Operating Budget

FiscalYear 2019-20

Adopted

Resource Management Plan

City of Virginia Beach

INTRODUCTION **3**
Purpose and Document Changes 3

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

REVENUES **39**
Revenues 39
National Economic Overview 39
Virginia Beach and Hampton Roads Region Economic Overview 40
Forecasting Methodology 42
Local Taxes 42
Dedication of the Real Estate Tax and Other Local Taxes 43
New Funds 44
Revenue Resource Analysis 45
Special Revenue Funds 52
Enterprise/Utility Funds 55

REQUESTED BUT NOT FUNDED **57**

DEPARTMENTS **73**
Agriculture 73
Department of the Virginia Aquarium 79
Budget & Management Services 86
City Attorney 90
City Auditor 95
City Clerk 99
City Manager 103
City Real Estate Assessor 107
City Treasurer 111
Commissioner of the Revenue 115
Commonwealth's Attorney 119
Communications 124
Convention and Visitors Bureau 128
Courts and Court Support 134
Cultural Affairs 138
Economic Development 145
Emergency Communications and Citizen Services 151
Emergency Medical Services 157
Finance 165
Fire 172
Health 178
Housing and Neighborhood Preservation 183
Human Resources 192
Human Services 199

Information Technology 209
Library 216
Municipal Council 223
Non-Departmental 227
Office of Emergency Management 236
Parks and Recreation 240
Planning & Community Development 250
Police 258
Public Education 265
Public Utilities 275
Public Works 282
Sheriff's Office 293
Strategy, Transparency, Innovation & Resiliency Office 299
Voter Registration & Elections 303

DEBT SERVICE 307

BUDGET ORDINANCES 315
Fiscal Year 2019-20 Budget Ordinance 315
Tax Levy on Real Estate 337
Tax Levy on Personal Property 340
Sandbridge Tax Increment 343
Waste Collection Fee Amendment 344
HUD Funding Plan 345
ERU Increase 346
Estate Tax Relief for Elderly and Disabled 347
Parking Enterprise Fund Revenue Dedication 349
Water Usage Rate 350
Town Center Special Service District 351
Resolution: Paid Time Off Policy 354
Resolution: Public Safety Pay Plan 356
Resolution: Vertical Pay Compression 357
Department of Cultural Affairs 358
Department of the Virginia Aquarium 359
Real Estate Tax Revenue Dedication 360

APPENDIX 361
RMP Process Overview 361
Accounting and Budgeting Basis 366
Summary of Positions by Department 376
City Council and School Board Policy – Revenue Sharing Policy 377
City Council Policy – Maintenance and Repair of Aging City Infrastructure 386
City Council Policy - Not Supplanting State, Federal, and Private Funds with Local Funds 388
A Resolution to Address Public Safety Pay Compression Disparities 390
Administrative Directive – Grant Management 392
Administrative Directive – Resource Administration Directive 400
Glossary of Terms 408
Description of Funds 415

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 2019 workshop, City Council reaffirmed previously established 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 – Maintain 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, Year-Round Destination 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 the Nation

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 – Be 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 – Have 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 – Leverage Data and Technology 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 – Modernize City Assets and Infrastructure

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.

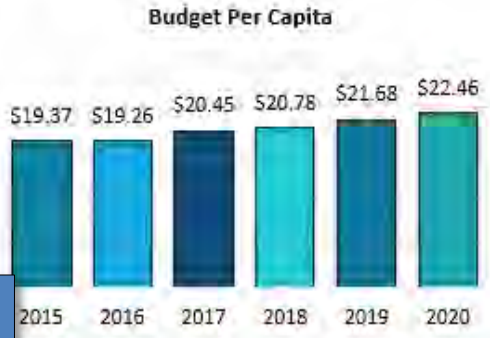
COMMONWEALTH'S ATTORNEY

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 advice to all local law enforcement officers, magistrates, and other lo office provides services and support for the victims and witnesses involved in the various case

Identifies the key mission statement of the department.

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 he
- → To handle, at the office's di misdemeanor appeals, all D and complicated misdemea
- → To provide, at the office's d o 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.

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

→ 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

NAVY LEVEL – City Council Goal(s)
Identifies the City Council Goal(s) that the department's work aligns with.

BLUE LEVEL – Means to Residents
Identifies what the Department's work "Means to Residents".

TEAL LEVEL – Community Level Outcome
If applicable, identifies community level outcome metrics that align with the department's outcomes and/or outputs.

GRAY LEVEL – Departmental Measures
If applicable, identifies departmental outcome/output measures that align with the City Council Goal(s)

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of resident[illegible] is a safe place to live"	90.2	90.2	89.6
Percent of resident[illegible] general, is a safe place to liv[illegible]	94	94	88.2

Since departments do not have an immediate, direct impact on community measures, outcomes are shown through FY18 and not projected in the document.

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Domestic Violence conviction rate	84%	85%	84%	84%	84%
Domestic Violence defendants prosecuted	1,560	1,368	1,368	1,395	1,395
Domestic Violence open cases closed	78%	72%	71%	71%	71%
Property Crime conviction rate	9[illegible]				92%
Property Crime defendants prosecuted	1[illegible]				1,058
Property Crime open cases closes	8[illegible]				86%
Serious Narcotic Violation conviction rate	9[illegible]				96%
Serious Narcotic defendants prosecuted	638	674	811	811	811
Serious Narcotic open cases closed	88%	72%	83%	83%	83%
Violent Felonies conviction rate	90%	90%	90%	90%	90%
Violent Felonies defendants prosecuted	526	541	600	600	600
Violent Felonies open cases closed	71%	69%	80%	80%	80%

This section provides details on department's performance metrics over time

Commonwealth's Attorney - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Proposed	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Commonwealth's Attorney		8,978,655	9,183,377	204,722
		8,978,655	9,183,377	204,722
Revenues				
State		2,807,324	2,793,072	(14,252)
Total Revenues	2,768,166	2,807,324	2,793,072	(14,252)
General City Support	5,446,379	6,171,331	6,390,305	218,974
140 Commonwealth Attorney's Fed & State Seized Assets SRF				
Expenditures				
DEA - Commonwealth's Attorney	48,471	100,000	100,000	0
Total Expenditures	48,471	100,000	100,000	0
Revenues				
Fees	6,793	0	0	0
State	60,574	0	0	0
Fund Balance	0	100,000	100,000	0
	367	100,000	100,000	0
	96)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Commonwealth's Attorney - Grants	556,906	816,827	938,999	122,172
Total Expenditures	556,906	816,827	938,999	122,172
Revenues				
State	57,579	140,397	143,512	3,115
Federal	299,224	421,191	430,536	9,345
Transfers	240,119	255,239	364,951	109,712
Total Revenues	596,921	816,827	938,999	122,172
General City Support	(40,015)	0	0	0
Total Department Expenditure	8,819,921	9,895,482	10,222,376	326,894
Total Department Revenue	3,432,453	3,724,151	3,832,071	107,920
Total General City Support		171,331	6,390,305	218,974
Position Summary by Program				
002 General Fund				
Commonwealth's Attorney	82.91	85.91	91.91	6.00
Total	82.91	85.91	91.91	6.00
183 Grants Consolidated Fund				
Commonwealth's Attorney - Grants	11.92	11.92	11.92	0.00
Total	11.92	11.92	11.92	0.00

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

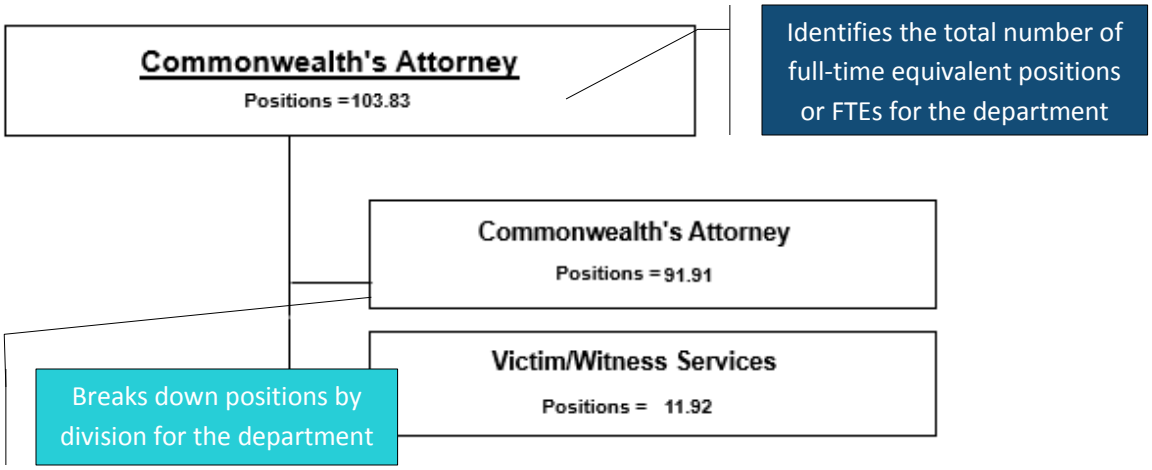
	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Proposed	Variance from FY 2019
Total Position Summary	94.83	97.83	103.83	6.00
Expenditure Category by Department				
Capital	3,136	21,584	12,924	(8,660)
Operating	[illegible]	[illegible],749	841,676	64,927
Personnel	[illegible]	[illegible],583	9,344,057	255,474
Reserves	[illegible]	[illegible],566	23,719	15,153
Total Expenditures:	[illegible]	[illegible],482	10,222,376	326,894
Revenue Category by Department				
From the Use of Money and Property	6,793	0	0	0
Other Sources from the Commonwealth	2,886,318	2,947,721	2,936,584	(11,137)
Revenue from the Federal Government	299,224	421,191	430,536	9,345
Specific Fund Reserves	0	100,000	100,000	0
Transfers from Other Funds	240,119	255,239	364,951	109,712
Total Revenue:	3,432,453	3,724,151	3,832,071	107,920

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 2020 Department Organizational Chart



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 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 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
002 General Fund			
Appropriation Units:			
Agriculture	798,798	893,401	930,931
Benefits Administration	735,538	735,538	735,538
Board of Equalization	1,381	2,980	2,980
Budget and Management Services	1,365,182	1,438,075	1,451,354
Circuit Court	1,120,670	1,146,471	1,154,854
City Attorney	4,477,543	4,513,926	4,557,406
City Auditor	885,581	957,251	938,831
City Clerk	661,156	646,549	570,326
City Manager	2,340,996	2,639,343	2,840,594
City Real Estate Assessor	3,185,357	3,376,290	3,332,487
City Treasurer	5,861,053	6,350,171	6,196,789
Clerk of the Circuit Court	3,460,403	3,670,975	3,658,384
Commissioner of the Revenue	4,746,025	4,789,141	4,829,737
Commonwealth's Attorney	8,214,545	8,978,655	9,183,377
Communications Office	1,661,398	1,819,393	1,796,015
Community Organization Grants	501,436	502,193	500,599
Computer Replacement Program	1,002,359	1,648,642	1,728,171
Convention and Visitor Bureau	9,556,292	10,471,230	10,390,900
Cultural Affairs	3,027,176	3,107,787	3,142,946
Debt Service	49,326,017	52,883,834	54,414,230
Economic Development	4,242,488	5,915,839	5,654,013
Emergency Communications and Citizen Services	9,122,038	11,193,201	10,982,909
Emergency Management	449,220	554,123	548,202
Emergency Medical Services	11,664,269	12,221,593	12,580,859
Employee Special Benefits	6,569,605	7,750,031	7,886,430
Finance	5,501,700	6,561,410	7,066,932
Fire	54,571,764	54,944,253	55,835,134
General District Court	405,831	476,224	549,071
Health	3,309,859	3,486,963	3,479,631
Housing and Neighborhood Preservation	2,658,971	5,279,278	6,273,110
Human Resources	4,606,868	4,942,414	5,102,362
Human Services	110,032,107	120,019,777	122,435,294
Independent Financial Services	161,330	164,999	164,999
Information Technology	24,774,176	26,875,592	27,408,401
Juvenile and Domestic Relations District Court	158,894	181,918	224,774
Juvenile Probation	1,466,193	1,494,989	1,530,820
Leases	1,622,071	2,155,539	4,380,800
Library	17,516,912	18,346,972	18,165,656
Magistrates	44,504	64,858	54,858
Municipal Council	587,086	583,962	663,050
Parks and Recreation	14,572,672	14,920,666	14,862,428
Planning	18,008,280	18,355,546	18,990,898
Police	98,532,673	103,711,544	102,960,533
Public Works	68,466,840	70,982,549	86,491,991
Regional Participation	3,269,765	3,041,888	2,584,135
Reserve for Contingencies	0	2,225,638	14,017,022
Revenue Reimbursements	15,850,077	11,865,270	12,334,917
Strategy, Transparency, Innovation & Resiliency Office	485,650	606,320	624,907

