District Revenues; Special Services Districts Revenues; the dedication to Schools (4 cents of the real estate tax); taxes that represent "net-new revenues" and are required to be redirected or are the basis for the calculation of an incentive payment as part of a public-private partnership approved by City Council; taxes established to support Open Space; Agricultural Reserve Program; Tourism Advertising Program; Tourism Investment Program, referendum related taxes, and taxes used to support the BRAC project. A more complete discussion of such dedications is found in the Executive Summary and Operating Budget each year.

2.5. "Net -new Revenues" as used in Section 2.3 means public-private partnership revenues generated by a project (or property) that exceed the Local Tax Revenues prior to the public-private partnership.

2.6. "Revenue Sharing Formula" refers to the method of sharing Local Tax Revenues between the City and the Schools.

2.7. "Budgeted Local Tax Revenues" refers to the appropriation of revenues by City Council in May each year for the upcoming fiscal year beginning July 1.

2.8. "Actual Local Tax Revenues" refers to the actual collected revenues reflected in the Comprehensive Annual Financial Report (CAFR).

2.4. "School Reversion Funds" refers to unused expenditure appropriations and end of the year adjustments to the Revenue Sharing Formula revenues based on actual collections.

2.5. "Discretionary Local Match" refers to the funding level set by the Revenue Sharing Formula and the real estate tax dedication to Schools.

2.6. "Required Local Match" refers to the City funding required by the State's Standards of Quality (SOQ).

3. Procedure to Calculate the Revenue Sharing Formula:

3.1. Initial Estimate

3.1.1 In October, Budget Management Services will provide to Schools an estimate of local tax revenue for the upcoming fiscal year.

3.1.2. The Required Local Match calculation - Using the SOQ for each of the State Biennial years, Budget and Management Services will deduct this amount from the projection of Local Tax Revenues and set it aside as the first step.

3.1.3. Discretionary Local Match calculation – The Discretionary Local Match has two components: the formula component and the FY 2013 four cent real estate dedication.

3.1.3.1. Formula component: Budget and Management Services will then allocate to Schools 34.11% of the remaining Local Tax Revenues.

3.1.3.2. School dedication component: In FY 2013 Operating Budget the City Council increased the real estate tax rate by four cents and dedicated it to the Schools' Operating Budget. This dedication amount will be added to the Discretionary Local Match. This dedication shall exist until such time as the State restores funding for education to the average level provided from FY 2006 to FY 2012 of $350 million (net of School facility funds). The City Council has directed the City Manager to recommend, as a part of the City's Proposed Operating Budget, reductions in whole or in part to the four cents real estate dedication in an amount roughly equal to the increased State funding above $350 million (per annum) as reflected by a decrease in the local composite index below the current FY 2013 level of 0.4110.

3.1.4. The combination of the required local match and the discretionary local match shall comprise the funding for Schools pursuant to this Policy.

3.2. Final Estimate

3.2.1. In February, Budget and Management Services will provide a final estimate of the Local Tax Revenues. This will be the estimate included in the City's Proposed Operating Budget.

3.2.2. Required Local Match calculation - By February the final SOQ required local match should be known from the Virginia Department of Education and this figure will be used to set aside the first allocation of revenues.

3.2.3. Discretionary Local Match calculation – Budget and Management Services will then allocate to Schools the formula component (34.11% of the remaining estimated Local Tax Revenues) plus the School's dedication component (four cents of the real estate tax provided no adjustments are required).

3.2.4. The combination of the Required Local Match and the Discretionary Local Match shall comprise the total local funding of the Schools under the Revenue Sharing Formula.

3.2.5. Estimates of the revenues contained in the Revenue Sharing Formula shall be clearly presented in the City's Operating Budget.

4. Procedure to Request an Increase in the Discretionary Local Funding Match:

4.1. After receiving the Superintendent's Estimate of Needs, the School Board will notify the City Council by resolution that it has determined additional local funding is required to maintain the current level of operations or to provide for additional initiatives. The School Board's resolution will provide the following: 1) that additional funding is required; 2) the amount of additional funding requested; 3) the purpose for the additional funding; and 4) that the School Board supports an increase in the real estate tax (or other local tax) should the City Council determine that such a tax increase is necessary.

4.2. If the City Council determines that additional funding is warranted to maintain the current level of City and Schools operations or to provide for additional initiatives, the City Council shall determine appropriate action. This action may include consideration of existing dedications or alternate sources of revenue or tax increases. If, after deliberation and appropriate public involvement, the City Council determines that additional tax revenues are required, City Council may adopt a tax rate increase to any revenue stream within this formula to generate additional local tax revenue.

4.3. Should the City Council dedicate such increase in local taxes, that dedication will be treated in the same manner as other Dedicated Local Tax. If the City Council does not dedicate the increased taxes, this revenue will be part of the Local Tax Revenues for purposes of this Policy.

5. Actual Revenue Collections deviate from Budget Local Tax Revenues:

5.1. If, at the end of the fiscal year, the actual Local Tax Revenues exceed the budgeted amount, the amount of excess revenue will be allocated in the same manner as similar revenues were apportioned in the recently ended fiscal year. However, such excess revenues are subject to the City Council's General Fund Balance Reserve Policy. If such funds are not required for the General Fund Balance Reserve Policy, the School Board may request that such funds be appropriated at the same time as the appropriation of reversion funds, discussed in Section 6.3, below.

5.2. If, the City, through the Manager or his designee, anticipates at any time during the fiscal year that actual revenues will fall below budgeted revenues, the School Board, upon notification by the City Manager or his designee of such an anticipated shortfall, will be expected to take necessary actions to reduce expenditures in an amount equal to the School's portion of the shortfall.

6. Reversion of Formula Revenues:

6.1. All other sources of funding shall be expended by the Schools prior to the use of Local Tax Revenues.

6.2. All balances of Local Tax Revenues held by the Schools at the close of business for each fiscal year ending on June 30th (to include the accrual period) lapse into the fund balance of the City's General Fund. The reversion described in the preceding sentence is specific to Local Tax Revenues, and while the appropriation to spend funds may lapse, the reversion process is not applicable to moneys in

a fund, such as the Athletic Fund, that are attributable to user fees or gate admissions.

6.3. Reversion Appropriation Process: The School Board may request, by resolution, the reappropriation and appropriation of funds resulting from the end of the fiscal year. This request should consider the following:

6.3.1. The use of funds whose appropriation has lapsed because of the end of the fiscal year and reverted to the fund balance of the City's General Fund. See Section 6.2.

6.3.2. The use of excess funds discussed in Section 5.1.

6.3.3. The calculation of actual debt payments for the fiscal year recently closed as compared to the estimated debt payments upon which the fiscal year's budget was appropriated. If the actual debt payment exceeds estimated debt payments, the amount of Schools reversion funds will be reduced by this difference. If actual debt is less than estimated debt payments, the amount of Schools reversion funds will be increased by this difference.

6.3.4. The Schools' Budget Office will confer with Budget and Management Services to verify that there is sufficient fund balance in the General Fund to meet the City Council Fund Balance Policy. If there is insufficient fund balance according to the Fund Balance Policy, the City Manager shall notify the Superintendent of this condition.

6.3.5. The School Board resolution may request the use of excess or reversion funds for one-time purchases or to be retained according to applicable policy on the Schools Reserve Fund (Fund 098), including School Board Policy #3-28, and City Council Ordinance # 2789F, adopted November 4, 2003.

6.3.5.1. Upon receipt of the resolution, Budget and Management Services shall prepare an ordinance for City Council's consideration of the School Board's request at the earliest available City Council meeting.

6.3.5.2. Following City Council's action Budget and Management Services shall notify the Schools of the City Council's decision and shall adjust the accounting records accordingly.

7. Revision to the City/School Revenue Sharing Policy:

7.1. The Superintendent, City Manager, School Chief Financial Officer, and the City's Director of Budget and Management Services shall meet annually to discuss changes in State and Federal revenues that support Schools operations, any use of "one-time" revenues, and any adjustments made to existing revenues affecting this formula. If they determine that an adjustment is needed, the City Manager and Superintendent will brief the City Council and School Board respectively.

7.2. City Council may revise this Policy in its discretion after consultation with the School Board.

7.3. If no other action is taken by the City Council and School Board, this Policy shall remain effective until June 30th 2018 at which time it will be reviewed and considered for reauthorization.

Approved:

As to Content:	Dr. Aaron Spence	11/17/15
	School Superintendent	Date
	James K. Spore	11/18/15
	City Manager	Date
As to Legal Sufficiency:	Mark D. Stiles	11/19/15
	City Attorney	Date
Approved by School Board:	Daniel D. Edwards	11/17/15
	School Board Chairman	Date
APPROVED BY CITY COUNCIL:	William D. Sessoms, Jr.	11/20/15
	Mayor	Date

Total General Fund, Non-Dedicated Local Taxes:	Adopted FY 2016-17	Adopted FY 2017-18
Real Estate	479,990,793	521,861,044
Less: Schools & City Dedication	(29,976,186)	(59,274,655)
Less: Outdoor Initiative Dedication	(2,471,721)	(2,547,635)
Personal Property	146,979,656	155,933,379
Less: Public Safety Dedication	(11,205,687)	(10,699,725)
General Sales	63,160,061	65,135,023
Utility Tax	25,472,704	25,757,106
Virginia Telecommunications	16,998,982	16,215,279
Business License	46,389,703	46,786,036
Cable Franchise	8,703,443	8,646,041
Cigarette - General Fund Only	11,063,425	11,113,112
Less: EDIP & City Dedication	(3,319,028)	(3,333,933)
Hotel Room	6,714,871	7,215,382
Restaurant Meals	41,342,843	43,841,222
Automobile License	11,203,452	10,807,765
Less: City Deductions	(1,867,242)	(1,801,294)
Bank Net Capital	2,604,375	3,328,454
City Tax on Deeds	6,820,299	7,617,589
City Tax on Wills	74,659	76,288
Total Non-Dedicated Local Taxes	818,679,402	846,676,478
Less: Required SOQ Match	168,449,399	167,668,841
Remaining Non-Dedicated Local Taxes	650,230,003	679,007,637
Formula %	**34.11%**	**34.11%**
Discretionary Local Match	221,793,454	231,609,505
Dedicated 4.0 Cents of Real Estate Tax to Schools	21,035,920	21,682,004
Current Revenue Sharing Formula Revenues	**411,278,773**	**420,960,350**
Expansion of Full Day Kindergarten and Pre-Kindergarten*	0	6,750,000
Total Revenue Sharing Formula Revenues	**411,278,773**	**427,710,350**

City Council Policy

Title: Maintenance and Repair of Aging City Infrastructure		Index Number: 45416
Date of Adoption: 9/7/99	Date of Revision:	Page: 1 of 2

1.0 Purpose

1.1 Aging infrastructure is a growing nationwide problem which demands increased attention. Currently, the estimated cost to maintain and repair the nation's infrastructure is at least $853 billion.

1.2 Virginia Beach is a relatively young city, established in 1963, which has now become a mature urban area with a population of approximately 430,000. Over the years, a large public investment has been made in building the City's infrastructure. The estimated replacement value of the City's investment is currently $5.38 billion. A large portion of that infrastructure, such as public buildings, roads, water and sewer lines, and schools, was constructed during the 1970s and earlier, and these facilities are now reaching ages where major maintenance and repair, if not full replacement, should be planned.

1.3 For the last several years, City Council, the School Board, and the City and Schools staffs have recognized the need for this increased commitment to repair, renovate and replace the City's older infrastructure. Council has addressed this issue by including additional funds in the Capital Improvement Program (CIP) for maintenance and repair projects.

1.4 Competition for City resources is keen while the City's infrastructure maintenance and repair needs are growing. Since it is in the public interest to plan now for the future maintenance and repair of this substantial public investment, City Council desires to establish a policy on infrastructure maintenance and repair to focus attention on the unseen but growing infrastructure issue and to prevent large and costly replacements in the future.

2.0 Council Policy

2.1 It is the policy of City Council to support the planned maintenance and repair of the City's infrastructure in a manner which provides the best facilities at the least cost and maintains the value of the City's investment.

2.2 It is the policy of City Council to treat infrastructure maintenance and repair costs as fixed costs for new projects.

2.3 It is the long-term goal of City Council to achieve maintenance and repair levels which insure that the City's infrastructure is functional and maintained in good condition by allocating the resources required by condition assessment surveys or generally accepted industry funding standards.

2.4 It is the policy of City Council to seek the expansion of resource capacity of these purposes.

3.0 Procedure(s) to Accomplish Policy

3.1 Staff will continue its planned infrastructure inventory and assessment until a complete and accurate inventory and assessment of the City's infrastructure is complete. The inventory and assessment will be maintained thereafter so funding requirements can be identified.

3.2 The City Manager shall, in the annual budget document, report the amount of the City's resources being applied to infrastructure maintenance and repair, and its relationship to replacement plant valve.

3.3 The City Manager shall, in concert with regional efforts, pursue increased resources for infrastructure maintenance and repair with emphasis on increases in State allocations for the maintenance and repair of roads, schools, and other infrastructure.

4.0 Responsibility and Authority

4.1 The City Manager shall, be responsible for submitting a budget which adequately funds the maintenance and repair of City infrastructure, and for reporting progress toward achieving Council's goals.

5.0 Definitions

5.1 "Maintenance" is defined as the recurrent, day-to-day, periodic, or scheduled work required to preserve real property in such condition that it may be used for its designated purpose.