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
002 General Fund			
Appropriation Units:			
Transfer to Other Funds	507,397,046	513,756,007	515,971,198
Vehicle Replacements	5,793,041	5,357,514	5,357,514
Virginia Aquarium	10,206,033	12,183,275	12,271,722
Voter Registration & Elections	2,066,711	1,737,443	1,733,731
Fund 002 Appropriation Totals	1,107,043,578	1,152,529,440	1,191,544,750
Revenue Sources:			
Non-Revenue Receipts	203,917	0	0
Revenue From Local Sources			
Fines and Forfeitures	5,034,063	5,546,186	4,393,819
Charges for Services	39,782,537	39,598,917	37,457,701
Permits, Privilege Fees, and Regulatory Licenses	5,433,751	5,633,663	5,518,791
Miscellaneous Revenue	5,135,523	6,760,994	6,824,182
General Sales Tax	63,529,276	66,621,323	66,745,446
Personal Property	161,536,266	159,729,356	163,497,601
Hotel Room Tax	7,228,741	7,699,337	7,794,883
Amusement Tax	4,982	0	0
Utility Tax	47,527,207	49,337,837	49,578,224
From the Use of Money and Property	9,996,915	7,792,610	9,674,420
Cigarette Tax	10,645,742	10,835,826	10,433,892
Other Taxes	13,348,796	11,399,109	11,704,971
Business License	48,676,655	48,669,429	51,892,052
Real Estate	523,598,826	532,803,561	558,748,264
Automobile License	10,961,726	11,407,313	11,652,769
Restaurant Meal Tax	42,213,909	44,933,289	44,608,734
Revenue from the Commonwealth			
Other Sources from the Commonwealth	106,624,634	104,291,925	107,202,773
Revenue from the Federal Government	21,832,595	22,634,684	22,236,295
Specific Fund Reserves	0	507,970	6,239,587
Transfers from Other Funds	21,639,056	16,326,111	15,340,346
Fund 002 Revenue Totals	1,144,955,119	1,152,529,440	1,191,544,750
098 School Reserve Special Revenue Fund			
Appropriation Units:			
Transfer to Other Funds	8,803,897	6,800,000	5,800,000
Fund 098 Appropriation Totals	8,803,897	6,800,000	5,800,000
Revenue Sources:			
Specific Fund Reserves	0	6,800,000	5,800,000
Transfers from Other Funds	8,803,897	0	0
Fund 098 Revenue Totals	8,803,897	6,800,000	5,800,000
104 Green Run Collegiate Charter School			
Appropriation Units:			
Education	3,297,101	3,803,031	3,913,938
Fund 104 Appropriation Totals	3,297,101	3,803,031	3,913,938
Revenue Sources:			
Transfers from Other Funds	3,315,737	3,803,031	3,913,938
Fund 104 Revenue Totals	3,315,737	3,803,031	3,913,938

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
107 School Equipment Replacement Special Revenue Fund			
Appropriation Units:			
Reserve for Contingencies	169,495	1,088,036	80,000
Fund 107 Appropriation Totals	169,495	1,088,036	80,000
Revenue Sources:			
Specific Fund Reserves	11,002	1,088,036	80,000
Fund 107 Revenue Totals	11,002	1,088,036	80,000
108 School Instructional Technology Fund			
Appropriation Units:			
Instructional Technology	0	260,244	200,000
Fund 108 Appropriation Totals	0	260,244	200,000
Revenue Sources:			
Specific Fund Reserves	124,606	260,244	200,000
Fund 108 Revenue Totals	124,606	260,244	200,000
109 School Vending Operations Fund			
Appropriation Units:			
Vending	135,477	150,000	150,000
Fund 109 Appropriation Totals	135,477	150,000	150,000
Revenue Sources:			
Revenue From Local Sources			
Miscellaneous Revenue	155,057	144,000	144,000
Specific Fund Reserves	0	6,000	6,000
Fund 109 Revenue Totals	155,057	150,000	150,000
112 School Communication Tower Technology Fund			
Appropriation Units:			
Instructional Technology	596,914	850,000	800,000
Fund 112 Appropriation Totals	596,914	850,000	800,000
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	498,350	510,000	516,000
Specific Fund Reserves	0	340,000	284,000
Fund 112 Revenue Totals	498,350	850,000	800,000
114 School Cafeteria Fund			
Appropriation Units:			
Cafeteria	28,486,784	33,733,213	35,554,104
Fund 114 Appropriation Totals	28,486,784	33,733,213	35,554,104
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	89,560	50,000	75,000
Charges for Services	9,983,667	11,230,670	11,217,029
Miscellaneous Revenue	642,782	673,583	600,000
Revenue from the Commonwealth			
Other Sources from the Commonwealth	658,930	500,000	500,000
Revenue from the Federal Government	19,589,633	19,333,672	20,671,443
Specific Fund Reserves	0	1,945,288	2,490,632
Fund 114 Revenue Totals	30,964,572	33,733,213	35,554,104

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
115 School Operating Fund			
Appropriation Units:			
Debt Service	42,173,255	42,421,657	43,786,482
Education	748,536,370	758,725,919	777,015,786
Transfer to Other Funds	12,026,692	12,440,085	13,233,617
Fund 115 Appropriation Totals	802,736,317	813,587,661	834,035,885
Revenue Sources:			
Non-Revenue Receipts	238,061	0	0
Revenue From Local Sources			
Charges for Services	1,996,815	2,216,638	2,216,638
From the Use of Money and Property	716,130	465,000	465,000
Miscellaneous Revenue	1,189,288	836,703	836,703
Fines and Forfeitures	0	0	250,000
Revenue from the Commonwealth			
Other Sources from the Commonwealth	273,210,535	272,725,078	284,825,537
State Shared Sales Tax	74,264,874	75,344,490	78,981,847
Revenue from the Federal Government	12,614,392	12,670,337	12,672,600
Transfers from Other Funds	424,496,262	449,329,415	453,787,560
Fund 115 Revenue Totals	788,726,357	813,587,661	834,035,885
116 School Grants Fund			
Appropriation Units:			
Grants	44,585,582	61,486,650	65,962,175
Fund 116 Appropriation Totals	44,585,582	61,486,650	65,962,175
Revenue Sources:			
Revenue From Local Sources			
Miscellaneous Revenue	394,638	993,539	1,071,964
Revenue from the Commonwealth			
Other Sources from the Commonwealth	10,000,696	16,297,858	17,115,392
Revenue from the Federal Government	31,014,149	40,582,973	43,899,955
Transfers from Other Funds	3,653,090	3,612,280	3,874,864
Fund 116 Revenue Totals	45,062,573	61,486,650	65,962,175
117 School Textbook Fund			
Appropriation Units:			
Textbook	3,769,632	6,206,584	4,775,188
Fund 117 Appropriation Totals	3,769,632	6,206,584	4,775,188
Revenue Sources:			
Revenue From Local Sources			
Miscellaneous Revenue	18,355	27,000	27,000
From the Use of Money and Property	54,408	29,483	29,483
Revenue from the Commonwealth			
Other Sources from the Commonwealth	4,474,385	4,009,991	3,995,902
Specific Fund Reserves	0	2,140,110	722,803
Fund 117 Revenue Totals	4,547,149	6,206,584	4,775,188

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
119 School Athletic Special Revenue Fund				
Appropriation Units:				
Athletic		5,070,537	5,028,774	5,227,274
	Fund 119 Appropriation Totals	5,070,537	5,028,774	5,227,274
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		21,702	5,000	5,000
Charges for Services		535,830	499,000	499,000
Transfers from Other Funds		5,057,865	4,524,774	4,723,274
	Fund 119 Revenue Totals	5,615,397	5,028,774	5,227,274
130 Law Library Fund				
Appropriation Units:				
Library		451,477	222,089	212,260
Reserve for Contingencies		0	0	4,740
Transfer to Other Funds		59,090	40,000	40,000
	Fund 130 Appropriation Totals	510,567	262,089	257,000
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		199	400	350
Charges for Services		257,997	255,000	255,000
From the Use of Money and Property		2,445	1,060	1,650
Specific Fund Reserves		0	5,629	0
	Fund 130 Revenue Totals	260,641	262,089	257,000
140 Commonwealth Attorney's Fed & State Seized Assets SRF				
Appropriation Units:				
Commonwealth's Attorney		48,471	100,000	100,000
	Fund 140 Appropriation Totals	48,471	100,000	100,000
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		6,793	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth		60,574	0	0
Specific Fund Reserves		0	100,000	100,000
	Fund 140 Revenue Totals	67,367	100,000	100,000
141 Sheriff's Federal & State Seized Assets SRF				
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		30	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth		2,500	0	0
	Fund 141 Revenue Totals	2,530	0	0

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
142 Police Federal & State Seized Assets SRF				
Appropriation Units:				
Police		419,714	285,915	0
	Fund 142 Appropriation Totals	419,714	285,915	0
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		18,372	0	0
Miscellaneous Revenue		549,636	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth		170,275	0	0
Revenue from the Federal Government		15,341	0	0
Specific Fund Reserves		0	285,915	0
	Fund 142 Revenue Totals	753,624	285,915	0
145 Workforce Housing Revolving SRF				
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		36	0	0
	Fund 145 Revenue Totals	36	0	0
146 State Rental Assistance Program				
Appropriation Units:				
Housing and Neighborhood Preservation		357,785	690,131	876,912
Reserve for Contingencies		0	70,078	89,354
	Fund 146 Appropriation Totals	357,785	760,209	966,266
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		5,977	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth		782,522	760,209	966,266
	Fund 146 Revenue Totals	788,499	760,209	966,266
147 Federal Section 8 Program Special Revenue Fund				
Appropriation Units:				
Housing and Neighborhood Preservation		21,232,489	21,993,481	21,848,699
Reserve for Contingencies		0	9,915	38,344
	Fund 147 Appropriation Totals	21,232,489	22,003,396	21,887,043
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		6,898	0	0
Miscellaneous Revenue		15,013	2,000	2,000
Charges for Services		3,114,824	3,625,000	3,733,855
Revenue from the Federal Government		17,778,853	18,232,670	18,044,601
Specific Fund Reserves		0	0	31,845
Transfers from Other Funds		141,821	143,726	74,742
	Fund 147 Revenue Totals	21,057,408	22,003,396	21,887,043

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
149 Sheriff's Department Special Revenue Fund			
Appropriation Units:			
Sheriff and Corrections	47,620,284	48,645,172	49,345,817
Fund 149 Appropriation Totals	47,620,284	48,645,172	49,345,817
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	12,969	11,000	11,000
Miscellaneous Revenue	2,744	2,000	2,000
Charges for Services	4,844,238	4,634,608	5,116,608
Revenue from the Commonwealth			
Other Sources from the Commonwealth	18,464,088	19,044,683	20,085,626
Revenue from the Federal Government	50,018	140,000	140,000
Transfers from Other Funds	24,515,857	24,812,881	23,990,583
Fund 149 Revenue Totals	47,889,915	48,645,172	49,345,817
151 Parks and Recreation Special Revenue Fund			
Appropriation Units:			
Debt Service	3,887,156	4,478,998	4,221,986
Parks and Recreation	29,858,174	33,443,025	34,372,378
Public Works	3,049,352	3,235,299	3,235,299
Reserve for Contingencies	0	233,236	535,106
Transfer to Other Funds	1,488,979	1,495,788	1,618,100
Fund 151 Appropriation Totals	38,283,661	42,886,346	43,982,869
Revenue Sources:			
Revenue From Local Sources			
Miscellaneous Revenue	893,049	5,400	5,400
From the Use of Money and Property	1,391,315	1,636,474	1,564,354
Charges for Services	13,078,272	15,284,757	16,061,789
Permits, Privilege Fees, and Regulatory Licenses	16,985	1,250	1,250
Real Estate	18,888,120	19,418,709	19,875,128
Revenue from the Commonwealth			
Other Sources from the Commonwealth	10,718	11,000	11,000
Specific Fund Reserves	0	27,000	27,000
Transfers from Other Funds	6,244,833	6,501,756	6,436,948
Fund 151 Revenue Totals	40,523,292	42,886,346	43,982,869

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
152 Tourism Investment Program Fund			
Appropriation Units:			
Convention and Visitor Bureau	4,714,687	4,862,369	5,405,202
Cultural Affairs	50,500	50,500	75,500
Debt Service	22,187,385	22,365,740	22,839,263
Parks and Recreation	622,143	730,152	846,713
Planning	1,203,932	1,200,548	1,154,830
Public Works	2,646,197	2,931,017	2,898,128
Reserve for Contingencies	0	7,725,428	8,296,258
Transfer to Other Funds	14,873	1,990,873	14,873
Fund 152 Appropriation Totals	31,439,717	41,856,627	41,530,767
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	926,313	848,172	856,321
Restaurant Meal Tax	12,746,911	13,520,206	13,471,505
Cigarette Tax	760,410	773,988	745,278
Fines and Forfeitures	520,536	458,900	0
Permits, Privilege Fees, and Regulatory Licenses	363,522	381,904	381,904
Miscellaneous Revenue	4,940	50,983	8,250
Hotel Room Tax	17,796,309	18,950,087	19,044,631
Amusement Tax	6,344,248	6,872,387	7,019,378
Charges for Services	3,639	0	3,500
Fund 152 Revenue Totals	39,466,830	41,856,627	41,530,767
157 Sandbridge Special Service District Spec Rev Fd			
Appropriation Units:			
Public Works	504,693	844,490	463,064
Transfer to Other Funds	4,235,380	3,997,388	4,957,001
Fund 157 Appropriation Totals	4,740,073	4,841,878	5,420,065
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	13,953	7,037	7,037
Hotel Room Tax	3,931,043	3,926,250	4,165,452
Real Estate	712,530	739,993	735,502
Specific Fund Reserves	0	78,598	447,074
Transfers from Other Funds	90,000	90,000	65,000
Fund 157 Revenue Totals	4,747,526	4,841,878	5,420,065
161 Agriculture Reserve Program Special Revenue Fund			
Appropriation Units:			
Agriculture	170,907	217,691	220,081
Debt Service	2,376,990	4,845,553	4,457,539
Reserve for Contingencies	0	0	3,698
Transfer to Other Funds	0	990,000	990,000
Fund 161 Appropriation Totals	2,547,897	6,053,244	5,671,318
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	113,805	31,917	143,880
Real Estate	4,890,480	4,966,225	5,146,034
Specific Fund Reserves	0	1,055,102	381,404
Fund 161 Revenue Totals	5,004,285	6,053,244	5,671,318

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
163 Tourism Advertising Program Special Revenue Fund			
Appropriation Units:			
Convention and Visitor Bureau	12,736,969	12,704,276	12,838,146
Reserve for Contingencies	0	0	29,063
Transfer to Other Funds	56,838	56,838	56,838
Fund 163 Appropriation Totals	12,793,807	12,761,114	12,924,047
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	35,367	53,000	53,000
From the Use of Money and Property	73,811	67,000	67,000
Hotel Room Tax	6,037,702	6,233,501	6,439,564
Miscellaneous Revenue	9,633	10,000	10,000
Restaurant Meal Tax	6,012,694	6,397,613	6,354,483
Fund 163 Revenue Totals	12,169,207	12,761,114	12,924,047
166 Sandbridge Tax Increment Financing Fund			
Appropriation Units:			
Future C.I.P. Commitments	0	8,000,000	8,500,000
Reserve for Contingencies	0	0	268,193
Transfer to Other Funds	10,114,620	2,352,612	1,697,999
Fund 166 Appropriation Totals	10,114,620	10,352,612	10,466,192
Revenue Sources:			
Revenue From Local Sources			
Real Estate	9,845,623	10,297,813	10,411,393
From the Use of Money and Property	57,051	28,126	54,799
Specific Fund Reserves	0	26,673	0
Fund 166 Revenue Totals	9,902,674	10,352,612	10,466,192
169 Central Business District-South TIF (Twn Cntr) Fd			
Appropriation Units:			
Debt Service	7,814,195	8,193,269	8,236,511
Reserve for Contingencies	0	0	148,531
Transfer to Other Funds	150,000	150,000	150,000
Fund 169 Appropriation Totals	7,964,195	8,343,269	8,535,042
Revenue Sources:			
Revenue From Local Sources			
Real Estate	7,098,077	7,333,268	8,033,042
Hotel Room Tax	500,000	500,000	500,000
From the Use of Money and Property	874	2,000	2,000
Specific Fund Reserves	0	508,001	0
Fund 169 Revenue Totals	7,598,951	8,343,269	8,535,042

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
172 Open Space & Park Infrastructure Development & Maintenance SRF			
Appropriation Units:			
Debt Service	2,554,311	2,588,043	2,509,045
Parks and Recreation	369,612	414,005	429,031
Reserve for Contingencies	0	127,851	153,869
Transfer to Other Funds	1,000,000	2,500,000	2,500,000
Fund 172 Appropriation Totals	3,923,923	5,629,899	5,591,945
Revenue Sources:			
Revenue From Local Sources			
From the Use of Money and Property	589	0	0
Restaurant Meal Tax	5,291,171	5,629,899	5,591,945
Fund 172 Revenue Totals	5,291,760	5,629,899	5,591,945
174 Town Center Special Service District			
Appropriation Units:			
Parks and Recreation	99,854	60,338	62,438
Town Center Special Tax District	2,142,065	1,906,480	2,141,480
Transfer to Other Funds	479,999	631,976	631,976
Fund 174 Appropriation Totals	2,721,919	2,598,794	2,835,894
Revenue Sources:			
Revenue From Local Sources			
Real Estate	1,988,450	2,034,071	2,111,141
From the Use of Money and Property	311,395	259,500	299,500
Miscellaneous Revenue	7,395	0	0
Fines and Forfeitures	172,003	115,000	170,000
Charges for Services	24,300	24,300	24,300
Specific Fund Reserves	0	15,923	80,953
Transfers from Other Funds	150,000	150,000	150,000
Fund 174 Revenue Totals	2,653,543	2,598,794	2,835,894
180 Community Development Special Revenue Fund			
Appropriation Units:			
Housing and Neighborhood Preservation	1,616,444	1,699,218	1,747,612
Reserve for Contingencies	0	9,644	47,322
Transfer to Other Funds	350,930	128,858	128,858
Fund 180 Appropriation Totals	1,967,374	1,837,720	1,923,792
Revenue Sources:			
Revenue from the Federal Government	1,636,176	1,289,468	1,415,924
Transfers from Other Funds	539,999	548,252	507,868
Fund 180 Revenue Totals	2,176,175	1,837,720	1,923,792
181 CD Loan and Grant Fund			
Appropriation Units:			
Housing and Neighborhood Preservation	565,641	791,115	824,476
Fund 181 Appropriation Totals	565,641	791,115	824,476
Revenue Sources:			
Non-Revenue Receipts	259,476	120,000	120,000
Revenue From Local Sources			
From the Use of Money and Property	761	0	0
Revenue from the Federal Government	103,802	534,849	584,908
Transfers from Other Funds	358,338	136,266	119,568
Fund 181 Revenue Totals	722,378	791,115	824,476

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
182 Federal Housing Assistance Grant Fund				
Appropriation Units:				
Housing and Neighborhood Preservation		645,374	863,028	1,195,294
Reserve for Contingencies		0	545	2,361
	Fund 182 Appropriation Totals	645,374	863,573	1,197,655
Revenue Sources:				
Non-Revenue Receipts		65,044	75,000	75,000
Revenue From Local Sources				
From the Use of Money and Property		12,847	0	0
Revenue from the Federal Government		1,144,885	788,573	1,122,655
	Fund 182 Revenue Totals	1,222,776	863,573	1,197,655
183 Grants Consolidated Fund				
Appropriation Units:				
Commonwealth's Attorney		556,906	816,827	938,999
Emergency Communications and Citizen Services		125	2,000	3,000
Emergency Management		38,278	0	0
Emergency Medical Services		549,418	375,000	375,000
Fire		3,119,798	384,495	1,206,009
Health		132,620	0	0
Housing and Neighborhood Preservation		1,375,325	1,547,661	1,729,565
Human Services		1,841,012	1,909,237	1,922,471
Police		257,620	0	0
Public Works		20,000	20,000	20,000
Transfer to Other Funds		1,374,097	1,038,155	300,000
	Fund 183 Appropriation Totals	9,265,199	6,093,375	6,495,044
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		5,550	0	0
Charges for Services		7,357	0	0
Revenue from the Commonwealth				
Other Sources from the Commonwealth		3,185,017	3,095,804	3,099,919
Revenue from the Federal Government		3,257,236	2,123,560	2,400,411
Transfers from Other Funds		1,753,818	874,011	994,714
	Fund 183 Revenue Totals	8,208,979	6,093,375	6,495,044
241 Water and Sewer Fund				
Appropriation Units:				
Debt Service		17,917,874	19,396,096	21,792,751
Public Utilities		75,520,715	88,275,662	92,335,512
Reserve for Contingencies		0	1,081,340	1,860,000
Transfer to Other Funds		17,690,185	22,761,825	19,232,732
	Fund 241 Appropriation Totals	111,128,774	131,514,923	135,220,995
Revenue Sources:				
Non-Revenue Receipts		3,097,161	3,925,041	2,916,522
Revenue From Local Sources				
Charges for Services		122,031,183	123,774,644	128,081,184
From the Use of Money and Property		2,729,136	742,891	791,351
Miscellaneous Revenue		2,085,025	308,657	620,812
Revenue from the Federal Government		936,671	948,018	936,671
Transfers from Other Funds		1,832,981	1,815,672	1,874,455
	Fund 241 Revenue Totals	132,712,158	131,514,923	135,220,995

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
253 Parking Enterprise Fund			
Appropriation Units:			
Debt Service	579,606	579,780	705,536
Planning	3,810,413	3,764,612	3,753,921
Reserve for Contingencies	0	19,776	71,036
Transfer to Other Funds	537,308	725,821	1,108,271
Fund 253 Appropriation Totals	4,927,327	5,089,989	5,638,764
Revenue Sources:			
Revenue From Local Sources			
Permits, Privilege Fees, and Regulatory Licenses	38,869	55,000	55,000
Fines and Forfeitures	179,801	170,000	628,900
Miscellaneous Revenue	32,622	0	0
Charges for Services	5,796,660	4,787,989	4,877,864
From the Use of Money and Property	39,756	8,500	8,500
Transfers from Other Funds	67,273	68,500	68,500
Fund 253 Revenue Totals	6,154,980	5,089,989	5,638,764
254 Waste Management Enterprise Fund			
Appropriation Units:			
Public Works	35,826,305	33,666,098	34,660,460
Reserve for Contingencies	0	4,879	1,027,423
Transfer to Other Funds	3,052,247	2,986,789	2,511,239
Fund 254 Appropriation Totals	38,878,552	36,657,766	38,199,122
Revenue Sources:			
Revenue From Local Sources			
Permits, Privilege Fees, and Regulatory Licenses	133,917	113,000	125,000
Miscellaneous Revenue	984,578	769,286	775,323
Charges for Services	34,044,645	34,122,980	37,073,799
From the Use of Money and Property	205,663	131,500	175,000
Revenue from the Commonwealth			
Other Sources from the Commonwealth	42,871	45,000	50,000
Transfers from Other Funds	5,712,041	1,476,000	0
Fund 254 Revenue Totals	41,123,715	36,657,766	38,199,122
255 Storm Water Utility Enterprise Fund			
Appropriation Units:			
Debt Service	3,393,917	3,955,648	5,500,000
Public Works	23,453,505	27,136,727	14,161,793
Reserve for Contingencies	0	0	1,317,201
Transfer to Other Funds	8,932,328	11,309,761	24,913,040
Fund 255 Appropriation Totals	35,779,749	42,402,136	45,892,034
Revenue Sources:			
Revenue From Local Sources			
Charges for Services	41,854,463	41,959,666	45,464,564
Miscellaneous Revenue	49,408	60,000	60,000
From the Use of Money and Property	440,839	85,000	85,000
Revenue from the Federal Government	261,430	267,597	267,597
Transfers from Other Funds	29,873	29,873	14,873
Fund 255 Revenue Totals	42,636,013	42,402,136	45,892,034

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
310 Old Donation Creek Area Dredging SSD				
Appropriation Units:				
Reserve for Contingencies		0	0	41,636
Transfer to Other Funds		62,278	72,620	28,909
	Fund 310 Appropriation Totals	62,278	72,620	70,545
Revenue Sources:				
Revenue From Local Sources				
Real Estate		69,289	72,620	70,545
	Fund 310 Revenue Totals	69,289	72,620	70,545
311 Bayville Creek Neighborhood Dredging SSD Fund				
Appropriation Units:				
Transfer to Other Funds		66,345	75,241	74,522
	Fund 311 Appropriation Totals	66,345	75,241	74,522
Revenue Sources:				
Revenue From Local Sources				
Real Estate		73,192	75,241	74,522
	Fund 311 Revenue Totals	73,192	75,241	74,522
312 Shadowlawn Area Dredging SSD				
Appropriation Units:				
Transfer to Other Funds		22,832	29,056	30,887
	Fund 312 Appropriation Totals	22,832	29,056	30,887
Revenue Sources:				
Revenue From Local Sources				
Real Estate		26,481	29,056	29,314
Specific Fund Reserves		0	0	1,573
	Fund 312 Revenue Totals	26,481	29,056	30,887
313 Chesopeian Colony Dredging SSD				
Appropriation Units:				
Reserve for Contingencies		0	0	215,632
Transfer to Other Funds		197,012	209,162	0
	Fund 313 Appropriation Totals	197,012	209,162	215,632
Revenue Sources:				
Revenue From Local Sources				
Real Estate		159,618	209,162	215,632
	Fund 313 Revenue Totals	159,618	209,162	215,632
314 Harbour Point Dredging SSD				
Appropriation Units:				
Transfer to Other Funds		16,401	19,496	27,360
	Fund 314 Appropriation Totals	16,401	19,496	27,360
Revenue Sources:				
Revenue From Local Sources				
Real Estate		17,633	18,156	27,360
Specific Fund Reserves		0	1,340	0
	Fund 314 Revenue Totals	17,633	19,496	27,360

City of Virginia Beach, Virginia
Expenditures and Revenues

	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
315 Gills Cove Dredging SSD			
Appropriation Units:			
Reserve for Contingencies	0	0	13,986
Transfer to Other Funds	24,774	24,795	0
Fund 315 Appropriation Totals	24,774	24,795	13,986
Revenue Sources:			
Revenue From Local Sources			
Real Estate	13,515	13,886	13,986
Specific Fund Reserves	0	10,909	0
Fund 315 Revenue Totals	13,515	24,795	13,986
316 Hurds Cove Dredging SSD			
Appropriation Units:			
Reserve for Contingencies	0	0	218,111
Transfer to Other Funds	198,999	231,221	0
Fund 316 Appropriation Totals	198,999	231,221	218,111
Revenue Sources:			
Revenue From Local Sources			
Real Estate	191,183	231,221	218,111
Fund 316 Revenue Totals	191,183	231,221	218,111
460 School General Revenue Capital Projects Fund			
Appropriation Units:			
School Capital Projects	900,000	500,000	721,541
Fund 460 Appropriation Totals	900,000	500,000	721,541
Revenue Sources:			
Transfers from Other Funds	900,000	500,000	721,541
Fund 460 Revenue Totals	900,000	500,000	721,541
540 General Government Capital Projects Fund			
Appropriation Units:			
Building Capital Projects	10,322,812	7,978,448	2,008,524
Coastal Capital Projects	9,386,385	9,560,000	9,024,567
Economic and Tourism Development Capital Projects	4,326,966	4,363,586	3,687,616
Information Technology Projects	5,322,763	4,462,222	13,502,417
Parks and Recreation Capital Projects	5,324,270	6,958,033	7,335,418
Roadways Capital Projects	13,446,712	11,673,020	13,255,953
Fund 540 Appropriation Totals	48,129,908	44,995,309	48,814,495
Revenue Sources:			
Transfers from Other Funds	48,129,908	44,995,309	48,814,495
Fund 540 Revenue Totals	48,129,908	44,995,309	48,814,495
541 Water and Sewer Capital Projects Fund			
Appropriation Units:			
Water and Sewer Capital Projects	8,000,000	12,500,000	8,000,000
Fund 541 Appropriation Totals	8,000,000	12,500,000	8,000,000
Revenue Sources:			
Transfers from Other Funds	8,000,000	12,500,000	8,000,000
Fund 541 Revenue Totals	8,000,000	12,500,000	8,000,000