5.2 "Repair" is defined as the restoration or in-kind replacement of real property to such condition that it may be used for its designated purpose. This would include projects like the replacement of Cooke Elementary School or the Social Services building.

5.3 "Expansion" or "new construction" is defined as the installation or assembly of a new facility, or the addition, extension, alteration, or conversion of an existing facility for a new or expanded use.

Approved as to Content:	Clarence Warnstaff	08/17/99
	Director/Administrator	Date
Approved as to Legal Sufficiency:	Leslie L. Lilley	08/27/99
	City Attorney	Date
Reviewed by:	James K. Spore	09/01/99
	City Manager	Date
Item Number: #45416	Ruth Hodges-Smith	09/07/99
	City Clerk	Date

City Council Policy

Title: Not Supplanting State, Federal, and Private Funds with Local Funds		Index Number: 47714
Date of Adoption: 2/06/01	Date of Revision:	Page: 1 of 2

1.0 Purpose and Need

The citizens of Virginia Beach receive important, beneficial services from a wide variety of State, Federal, and private agencies, as well as from City programs which rely on funding from these agencies. These agencies are critical partners with the City and the School system in the provision of programs to our community. When these agencies terminate programming, reduce services, or curtail funding, it cannot be assumed that the City of Virginia Beach will maintain these programs. The City's ability to assume the financial responsibility for these services without significantly impacting other service areas which are solely the responsibility of the City, or without having to raise taxes, is limited.

The purpose of this policy is to formally adopt the City's long-standing practice of not automatically supplanting funds from State, Federal, or private agencies with local funds when those agencies reduce or eliminate funding to City or School programs.

2.0 Policy

It is the policy of City Council to prevent, to the extent possible, the shifting of financial responsibility for State, Federal, or privately funded programs to the citizens of Virginia Beach by not supplanting those funds with local funds when those agencies reduce funding to the various community programs that rely on that funding.

3.0 Procedure to Accomplish Administrative Directive

3.1 The Department of Management Services will provide information to the City Manager on a periodic basis that reports any reductions in funding from State, Federal, or private sources that are expected to adversely affect services to the citizens of Virginia Beach. When services are severely affected by such reductions, the City Manager and the Department of Management Services will determine what actions, if any, may be necessary to mitigate the impact on local services.

3.2 The City Manager will report to City Council any instances where reductions in State, Federal, or private funding will have a severe enough effect on services that Council action is necessary.

4.0 Responsibility and Authority

The Department of Management Services is responsible for reporting to the City Manager any reductions in State, Federal, or private funding that could have an effect on services provided to the citizens of Virginia Beach.

5.0 Definitions

Supplanting: For purposes of this policy, the substituting of local funds for reductions in State, Federal, or private funding.

State, Federal, and private agencies: Agencies of either the State or Federal governments, or non-governmental agencies, that either provide funds to the City of Virginia Beach for the provision of local services or offer those services themselves directly to the citizens.

Approved as to Content:	Catheryn R. Whitesell	02/05/01
	Director/Administrator	Date
Approved as to Legal Sufficiency:	R.M. Blow	02/21/01
	City Attorney	Date
Approved:	Steven T. Thompson	02/26/01
	Chief Financial Officer	Date
Approved:	James K. Spore	02/26/01
	City Manager	Date
Approved:	Meyera E. Oberndorf	02/26/01
	Mayor	Date

ALTERNATE VERSION

REQUESTED BY COUNCILMEMBERS DIEZEL AND WOOD

A RESOLUTION TO ADDRESS PUBLIC SAFETY PAY COMPRESSION DISPARITIES

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

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

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

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

(1) To prevent future pay compression in the public safety pay and classification plans, pay adjustments shall be applied to all employees and ranges;

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

(3) A revised step plan shall be submitted to Council for review and discussion so it may be considered as part of the fiscal year 08-09 budget;

(4) Even if the above steps fail to alleviate supervisory pay compression, such compression shall be alleviated within three years of identification;

(5) Future market salary surveys shall be restricted initially to Hampton Roads communities; and

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

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

APPROVED AS TO LEGAL SUFFICIENCY

Roderick Ingram____
City Attorney's Office

Entry Level Police, Fire and Sheriff Salary Survey (as of February 2017)

Police Officer Recruit

Locality	Min	Mid	Max	Spread	Title
Virginia Beach	**$ 42,290.64**	**$ 52,527.60**	**$ 62,764.56**	**48%**	**Police Officer Recruit**
Chesapeake*	$ 39,199.00	$ 50,140.00	$ 61,081.00	56%	Police Officer Trainee
Hampton	$ 38,325.00	$ 42,643.00	$ 46,961.00	23%	Police Patrol Officer Recruit
Newport News*	$ 38,325.00	$ 39,325.00	$ 40,325.00	5%	Police Officer Recruit**
Norfolk*	$ 37,975.00	$ 37,975.00	$ 37,975.00	0%	Police Recruit
Portsmouth*	$ 36,347.00		$ 36,347.00	0%	Police Officer Trainee
Suffolk*	$ 39,849.00	$ 51,205.50	$ 62,562.00	57%	Police Officer I

Police Officer

Locality	Min	Mid	Max	Spread	Title
Virginia Beach	**$ 44,432.16**	**$ 55,187.52**	**$ 65,942.88**	**48%**	**Police Officer**
Chesapeake*	$ 41,361.00	$ 52,904.50	$ 64,448.00	56%	Police Officer
Hampton*	$ 40,478.00	$ 55,439.00	$ 70,400.00	74%	Police Patrol Officer
Newport News*	$ 43,044.00	$ 57,196.00	$ 71,348.00	66%	Police Officer
Norfolk	$ 40,981.00	$ 51,665.00	$ 62,349.00	52%	Police Officer
Portsmouth*	$ 38,260.00	$ 49,899.50	$ 61,539.00	61%	Police Officer
Suffolk*	$ 43,934.00	$ 56,455.00	$ 68,976.00	57%	Police Officer II

*No range adjustment from last year

**Increse $1000 at 6 months and again at 1 year.

Firefighter Recruit

Locality	Min	Mid	Max	Spread	Title
Virginia Beach	**$ 42,290.64**	**$ 52,527.60**	**$ 62,764.56**	**48%**	**Firefighter Recruit**
Chesapeake*	$ 39,199.00	$ 50,140.00	$ 61,081.00	56%	Firefighter Trainee
Hampton	$ 38,325.00	$ 42,643.00	$ 46,961.00	23%	Firefighter Recruit
Newport News	$ 38,325.00	$ 39,325.00	$ 40,325.00	5%	Firefighter/Medic Recruit**
Norfolk*	$ 36,617.00	$ 36,617.00	$ 36,617.00	0%	Firefighter Recruit
Portsmouth*	$ 36,347.00	$ 36,347.00	$ 36,347.00	0%	Firefighter Trainee
Suffolk*	$ 39,849.00	$ 51,205.50	$ 62,562.00	57%	Firefighter I

Firefighter

Locality	Min	Mid	Max	Spread	Title
Virginia Beach	**$ 44,432.16**	**$ 55,187.52**	**$ 65,942.88**	**48%**	**Firefighter**
Chesapeake*	$ 41,361.00	$ 52,904.50	$ 64,448.00	56%	Firefighter EMT
Hampton*	$ 40,478.00	$ 55,439.00	$ 70,400.00	74%	Firefighter
Newport News	$ 43,044.00	$ 57,196.00	$ 71,348.00	66%	Firefighter/Medic
Norfolk*	$ 41,168.00	$ 46,934.00	$ 52,700.00	28%	Firefighter-EMT Enhanced
Portsmouth*	$ 38,260.00	$ 49,899.50	$ 61,539.00	61%	Firefighter
Suffolk*	$ 41,841.00	$ 53,765.50	$ 65,690.00	57%	Firefighter II

*No range adjustment from last year

**Increse $1000 at 6 months and again at 1 year.

Sheriff Recruit

Locality	Min	Mid	Max	Spread	Title
Chesapeake*	$ 39,199.00	$ 50,140.00	$ 61,081.00	56%	Deputy Sheriff - Trainee

Sheriff Deputy (Entry Level)

Locality	Min	Mid	Max	Spread	Title
Virginia Beach	**$ 41,259.12**	**$ 51,242.76**	**$ 61,226.40**	**48%**	**Deputy Sheriff**
Chesapeake*	$ 41,361.00	$ 52,904.50	$ 64,448.00	56%	Deputy Sheriff
Hampton*	$ 34,167.00	$ 34,167.00	$ 34,167.00	0%	Deputy Sheriff*
Newport News	$ 34,067.00	$ 34,726.50	$ 35,386.00	4%	Deputy I
Norfolk*	$ 33,647.39	$ 42,494.70	$ 51,342.00	53%	Deputy Sheriff
Portsmouth*	$ 29,081.00	$ 41,821.50	$ 54,562.00	88%	Deputy Sheriff**
Suffolk*	$ 39,849.00	$ 51,205.50	$ 62,562.00	57%	Deputy Sheriff

*Receives 9% increase after 1 year

**Follows the pay set by the Compensation Board

Administrative Directive

Title: Donations and Gifts to the City		Index Number:
Date of Adoption:	Date of Revision: 06/30/2006	Page: 1 of 8

6.0 Purpose and Need

Grant funds from state, federal, or other agencies and organizations are an important revenue source that can aid the City in providing quality services to citizens and customers while keeping our taxes as low as possible. The growing increase in the number of grants awarded to the City has necessitated a higher level of coordination to ensure that grant funds are being used to achieve the City's Strategic Plan and derive the greatest benefit.

Departments are urged to solicit grants - especially where a grant will help achieve the City's Strategic Plan, enhance or support the City's basic services, or address any other City priority - while trying not to incur a high level of overhead on small grants that do not greatly influence the City's strategy.

Prior to seeking grant funding, a department should consider the following:

- Will the grant be used to address a City strategy or other priority?
- Would the grant funding be used for a previously identified need of the City for which no other source of funding is available?
- If the program being funded by the grant is needed to accomplish a City priority or achieve the department's mission, should it be supported instead by City funds to ensure that adequate resources are made available?
- Will the grant provide only short-term financing for a long-term commitment on the part of the City?

This Directive provides guidance on the process to be used by City departments in pursuing grants, and establishes a centralized means of identifying which grants are being sought, thereby promoting a systems approach to the use of grant funds.

7.0 Administrative Directive

No part of this Directive should be construed as superseding any portion of the adopted annual operating budget ordinance or Capital Improvement Program ordinance. In the event of a conflict between this Directive and either ordinance, the ordinance shall control.

All grant applications must be signed by the City Manager or appropriate designee prior to submission to the granting agency. All grants must be appropriated through the budgetary process, through the Council Agenda Process, or where applicable, through the use of the grant reserve (which is appropriated annually as part of the budget).

All grants must comply with all City policies and procedures, including the purchasing and technology improvement policies, and the City Attorney's Contract Preparation/Review Guidelines. Any grant that includes personnel costs must comply with all City personnel policies. The agenda request and ordinance shall include language indicating that the position is authorized only for the duration of the grant period, unless continued employment is required

by the grantor and approved by the City Manager prior to accepting the grant funding. The employee will be notified in writing upon hire that the position is subject to the continuation of grant funding and expiration of the grant will result in elimination of the position.

8.0 Procedure to Accomplish Administrative Directive

A. Grant Application Phase

The procedure for completing and submitting grant applications is bulleted below. Specific details are included in subsequent paragraphs.

- **Step 1**: Department identifies a need for services, equipment or programs.
- **Step 2**: Department seeks grant programs that support services related to the identified need.
- **Step 3**: Department informs Management Services staff (assigned budget analyst) of intent to apply for grant funding.
- **Step 4**: Management Services notifies department to proceed with application development; if there is a concern regarding the request, Management Services forwards the request to the responsible Chief who will make the determination whether to proceed with the application phase.
- **Step 5**: Department prepares grant application (with the Director's endorsement), routes it to other affected departments (including ComIT for those with technology components), and forwards it to Management Services, accompanied by the required grant forms (available on the Management Services BEACHnet site).
- **Step 6**: Management Services evaluates grant and forwards the application and recommendation to responsible Chief. In some instances, the City Manager's signature may be required.
- **Step 7**: Once application is approved and signed, department submits grant to grantor agency.

B. Grant Management Phase

The procedure for appropriating and managing grants is bulleted below. Specific details are included in subsequent paragraphs.

- **Step 1**: Department notifies Management Services that grant was approved and drafts an agenda request to accept the grant and appropriate funding. If additional paperwork, such as a formal acceptance is required, the department will forward this to Management Services to obtain signature from the responsible Chief and/or City Manager. Department notifies City Manager's Office to place grant on Council agenda.
- **Step 2**: Management Services drafts the ordinance and forwards it to the City Attorney.
- **Step 3**: Department representative attends the agenda meeting (Wednesday prior to Council date).
- **Step 4**: Once Council appropriates the grant, Management Services assigns a grant number and enters the related budget journal in ViBES. In the event that City Council declines the grant, the submitting department is responsible for notifying the grantor in writing that the City will not be accepting the grant.
- **Step 5**: Department begins managing the grant in accordance with the grant application and guidelines. Department must coordinate with Finance to determine responsibility for financial reporting. If the department submits financial reports, copies of each must be forwarded to the Comptroller's Office of the Finance Department. The department managing the grant is responsible for maintaining all grant-related records and ensuring reporting requirements are met.
- **Step 6**: When the grant period is completed, the department shall contact Finance to coordinate closing the grant in ViBES.