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
555 Storm Water Capital Projects Fund				
Appropriation Units:				
Storm Water Capital Projects		12,920,501	14,576,510	22,544,151
	Fund 555 Appropriation Totals	12,920,501	14,576,510	22,544,151
Revenue Sources:				
Transfers from Other Funds		12,920,501	14,576,510	22,544,151
	Fund 555 Revenue Totals	12,920,501	14,576,510	22,544,151
606 City Garage Internal Service Fund				
Appropriation Units:				
Public Works		12,642,215	13,856,296	14,199,930
Reserve for Contingencies		0	34,288	133,228
	Fund 606 Appropriation Totals	12,642,215	13,890,584	14,333,158
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		13,510,110	13,705,584	14,071,350
From the Use of Money and Property		67,424	0	76,808
Miscellaneous Revenue		171,131	185,000	185,000
	Fund 606 Revenue Totals	13,748,665	13,890,584	14,333,158
607 Risk Management Internal Service Fund				
Appropriation Units:				
Finance		15,934,062	18,197,111	18,399,370
	Fund 607 Appropriation Totals	15,934,062	18,197,111	18,399,370
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		248,259	40,000	248,259
Charges for Services		18,227,980	18,082,111	18,061,111
Miscellaneous Revenue		131,815	75,000	0
Specific Fund Reserves		0	0	90,000
	Fund 607 Revenue Totals	18,608,054	18,197,111	18,399,370
610 Capital Projects Internal Service Fund				
Appropriation Units:				
City Treasurer		60,251	0	0
Finance		172,897	0	0
Public Works		333,373	0	0
	Fund 610 Appropriation Totals	566,522	0	0
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		566,522	0	0
	Fund 610 Revenue Totals	566,522	0	0

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
613 School Landscaping Internal Service Fund				
Appropriation Units:				
Parks and Recreation		3,893,940	5,006,908	4,442,908
Reserve for Contingencies		0	0	81,468
	Fund 613 Appropriation Totals	3,893,940	5,006,908	4,524,376
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		4,731,908	4,442,908	4,524,376
From the Use of Money and Property		12,022	0	0
Specific Fund Reserves		0	564,000	0
	Fund 613 Revenue Totals	4,743,930	5,006,908	4,524,376
614 School Risk Management Fund				
Appropriation Units:				
School Risk Management		6,565,806	6,805,724	8,170,228
	Fund 614 Appropriation Totals	6,565,806	6,805,724	8,170,228
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		7,327,811	6,805,724	6,805,724
Specific Fund Reserves		0	0	1,364,504
	Fund 614 Revenue Totals	7,327,811	6,805,724	8,170,228
615 City and School Health Insurance Fund				
Appropriation Units:				
City and School Health Insurance		136,367,364	157,467,867	157,467,867
	Fund 615 Appropriation Totals	136,367,364	157,467,867	157,467,867
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		149,344,403	157,467,867	156,958,827
Schools Risk Management Fund		0	0	509,040
	Fund 615 Revenue Totals	149,344,403	157,467,867	157,467,867
616 Fuels Internal Service Fund				
Appropriation Units:				
Public Works		4,636,657	5,681,880	5,889,880
	Fund 616 Appropriation Totals	4,636,657	5,681,880	5,889,880
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		4,943,982	5,673,574	5,673,574
From the Use of Money and Property		18,374	0	8,306
Specific Fund Reserves		0	8,306	208,000
	Fund 616 Revenue Totals	4,962,357	5,681,880	5,889,880

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
620 Telecommunications Internal Service Fund				
Appropriation Units:				
Information Technology		2,364,087	3,297,317	3,110,654
Reserve for Contingencies		0	3,050	24,514
	Fund 620 Appropriation Totals	2,364,087	3,300,367	3,135,168
Revenue Sources:				
Revenue From Local Sources				
Charges for Services		3,136,791	3,073,500	3,083,787
From the Use of Money and Property		32,500	15,000	15,000
Specific Fund Reserves		0	211,867	36,381
	Fund 620 Revenue Totals	3,169,291	3,300,367	3,135,168
621 Subscriptions Internal Service Fund				
Appropriation Units:				
Information Technology		2,924,399	3,272,745	5,132,700
Reserve for Contingencies		0	276,964	276,964
	Fund 621 Appropriation Totals	2,924,399	3,549,709	5,409,664
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		48,988	30,425	30,425
Charges for Services		2,527,446	2,448,434	2,810,687
Specific Fund Reserves		0	1,070,850	2,568,552
	Fund 621 Revenue Totals	2,576,434	3,549,709	5,409,664
908 City Beautification Fund				
Appropriation Units:				
Parks and Recreation		8,413	50,000	50,000
	Fund 908 Appropriation Totals	8,413	50,000	50,000
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		20,785	50,000	50,000
	Fund 908 Revenue Totals	20,785	50,000	50,000
909 Library Gift Fund				
Appropriation Units:				
Library		49,961	0	96,961
	Fund 909 Appropriation Totals	49,961	0	96,961
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		51,006	0	95,000
Specific Fund Reserves		0	0	1,961
	Fund 909 Revenue Totals	51,006	0	96,961
910 Parking Meters - Homeless Donation Fund				
Appropriation Units:				
Housing and Neighborhood Preservation		400	1,000	1,000
	Fund 910 Appropriation Totals	400	1,000	1,000
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		222	1,000	1,000
	Fund 910 Revenue Totals	222	1,000	1,000

City of Virginia Beach, Virginia
Expenditures and Revenues

		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
911 Parks and Recreation Gift Fund				
Appropriation Units:				
Parks and Recreation		32,551	55,000	55,000
	Fund 911 Appropriation Totals	32,551	55,000	55,000
Revenue Sources:				
Revenue From Local Sources				
From the Use of Money and Property		1,665	0	0
Miscellaneous Revenue		30,281	55,000	55,000
	Fund 911 Revenue Totals	31,946	55,000	55,000
916 Social Services Gift Fund				
Appropriation Units:				
Human Services		7,716	35,064	59,850
	Fund 916 Appropriation Totals	7,716	35,064	59,850
Revenue Sources:				
Revenue From Local Sources				
Miscellaneous Revenue		5,462	5,875	5,400
Specific Fund Reserves		0	29,189	54,450
	Fund 916 Revenue Totals	5,462	35,064	59,850

Grand Total Of All Funds

Total Appropriations for all Funds	2,649,105,564	2,805,429,418	2,891,273,213
Less Internal Service Funds	185,895,051	213,900,150	217,329,711
Less Interfund Transfers	578,353,150	586,814,367	596,017,420
Net Appropriations Totals	1,884,857,363	2,004,714,901	2,077,926,082
Revenue Sources Totals	2,741,573,284	2,805,429,418	2,891,273,213
Less Internal Service Funds	205,047,466	213,900,150	217,329,711
Less Interfund Transfers	578,353,150	586,814,367	596,017,420
Net Revenue Totals	1,958,172,668	2,004,714,901	2,077,926,082

Summary Notes:

After the Proposed Document was developed, City Council approved funding changes in the Department of Human Services (March 19) and the Police Department (April 2), which required updating the FY 2018-19 Adjusted Budget. The FY 2017-18 Actuals summarize final revenues and expenditures from the City and School accounting systems, and actuals have been updated to reflect final numbers and correct inaccurate data entry issues included in the Proposed Budget.

City of Virginia Beach, Virginia

Interfund Transfer Summary

Receiving Fund Code and Name		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
002 General Fund				
181	CD Loan and Grant Fund	136,266	136,266	119,568
180	Community Development Special Revenue Fund	539,999	548,252	507,868
147	Federal Section 8 Program Special Revenue Fund	141,821	143,726	74,742
540	General Government Capital Projects Fund	37,791,625	32,623,190	35,859,215
183	Grants Consolidated Fund	1,497,841	874,011	994,714
151	Parks and Recreation Special Revenue Fund	6,244,833	6,501,756	6,436,948
460	School General Revenue Capital Projects Fund	900,000	0	0
115	School Operating Fund	415,692,365	442,529,415	447,987,560
098	School Reserve Special Revenue Fund	8,803,897	0	0
149	Sheriff's Department Special Revenue Fund	24,515,857	24,812,881	23,990,583
555	Storm Water Capital Projects Fund	5,420,501	5,586,510	0
254	Waste Management Enterprise Fund	5,712,041	0	0
	Total Transfer From Fund 002	507,397,046	513,756,007	515,971,198
098 School Reserve Special Revenue Fund				
115	School Operating Fund	8,803,897	6,800,000	5,800,000
	Total Transfer From Fund 098	8,803,897	6,800,000	5,800,000
115 School Operating Fund				
104	Green Run Collegiate Charter School	3,315,737	3,803,031	3,913,938
119	School Athletic Special Revenue Fund	5,057,865	4,524,774	4,723,274
460	School General Revenue Capital Projects Fund	0	500,000	721,541
116	School Grants Fund	3,653,090	3,612,280	3,874,864
	Total Transfer From Fund 115	12,026,692	12,440,085	13,233,617
130 Law Library Fund				
002	General Fund	59,090	40,000	40,000
	Total Transfer From Fund 130	59,090	40,000	40,000
151 Parks and Recreation Special Revenue Fund				
002	General Fund	413,479	364,550	371,100
540	General Government Capital Projects Fund	1,075,500	1,131,238	1,247,000
	Total Transfer From Fund 151	1,488,979	1,495,788	1,618,100
152 Tourism Investment Program Fund				
540	General Government Capital Projects Fund	0	500,000	0
255	Storm Water Utility Enterprise Fund	14,873	14,873	14,873
254	Waste Management Enterprise Fund	0	1,476,000	0
	Total Transfer From Fund 152	14,873	1,990,873	14,873
157 Sandbridge Special Service District Spec Rev Fd				
540	General Government Capital Projects Fund	4,235,380	3,997,388	4,957,001
	Total Transfer From Fund 157	4,235,380	3,997,388	4,957,001
161 Agriculture Reserve Program Special Revenue Fund				
555	Storm Water Capital Projects Fund	0	990,000	990,000
	Total Transfer From Fund 161	0	990,000	990,000
163 Tourism Advertising Program Special Revenue Fund				
002	General Fund	56,838	56,838	56,838
	Total Transfer From Fund 163	56,838	56,838	56,838
166 Sandbridge Tax Increment Financing Fund				
002	General Fund	8,000,000	0	0
540	General Government Capital Projects Fund	2,114,620	2,352,612	1,697,999
	Total Transfer From Fund 166	10,114,620	2,352,612	1,697,999

City of Virginia Beach, Virginia

Interfund Transfer Summary

Receiving Fund Code and Name		FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
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				
540 General Government Capital Projects Fund		1,000,000	2,500,000	2,500,000
	Total Transfer From Fund 172	1,000,000	2,500,000	2,500,000
174 Town Center Special Service District				
002 General Fund		45,000	45,750	45,750
540 General Government Capital Projects Fund		352,726	502,726	502,726
253 Parking Enterprise Fund		67,273	68,500	68,500
255 Storm Water Utility Enterprise Fund		15,000	15,000	15,000
	Total Transfer From Fund 174	479,999	631,976	631,976
180 Community Development Special Revenue Fund				
181 CD Loan and Grant Fund		222,072	0	0
002 General Fund		128,858	128,858	128,858
	Total Transfer From Fund 180	350,930	128,858	128,858
183 Grants Consolidated Fund				
002 General Fund		7,063	0	0
540 General Government Capital Projects Fund		1,111,057	1,038,155	300,000
183 Grants Consolidated Fund		255,977	0	0
	Total Transfer From Fund 183	1,374,097	1,038,155	300,000
241 Water and Sewer Fund				
002 General Fund		9,591,185	10,261,825	10,232,178
540 General Government Capital Projects Fund		99,000	0	1,000,554
541 Water and Sewer Capital Projects Fund		8,000,000	12,500,000	8,000,000
	Total Transfer From Fund 241	17,690,185	22,761,825	19,232,732
253 Parking Enterprise Fund				
002 General Fund		97,308	285,821	293,271
540 General Government Capital Projects Fund		350,000	350,000	750,000
157 Sandbridge Special Service District Spec Rev Fd		90,000	90,000	65,000
	Total Transfer From Fund 253	537,308	725,821	1,108,271
254 Waste Management Enterprise Fund				
002 General Fund		2,290,137	2,220,779	1,738,861
241 Water and Sewer Fund		762,110	766,010	772,378
	Total Transfer From Fund 254	3,052,247	2,986,789	2,511,239
255 Storm Water Utility Enterprise Fund				
002 General Fund		361,457	2,260,099	2,256,812
555 Storm Water Capital Projects Fund		7,500,000	8,000,000	21,554,151
241 Water and Sewer Fund		1,070,871	1,049,662	1,102,077
	Total Transfer From Fund 255	8,932,328	11,309,761	24,913,040
310 Old Donation Creek Area Dredging SSD				
002 General Fund		62,278	72,620	28,909
	Total Transfer From Fund 310	62,278	72,620	28,909
311 Bayville Creek Neighborhood Dredging SSD Fund				
002 General Fund		66,345	75,241	74,522
	Total Transfer From Fund 311	66,345	75,241	74,522
312 Shadowlawn Area Dredging SSD				