Grant Review and Authorization:

- The specific process required for grant review is outlined on the Management Services intranet site (on BEACHnet) under the "Grant Management" link. This link includes the "City of Virginia Beach Grant Management Process" flow chart and written procedures. These documents outline the specific process that should be followed, list all forms that are required to be completed, and provide a list of resources for departments applying for grants. All applicable forms are also available from this link.
- No grant application shall be submitted to a granting agency without prior review by the Department of Management Services and signature of approval by a member of the Management Leadership Team.
- Any City department or agency that intends to apply for a grant shall provide a copy of the full grant application and all required forms to the Department of Management Services at least ten (10) business days prior to the date the grant application is due to the granting agency.
    - It is necessary to allow Management Services ten (10) business days for review to ensure that it is adequately reviewed by Management Services staff and allow routing and review by the appropriate member(s) of the Management Leadership Team.
    - Management Services staff will work with departments on a case-by-case basis, where the granting agency has not provided ample notice to provide the required ten (10) business days for review; however, this does not exempt any grant from review by Management Services.

Requirements for Completing and Submitting Online Grants:

- If a grant is completed in an online database, a hard copy should be provided to Management Services to complete the required review and to maintain for central filing.
- The signature can be obtained on the grant routing form or on the cover letter from Management Services.
- A "Designee Authorization Form" should be completed and signed as well (available on the Management Services BEACHnet website).
- Please note that many online databases require authorization of the applicant prior to submission that may require several days to complete. Departments should plan their grant development accordingly.

Requirements for Legislative Approval:

- While all grants are subject to review by Management Services and require authorization by the City Manager, some grants may not require independent Council action. Certain grants can be appropriated through the use of grant reserve accounts, which are appropriated annually as part of the budget.
- Grants meeting the following criteria do not require City Council action, provided there is ample funding in the grant reserve accounts to accommodate the appropriation.

    - The grant does not establish new and/or ongoing services to the community.
    - The grant in total is $10,000 or less (amount from grantor, plus any associated match).
    - The grant does not authorize additional full-time or part-time FTEs.
    - Grantor requirements do not mandate acceptance by legislative body (i.e., City Council).
- Management Services will work with departments when there are special circumstances for other small grant programs, such as compressed timelines, that do not easily facilitate Council approval.

Requirements for Grants with Technology Components:

- The submitting department is responsible for routing grants that have technology components associated with them to ComIT during the application phase. The department is responsible for coordinating all technology equipment and infrastructure needs with ComIT staff after submission of the grant.

Inclusion of Grants in the Operating or Capital Budget:

- Guidelines for including grants in the annual operating budget include: the grant is on-going, non-competitive and/or allocated on a formula basis such that the revenue can be reasonably estimated based on the historical amount received.
- A department can include a grant in the operating budget request; however, the grant should be included in the appropriate grant fund and necessitates assignment of a grant number by Management Services.
- The CIP may also include grant funding that is of a one-time or ongoing nature.
- Grants that are appropriated as part of the annual operating or capital budgets will be reviewed in conjunction with departmental budget requests; however, Management Services will still review applicable paperwork for grants that are budgeted. The grant application and/or acceptance paperwork must still be approved and signed by the City Manager or appropriate Chief prior to submission to the granting agency for budgeted grants.
- It is still necessary for the requesting department to forward any documentation to Management Services for signature by an appropriate member of the MLT and inclusion in central filing.
- The department must notify Management Services of differences between the estimated and actual amount of all grants so that adjustments to appropriations may be made.
- An award letter is required for any new grant before it can be included in either the operating budget or CIP.

Financial Controls Applied to Grants (Source: June 20, 2005 memo to departments from Finance and Management Services)**:**

- The ViBES controls that are applied to operating budget appropriation units also apply to grants. However, grants are also controlled at the budget unit level. In general (exceptions are outlined below), the grant controls apply first to the grant number, then the budget unit number and then the object code. A grant number designates the overall appropriation unit; appropriations in one grant within a fund cannot offset appropriations within another grant in that same fund. Grants are also controlled at the budget unit level, which affects multi-departmental grants that have multiple budget units under the same grant number. Every single budget unit must balance within that grant.
- Grants also have the same controlled accounts applied, except at the budget unit level: Reserve for Contingencies (600s), Personal Services (601s and 602s combined), Operating Expenses (603s to 606s combined), Leases and Rentals (608s), Land Structures and Improvements (609s), and Debt Service (610s). These categories cannot exceed appropriations for those accounts. Part-time salaries and capital outlay are controlled at the line item level in ViBES; however, for budgetary and purchasing
- purposes, it is necessary to have adequate appropriations for each capital item (not the line item in total).
- Grants involving FEMA-Team deployments and certain housing grants that are subject to special circumstances are the exceptions to the application of the above ViBES controls. The requirements of these grants would render the application of these financial controls impractical.

Supplanting:

- Special focus is needed in the evaluation of grants regarding supplanting. Supplanting involves replacing one source of funding for another.
- The City Council adopted a policy in 2001 which states, "It is the policy of the City Council to prevent, to the extent possible, the shifting of financial responsibility for state, federal, or privately funded programs to the citizens of Virginia Beach by not supplanting those funds with local funds when those agencies reduce funding to various community programs that rely on that funding."
- In addition, many grants are requiring that the City certify that the funding will not supplant any funding already being used for the same purpose. For example, a Police Department grant may require that the grant funding not supplant any funding allocated for law enforcement uses, thus using vacancy funding from police officers to match the grant would not be allowable under the grant. In meeting non-supplanting requirements, the City considers the redirection of appropriated funding supplanting. This would not apply to funding that is programmed or planned in future years.

9.0 Responsibility and Authority

Department Directors shall be responsible for reviewing and providing a written endorsement of all grant applications submitted by their department, either in paper form or electronically. All grant applications shall be reviewed by Management Services and approved with signature by the responsible Chief and/or the City Manager prior to submission to the granting agencies. Before a grant can be submitted electronically, the individual that is preparing the application must be authorized by the City Manager to submit the grant. A "Designee Authorization Form" is located on the Management Services BEACHnet site under "Grant Management."

A. City departments are responsible for the following:

1. Seeking grant funding for identified needs that are not otherwise funded.
2. Obtaining all required signatures pertaining to the grant application and grant acceptance (recommended to be coordinated through Management Services after grant review).
3. Completing applications for identified grants in accordance with guidelines prescribed by the granting agency.
4. Collaborating with other departments as needed to ensure that grant funding provides the greatest possible benefit.
5. Submitting the full grant application package and completed grant forms to the Department of Management Services, ten (10) business days prior to the grantor's due date.
6. Initiating the agenda request process to acquire City Council acceptance of the grant and appropriation of grant funds once written approval notice is received from the grantor agency, if applicable.
7. Developing agenda requests for resolutions as required by granting agencies.
8. Administering the grant-funded program and ensuring that all City policies are followed and all grant requirements are met.
9. Ensuring that grant expenditures are within the awarded grant funding.
10. Coordinating with the City's Finance Department to ensure that grant funding is requested and received in a timely manner, and providing the Finance Department with a copy of the grant agreement and fiscal procedures.
11. Submitting all reports as required by the granting agency, including coordinating financial reporting with the City's Finance Department.
12. Notifying Human Resources at least one (1) pay period prior to any grant position no longer being funded.
13. Maintaining all documentation for grants for a minimum of three (3) years, unless the grantor specifies a longer duration.

14. Notifying Audit Services of any contact from the granting agency or other external agency concerning an audit or review.
15. Notifying Audit Services of concerns about violations of federal, state and/or local laws and regulations or suspected improprieties related to the grant program.

B. The Department of Management Services is responsible for the following:

1. Functioning as process owner of the grant management process and a resource for agencies, with regard to the grant process and grant development.
2. Assisting departments in identifying sources of grant funding and reviewing grant proposals.
3. Providing a timely review of grant applications prepared by departments.
4. Assisting departments in the preparation of agenda items seeking City Council acceptance of a grant and appropriation of grant funding.
5. Maintaining the following information on file as part of the department's role in resource management:
    a. A copy of the grant application.
    b. The department's grant analysis review.
    c. A copy of the agenda package, including the signed appropriation ordinance, and the associated journal voucher.
    d. A copy of the signed grant acceptance form, where applicable.
    e. A copy of the award letter.
6. Communicating with other City agencies and departments after acceptance and appropriation of the grant.
7. Providing copies of all grant-related budget information to the Comptroller's Office of the Finance Department, and to the Payroll Division of the Finance Department and Human Resources when a grant involves changes to part-time or full-time personnel.
8. Ensuring that City departments are familiar with the grant management process and providing grant training about the City's process on an annual basis.
9. Ensuring that Council ordinances include wording that indicates that grant-funded positions will be terminated when grant funding is no longer available.
10. Assigning revenue codes and grant numbers to awarded grants, and notifying Finance of awarded grants through a copy of the completed budget journal.
11. Coordinating multi-departmental grants to ensure a Citywide focus.

C. The Department of Finance is responsible for the following:

1. Functioning as process owner of grant reporting and accounting.
2. Serving as fiscal agent, when required by the grant.
3. Reviewing each grant periodically to ensure that grant funding is requested and received in a timely manner, including tracking all revenues received and expenditures made.
4. Ensuring that ended grants are properly closed out.
5. When necessary, submitting required financial reports to the granting agency.
6. Ensuring that grant controls are set in ViBES.
7. Providing grant training on grant reporting and accounting on an annual basis.
8. Obtaining copies of all funding requests and financial reports that are not completed by the Finance Department.

D. The Department of Human Resources is responsible for the following:

1. Indicating on the Personnel Transaction Form (P-3) of any employee hired with grant funding that the position is funded under a grant.
2. Ensuring that grant-funded personnel are aware upon hire that their positions are authorized for

a set time frame or certain amount of grant funding and ensuring that grant-funded personnel sign paperwork to that effect.

3. Processing a grant-funded position out of the system after receiving notification that the grant has been discontinued.
4. Assigning position control numbers to full-time grant positions.

E. The Department of Audit Services is responsible for the following:

1. Providing technical and/or advisory services to the department or program managers regarding program operations and compliance.
2. Providing advice and guidance on audit related matters.

10.0 Definitions

Grant: Funding awarded to the City by another level of government or by an outside agency or organization, and which generally meets the following requirements:

- The funding supports a public purpose.
- The funding is for a specified period of time.
- An application process is required to obtain the funds.
- Acquiring the funds is generally the result of a competitive process or funds are distributed on a formulary basis.
- Periodic reports are required to be submitted to the granting agency.
- The grant is subject to audit by the granting agency.

Annual Grant: A grant that is awarded annually, regardless of the specific grant period (e.g., City fiscal year, federal fiscal year, or calendar year).

Multi-Year Grant: A grant that affects the appropriation of funding beyond one (1) fiscal year.

Appropriation: Legal authorization from City Council to make expenditures and incur financial obligations on behalf of the City. Appropriations for grant programs can be included in and approved by City Council in the Adopted Operating Budget and Adopted Capital Improvement Program or may require subsequent action by City Council outside of the budgetary process.

Legislative Approval: Refers to (1) the need for City Council to accept and appropriate a grant to provide departments the authority to spend grant funding; or (2) the requirement by the grantor that City Council formally endorse or accept a grant, whether before the application is submitted or after the grant is awarded. Guidance for when legislative approval is not required to provide spending authority is provided on page 3 of this Directive.

Agenda Request*:* A formal request to be placed on the City Council agenda. The agenda request is required to allow the Council to vote to appropriate the grant funding. Grant funding that has not been appropriated may not be spent.

Ordinance*:* An ordinance, or an amendment to an ordinance, is a formal and binding type of Council legislation. A roll call of the Council records the Council's action on all ordinances. Before grant funding can be spent it must be appropriated. Because the budget is a legal document, any expenditures that are not included in the budget document must be ratified by Council as a separate ordinance. The ordinance appropriates grant funds for the department to spend.

Resolution: A resolution is a formal type of Council legislation. Passage of a resolution indicates the Council's policy on a certain matter, or it may direct a certain type of action to occur. It requires only one reading. This is a statement of intent by the City Council to participate in the grant program. Resolutions may be required for grants prior to award or after the grant has been awarded. This does not constitute an appropriation or a formal acceptance of grant funding, but only an agreement in principle.

***Supplanting*:** Substituting one source of funding to augment reductions in funding by another agency. The City's policy of not supplanting federal, state or private funding reductions with local funding applies to grants. Match requirements for grants are not considered supplanting. Grants are increasingly requiring that the City certify that federal, state or private funding are not supplanting local funds intended for the same purpose as well.

6.0 Specific Requirements

Subject to any other provision of the law, all agencies and departments shall administer all grants in accordance with this Directive and related supporting documents.

Approved as to Content:	Catheryn R. Whitesell	08/25/06
	Director of Management Services	Date
Approved as to Legal Sufficiency:	Leslie L. Lilley	08/30/06
	City Attorney	Date
Approved:	David L. Hansen	08/31/06
	Chief Financial and Technology Officer	Date
Approved:	James K. Spore	08/31/06
	City Manager	Date

Administrative Directive

Title: Resource Administration Directive		Index Number: AD 7.01
Date of Adoption: 07/01/92	Date of Revision: 01/31/03	Page: 1 of 8

1.0 **Purpose and Need**

The Annual Operating Budget Appropriation Ordinance authorizes the City Manager or the Director of Management Services to establish and administer budgeting within appropriation units, consistent with best management practices, reporting requirements, and programs and services adopted by the City Council.