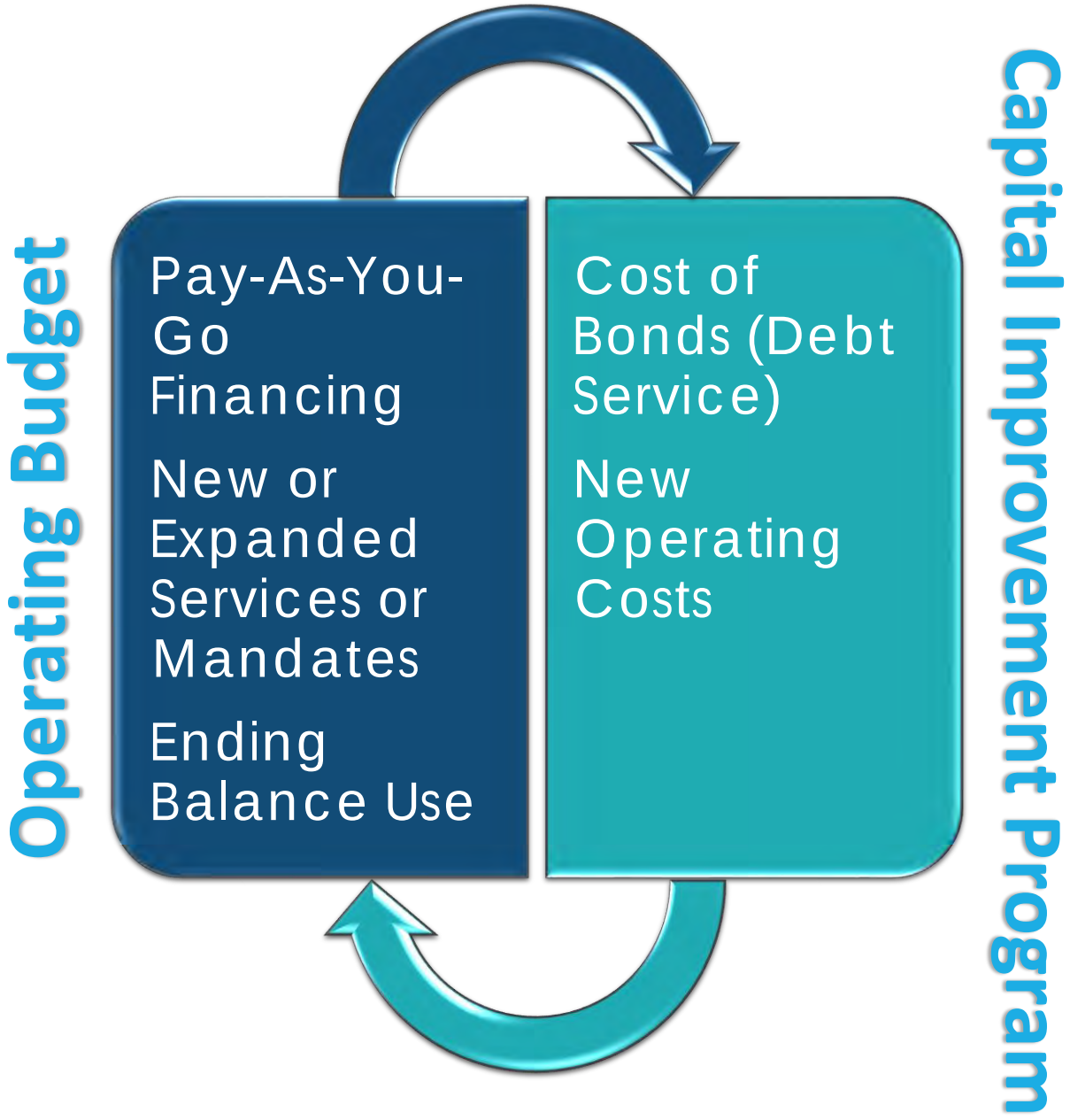
City of Virginia Beach, Virginia

Interfund Transfer Summary

Receiving Fund Code and Name	FY 2017-18 Actuals	FY 2018-19 Adjusted Budget	FY 2019-20 Total Adopted
002 General Fund	22,832	29,056	30,887
Total Transfer From Fund 312	22,832	29,056	30,887
313 Chesopeian Colony Dredging SSD			
002 General Fund	197,012	209,162	0
Total Transfer From Fund 313	197,012	209,162	0
314 Harbour Point Dredging SSD			
002 General Fund	16,401	19,496	27,360
Total Transfer From Fund 314	16,401	19,496	27,360
315 Gills Cove Dredging SSD			
002 General Fund	24,774	24,795	0
Total Transfer From Fund 315	24,774	24,795	0
316 Hurds Cove Dredging SSD			
002 General Fund	198,999	231,221	0
Total Transfer From Fund 316	198,999	231,221	0
TOTAL INTERFUND TRANSFERS FOR ALL FUNDS	578,353,150	586,814,367	596,017,420

RELATIONSHIP OF THE OPERATING BUDGET TO THE CAPITAL IMPROVEMENT PROGRAM

As the graph illustrates, there is a closed 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).



THIS PAGE LEFT INTENTIONALLY BLANK

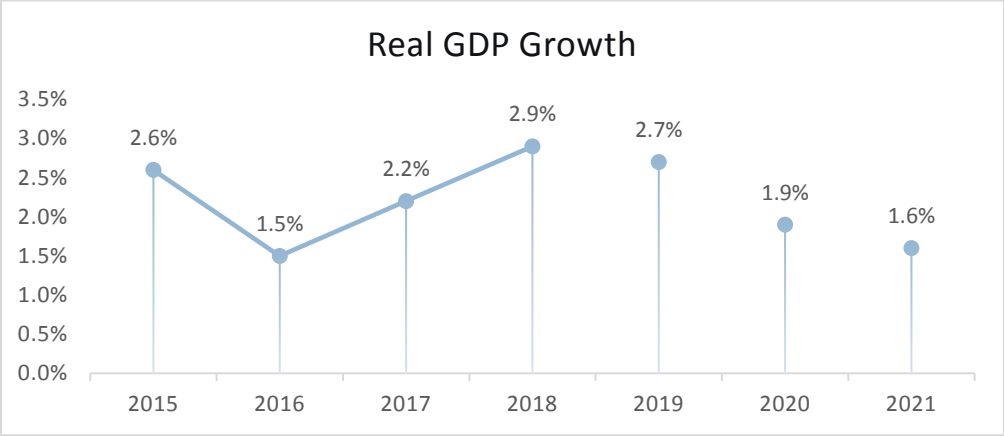
REVENUES

On May 14, 2019, the City Council adopted amendments to the Operating Budget Revenues:

- Estimated an additional $456,536 in State Aid to Localities with Police Departments (599 funding).
- Estimated an additional $900,000 in Interest Income.

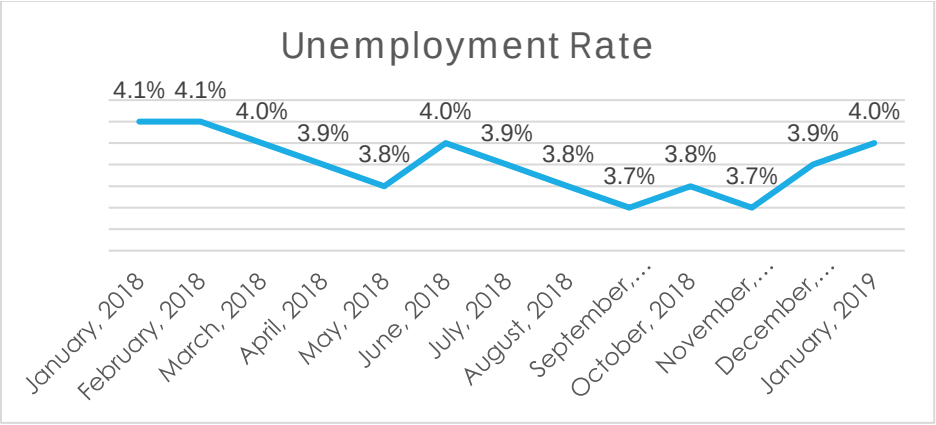
National Economic Overview

The United States economy is healthy as we enter Fiscal Year 2019-20. National economic growth is expected to slow slightly in 2019 and moving forward after reaching a high of 2.9% in 2018. After a strong year of growth in 2018, both the Federal Reserve Board and Congressional Budget Office predict moderate but steady growth in 2019. Given continued growth, the US will enter the longest expansion period in recorded history in July 2019. Looking forward, the Federal Reserve and the majority of private forecasters anticipate slower growth in 2020 and beyond as the US economy settles into a sustainable level of long term growth. The graph below displays actual growth in Real Gross Domestic Product (GDP) from 2015 to 2018 and projections for GDP growth out to 2021.



Source: Unites States Congressional Budget Office

Historically low unemployment and moderate wage growth are expected to continue through 2019. Low unemployment, and a tight labor market, places upward pressure on wages and can cause inflation. However, the current labor market has been accompanied by surprisingly low levels of inflation. The US ended 2018 with a year over year inflation rate of 1.9%, hovering around the Federal Reserve's target rate of 2%. Kiplinger forecasts an increase to 2.2% in 2019, consistent with the recent Federal Funds Rate hikes. Analysts suspect low levels of inflation in the face of low unemployment is attributable to labor force participation that still lags participation levels of the early 2000s. Still, relative tightness in the labor market indicates that the economy is nearing full employment.



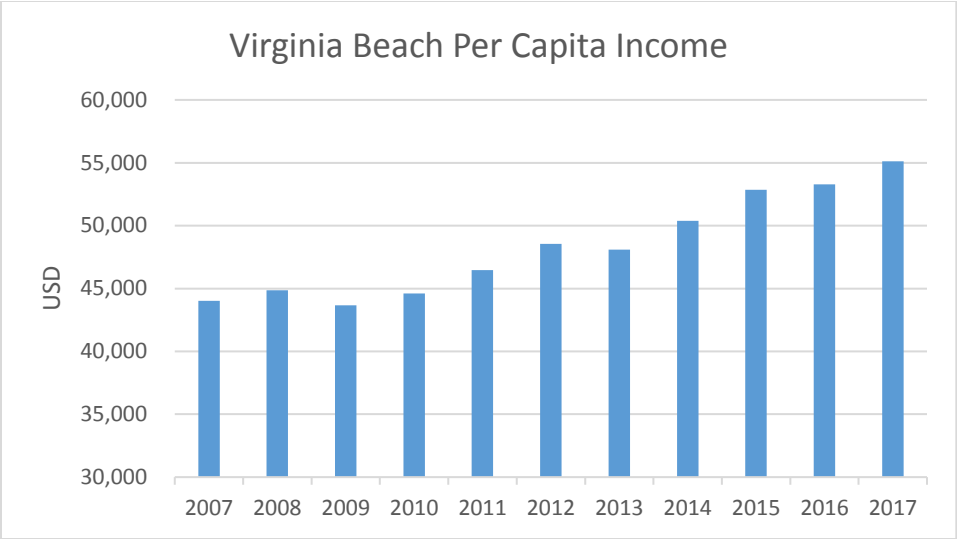
Source: Bureau of Economic Analysis

In response to favorable economic conditions and consistent employment gains, in December 2018 the Federal Reserve voted again to raise the Federal Funds target range, now to 2.25% to 2.5%, which the FED indicated is the lower bound of a long-term sustainable Federal Funds Rate. The Federal Open Market Operations Committee (FOMC) engages in monetary policy actions, like the purchase and sale of securities, to keep the Federal Funds Rate within the Federal Reserve's target range. Shortly after the Great Recession began, the Federal Reserve instituted a policy of purchasing securities to increase liquidity in the capital market and stimulate the economy, known as "Quantitative Easing". Interest rate hikes, resulting from a decrease in the amount of money circulating in the economy, combat inflation by making investments more lucrative and borrowing more costly. Interest rate hikes, along with a reduction of the FED's balance sheet, are part of a long-term monetary policy plan to guide the US economy to sustainable long run growth and moderate the impacts of the reversal of Quantitative Easing.

Virginia Beach and Hampton Roads Region Economic Overview

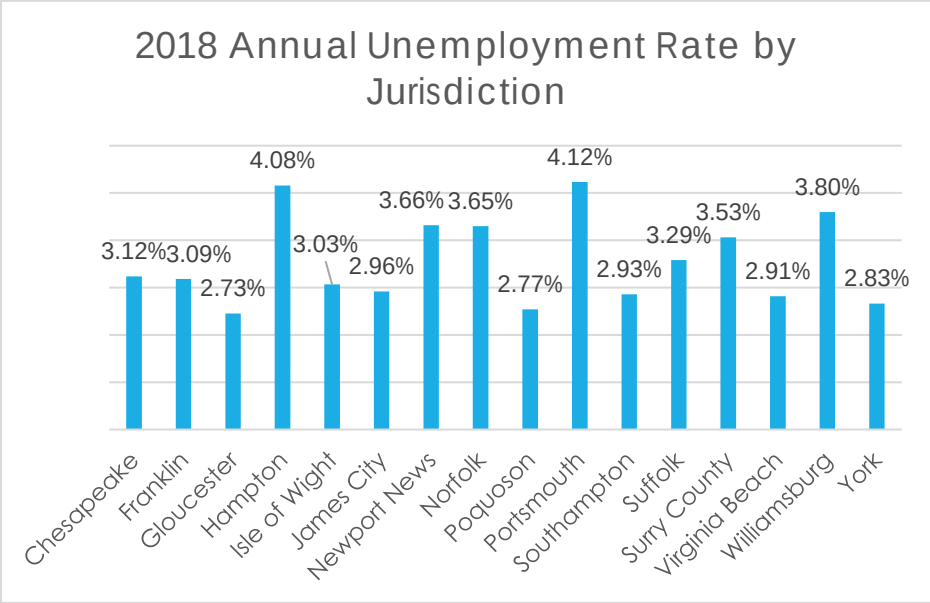
Output growth in the Hampton Roads Metropolitan Statistical Area has been relatively stagnant since the recession. This trend is on par with overall state output growth, which has also continuously lagged the national average. However, the ODU Dragas Center projects the region's Real Gross Domestic Product (GDP) will grow by 2.4% in 2019, the highest rate of growth in over ten years. Though private sector industry growth is increasing throughout the region, Department of Defense spending still contributes approximately 40% of Hampton Roads GDP. Increases in federal defense spending caps in fiscal years 2017-18 and 2018-19 as part of the Bipartisan Budget Agreement likely mean Hampton Roads increased GDP growth will continue throughout fiscal year 2019-20 and possibly into fiscal year 2020-21. Retail sales and hotel room revenue, two major indicators of economic activity, have continued to rise over the past year, a trend that is expected to continue into fiscal year 2019-20.