The Resource Administration Directive has been established to:

1. Maintain the requirements of the City Charter, the City Code, the Annual Operating Budget Appropriation Ordinance and the Capital Improvement Program Appropriation Ordinance.

2. Ensure the financial integrity of the City through the establishment of policies which provide that the appropriation authority granted by the Annual Operating Budget and the Capital Improvement Program Appropriation Ordinances is not exceeded, without prior approval of Council.

3. Provide a framework for responsible expenditure decisions.

4. Maximize the flexibility and accountability of Department Directors in responding to the demands of their departments' missions and in fulfilling their program objectives, while adhering to legal and administrative policies.

2.0 **Administrative Directive**

Subject to any other provision of the law, all agencies and departments shall administer their operating budgets in accordance with this directive.

3.0 **Procedure to Accomplish Administrative Directive**

The Department of Management Services is responsible for coordinating the City's Resource Management Plan and making recommendations to the City Manager. Management Services shall act as the City Manager's designee in the approval of appropriation transfer requests. Management Services will coordinate annual fiscal management training with Finance, Human Resources, Audit Services, and other interested departments. Budget unit managers are strongly encouraged to attend.

All related forms are available on the Department of Management Services intranet page. Detailed instructions and overviews of procedures are also described on the site. Forms can be submitted electronically; however, a signed hard copy must also be submitted to Management Services. Only employees whose signatures are on file with Management Services are authorized to sign transfers.

Any modifications to appropriations within controlled accounts will require submission of a Transfer of Appropriations form or Redefinition of Funds Letter to be approved by Management Services. The departments

3.0 Procedure to Accomplish Administrative Directive

should send these requests directly to Management Services. Management Services will notify Council of approved transfers between $25,000 to $100,000 on a monthly basis.

City Council approval is required for any transfer that 1) exceeds $100,000, 2) significantly expands an existing program, 3) initiates a program that has not previously been requested in the budget, 4) increases permanent positions, or 5) appropriates new funds. Departments must follow the Agenda Process for these requests.

All requests for new programs, program enhancements, or expansions of programs will be reviewed by Management Services, with recommendations made to the City Manager or his designee as to the appropriateness of the request. Management Services will evaluate all requests for changing the scope of use for funds appropriated in the budget document. In general, only program additions or enhancements that were requested but not funded during the budget process are eligible for consideration. Exceptions may be made in cases where the department could not reasonably foresee the need for the request (example: new mandate, change in technology, etc). Programs that involve redirection of existing funds that are available within the requesting department's fiscal year appropriation and do not require additional funding in future years or involve additional permanent FTEs may not necessitate Council action.

Internal Service Funds will also be required to submit requests for new programs, program enhancements, or expansions of programs, which will be reviewed by Management Services. Recommendations will be made to the City Manager or his designee as to the appropriateness of the request. Management Services will evaluate all requests for changing the scope of use for funds appropriated in the budget document. The same evaluation criteria apply to requests from Internal Service Funds. Additionally, the only use of retained earnings by Internal Service Funds that does not require Council action is increasing the cost of goods sold.

Department Directors may appeal the disapproval of funding requests by Management Services staff to the Director of Management Services. All information related to the request, including the reason(s) for denial, will be forwarded for review and reconsideration. Should the Director of Management Services also disapprove the request, Department Directors may appeal the decision to the Management Leadership Team. All information related to the request, including the reason(s) for denial, will be forwarded to the Management Leadership Team for review and reconsideration. Decisions of the Management Leadership Team are final.

4.0 Responsibility and Authority

1. Department Directors

   Department Directors have a responsibility to ensure that:

   a. The expenditures and encumbrances do not expand, enhance or create programs which will be an on-going commitment or will create a future liability of the City, beyond the current fiscal year, without the approval of the City Manager and City Council.

   b. The appropriation units remain balanced so that the aggregate total of expenditures and encumbrances does not exceed the aggregate total of the adjusted appropriations in each appropriation unit.

   c. The estimated revenues which support each program are or will be realized by the City, and that Special Revenue and Enterprise Funds do not expend more than the realized revenues.

4.0 **Responsibility and Authority**

d. The balance of each appropriation unit is maintained within each fund. Should an appropriation unit contain appropriations from different funds, the balance of each fund must be maintained separately and exclusively from the other funds within that appropriation unit.

e. The expenditures and encumbrances conform to City Council's policies and other expenditure restrictions. Department Directors should be aware of unique policies or restrictions relating to their own programs. (In general, copies of all policies established by the administrative departments are forwarded to operating departments, who are responsible for retaining them.)

f. Departments conform to the policies and procedures of the City's Grant Management Process, as described in Administrative Directive 1.05.

g. The total expenditures for Personal Services (601s and 602s), Capital Purchases (607s), and Land Structures and Improvements (609s), do not exceed appropriations for those accounts.

   Note: Part-time salaries line item is the exception to balancing at the account category level for the above controlled accounts. This line must balance alone at the appropriation unit level to ensure that the aggregate amount expended for part-time salaries does not exceed the amount appropriated for that purpose because overspending in this account may result in exceeding the number of authorized positions within the appropriation unit. Appropriations in this line may offset other Personal Services expenditures, but other appropriations in Personal Services expenditures cannot offset part-time salaries.

h. The aggregate total of expenditures and encumbrances for non-controlled accounts (603s, 604s, 605s, and 606s) does not exceed the aggregate total appropriated for those accounts for the appropriation unit.

i. Budget Unit Managers are encouraged to attend annual training provided jointly by Management Services, Finance, Human Resources, Audit Services, and other interested departments to maintain accurate and effective budget management.

Department Directors are authorized to perform the following:

j. Make spending adjustments within non-controlled accounts that do not exceed the scope or intent of the department's approved budget (i.e., there should be no new or expanded programs). It is not necessary for individual line items to balance; the non-controlled accounts for the appropriation unit must balance in total. See definition in section 5.0. All other requests will be evaluated and approved by Management Services in the form of Transfers of Appropriations and City Council Agenda Requests.

k. Request a personnel transaction (i.e., promotion or reclassification) provided that existing budgetary funds are available in the salary and fringe benefit accounts within the budget unit to offset any increase in expenditures.

   Prior to making a personnel request, the department must certify to the Department of Human Resources that adequate appropriations are available within the personnel accounts to offset increased costs. If the funds are not available, the department must request a transfer to the appropriate budget unit. The transfer must be approved prior to the effective date of the promotion/reclassification.

l. Prepare a Transfer of Appropriations Request or prepare a City Council Agenda Request, where applicable. (See City Manager and City Council sections for requirements of these requests.)

4.0 **Responsibility and Authority**

m. Request a redefinition of Capital Outlay appropriations via submission of a letter to Management Services indicating the justification for the request and the reason that there is available funding to be redefined.

2. The City Manager, or his designee, is authorized to transfer funding in accordance with the Annual Operating Budget Appropriation Ordinance, Capital Improvement Program Appropriation Ordinance, and Section 2-187.1 of the City Code.

Authorization is required from the City Manager, or his designee, to:

a. Transfer appropriations of up to $100,000, to or from controlled accounts, between appropriation units, from Reserves for Contingencies accounts, or between capital projects. Management Services provides a monthly report to City Council of transfers between $25,000 and $100,000.

i. Transfers to and from controlled accounts (especially personnel accounts) will be evaluated on a case-by-case basis to determine the emergency nature of the request. Criteria for consideration include: 1) the request is mission critical, 2) there is an adequate justification of the emergency nature, 3) the benefits of the request exceed the costs and the impact of not immediately implementing the request would disrupt service delivery (i.e., why the request cannot wait until the next budget process), and 4) the item was requested by the department during the budget process and was ranked favorably by the Caucus.

ii. Evaluation criteria for Transfers of Appropriations include: 1) the expenditure could not be reasonably anticipated during the budget process, 2) the request results from a mandate, or 3) the request constitutes a change in operating policies and procedures as a result of direction from the City Manager or City Council.

iii. Requests for transfers from Reserves for Contingencies will not be considered unless Management Services determines with the department that the appropriation unit cannot absorb the cost first, within the department's non-controlled accounts and second, within controlled accounts that are anticipated to have excess funding.

iv. Transfers within Internal Service Funds exceeding $100,000 must be approved by City Council if it is outside the scope of the approved budget. Any use of retained earnings must be approved by City Council unless it involves increasing the cost of goods sold.

b. Transfer positions between budget units, divisions, and departments, subject to the $100,000 limit on transfers. (Operating Budget Ordinance).

c. Approve and redefine the use of appropriations for specific Capital Outlay items (607s).

d. Increase the number of part-time FTEs within the current fiscal year, subject to the $100,000 limit on transfers, provided that the aggregate amount expended for such positions does not exceed the respective appropriations. (Operating Budget Ordinance).

e. Transmit items to City Council for adoption.

f. Decrease estimated revenues and corresponding appropriations to reflect expected revenue collections. City Council must be notified of reductions greater than $100,000.

4.0 **Responsibility and Authority**

g. Transfer excess appropriations to Reserves for Contingencies, after all anticipated expenditures for which those funds were appropriated have been included.

h. Transfer appropriated funds and existing positions as necessary to implement organizational adjustments that have been authorized by the City Council. The City Manager shall report to the City Council regarding the status and progress of any such organizational adjustments on an annual basis.

i. Carry forward appropriations which were authorized but not completed prior to the end of the fiscal year. These requests are reviewed for appropriateness and to ensure that there is sufficient fund balance to meet City Council policies. Salary funds are not eligible to be carried forward (Operating Budget Ordinance). Criteria for Carry-forward appropriations are: 1) the funds shall remain in the same fund, budget unit, and account code; 2) the item was specifically appropriated for the purpose identified in the request; 3) the legal appropriation unit or department has an unencumbered balance greater than the amount requested; 4) the fund balance of the affected fund has sufficient funding available at the close of the books to fund the continuation of the appropriation and is compliant with all prescribed policies; and, 5) the item to be carried forward must be critical to the mission of a program or service offered by the City. Carry-forwards are not to be used to re-appropriate "surplus" funds or to be used as an alternative source of funding from the current fiscal year to the subsequent fiscal year that is not in alignment with its original intended use.

j. Adjust the financing sources for various capital projects to reflect effective utilization of financing sources. The City Manager or his designee may also reduce appropriations to any capital project to reflect reductions in financing sources. However, prior notice to City Council is required for any reductions to total appropriations greater than $100,000.

k. Transfer from dedicated Reserves for Contingencies that have funding for a specific purpose.

l. Make corrections to the budget where movement of funds does not change the intent of the original appropriation, but allows for proper accounting of the funds.

3. City Council is authorized to amend the Operating Budget during the fiscal year. City Council approval is required for all of the following actions prior to the utilization of funds:

a. Amend original appropriations through supplemental appropriations of additional revenue, fund balance or retained earnings.

b. Amend the Operating Budget and Capital Budget through the transfer of appropriations that exceed $100,000.

c. Increase the total number of permanent positions.

d. Implement new, significant expansions or enhancements to programs or services, which will be an ongoing commitment or a future liability for the City beyond the current fiscal year. Any request that was not considered during the budget process will constitute a new program and will require City Council action. Any request deemed to exceed the scope of authority and intent reflected in the Resource Management Plan by the City Manager or his designee will require City Council action.

e. Initiate a new capital project.

5.0 Definitions

Terms are defined as they relate to the Operating and Capital Budget administration and provide a general explanation of technical concepts.

Account Categories: Line item expenditure account codes are grouped and numbered according to general uses. They are identified by the first three digits: 60X, where the 6 signifies that it is an expenditure. Following is a list and brief description of account codes.

- 601s – Personal Services: Compensation of direct labor of persons in the employment of the City; salaries and wages paid to employees for full-time, part-time, and temporary work; payment for contracted manpower.
- 602s – Fringe Benefits: Job-related benefits provided for employees as part of their total compensation.
- 603s – Contractual Services: Services acquired on a fee basis or a fixed-time contract basis from outside sources.
- 604s – Internal Services: Charges to departments for intra-governmentally provided support services such as microcomputer support, automotive services, internal telecommunications, print shop and risk management.
- 605s and 606s – Other Charges: Expenditures for all other purposes such as utilities, external telecommunications, office supplies, furnishings, uniforms, professional development, travel and membership dues.
- 607s – Capital Outlay: Expenditures resulting in the acquisition of, or addition to, fixed assets which cost $5,000 or more.
- 608s – Leases and Rentals: Leases not capitalized and rental of land, structures and equipment.
- 609s – Land Structures and Improvements: Major capital facilities, with a total cost less than $50,000, that are constructed or acquired, such as land or buildings, and alterations to existing properties. Any project over $50,000 may be a Capital Project and is addressed through the Capital Improvement Program.

Agenda Request: Document through which a department seeks approval of an ordinance for appropriation amendments or any increases in permanent positions that require City Council approval.

Appropriation: Legal authorization from City Council to make expenditures and incur financial obligations on behalf of the City. Appropriations for each program area are outlined and approved by City Council each fiscal year in the Adopted Operating Budget and Adopted Capital Improvement Program.

Appropriation Amendment: Adjustments made to the Annual Operating Budget during the fiscal year.

Appropriation Ordinance: Formal legislative enactment by Council. Means through which the Resource Management Plan is enacted into law. It establishes spending mandates, provides legal authorization for spending throughout the fiscal year and creates limits which cannot be exceeded without subsequent Council actions. It is also the mechanism used to amend the Operating and Capital Improvement Budgets.

Appropriation Unit: The legal level at which the Operating Budget must balance at the close of the fiscal year, as required by the appropriation ordinance. Appropriation units are the basis on which Council adopts the appropriation ordinance that is submitted with the Operating Budget and Capital Budget. In general, an appropriation unit is equivalent to a department, within a single fund.

5.0 Definitions

Controlled Accounts: Expenditure category over which the City Manager has retained authority (inside and outside the departments) for transactions to or from these accounts. Controlled accounts include Personal Services (601s), Fringe Benefits (602s), Capital Outlay (607s), Land Structures and Improvements (609s), as well as any transfers of appropriations affecting Capital Projects and Reserves for Contingencies funds.

Estimated Revenues: The amount of revenue estimated to support appropriations.

Full-Time Equivalent (FTE): Equivalent to the actual hours worked by a full-time position (greater than or equal to 1950 hours annually), employed a minimum of 37.5 hours per week for 52 weeks per year.

Fund: Separate group of self-balancing accounts which contain related liabilities and resources. Because each fund is a separate fiscal entity, the resources and liabilities should not be intermingled between funds.

Fund Balance: Referred to as retained earnings in an Enterprise or Internal Service Fund. It results from collecting revenues greater than expenditures and from appropriations that were not expended during the fiscal year. It must be authorized for expenditure (appropriated) by Council prior to spending. Any use of retained earnings must be approved by City Council unless it involves increasing the cost of goods sold.

Management Leadership Team: Decision-making body comprised of the City Manager, the Chief Operating Officer, the Chief of Staff, the Chief Financial Officer and the Chief Information Officer.

Non-Controlled Accounts: Accounts over which the City Manager does not exercise control. These include Contractual Service Accounts (603s), Internal Service Charges (604s), Other Charges (605s and 606s), and Leases and Rentals (608s).

Part-Time Employee: A City employee who is scheduled to actually work less than 37.5 hours per consecutive week, or an employee who is scheduled to actually work 37.5 hours per consecutive week for less than 52 consecutive weeks.

Redefinition: Changing the budgeted purpose of funds from a specific capital outlay item to another capital outlay item.

Resource Management Plan: Document that outlines the expenditures, personnel and revenues needed for financing the annual operations, services and programs of the City government. It is comprised of the Annual Operating Budget and the Capital Improvement Program.

Retained Earnings: See Fund Balance.

6.0 Specific Requirements

Subject to any other provision of the law, all agencies and departments shall administer their operating budgets in accordance with this directive.

Approved as to Content:	Catheryn R. Whitesell Director, Department of Management Services	01/17/03 Date
Approved as to Legal Sufficiency:	Leslie L. Lilley City Attorney	02/09/03 Date
Approved:	Steven T. Thompson Chief Financial Officer	02/12/03 02/12/03
Approved:	James K. Spore City Manager	02/17/03

GLOSSARY OF TERMS

Definitions of terms used in the Operating Budget document are given below:

Account Categories - Line item expenditure account codes are grouped and numbered according to general uses. The following list provides a brief description of account categories.

- **Personal Services** - Compensation for full-time, part-time, and temporary work of persons employed in the city, and payment for contracted manpower.
- **Fringe Benefits** – Job related benefits provided for employees as part of their total compensation.
- **Contractual Services** - Services acquired on a fee basis or a fixed-time contract basis from outside sources.
- **Internal Services** - Charges to departments for intra-governmentally provided support services such as automotive services, schools landscaping, internal telecommunications, and risk management.
- **Other Charges** - Expenditures for all other purposes (i.e. utilities, printing, office supplies, furnishings, uniforms, professional development, travel and membership dues).
- **Capital Outlay** - Expenditures resulting in the acquisition of, or addition to, fixed assets which cost $5,000 or more.
- **Leases and Rentals** - Leases not capitalized and rental of land, structures, and equipment.
- **Land Structures and Improvements** - Major capital facilities included in the CIP with a total cost of $250,000 or greater that are constructed or acquired (i.e. land or buildings, and alterations to existing properties).

Accrual Basis of Accounting - Where revenue and expenses are recorded in the period in which they are earned or incurred regardless of whether cash is received or disbursed in that period. This is the accounting basis that generally is required to be used in order to conform to generally accepted accounting principles (GAAP) in preparing financial statements for external users.

Agenda Request - Document through which a department seeks approval of an ordinance for appropriation amendments or any increases in permanent positions that require City Council approval.

Agricultural Reserve Program (ARP) - A program aimed at preserving agricultural land and identify and reduce urban sprawl in Virginia Beach. Through this program the city will acquire development rights via preservation easements to farm land.

Annual Grant - A grant that is awarded annually, regardless of the specific grant period (i.e. city/federal fiscal year, or calendar year).

Appropriation - Legal authorization from City Council to make expenditures and incur financial obligations on behalf of the city. Appropriations for each program area are outlined and approved by City Council each fiscal year in the Adopted Operating Budget and Capital Improvement Program and are also used in conjunction with the appropriation of estimated revenues.

Appropriation Amendment - Adjustments made to the annual operating budget during the fiscal year.

Appropriation Ordinance - Formal legislative enactment by City Council. This ordinance is the means through which the Resource Management Plan is enacted into law. The ordinance establishes spending mandates, provides legal authorization for spending throughout the fiscal year, and creates limits which cannot be exceeded without subsequent City Council actions. It is also the mechanism used to amend the Operating and Capital Budgets.

Appropriation Unit - The legal level at which the operating budget must balance at the close of the fiscal year, as required by the appropriation ordinance. Appropriation units are the basis on which City Council adopts the appropriation ordinance that is submitted with the Operating and Capital Budgets. In general, an appropriation unit is equivalent to a department within a single fund.

Bad Debt Expense - Incurred when the buyer of a good or service fails to pay for the item. Used primarily by the enterprise funds.

Base Realignment and Closure Commission (BRAC) - A federally appointed task force whose mission is to review military installations for possible closure and/or consolidation and realignment of existing missions, programs, personnel, and facilities.

Budget Proposal - The process for requesting funding for new and/or expanded programs and identifying existing programs for continuation of funding.

Budget Unit - A compilation of all the costs associated with a particular program.

Capital Improvement Program (CIP) - A program which schedules the financing and construction of major municipal facilities such as roads, schools, buildings, and water and sewer lines. This program is linked directly to City Council policies, plans, and goals.

Capital Outlay - The acquisition of, or addition to, fixed assets which cost $5,000 or more and have an expected service life of more than one year. Exceptions to this are major capital facilities with costs greater than $250,000 which are constructed or acquired - such as land and buildings which are funded in the CIP.

Capital Projects Internal Service Fund - Provides for the costs of capital project management staff in the departments of Finance, Communications and Information Technology, Economic Development, Parks and Recreation, and Public Works for the various road, economic development, and technology projects. Funding for these expenses is derived from charges to the CIP projects receiving this additional staff support.

Carry Forwards - Funds that are designated for specific needs that were approved within the current fiscal year but were unexpended by year end are then re-appropriated forward into the next fiscal year.

Charges for Services - Fees the city charges users for government services (i.e. recreation fees, court costs, library fines).

Charter Bonds - The City Council is authorized by the Virginia Beach City Charter to "… issue bonds or other obligations in any calendar year for any proper purpose in such amounts as shall not increase the total indebtedness of the City … by more than ten million dollars above the amount of such indebtedness at the beginning of such calendar year …" without the approval of qualified voters in the city.

Class - A grouping of jobs having similar duties and responsibilities, requiring similar knowledge, skills, abilities, and demanding similar qualifications so that the jobs may be appropriately titled, described, and equally compensated.

Commonwealth, Revenue from the - Funds provided by the Commonwealth of Virginia in support of joint operations and programs.

Contractual Services - Services acquired on a fee basis or fixed time contract basis from outside sources.

Controlled Accounts - Expenditure category over which the City Manager has retained authority (inside and outside the departments) for transactions to or from these accounts. Controlled accounts include Personal Services (601s), Fringe Benefits (602s), Capital Outlay (607s), Land Structures and Improvements (609s), as well as any transfers of appropriations affecting capital projects and reserves for contingencies funds.

Current Services - Provision of the existing programs and services by city departments without new position requests or additional capital outlay.

Debt Service - The annual principal and interest payments for the debt incurred by the city in the process of acquiring capital outlay or constructing capital facilities.

Depreciation - Used to record de-valuable capital investment of buildings, vehicles, equipment, and to record anticipated uncollectible accounts. Generally this account is not used in the Operating Budget.

Economic Development Investment Program Fund (EDIP) - This program is a proactive and creative initiative which enables the city to successfully retain existing employment opportunities and create new jobs while substantially enhancing the local tax base. These funds are leveraged by businesses for off-site utility improvements/upgrades, road improvements, traffic signal improvements, regional storm water facilities, and site preparation for land purchased from the Virginia Beach Development Authority (VBDA).

Encumbrances - Commitments related to unperformed contracts for goods or services.

Estimated Revenues - The amount of revenue projected to support appropriations.

Expenditures - Decreases in net financial resources.

Federal Government, Revenue from the - Funds provided by the federal government to compensate the locality for federal program impact, for programs jointly funded by the locality and the federal government, and outright grants such as library grants and sand replenishment.

Fines and Forfeitures - A broad range of fines and forfeitures for violations of local government ordinances. Examples include fines remitted to the city by the courts for violation of city ordinances, or fines collected by the City Treasurer for violations of city parking regulations.

Fleet Assets - Vehicles and equipment managed by the Department of Public Works Automotive Services Division. These assets may or may not be included on the rolling stock replacement inventory.

Fringe Benefits - Job-related benefits provided to employees as part of their total compensation (i.e. FICA, FICA-Medicare, retirement, health, life, dental insurance, employees car allowance, clothing allowance, cell phone stipends, etc.).

Full-Time Equivalents (FTE) - Conversion of the number of part-time and temporary positions to full-time positions. FTE's are computed by dividing the total number of hours worked by 2,080 which is the total number of hours worked per year for a full-time employee.

Full-Time Position - A position employed 40 hours or more per week for 52 weeks.

Fund - Separate group of self-balancing accounts which contain related liabilities and resources. Each fund is a separate fiscal entity; therefore, the resources and liabilities should not be intermingled between funds.

Fund Balance (Specific Fund Reserves) - Referred to as net assets in an Enterprise or Internal Service Fund. Fund balance results from collecting revenues greater than expenditures and from appropriations that were not expended during the fiscal year. Any use of fund balance or net assets must be approved by City Council.

GASB 45 - The Governmental Accounting Standards Board requires governments to fully reflect the actuarial costs of "Other Post-Employment Benefits" (OPEB) in their accounting records.

GASB 54 - The Governmental Accounting Standards Board requires making revenues the determining factor in the budgeting of Special Revenue Funds. These funds are required to have their own unique source of revenue; transfers can no longer serve as the primary source of revenues and the actual source of the revenue must be shown (i.e. Agricultural Reserve Program, Tourism Investment Program, etc.)

General Property Taxes - Taxes on real and personal properties, both tangible and intangible, (i.e. vehicles, real estate, and business equipment). Interest and penalties on delinquent taxes are also included in this category.

GovMax - The city's internet-based budgeting software leased from Sarasota County, Florida. This software incorporates operating, capital budget, and performance measurement modules.

Grants - Funding awarded to the city by another level of government, outside agency, or organization that generally meets certain requirements for use and reporting.

Health Insurance Portability and Accountability Act (HIPAA) - HIPAA was enacted by Federal government on August 21, 1996 and is enforced by the U.S. Department of Health and Human Services Office of Civil Rights. HIPAA provides for: (1) standardization of electronic formats for transmission of nine specific transactions including claims, electronic remittance advice, eligibility, authorization, pharmacy, enrollment, coordination of benefits, attachments, and first notice of claim; (2) security of electronic health information and signatures; (3) privacy of such patient identifiable information. Covered entities include health plans, health care clearinghouses (public or private entities that process standard transactions) and health care providers. It is important to note that the regulations extend to business and trade partners of covered entities.

Internal Services - Charges to departments for intra-governmentally provided support services (i.e. computer support, schools landscaping, automotive services, and risk management).

Land Structures - Major capital facilities constructed or acquired costing greater than $250,000.

Lease-Purchase - A means of financing whereby the city borrows the funds from a financial institution to pay for the acquisition of major pieces of equipment or computer software.

Leases and Rentals - Leases not capitalized and rental of land, structures, and equipment.

Legislative Approval - The need for City Council to approve a grant as identified in the guidelines of the grant for which funding is being sought. Such approval would typically be required either before the application is submitted or after the grant is awarded. Not all grants include this requirement.

Management Leadership Team (MLT) - Comprised of the City Manager and three Deputy City Managers to promote and influence alignment of the organization. The MLT accomplishes this by managing the interfaces of tasks, processes, and environment by identifying and addressing critical issues and needs, and communicating with the organization's customers and members.

Merit Increase - A salary increase within the pay range of a class to which an employee is assigned. Merits are awarded based on job performance in accordance with the city's performance appraisal program.

Miscellaneous Revenue - Donations and contributions made to the city.

Mission - A broad statement of reason for an agency's existence, purpose, and function as related or aligned with City Council goals and visions.