Household conditions remain encouraging in Virginia Beach entering FY 2019-20. Low unemployment has been accompanied by modest but steady wage growth. Virginia Beach resident's average per capita income grew 3.4% to $55,108 in 2017, $12,317 above the national average and on track with average per capita income for the Commonwealth. Wage growth in Hampton Roads has also outpaced the nation since the recession, with per capita income over the last 5 years growing 14.6% in Virginia Beach but only 9.8% nationally. Median Household Income in Virginia Beach was $72,126 in 2017, $833 higher than the State of Virginia and $10,754 above the nation as a whole. Income fluctuations in Hampton Roads closely follow those in the Commonwealth, which suggests similar economic forces drive wage growth in the Hampton Roads region and state as a whole.



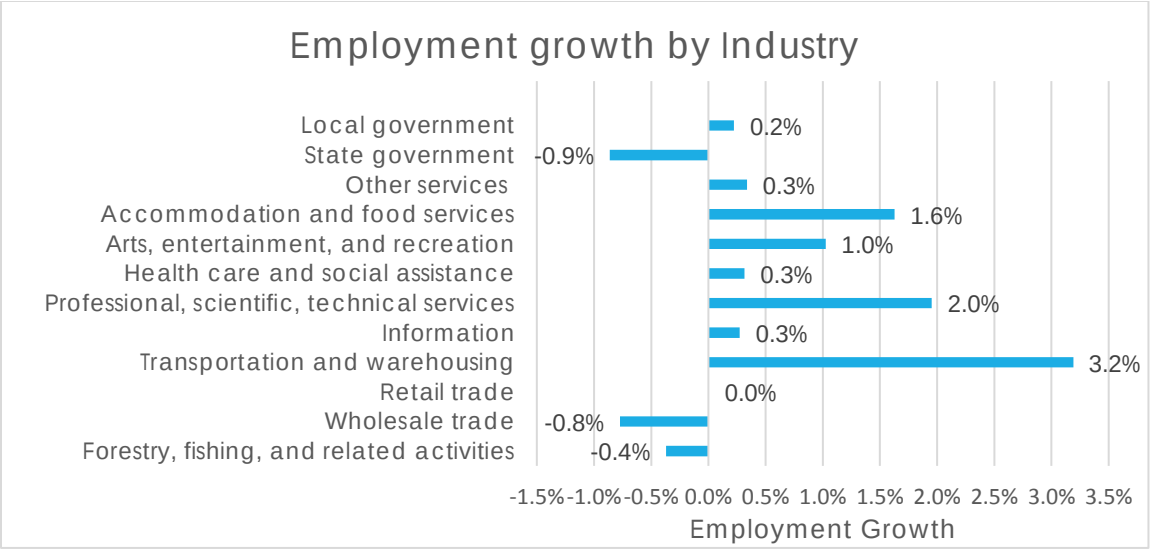
Source: Federal Reserve Bank of St. Louis

Economic growth across the state and region has been accompanied by unemployment rates far below the national average, with the state ending 2018 with an unemployment rate of 2.6%. Virginia Beach had a matching year-end unemployment rate of 2.6%. Both the state and region are outperforming the nation as a whole, which ended 2018 with an unemployment rate of 3.9%. Throughout the past year, unemployment in Virginia Beach has kept pace with, or been slightly below, state unemployment levels and is one of few cities in the Hampton Roads MSA leading the region with unemployment rates consistently below 3.0%.



Source: Bureau of Labor Statistics

Overall employment is expected to continue increasing in fiscal year 2019-20. However, job growth in Hampton Roads varies by industry. Jobs in the healthcare industry have increased steadily over the past decade but grew by only 0.3% in 2018. State government employment continues to decrease alongside wholesale trade. However, the Hampton Roads market has seen strong employment growth in transportation, professional and scientific services, accommodations and food services, and arts and recreation. Future job creation through expansion of the Corporate Landing Business Park, VA Beach Bio and the Dome Site redevelopment project align with overall industry growth and will likely contribute to continued growth in accommodations, arts and recreation, and scientific and technical services.



With positive economic trends in the national, regional, and local economy, estimated revenue to the City for FY 2019-20 equals $2,076,077,330. Overall, this is an increase of 3.6% over the adopted FY 2018-19 Operating Budget, but when controlling for rate increases, the rate of growth declines to 2.6%. Due to the variety of revenue types that the City collects/receives on an annual basis, a number of techniques are utilized to develop this projection.

Forecasting Methodology

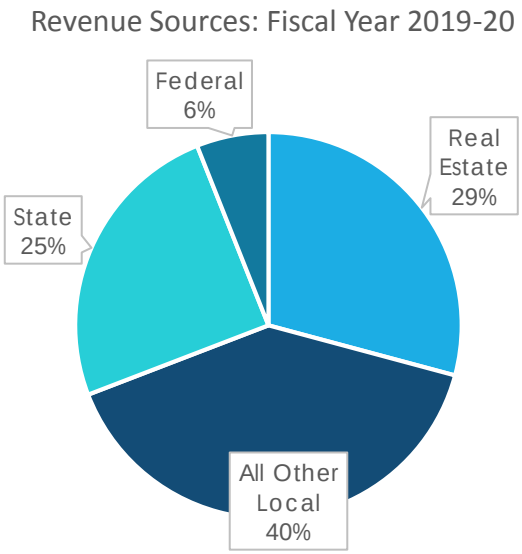
The City uses or has used the following qualitative and quantitative methods to forecast revenues:

- → 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.

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 most recent completed year, FY 2017-18, the City's revenue projection to actual collections produced a variance of only 0.18%.

Local Taxes

Local sources of revenue are comprised of taxes such as real estate, personal property, and general sales. These sources represent the largest portion of all revenues collected or received by the City of Virginia Beach in any given fiscal year. For FY 2019-20, local sources will make up 69% of total revenue. This is equal to the share made up by the local portion in the adopted FY 2018-19 budget. The largest individual revenue generator for the City is the real estate tax. This tax represents over a quarter of the City's total revenue stream, and nearly half of the City's General Fund tax revenue.



Dedication of the Real Estate Tax and Other Local Taxes

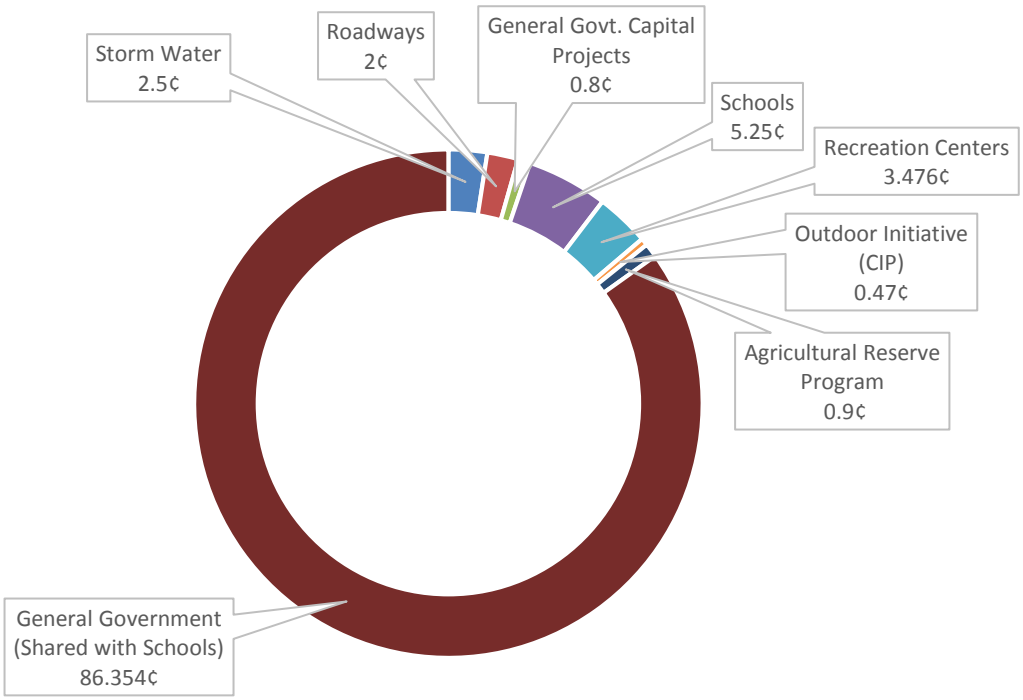
While the vast majority of the real estate tax supports general government operations (including the Virginia Beach City Public Schools), City Council has dedicated portions of the real estate tax to fund various priority areas. The next table shows the changes in the real estate tax rate from FY 1989 through FY 2020 and identifies the priority areas that the rate supports. As the table illustrates, these dedications have varied over time depending on conditions in the City as well as City Council priorities.

For FY 2020, the proposed real estate tax rate is $1.0175 per $100 of assessed value. This is an increase of 1.5¢ from the adopted FY 2019 budget. The revenue derived from this increase in the real estate rate will be entirely allocated to storm water in FY 2019-20. (Please note that the Virginia Beach City Public Schools have requested an increase in the real estate tax of $0.0085 cents or eighty-five hundredths of one cent per $100 of assessed value to support full-day kindergarten. This request was submitted after the VBCPS budget was adopted and therefore, this request is not included the next table.)

			Dedication					
FY	Total Real Estate Tax Rate	Change in Rate	Storm Water	City Operating Budget & CIP	Schools Operating Budget & CIP	Parks & Recreation	ARP	Multi- Modal
1987-88	0.877	-						
1988-89	0.915	3.8¢				3.8¢*		
1989-90	0.977	6.2¢			5.5¢**	0.7¢		
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	-10.0¢		-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¢	1.0¢	2.8¢	1.25¢		0.34¢	-4.14¢
2019-20	1.0175	1.5¢	1.5¢					
Total Dedicated (as of FY 2019-20)			**2.5¢**	**2.8¢**	**5.25¢**	**3.946¢**	**0.9¢**	**0.0¢**

*Originally approved as part of 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 received an increase of 1.89¢ in real estate taxes; however, the 2¢ Roadway dedication moved from the General Fund to the Multi-Modal Fund.

Where Does the Real Estate Tax Go?



Other Local Tax Dedications

In addition to the real estate tax, the City also allocates a portion of several other local taxes to City Council priorities. The following table shows a breakdown of several other major taxes collected by the City that are dedicated to specific programs. For the revenue generated by each of these tax dedications, please see the "Dedication of Local Revenues" page in the Executive Summary.

	Local Rate	City*	TIP Fund	TAP Fund	EDIP	Open Space	General Govt. CIP	Public Safety	Economic Development Biomedical
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¢	49¢	5¢		16¢				5¢
Personal Property Tax	$4	$3.70						30¢	
Vehicle Registration Fee	$30	$25					$5		
Hotel Room Night	$2		$1	$1					

*This represents the non-dedicated portion of these taxes and fees. The revenue generated by these taxes and fees (excluding the amount deducted by DMV before remitting Vehicle Registration Fee revenue to the City) is shared with the schools through the revenue sharing formula.

Tax and Fee Changes for FY 2020

To keep pace with costs, staff annually reviews taxes and fees. An individual breakdown of fees and tax adjustments can be found in the Executive Summary in the table "Summary of Fee & Tax Adjustments."

New Funds

The City is not establishing any new funds in FY 2020.

Revenue Resource Analysis

The FY 2020 budget includes a change in the calculation of real estate tax revenue due to an exemption provided to disabled veterans and their spouses as provided for in the Constitution of Virginia.

Effective January 1, 2011, the Constitution of Virginia was amended to place Section 6-A into Article X. As currently amended, following changes adopted by the voters of the Commonwealth in 2018, Article X, Section 6-A reads localities "shall exempt from taxation the real property, including the joint real property of husband and wife, of any veteran who has been determined by the United States Department of Veterans Affairs or its successor agency pursuant to federal law to have a one hundred percent service-connected, permanent, and total disability, and who occupies the real property as his or her principal place of residence. The General Assembly shall also provide this exemption from taxation for real property owned by the surviving spouse of a veteran who was eligible for the exemption provided in this section, so long as the surviving spouse does not remarry. This exemption applies to the surviving spouse's principal place of residence without any restriction on the spouse's moving to a different principal place of residence."

Prior to Fiscal Year 2020, the revenue generated by the assessments from these tax exempt properties were estimated and budgeted, with an offsetting expense appropriated as part of the "Non-Departmental" budget. This was programmed in the same manner as the City's elderly tax relief program is budgeted. In actuality, the revenue from disabled veterans and their spouses is neither collected, nor expended.