Modified Accrual Basis of Accounting - A mixture of cash and accrual basis used for governmental funds to be recognized as a revenue or expenditure. The actual receipt or disbursal of cash must occur after a transaction or event has occurred to have an impact on current spendable resources. Revenues must be both measurable and available to pay for the current period's liabilities. Revenues are considered available when collected either during the current period or after the end of the current period, but in time to pay year-end liabilities. Expenditures are recognized when a transaction or event is expected to draw upon current spendable resources rather than future resources.

Money and Property, Revenue from the Use of - Revenue generated through the investment of funds in money market accounts, or through the lease or rental of city property and concessions.

Multi-Year Grant - A grant that affects the appropriation of funding beyond one fiscal year.

Net Assets - Denotes fund balance in Internal Service Funds and Enterprise Funds (formerly retained earnings in Internal Service Funds).

Non-Appropriated Budget - Funding available to an agency to support its programs provided primarily by the Commonwealth of Virginia or the federal government. This amount is not appropriated by the city and is shown to provide the total cost of a program.

Non-Controlled Accounts - Accounts are controlled in total but not by line-item. These include Contractual Service Accounts (603s), Internal Service Charges (604s), Other Charges (605s and 606s), and Leases and Rentals (608s).

Non-Revenue Receipts - The reimbursement of an expense incurred on behalf of other organizations, or the receipt for financing capital outlay or capital projects.

Objectives - Quantifiable statements of actual and desired levels of service or the outcome of policies or activities.

Ordinance - An ordinance or amendment to an ordinance is a formal and binding type of City Council legislation. Since the budget is a legal document, any expenditure that is not included in the budget document must be ratified by City Council as a separate ordinance.

Other Charges - Expenditures for utilities, telecommunications, delivery services, insurance, office supplies, food and food service supplies, agricultural supplies, medical and laboratory supplies, housekeeping and janitorial supplies, office furnishings, vehicle and powered equipment supplies, uniforms and wearing apparel, books, subscriptions and educational supplies, recreational supplies, shop supplies, construction and maintenance materials and supplies, merchandise for resale, shop tools, professional improvement and certifications, travel, contributions, dues and memberships, and claims and bounties.

Other Local Taxes - Taxes which the Commonwealth of Virginia enables the localities to use and set within the state code (i.e. local share of the sales tax, business licenses, local vehicle registration fees, cigarette taxes, etc.).

Part-Time Position - A city employee scheduled to work less than 35 hours per consecutive week, or an employee who is scheduled to work 35 hours per consecutive week for less than 52 consecutive weeks.

Pay-As-You-Go - An apportionment of cash funding from the general revenue of the city to an operating department to administer an activity relating to a specific capital project. This method of funding is normally employed as an alternative to additional borrowing.

Pay Range - The minimum through maximum salary levels assigned to a class of positions.

Permits, Privilege Fees, and Regulatory Licenses - The class of permits, fees, and licenses, which includes such levies as user permits to cover costs of processing requests for changes in zoning, building permits, electrical permits, plumbing permits, etc. Regulatory licenses allow for the charging of fees on such services as vehicles-for-hire and refuse disposal services. Also included in this category is the locality's authority to charge fees to license animals, bicycles, and mopeds for identification purposes.

Personal Services - Salaries and wages paid to employees for full-time, part-time, and temporary work, including overtime, shift differential and similar compensation, and payment for contracted manpower.

Program Group - May reflect a budget unit name or a name that best reflects a group of services provided by several budget units within the department.

Public Facility Bonds - Bonds issued by governments and authorities. This debt does not constitute a general obligation debt of the city nor a pledge of the full faith and credit of the city. However, this debt is considered a part of the overall net debt of the city and is included in the city's debt ratio calculations and other debt policies of the city.

Reclassification - A reassignment of job title and pay range of an employee whose job responsibilities have been determined by the Director of Human Resources to have evolved to a degree that the present job classification does not accurately reflect the actual duties performed.

Redefinition - Changing the budgeted purpose of funds from a specific capital outlay item to another capital outlay item.

Referendum Bonds - Bonds which require authorization "… by ordinance adopted by the affirmative vote of two-thirds of all members of the City Council and approved by the affirmative votes of a majority of the qualified voters of the City voting on the question at an election called and held for the purpose …" of approving or disapproving the issuance of the bonds. While referendum bonds may be issued for general obligation purposes, normally the issue is identified as financing a specific project or group of projects, such as schools or roadways.

Reserve for Contingencies - Used to identify funds set aside as a reserve for unanticipated expenditures, budgeted salary adjustments, or any other anticipated costs to be allocated at a later date.

Resolution - Passage of a resolution indicates the City Council's policy on a certain matter, or it may direct a certain type of action to occur. Resolutions may be required for grants prior to award or after the grant has been awarded. This does not constitute an appropriation or a formal acceptance of grant funding, but only an agreement in principle.

Resource Management Plan - Document that outlines the expenditure, revenues, and personnel needed for financing the annual operations, services, programs, and capital projects of the city government. It is comprised of the Executive Summary, Operating Budget, and Capital Improvement Program.

School Funding Formula - Also referred to as the City/School Revenue Sharing Formula. A City Council policy to share specifically identified local revenues with the school system to both provide the locally required match to state funds and the additional local support beyond that minimum.

School Reversion - Results from school revenues, including the local transfer, greater than expenditures and from appropriations that were not expended during the fiscal year. All remaining school funds must, by state law, be returned to the locality.

Strategic Issue Team (SIT) - Seven teams formed to manage major city issues as identified by City Council's goals. These teams include: Economic Vitality, Safe Community, Quality Physical Environment, Cultural and Recreational Opportunities, Quality Education and Lifelong Learning, Family and Youth Opportunities, and Quality Organization.

Supplanting - Substituting one source of funding to augment reductions in funding by another agency. The city's policy of not supplanting federal, state or private funding reductions with local funding applies to grants, capital projects, or program revenues.

Tax Increment Financing (TIF) - A public financing tool that uses the real estate revenues generated by the growth in value of a designated area to fund capital improvement projects within that area.

Tourism Advertising Program (TAP) - A program that funds the city's advertising and marketing to promote and increase tourism and convention visitation to Virginia Beach. TAP includes financing of the Visitor Information Center and additional national and regional advertising for the city with increased emphasis on marketing through the city's website, **www.visitvirginiabeach.com**. This program is funded by dedicated and miscellaneous revenue.

Tourism Investment Program (TIP) - This fund provides funding for tourism related capital projects and initiatives and is supported by dedicated revenue streams as well as other miscellaneous tourism related revenue.

Transfers from Other Funds - Revenues received from another fund that is used to reimburse the recipient fund for expenses incurred on behalf of the other fund.

Transfers to Other Funds - The transfer of appropriations from one fund to assist in funding the operations of another.

Virginia Beach Quality Service System (VBQSS) - A quality management system designed to enhance the physical, social, economic, and educational quality of the city by delivering quality services to all citizens according to destination points set by the City Council.

DESCRIPTION OF FUNDS

Under the principles of fund accounting, all related liabilities and resources are grouped together in a self-balancing set of accounts. Generally funds are set up and maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations or limitations. Provided below is a description of each of the major funds used in this budget document.

Agriculture Reserve Program Special Revenue Fund - This fund accounts for the revenues and expenditures supporting this program to purchase development rights via agricultural land preservation easements for eligible parcels of farmland in specified areas of the city.

Bayville Creek Dredging Special Service District - Supports the special service district in the Bayville Creek area. Additional real estate taxes are assessed on residents in this district and collected in this fund for the purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing usage.

Capital Projects Internal Service Fund - Provides funding for positions and associated costs necessary for the implementation of capital projects. The cost is ultimately charged to the project itself.

Central Business District South Tax Increment Financing Fund (Town Center) - City Council adopted the CBD - South TIF District on November 23, 1999. Creating a CBD in the Pembroke area of the city has been a long-term goal. The Comprehensive Plan, adopted on November 4, 1997, noted "the need to improve the overall form and quality of the development within the CBD core area and transform what is now mostly undeveloped or underdeveloped land into an attractive, high quality, intensive, pedestrian designed, mixed use town center." On February 8, 2000, the City Council approved a development agreement between a developer and the Virginia Beach Development Authority that created a Town Center for the city. The funds are used to pay for the debt service costs for construction of four public parking garages, the Conference Center at the Westin Hotel, and a pedestrian bridge.

Chesopeian Colony Dredging Special Service District - Supports the special service district in the Chesopeian Colony area. Additional real estate taxes are assessed on residents in this district and collected in this fund for the purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing usage.

City and School Health Insurance Fund - Provides a means for accounting for health insurance and the administration thereof for city and school employees.

City Beautification Fund - Provides funding for various landscaping beautification projects. This fund derives its revenues from cash donations received annually from citizens or businesses for designated beautification projects. The donations fund the plants and other related materials and supplies needed for the projects.

City Garage Internal Service Fund - Accounts for the financing of vehicles, repairs, parts, and the motor pool services related to the use of city vehicles by city departments. Goods and services are provided by the City Garage to other departments on a flat fee basis.

Commonwealth Attorney's Federal and State Seized Assets Special Revenue Fund - Accounts for funds provided to the Office of the Commonwealth's Attorney by state and federal governments. These funds are from property and money confiscated as a result of narcotics investigations. The funds must be expended to support prosecution activities.

Community Development Loan and Grant Fund - Accounts for Community Development Block Grant funds used to finance loans and grants to homeowners in target neighborhoods. This fund also accounts for interest and principal repayments.

Community Development Special Revenue Fund - Accounts for the funds provided by the Community Development Block Grant and the city to address the inadequate housing of the city's low and moderate income families. This program supports the administration of both capital improvement projects in target neighborhoods and various other housing programs.

Federal Housing Assistance Grant Fund - Accounts for National Affordable Housing Act grant funds utilized for rehabilitation of owner and tenant-occupied low and moderate income dwellings.

Federal Section 8 Program Special Revenue Fund - Accounts for funds received directly from the federal government to provide rental assistance to low and moderate income families.

Fuels Internal Service Fund - Established and previously separated from the City Garage Internal Service Fund to more easily identify the costs associated with the delivery of fuel including maintenance, operation, capital and remediation costs for general fund supported fuel facilities.

General Fund - Supports the routine operations of the city. This fund can also incur liabilities indicated by inter-fund transfers which are reimbursable by other funds. Resources are generated through the tax base and from federal and state programs.

General Government Capital Projects Fund - Provides funds necessary to meet the city's needs for municipal infrastructure construction and rehabilitation ranging from community recreation centers to fire stations, to preserve and improve the city's roadway network to ensure efficient and safe mobility throughout the city, to preserve and enhance the extensive shorelines and navigable waterways within the city through protection, maintenance, access, and restoration projects, for projects supporting communications and information technology that improve customer service delivery, and improve the functionality and efficiency of the organization and its infrastructure, for capital projects supporting the economic and tourism development program, and for capital projects supporting the parks and recreation program. Sources of revenues include the operating budget, fund balance, state, federal, debt financing, private contributions, and the Sandbridge Tax Increment Financing District and Special Service District.

Gills Cove Dredging Special Service District - Supports the special service district in the Gills Cove area. Additional real estate taxes are assessed on residents in this district and collected in this fund for the purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing usage.

Grants Consolidated Fund - Accounts for grants-in-aid received from federal and state agencies and outside agencies or organizations.

Green Run Collegiate Charter School – A public charter school with a focus on college readiness. This fund is 100% supported with local funding and is subject to the reversion policy.

Harbour Point Dredging Special Service District - Supports the special service district in the Harbour Point area. Additional real estate taxes are assessed on residents in this district and collected in this fund for the purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing usage.

Hurds Cove Dredging Special Service District - Supports the special service district in the Hurds Cove area. Additional real estate taxes are assessed on residents in this district and collected in this fund for the purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing usage.

Law Library Fund - Finances the legal reference collection used primarily by the court systems. This fund is primarily supported through fees collected by the courts as court costs.

Library Gift Fund - Accounts for designated and undesignated donations to the Virginia Beach library system from individuals and groups. The undesignated donations are used for additions to the collection.

Multimodal Transportation Special Revenue Fund - This special revenue fund collects and remits revenue dedications from local funding sources to support transportation initiatives across the city. It also receives transfers from the SGA Office to support the annual allocation to HRT for bus services now paid by this fund. Transportation initiatives to be supported by this fund include roadways, multi-purpose use paths, mass transit, etc.

Old Donation Creek Dredging Special Service District - Supports the special service district in the Old Donation Creek area. Additional real estate taxes are assessed in this district and collected in this fund for the purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing usage.

Open Space Special Revenue Fund - This fund derives its revenue from part of the meals tax and other local sources associated with the acquisition of undeveloped property throughout Virginia Beach.

Parking Enterprise Fund - Accounts for the expenditures and revenues generated by parking meters and the operation of municipal parking lots in the resort area.

Parking Meters Homeless Donation Fund – This fund is to account for donations made at meters, or sponsorships of those meters, located at or near the oceanfront. Revenue from these donations and meter sponsorships is specifically earmarked to assist with homelessness services and prevention and to discourage panhandling at the oceanfront.

Parks and Recreation Gift Fund - Provides funding for various Parks and Recreation related needs. It derives its revenues from cash donations received annually from citizens for designated and un-designated purposes related to Parks and Recreation programs and activities.

Parks and Recreation Special Revenue Fund - Accounts for revenue from fees and charges, dedicated tax revenue for community recreation centers, the Sportsplex, and General Fund support associated with the operation of the Parks and Recreation department.

Police Federal and State Seized Assets Special Revenue Fund - Accounts for funds provided to the Police Department by the state and federal governments. These funds are from property and money confiscated as a result of narcotics investigations. The funds must be expended to support investigations.

Risk Management Internal Service Fund - Provides a means of accounting for the city's self-insurance program, claims handling, risk identification, and consulting services offered from one department to other city departments on a cost-reimbursement basis.

Sandbridge Special Service District Special Revenue Fund - This fund accounts for the cost of sand replenishment within the Sandbridge district oceanfront and receives its funding from specially assessed real estate taxes on properties within the district's boundaries, a transient occupancy tax for the district, additional support from the Parking Enterprise Fund, the Tourism Investment Program Fund, and the Parks and Recreation Special Revenue Fund.

Sandbridge Tax Increment Financing Fund - This fund in conjunction with funding from a special service district also created for Sandbridge, will provide for periodic beach restoration/ replenishment.

School Athletic Special Revenue Fund - Accounts for the costs of holding athletic activities at the city's schools. Primary funding is from admission fees to athletic events and additional support from the city's General Fund.

School Cafeteria Fund - Accounts for the costs of operating the city's school cafeterias. Primary funding is from the sale of school lunches and additional support from the state and federal government.

School Communication Tower Technology Fund - This fund receives all payments from private tower owners who lease school property for commercial wireless towers. The funds received and the interest earned are used to acquire and replace technology including computers, software, wiring, training, facsimile, and multi-functional copiers.

School Equipment Replacement Special Revenue Fund - This fund accounts for the financing and acquisition of various replacement equipment.

School General Revenue Capital Projects Fund - Provides funding for the construction of new schools and school facilities. The schools capital improvement program receives support from the operating budget in terms of current revenues and fund balance, state and private contributions, and debt financing.

School Grants Fund - Accounts for the costs to operate various special programs in the local schools and receives its funding from various local, state, and federal grant agencies.

School Instructional Technology Fund - Established to hold funds provided by the city outside of the Revenue Sharing Policy for school technology.

School Landscaping Internal Service Fund - Accounts for monies provided by the school system for landscape design, installation, maintenance, and contract oversight at all public school sites including physical education facilities, playgrounds, athletic fields, and parking lots.

School Operating Fund - Supports the routine operations of the school system and tracks the funds provided for education by the federal and state government.

School Reserve Special Revenue Fund - Used by the city to accumulate school reversion cash from the School Operating Fund as requested by the School Board and approved by the City Council. This fund is subsequently appropriated and transferred for emergencies, economic conditions, and similar purposes as requested by the School Board and approved by the City Council.

School Risk Management Fund - Provides a means of accounting for the school's self-insurance program, claims handling, risk identification, and consulting services offered from one department to other school departments on a cost-reimbursement basis.

School Textbook Fund - Accounts for the costs of providing textbooks to the student population. This fund receives its funding primarily from the State Department of Taxation and additional support from the city's General Fund.

School Vending Operations Fund - Established in FY 2001-02 after the school district entered into an exclusive vending arrangement with a national soft drink vendor. Proceeds from this contract will be used to support student activities.

Shadowlawn Dredging Special Service District Fund - Supports the special service district in the Shadowlawn area. Additional real estate taxes are assessed on residents in this district and collected in this fund for the purpose of providing neighborhood channel dredging of creeks and rivers to maintain existing usage.

Sheriff's Department Special Revenue Fund - Accounts for state, federal, and local funds in support of the Sheriff's Office. This fund also accounts for the proceeds of telephone commissions from pay telephones within the Correction Center. State law requires that these funds be used in support of programs benefiting the inmates. These costs and revenues were formerly budgeted in the Inmates Special Revenue Fund that was merged with the Sheriff's Department Special Revenue Fund in the FY 2012-13 Budget.

Sheriff's Federal and State Seized Assets Special Revenue Fund - Accounts for funds provided to the Sheriff's Department by the state and federal governments. These funds are from property and money confiscated as a result of narcotics investigations. The funds must be expended to support investigations.

Storm Water Capital Projects Fund - Accounts for funds allocated for infrastructure improvements to the storm water utility system. The storm water CIP is designed to create an effective drainage and storm water management system, protect natural resources, enhance quality of land and waterways, maintain the city's utility systems, encourage development only in accordance with principles of natural environment protection, and provide adequate resources to maintain existing infrastructure. Support is received from the Storm Water Utility Enterprise Funds current revenues, net assets, debt service for revenue bonds issued, and from other sources such as the state government, private contributions, and the city's General Fund.

Storm Water Utility Enterprise Fund - Accounts for revenues and expenditures generated by the storm water utility fee for operational and capital needs for storm water management in the city.

Subscriptions Internal Service Fund – Accounts for the financing of existing technology application related subscriptions by city departments.

Telecommunications Internal Service Fund - Accounts for the costs of providing the following services to city departments: telephone equipment, network and radio maintenance and support, contract administration, cable management, dial tone provision, etc.

Tourism Advertising Program Special Revenue Fund - This fund appropriates dedicated revenues to be used for the city's advertising and marketing program and related activities including the operation of the Visitor Information Centers which promotes and increases tourism and convention visitation to this city.

Tourism Investment Program Fund - This fund provides funding for tourism related capital projects and initiatives. This fund is supported by dedicated revenue streams as well as other miscellaneous tourism related revenue.

Town Center Special Service District - In accordance with the Town Center Development Agreement, this district was created to provide funding through an additional real estate tax assessed on owners of properties in the district to fund the annual operations and maintenance costs associated with the core parking facilities as well as security, street sweeping, pressure washing sidewalks, landscaping, and refuse collection at public waste receptacles within the Town Center core area. Every three years the special tax rate will be reviewed by the city to determine the cash flow needed to properly maintain and operate the facility.

Waste Management Enterprise Fund - Established in the FY 2012-13 Budget to account for the annual operating expenses for waste related functions including recycling activities, waste collection, and disposal at the landfill. This fund does not include CIP or rolling stock expenses. A special revenue fund is compatible with the continued General Fund support of these activities and enables accruing funds over time for replacement of capital and infrastructure needs, with a planned transition to an enterprise fund when the waste operation becomes self-sustaining.

Water and Sewer Fund - Accounts for expenditures and revenues generated by normal operations of the water and sewer divisions in the Department of Public Utilities.

Water and Sewer Capital Projects Fund - Provides funds for the renovation, rehabilitation, and replacement of water and sewer lines and pump stations, extensions of the water and sanitary sewer system coordinated with the roadway expansions, expansion of the water and sewer system to increase capacity in newer service areas and new water and sanitary sewer services through the Neighborhood 51% program. The water and sewer CIP receives support from the Water and Sewer Utility Enterprise Fund in terms of current revenues, net assets, debt service for revenue bonds issued, and from other sources such as the federal government and Hampton Roads Sanitation District.

COMMONLY USED ACRONYMS

Acronym	Title	Description
AAA	AAA Bond Rating	This bond credit rating indicates that the organization has extremely strong capacity to meet its financial commitments and represents the highest rating.
ADA	Americans with Disabilities Act	A wide-ranging civil rights law that prohibits, under certain circumstances, discrimination based on disability. As applied to local government, this federal legislation requires all public buildings, services, and programs to be accessible to people with disabilities.
ADM	Average Daily Membership	The aggregate days membership of a school during a certain period divided by the number of days the school was actually in session during the same period.
AICUZ	Air Installation Compatible Use Zone	The noise zones and the accident potential zones together form the AICUZ for an air installation. The AICUZ needs to be updated periodically when the number and type of aircraft operations change at an installation.
APZ1	Accident Potential Zone 1	An area beyond the airfield runway where an aircraft mishap is most likely to occur if one should occur. It does not indicate a probability of an accident occurring, but is to be used for planning purposes.
ARP	Agricultural Reserve Program	A program aimed at preserving agricultural land and identify and reduce urban sprawl in Virginia Beach. Through this program the city will acquire development rights via preservation easements to farm land.
BABS	Build America Bonds	Taxable municipal bonds that carry special tax credits and federal subsidies for either the bond issuer or the bondholder. The purpose of these bonds is to reduce the cost of borrowing for state and local government issuers and government agencies.
BPOL	Business Professional Occupation License	This represents a gross receipts tax on businesses. The fee and/or rates are based on the amount of gross receipts (or gross sales, gross purchases, gross commissions, gross contracts or orders) from the preceding calendar year.
BRACC	Base Realignment and Closure Commission	A federally appointed task force whose mission is to review military installations for possible closure; and/or consolidation and realignment of existing missions, programs, personnel and facilities.

Acronym	Title	Description
BZA	Board of Zoning Appeals	A 7-member body with two alternate members appointed by City Council and responsible for the review of variance requests to the Zoning Ordinance and appeals of decisions by the Zoning Administrator for the city.
CAFR	Comprehensive Annual Financial Report	The city's audited financial statement at the end of a given fiscal year.
CALEA	Commission on Accreditation for Law Enforcement Agencies	This organization provides accreditation to agencies that meet established standards and use best practices utilized by other law enforcement agencies.
CBD	Central Business District	The CBD is a large area roughly bound by Thalia Creek on the east, Witchduck Road on the west, Jeanne Street on the north and Bonney Road on the south. Much of this area is comprised of commercial enterprises with some light industrial uses located in the western portion of the district. Since the year 2000, considerable growth has occurred in the CBDs Town Center area. Town Center is a 17-block area located southwest of Virginia Beach and Independence Boulevards. It is a vibrant and growing urban lifestyle center with a complement of mixed uses that include high rise residential, retail, office, restaurant, entertainment, education, and open spaces all designed around a well-planned urban, pedestrian friendly environment.
CBPA	Chesapeake Bay Preservation Act	An ordinance to protect and restore the water quality of the Chesapeake Bay and its tributaries.
CBPAO	Chesapeake Bay Preservation Area Ordinance	An Ordinance that affects all property in the city that drains into the Chesapeake Bay Watershed by limiting what is done on the affected property. The CBPAO is an effort to enhance the water quality by protecting environmentally sensitive areas such as buffers adjacent to waterways, tidal shores and wetlands, as well as highly erodible soils. Special permission may be needed from the city before work may begin on the properties covered by the ordinance.
CC	Certificate of Compliance	A program offered by the Department of Housing that conducts inspections on rental units in City Council approved rental inspection districts based on the need to prevent deterioration and blight in certain areas of the city and ensure safe, decent, and sanitary living conditions.
CDBG	Community Development Block Grant	Annual formula based grant from the Federal Department of Housing and Urban Development to states and localities to be used to for a wide range of community development needs by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

Acronym	Title	Description
CHINS	Child In Need of Services/Supervision	A child whose behavior, conduct, or condition presents or results in a serious threat to the well-being and physical safety of the child.
CIP	Capital Improvement Program	Schedules the financing and construction of major municipal facilities such as roads, schools, buildings, and water and sewer lines. This program is linked directly to City Council policies, plans, and goals.
CMRS	Mobile Telecommunications Service	CMRS means mobile telecommunications service as defined in the Federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 124, as amended. CMRS provider means an entity authorized by the Federal Communications Commission to provide CMRS within the Commonwealth of Virginia.
COG	Community Organization Grant	City Council appointed committee that awards qualified non-profit agencies monetary grants for providing services to Virginia Beach citizens.
COIA	Conflict of Interest Act	Sections 2.2-3100 – 2.2-3131 of the Code of Virginia requires some Virginia governmental officers and employees to disclose their personal and financial interests.
CPI	Consumer Price Index	Measures changes in the price level of consumer goods and services purchased by households. The CPI in the U.S. is defined by the Bureau of Labor Statistics as “a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.”
CPMT	Community Policy and Management Team	A team of city/school staff that oversees Comprehensive Services Act funding.
CSA	Comprehensive Services Act	A funding pool of state funds, trust grants, Medicaid, Family Preservation Act funding, and other funding sources to strengthen families and provide services to at-risk youths.
CSB	Community Services Board	A service responsible for providing a range of behavioral health services.
DEA	Drug Enforcement Agency	Federal agency that enforces the controlled substance laws and regulations of the U.S. and bring to the criminal and civil justice system of the U.S., or any other competent jurisdiction, those organizations and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the U.S.