For this reason, beginning in FY 2020, the real estate tax revenue estimated in the budget no longer includes the revenue that would be generated from these exempted properties (or the offsetting appropriation). Due to the methodology previously employed to calculate real estate tax revenue in the budget, the "cost" of this exemption was being borne completely by the General Fund. By revising the methodology to more accurately reflect only the revenue being realized, the "cost" of this program is distributed among the various dedications outlined on the previous page.

In order to make accurate comparisons to the prior year budget, anywhere in this document that the adjusted FY 2019 budget is used for comparative purposes, it has also been decreased (in the revenue and appropriations) by the amount of this program.

For FY 2020, the revenue reduced due to this state mandated real estate tax exemption program is estimated at $6.5 million.

Real Estate Tax – FY 2020 represents the sixth consecutive year of real estate assessment growth for the City. This year will also mark the first year that assessments have grown by a rate of more than 3% since FY 2015. Overall, the projected increase in the taxable assessment of property in the City is 3.2%, or $2 billion. This appreciation is driven by strong increases in commercial, apartment, and condominium properties. In particular, hotels saw an annual increase in property value of over 11%.

Excluding TIFs, for every 1¢, the Real Estate Tax generates $5,717,816

Total real estate tax revenue, including all dedications, Tax Increment Financing, and Special Service Districts, equals $605,709,974. This represents an increase of over $22 million dollars from the amount estimated in the FY 2019 budget, which is driven in part by the increase in housing assessments, but also by the proposed 1.5¢ increase in the real estate tax rate. Of the total amount, General Fund real estate tax revenues are projected to total $558,748,264. General Fund real estate tax revenue represents 47.6% of the total revenue estimate for the General Fund. (Please note that the Virginia Beach City Public Schools requested a $0.0085 or eighty-five hundredths of a cent real estate tax rate increase to support full day kindergarten after their budget was adopted. Therefore, this request is not included in these calculations.)

Demand for housing in Virginia Beach remains high. This is particularly true for luxury apartments, townhouses, and mid-priced condominiums, both existing and new. In fact, according to the Real Estate Assessor's annual report, of the 1,443 brand new residents built in calendar year 2018, two-thirds were apartments. A key contributor to this housing demand are members of the United States Armed Forces, who are assisted with Basic Allowances for Housing. Also helping the present housing market is that foreclosures are well below the peak recessionary high, and are more in line with historical levels. Combined, these factors contribute to the growth in assessments, and therefore the increase in revenue for FY 2019-20.

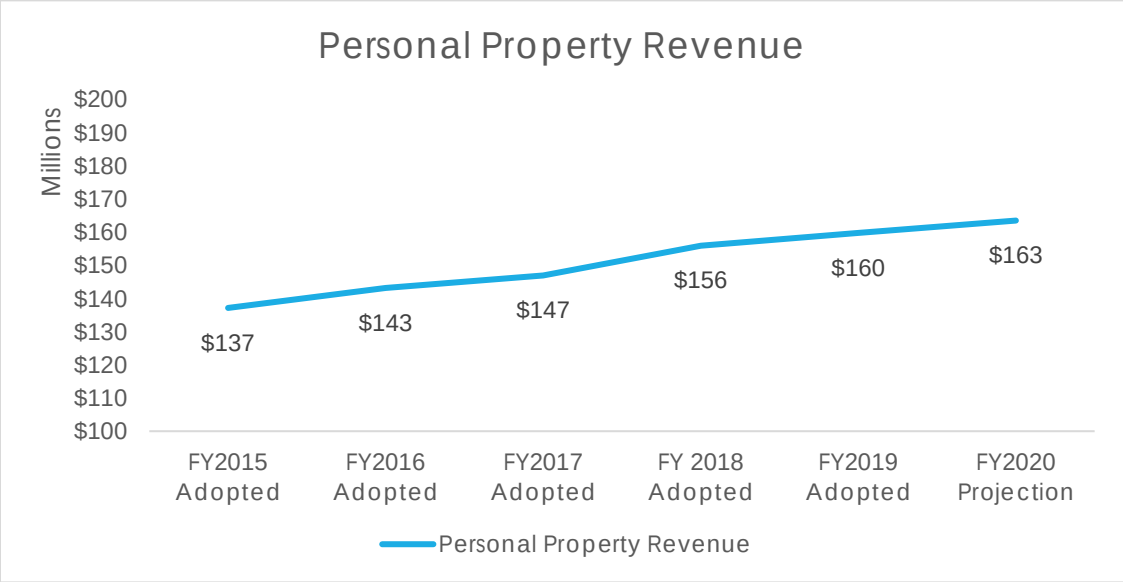
Personal Property – This revenue consists of several classifications of personal property, which are charged at various rates. The largest category is automobile and business personal property, which are taxed at a rate of $4.00 per every $100 of assessed value. Personal property for which the tax is assessed are vehicles, business personal property, commercial boats, recreational vehicles, mobile homes, and several pleasure and leisure items. Of these, vehicles represent 77% 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.

For the past few years, Americans have engaged in a sizable wave of new car purchases. After a record setting year in 2016, sales of new vehicles slipped in 2017 declining 1.8%. While sales then grew in 2018 by 0.3%, the National Automobile Dealers Association (NADA) is projecting a 1.1% decline in sales for 2019. 2018 was expected to be a down year for new vehicle sales, but the industry believed that the tax cuts signed into law in 2018 helped push sales higher than projections. Yet, even with the annual decrease forecasted, annual car sales still exceeded 17 million sold for the fourth year in a row in 2018, and therefore even a decrease in sales would enable annual sales to hit this mark for a 5th straight year.

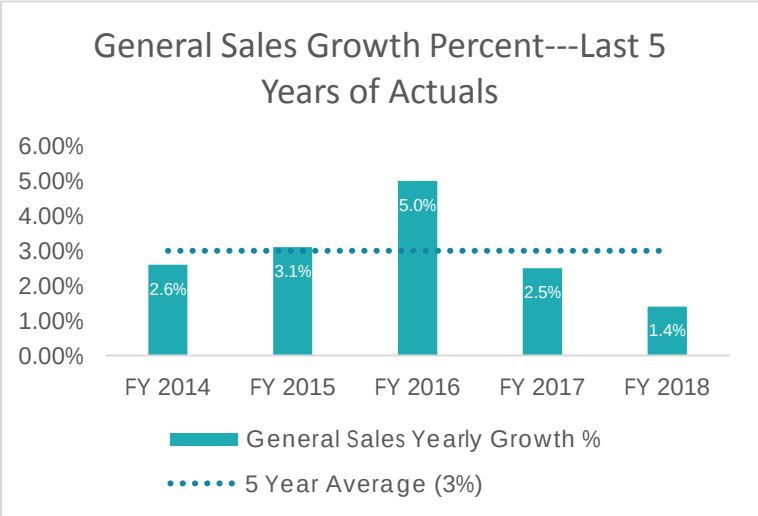
According to the NADA, popularity in manufacturer certified pre-owned vehicles is growing. This market could be significant in 2019 with off-lease returns from the record new vehicle sales experienced in 2016. At present, 25% of the City's vehicle assessment base comes from new vehicles, whereas the remaining 75% are from used cars. Despite the slow-down, sales will continue to be near record numbers, and therefore the City's assessments for vehicles are still expected to rise 1.4%.

Virginia Beach's vehicle personal property recipts come from two sources. The primary source is a flat frozen reimbursement amount determined by the Commonwealth of Virginia. This reimbursement is known as the Personal Property Tax Relief Act or "PPTRA portion." Because this reimbursement is frozen, yet the total assessment base increased, share of the total personal property tax covered by the reimbursement diminished. This budget proposes a State relief percentage of 50.1%, down from 50.3% in FY 2018-19. The other 49.9% is received by the City from the citizens of Virginia Beach through their vehicle personal property tax payment. This is an increase of 0.2% per every $100 of value for each vehicle from last year. For a resident with an average vehicle value in the City (about $8,200), the adjustment of the relief percentage will result in a 66¢ increase in their personal property tax payment.

Personal property tax is a difficult tax to predict due to the number of variables involved in the revenue's assessment base. Past performance has not always been a good predicator for this revenue. For FY 2019-20, personal property taxes are estimated to be $163,497,601. This includes any increases that occurred in the personal property tax base over last year as personal property is a calendar year tax.



General Sales – Of the total sales tax paid on any transaction in the Commonwealth of Virginia, local governments receive one percent, which is distributed by the state following collection. While sales tax revenues are still growing, the rate of growth has slowed considerably over the past two years. From FY 2016 to FY 2017, year over year growth in sales tax revenue fell below 2.5% for this first time in six years and from FY 2017 to FY 2018, this revenue grew by 1.4%. In FY 2020, this is expected to slow even more, to an increase of only 0.2%.



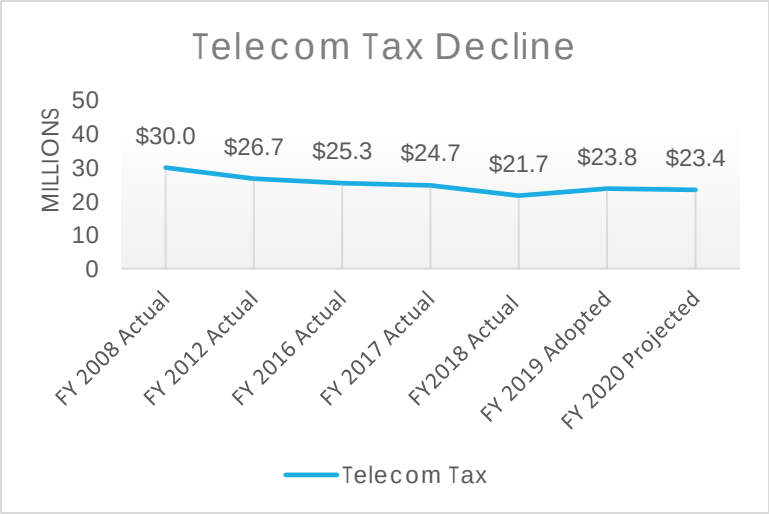
There is some potential for revenues to increase further. In the recent session of the General Assembly, the legislature passed laws allowing for the official collection of the sales tax for products sold online, consistent with the rulings of the United States Supreme Court. In their final summary, the House Appropriations Committee determined that these revenues are expected to amount to just under $150 million statewide. This is an estimate that is half of those conducted around the time of the Supreme Court's initial ruling in early 2018. Should the $150 million estimate be accurate, roughly $27 million would be returned to localities through the General Sales tax. However, since estimates continue to deflate over time, the City of Virginia Beach has decided to not estimate any new revenues based on this ruling this year. Instead, the City will adjust revenue projections in future years based on the actual distribution of revenues received from the 1% local option through FY 2019.

As a result, for FY 2019-2020, estimated revenue from the General Sales tax is $66,745,446, or 0.2% higher than the estimate for FY 2019. As previously discussed, this low rate of growth is due to the performance of this revenue stream over the past two fiscal years.

Utility Tax - These taxes apply to electric, gas, and water bills for residential and commercial properties. Historically, this revenue has grown at modest rates. 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 month tax. As such, growth in this revenue must come from an increase in the number of utility customers. In recent years, the City's population has experienced only minimal gains, thus restricting potential for this revenue to grow. According to Dominion Power, roughly 50% of the City's utility tax is generated by residencies with the remainder coming from commercial activities. The cap for businesses is less stringent than for residential customers, therefore increases in a bill could impact revenues realized from the commercial sector. That said, these are generally one-time only events, and cannot be counted upon for sustained revenue growth.

For FY 2019-2020, estimated revenue for utility taxes is expected to be $26,203,325, which represents an increase of 2.4% from FY 2019.

Virginia Telecommunications Tax – Beginning in 2007, Virginia replaced all local telecommunication and cell phone taxes with a uniform 5% tax, and an additional $0.83 Right-of-Way fee. The taxation applies to satellite TV, Internet phone service, Voice-Over-Internet-Protocol (VOIP), and satellite radio, but not data plans and streaming services. As market demand has shifted in the past ten years from voice to wireless, from talking to tweeting, and from traditional means of viewing TV to products such as Netflix, Hulu, Amazon Fire, Sling, Roku, various other websites, individual channels, or sports apps, this revenue has begun a permanent decline. Yet despite these changes, efforts to amend the tax in the General Assembly to cover more relevant communication technology has repeatedly gone down to failure. Until such a bill passes, the amount realized from the telecom tax will diminish with each passing year. The Right-of-Way fee, however, is subject to change, and for 2019 will be $1.20 per line. The City also now counts the cable franchise fee as part of the telecommunications tax revenue. The cable fee is also subject to the same conditions as the rest of the industry: higher annual bills that have been offset, or overpowered by declining subscription rates.



For FY 2019-2020, this revenue is projected to maintain the recent downward trend and generate $23,374,899, a decrease of 1.6% from the FY 2019 budget.

Business Permit and Occupational License Tax (BPOL) – Cities in Virginia are allowed to charge a permit and license tax known as the BPOL. Businesses pay BPOL tax based on gross receipts. Virginia Beach BPOL rates are flat fees of $40 for businesses under $25,000, $50 for those under $100,000, and a percentage method for receipts above $100,000. In order to boost and sustain new business creation, the City operates an incentive program in which new businesses who exceed the $100,000 threshold pay at the $50 rate for their first two years of operation. Enrollment in

this program delays the base growth in this revenue by about $500,000 a year. Even so, this revenue is growing, as new businesses growth arises out of the relatively solid national economic situation.

For FY 2019-2020 estimated revenue for BPOL is $51,892,052. This represents a 6.6% increase compared to the previous budget. This increase is projected due to a number of businesses aging out of the new business incentive program as well as the growth in the economy.