Acronym	Title	Description
DEQ	Department of Environmental Quality	Administers state and federal laws and regulations for air quality, water quality, water supply, and land protection in order to protect and improve the environment.
DMV	Department of Motor Vehicles	A state agency responsible for issuing driver's licenses and issuing automotive tags.
DSC	Development Services Center	Coordinates the review and approval of subdivision plats and development plans to ensure engineering compliance with ordinances, standards, specifications and City Council requirements. It administers development sureties and coordinates review and recordation of legal documents and agreements designed to ensure construction of requirements established during the plan review and approval process.
EAP	Employee Assistance Program	Provides assessment, counseling, and referral services designed to assist employees in resolving personal problems which may impair job performance, thereby enhancing productivity and reducing absenteeism and turnover.
EDIP	Economic Development Investment Program	This program enables the city to successfully retain existing employment opportunities and create new jobs while substantially enhancing the local tax base. These funds are leveraged by business for off-site utility improvements/ upgrades, road improvements, traffic signal improvements, regional storm water facilities, and site preparation for land purchased from the Virginia Beach Development Authority (VBDA).
EEO	Equal Employment Opportunity	A federal law banning the practice of employment discrimination based on race, religion, national origin, creed, sex, etc.
EMS	Emergency Medical Services	A city department that provides emergency rescue services using certified volunteers and career medics, and provides lifeguard services at Sandbridge beach.
EPA	Environmental Protection Agency	A federal agency that was created for the purpose of protecting human health and the environment by writing or enforcing regulations based on laws passed by Congress.
ESG	Emergency Shelter Grant	A federal grant provided by the Department of Housing and Urban Development that is designed as the first step in the continuum of care to provide funds for emergency shelters — immediate alternatives to the street — and

Acronym	Title	Description
		transitional housing that helps people reach independent living. Grantees use ESG funds to rehabilitate and operate these facilities, provide essential social services, and prevent homelessness. ESG funds can also be used to aid people who are at imminent risk of becoming homeless due to eviction, foreclosure, or utility shutoff.
ESO	Environment and Sustainability Office	This Office prepares and maintains the City's Environmental Sustainability Plan, advocates for responsible stewardship of the City's natural resources, is responsible for the interpretation and enforcement of the Chesapeake Bay Preservation Area and Southern Watershed Management Ordinances, and provides staffing support for the Chesapeake Bay Preservation Area Board and the Wetlands Board. Waterfront construction, dredging, permits and inspections in the city are coordinated through this unit.
FASB	Financial Accounting Standards Board	A designated organization that establishes standards of financial accounting that govern the preparation of financial reports by nongovernmental entities. Those standards are officially recognized as authoritative by the Securities and Exchange Commission and the American Institute of Certified Public Accountants. Such standards are important to the efficient functioning of the economy because decisions about the allocation of resources rely heavily on credible, concise, and understandable financial information.
FBI	Federal Bureau of Investigations	It is an intelligence-driven and a threat-focused national security organization with both intelligence and law enforcement responsibilities. The mission of the FBI is to protect and defend the U.S. against terrorist and foreign intelligence threats, to uphold and enforce the criminal laws of the U.S., and to provide leadership and criminal justice services to federal, state, municipal, and international agencies and partners.
FCC	Federal Communications Commission	An agency of the federal government that regulates interstate and international communications by radio, television, wire, satellite, and cable in all 50 states, the District of Columbia and U.S. territories.
FEMA	Federal Emergency Management Agency	Is a federal agency within the U.S. Department of Homeland Security whose mission is *to reduce loss of life, property, and protect our nation's critical infrastructure from all types of hazards through a comprehensive risk-based emergency management program of mitigation, preparedness, response, and recovery.*
F.I.C.A., F.I.C.A.-Medicare	Federal Insurance Contributions Act	Payroll (or employment) taxes imposed by the federal government on both employees and employers to fund Social Security (6.2% tax) and Medicare (1.45% tax).

Acronym	Title	Description
FOG	Fats, Oils, and Grease	Provides information to prevent the introduction and accumulation of fats, oils, and grease, which can cause sanitary sewer blockages and obstructions into the City's wastewater system.
FOIA	Freedom of Information Act	Virginia statute that guarantees citizens the right to examine public documents.
FTE	Full-Time Equivalents	Conversion of the number of part-time and temporary positions to full-time positions. FTE's are computed by dividing the total number of hours worked by 2,080 (the total number of hours per year for a full-time employee).
FY	Fiscal Year	A budget cycle year from July 1 to June 30 in Virginia Beach and the State of Virginia. The federal government fiscal year is October 1 to September 30.
GAAP	Generally Accepted Accounting Principles	The standard framework for financial accounting.
GASB	Governmental Accounting Standards Board	Organization created to improve standards of state and local governmental accounting and financial reporting.
GDP	Gross Domestic Product	The total market value of all final goods and services produced in a given year equal to total consumption, investment, governmental spending, plus the value of exports, minus the value of imports.
GED	General Education Diploma	GED tests are a group of five subject tests, which, when passed, certify that the taker has American or Canadian high school-level academic skills. The initials GED have also been used on diplomas to mean General Education Diploma, General Equivalency Diploma, or Graduate Equivalency Degree.
GIS	Geographic Information System	Geographic Information Systems are tools used to gather, transform, manipulate, analyze, and produce information related to the surface of the Earth. This data may exist as maps, 3D virtual models, tables, and/or lists.
HIPAA	Health Insurance Portability and Accountability Act	Enforced by the U.S. Department of Health and Human Services Office of Civil Rights, HIPAA provides for: (1) standardization of electronic formats for transmission of nine specific transactions including claims, electronic remittance advice, eligibility, authorization, pharmacy, enrollment, coordination of benefits, attachments and first notice of claim; (2) security of electronic health information and electronic signatures; (3) privacy of such patient identifiable information. Covered entities include health plans, health care clearinghouses (public or private

Acronym	Title	Description
		entities that process standard transactions) and health care providers. It is important to note that the regulations extend to business and trade partners of covered entities.
HOME	HOME Investment Partnership Act Program	A federal formula block grant program that provides funding to states and localities to create affordable housing for low-income households. Communities use these funds, often in partnership with local non-profit groups, to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.
HRSD	Hampton Roads Sanitation District	Political subdivision of the Commonwealth of Virginia serving 17 counties and cities created by public referendum in 1940 to eliminate sewage pollution in the tidal waters of the Chesapeake Bay. Its mission is to protect public health and the waters of Hampton Roads by treating wastewater effectively.
HRT	Hampton Roads Regional Transit	An independent transit authority serving the Hampton Roads area.
HUD	The U.S. Department of Housing and Urban Development	A cabinet in the executive branch of the federal government whose mission is to create strong, sustainable, inclusive communities and quality affordable homes for all.
ICF	Intermediate Care Facilities	A health care facility for individuals who are disabled, elderly, or non-acutely ill usually providing less intensive care than that offered at a hospital or skilled nursing facility.
ITA	Interfacility Traffic Area	The flight corridor between Oceana Naval Air Station and the Naval Auxiliary Landing Field Fentress located in Chesapeake. The city has been purchasing properties in the ITA to limit or prevent the development of uses that conflict with the applicable AICUZ restrictions.
JUL	Joint Use Library	A collaborative partnership library with Tidewater Community College open to students, faculty, and the general public.
LETA	Law Enforcement Training Academy	An indoor training facility operated by the city that public safety departments use to earn/maintain accreditation status as well as satisfy their mandated training qualification needs.
LVR	Local Vehicle Registration	A local vehicle registration fee that is collected with the state registration fee by the Department of Motor Vehicles.

Acronym	Title	Description
MLT	Management Leadership Team	Comprised of the City Manager and Deputy City Managers to promote and influence alignment of the organization and manage the interfaces of the tasks, processes, and environment by identifying and addressing critical issues and needs, and to communicate with the organization's customers and members.
NAS	Naval Air Station	Navy aviation facility located in the city and is the only U.S. Navy Master Jet Base on the East Coast.
NG9-1-1	Next Generation 9-1-1	9-1-1 operating systems that recognized the location of all callers, including those that call 9-1-1 through cellular devices. Current operating systems require the call taker to obtain this information from the caller.
OPEB	Other Postemployment Benefits	Employees of state and local governments may be compensated in a variety of forms in exchange for their services. In addition to a salary, many employees earn benefits over their years of service that will not be received until after their employment with the government ends through retirement or other reason for separation. The most common type of these postemployment benefits is a pension. As the name suggests, other postemployment benefits (OPEB) are postemployment benefits other than pensions. OPEB generally take the form of health insurance, dental, vision, prescription, or other healthcare benefits provided to eligible retirees, including in some cases, their beneficiaries. It may also include some types of life insurance, legal services, and other benefits.
OSHA	Occupational Safety & Health Administration	Part of the U.S. Department of Labor to ensure safe and healthful working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education, and assistance.
POMP	Performance Outcome Measure Process	Builds capacity within the individual departments to measure the impacts of their programs and services on their customer base.
PTA	Parent Teacher Association	A formal organization composed of parents, teachers, and staff that is intended to facilitate parental participation in a school.
RBNF	Requested But Not Funded	Programs and services that were requested but could not be funded within available revenue.
RFC	Reserve for Contingencies	RFC is either specific or regular. When appropriated for specific purposes, the funding is dedicated to the purpose approved by City Council and may be transferred to the appropriate budget units for this specific purpose. If the RFC is regular, this funding is available to address

Acronym	Title	Description
		unforeseen needs in the upcoming budget and transfers are defined by limits set forth in the budget ordinance.
RFP	Request for Proposal	A document issued by the city in the early stages of a procurement process for goods or services that issues an invitation for suppliers, often through a bidding process, to submit a proposal on a specific commodity or service for purchase by the city.
RFQ	Request for Quotation	The informal solicitation method used for small purchases for the procurement of goods and/or services under $50,000. For procurements ranging $1,000 - $30,000 a minimum of 3 telephone or written quotations with at least one quote from a minority or female owned business if available. For procurements ranging $30,000 - $50,000 a minimum of 4 written quotations with at least two quotes from minority or female owned businesses if available.
ROW	Right-of-Way	A strip of land that is granted through an easement or other mechanism for certain purposes (i.e. transportation).
RSF	Revenue Sharing Formula	A formula whereby the city and schools share revenues by a defined formula.
SEC	Securities and Exchange Commission	A federal agency established by Congress to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation.
SGA	Strategic Growth Area	City's growth strategy to accommodate and absorb urban growth with a focus on planning and infrastructure.
SIT	Strategic Issue Team	Seven teams formed to manage major city issues as identified by previous mission teams and by the City Council's goals. These teams include: Economic Vitality (EV), Safe Community (SC), Quality Physical Environment (QPE), Cultural and Recreational Opportunities (CRO), Quality Education and Lifelong Learning (QELL), Family and Youth Opportunities (FYO) and Quality Organization (QO).
SNAP	Supplemental Nutrition Assistance Program	Federal food stamp program that provides assistance to low- and no-income people and families living in the U.S. The program is administered by the U.S. Department of Agriculture with benefits distributed by the individual states.
SOL	Standards of Learning	The state of Virginia measures against which students' achievement in school will be measured at different points in their education.
SOQ	Standards of Quality	A term describing the minimum limits the state prescribes for funding reimbursements of school personnel including teachers, principals, and other non-instructional staff.

Acronym	Title	Description
SPSA	Southeastern Public Service Authority	A regional agency established for the implementation of a regional solid waste disposal system to include a resource recovery operation, featuring a refuse derived fuel plant and a power plant. SPSA's purpose is set forth in the Code of Virginia for management of the safe and environmentally sound disposal of regional waste.
SWAT	Special Weapon and Tactics	An elite tactical unit of highly trained law enforcement officers specializing in weapons and tactics to handle high-risk situations. Duties include performing hostage rescues, counter-terrorism operations, serving high risk arrest and search warrants, subduing barricaded suspects, and engaging heavily-armed criminals.
SWU	Storm Water Utility	Enterprise fund created by City Code section 32.5-2 to operate, maintain, and improve the city's storm-water management system.
TANF	Temporary Assistance to Needy Families	Federal assistance, requiring all participants to find work after receiving assistance for 24 months and must participate in community services within two months.
TAP	Tourism Advertising Program	Advertising fund for the city’s advertising and marketing program to promote and increase tourism and convention visitation to this city.
TCC	Tidewater Community College	TCC serves the South Hampton Roads region with campuses in Chesapeake, Norfolk, Portsmouth, and Virginia Beach. TCC is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award associate degrees.
TIF	Tax Increment Financing	Public financing tool that uses the revenues generated by the growth in value of a designated area to fund capital improvement projects within that area.
TIP	Tourism Investment Program	Provide the necessary opportunities for future strategic growth areas, maintenance of the resort area, beach events, as well as economic development projects. This program provides funding for tourism related capital projects and initiatives and is supported by dedicated revenue streams.
Title VII	Title VII of the Civil Rights Act	This refers to the section of the Civil Rights Act of 1964 that prohibits employment discrimination based on race, color, religion, sex and national origin.
TMDL	Total Maximum Daily Load	Regulatory term in the U.S. Clean Water Act that describes a value of the maximum amount of a pollutant that a body of water can receive while still meeting water quality standards.

Acronym	Title	Description
VBCDC	Virginia Beach Community Development Corporation	A non-profit group dedicated to preserving the city's housing stock that provides numerous programs and services that assist low and moderate-income families.
VBCPS	Virginia Beach City Public Schools	This represents the Virginia Beach City public school system.
VBDA	Virginia Beach Development Authority	Composed of eleven members appointed by City Council to work in cooperation with the city's Department of Economic Development as delineated in Chapter 643, Acts of The General Assembly, as Amended.
VBTV	Virginia Beach Television	A local cable access channel that broadcasts city meetings, seminars, presentations, employment information, and other city business.
VDH	Virginia Department of Health	Oversees public health throughout the Commonwealth of Virginia. It has 35 local health districts, including Virginia Beach. Programs include restaurant inspections, food recalls, emergency preparedness and response, environmental health services, and the study and causes of diseases.
VDOT	Virginia Department of Transportation	State agency that maintains state roads and interstates.
VICAP	Virginia Independent Clinical Assessment Program	Program started by Virginia's Department of Medical Assistance Services (DMAS) which requires that individuals seeking children's mental health services have an independent assessment completed by a licensed mental health professional. DMAS has designated local Community Services Boards as the agency to conduct these evaluations.
VOIP	Voice-Over Internet Protocol	Protocol optimized for the transmission of voice through the internet or other packet-switched networks.
VRS	Virginia Retirement System	A state retirement system for public employees that provides its members with benefits at retirement, or upon disability or death.