Automobile License Fee – In FY 2003-04, the City eliminated the physical issuance of decal stickers for vehicles and the State Department of Motor Vehicles (DMV) began collecting these fees through a program called Local Vehicle Registration (LVR). DMV represents a more comprehensive source for vehicle discovery and offers an added bonus of aiding collection of delinquent fees. For participation within the program, DMV charges the City $2 per vehicle registered through the program. This fee is deducted from the revenue remitted to the City by DMV, which means that the City only receives $28 per vehicle as opposed to the entire $30 license fee. Since this $2 is deducted and the City does not receive this revenue, the LVR is dedicated for that purpose and is not included in the City/School revenue sharing formula.

The number of vehicles within the City remains steady with slight overall growth anticipated in FY 2019-20. Based on this trend, automobile license revenue is projected to be $11,652,769 in FY 2019-20, up 2.2% from last year.

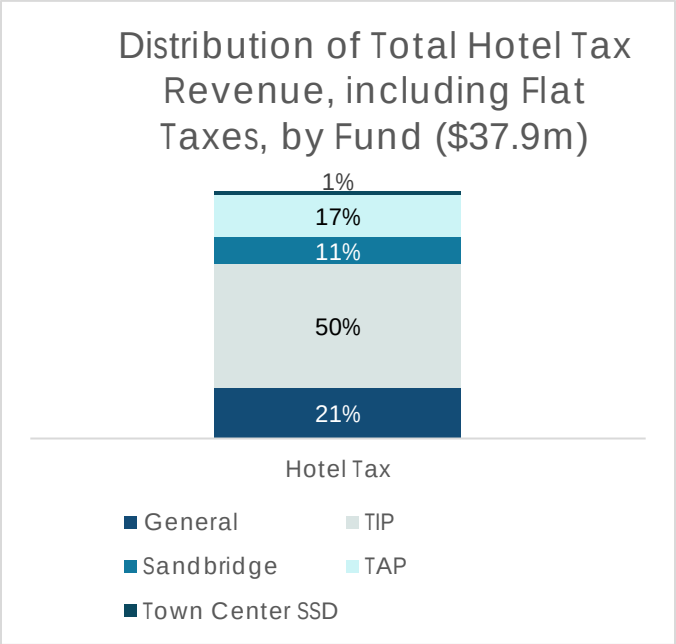
Cigarette Tax – Unsurprisingly, cigarette tax revenue has declined over time. According to the Centers for Disease Control, 25.5% of adults smoked in 1990 compared to 15.1% in 2015. An additional limitation on this revenue is the fact that e-cigarettes are currently not subject to the cigarette tax, however a cigarette taxation modernization study was included in the General Assembly's budget bill. This year's session of the General Assembly also opted to change the minimum age to purchase either traditional or e-cigarettes to 21. Accordingly to the Campaign for Tobacco-Free Kids, 11% of Virginian high school students use e-cigarettes and 6.5% smoke traditional cigarettes. Therefore, once effective, this may further reduce cigarette tax revenues.

For every 1¢, the Cigarette Tax generates just under $150,000

Adding to the unpredictability of this revenue is wholesaler behavior. Prior to the implementation of a tax increase, wholesalers appear to make large purchases of tax stamps in order to lock in the previous rates for an extended period. City Council typically adopts rate changes with the budget in mid-May, effective July 1; therefore, wholesalers will typically purchase these stamps in bulk in late May or in June, delaying the realized revenue anticipated from increases in the rate change. In FY 2019-20, the cigarette tax will remain at 75¢ per pack.

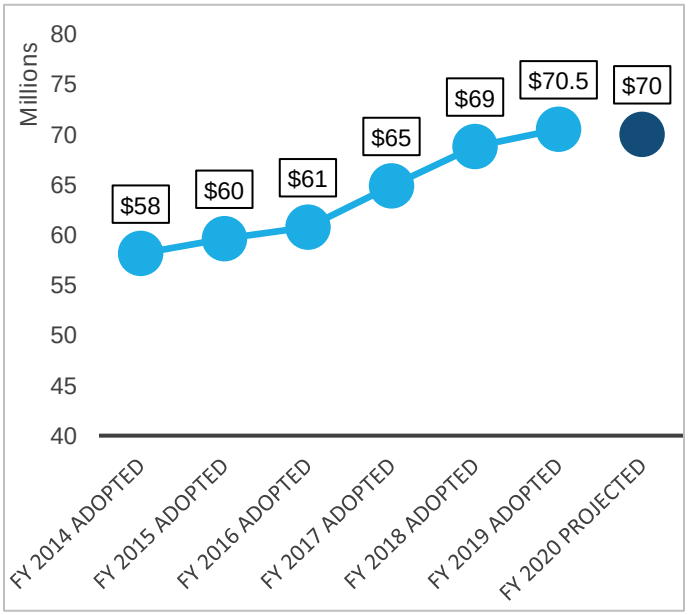
For FY 2019-20, total cigarette tax revenues are projected to be $11,179,170. This represents a decline from the $11,609,814 budgeted last year. A portion of the cigarette tax ($745,278) is dedicated to the Tourism Investment Program Fund, while the remaining amount is allocated to the General Fund, with portions devoted to economic development and investments in biomedical initiatives.

Hotel Tax – Tourism is a major component of the local economy, and the impact of tourism shows up in the hotel tax. The hotel tax is made up of two distinct revenues: an 8% rate as well two flat per night taxes of $1 apiece. In turn, the hotel tax is split up and credited to a number of different sources, as the chart on the right depicts. Virginia Beach hotels maintain a 63.7% occupancy rate year-round and a record number of visitors stream into Virginia Beach every year. According to the Convention and Visitor's Bureau, in 2017 (the most recently available data), 10.1 million visitors stayed overnight in the City. On average, these visitors spent $588, of which a portion would be spent on lodging.



Meanwhile, the City continues to make numerous investments in facilities, activities, and events intended to drive additional tourism. At the same time, a number of new hotel proposals have been put forward by private developers, including at the Oceanfront and near Town Center, and the City recently agreed to sell land in the Princess Anne-Landstown corridor to a developer to build a minimum of one hotel, with an option for a second facility. Although these hotels are yet to be constructed or completed, they signal that hotels are an attractive investment with considerable market demand. As such, it can be expected that this revenue will grow even further in future years.

Total hotel taxes, including the percent rate and both of the flat taxes, are estimated to be $37,944,530, up 1.7% above the previous year's budget. This is the third year of growth in hotel tax revenue, confirming the Convention and Visitor's Bureau's reports of strong tourism numbers. Of this amount, the General Fund's portion is $7,794,883. For a yearly financial breakdown of the hotel tax by fund, please see the "Dedication of Local Revenues" chart in the Executive Summary.



Restaurant Meal Tax – Similar to the hotel tax, the restaurant meal tax has grown by a healthy margin-over 20%-the last six years. However, after several years of consistent growth, revenues derived from meals taxes are expected to experience a decline in the upcoming year. This is despite events intended to spur people to eat out during non-traditional segments of the year such the semi-annual Virginia Beach Restaurant Week. For FY 2019-20, meal taxes are expected to remain just over $70 million, a 0.6% reduction from the previous year's budget. Of this amount, the General Fund's portion is $44,608,734. For a yearly financial breakdown of the restaurant meal tax by fund, please see the "Dedication of Local Revenues" chart in the Executive Summary.

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, and are primarily a function of population, age of the population, the economy, and real estate/construction industry activities. Departmental input is essential to help determine these revenues.

For FY 2019-20, the estimated overall revenue for Permits, Privilege Fees, and Regulatory Licenses is $6,081,945, which represents a 1.7% decrease from last year's estimate. Of this total, the General Fund receives $5,518,791, a decline of 1.7% from a year ago. The majority of this decline is related to building permits.

Fines and Forfeitures - This represents local government applied fines and forfeitures, with the three primary revenues being Court Fines, Red Light Camera Violations, and Parking Tickets generated at the Oceanfront and in Town Center. All are designed to change individual behavior. Projections are based on historical trends, which includes a multi-year decline in Red Light Camera violations.

For FY 2019-20, the estimated overall revenue for Fines and Forfeitures is $5,442,719. This represents a 13.5% decrease from last year's estimate and primarily reflects a reduction in court caseloads as well as the decline associated with Red Light Camera violators. Of this total, the General Fund receives $4,393,819, a 20.8% reduction ($1.2 million) from a year ago.

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. Because interest rates have been near historic lows for an extended period of time, this revenue source has diminished over the long-run.

For FY 2019-20, the estimated overall revenue for Use of Money and Property is $13,932,295, a 10% increase from last year's estimate. This primarily reflects a modest but sustained increase in interest earnings throughout calendar year 2018. Of this total, the General Fund receives $8,774,420, a 13% jump from a year ago.

Charges for Services - This represents a broad range of revenues offsetting the cost of delivering services and programs. Most of these revenue estimates were historically trended, discussed with departments, and calculated using the prevailing rate.

For FY 2019-20, the estimated overall revenue for Charges for Services is $292,135,831, an increase of 3.5% when compared to last year's budget. Of this total, the General Fund receives $37,457,701, which was down $2.1 million, or 5.4%, compared to last year. The General Fund receives only a small portion of this overall amount because most charges for services are related to Enterprise Fund fee collections.

State and Federal Revenue – Estimates for these revenues are based on historical trends, General Assembly budget proposals, gubernatorial recommendations, and congressional action. Over last few years, the actual average yearly growth in state revenue is roughly 3%, while the multi-year average increase in federal revenue is 5%. Because state and federal budgetary timelines do not align with the local fiscal cycle, budgets are based upon "as is" or conditions that can be anticipated with some degree of confidence. Typically, the state and especially the federal government have had disputes which prolong the budget beyond the time frame in which the City must present its budget. These disputes have often caused growth in actual federal revenues to be inconsistent and even negative, making it harder to predict these revenues with certainty. The majority of the overall state and federal revenue received by the City goes directly to the Schools or special revenue funds for human services or housing.

For FY 2019-20, State revenues in the General Fund total $106,255,094 (up 2%) while Federal revenues in the General Fund amount to $22,236,295 (down 1.8%).

Summary of Total General Fund Revenues - Total General Fund revenue for the City of Virginia Beach is expected to be $1,174,356,725, which is 3.4% higher than last year's total adopted revenue of $1,136,104,709.

Special Revenue Funds

This section highlights the major Special Revenue Funds:

Schools/Education – In Virginia Beach, the Public School system depends on the City for a portion of their funding. The following City 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. In total, nearly half of the School's total budget comes from local sources. The remainder comes from the Federal and State governments.

The non-local 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. Federal revenues for the school system primarily consist of impact funds. The two major impact funds for the Virginia Beach Schools are for the cost of educating military children, and money for the free and reduced lunch program.

State funds are allocated based on a two-part formula adopted by the General Assembly. The first part is known as the Standards of Quality (SOQ), and is used to determine the number of teachers required by each school system, funded at an average salary figure. The second part is known as the Local Ability to Pay Composite Index, and this index is used to determine the funding breakdown between the State and localities. Under the index, wealthy communities receive less State aid while less-wealthy communities receive more, and the City is responsible for the amount required beyond what the state provides. Certain additional State funds are also distributed for specific courses or activities. Examples include transportation, vocational education, special education, and technology. The State Shared Sales Tax (1.125% of the state sales tax) is returned by the Commonwealth to localities exclusively for public education and is distributed based on the number of school age persons in each locality.

For FY 2019-20, the City's total contribution above that which is required by the SOQ, including real estate tax rate dedications, is $272 million, or about 155%, above the minimum amount required by the State. Thus, in total the VBCPS will receive $448 million from the City in FY 2019-20. The City funds this additional amount two ways.

The first is through a City-School Revenue Sharing Formula. This formula is calculated on the following basis:

- → Fund 100% of Required Local SOQ Match
- → Fund above the SOQ Match: After subtracting the local SOQ match, 34.11% of all of the remaining total non-dedicated local tax revenues in the City is earmarked to the School system. This is done before any money is even allocated to the General Fund or any other non-dedicated City obligation.

The second way the School system receives money from the City is through a portion of the dedicated local tax revenues, specifically from the real estate tax. This amount is displayed in the table earlier in this *Revenues* section under the sub-section "Dedication of Other Local Taxes and Real Estate Taxes for Specific Purposes."

Estimated revenue for these funds is expected to increase by 4.4% 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 1.4%. (Note that this does not include the additional $0.0085 or eighty-five hundredths of a cent real estate tax rate increase that was requested by the School Board subsequent to the adoption of their budget to complete implementation of full-day kindergarten.)

Housing - The following funds comprise the majority of the housing operations for FY 2019-20: State Rental Assistance, 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 and are based on information received from State and Federal agencies at the time of the preparation of the budget. 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 0.7%, or just over $150,000, higher than last year's estimate. State revenue for Section 8 Programs is anticipated to be higher, which offsets a decline in federal aid. This is a reverse of last year's federal increase and state decrease.

Parks and Recreation Special Revenue Fund - The Parks and Recreation Special Revenue Fund comprise the majority of operations for the Parks and Recreation Department. Funding is derived from user fees, charges for the use of Parks and Recreation facilities and sponsored activities, a dedicated portion of the real estate tax (which can be founded in the table "Dedication of Other Local Taxes and Real Estate Taxes for Specific Purposes,") to support recreation center operations, and additional support from the General Fund to support park operations.

Estimated revenue for FY 2019-20 is expected to increase 3.2% when compared to last year's estimate. This increase reflects the increase in overall real estate taxes as well as several fee increases included in FY 2019-20. Additional information can be found within the Parks & Recreation Department write-up and on the "Summary of Fee & Tax Adjustments" table in the Executive Summary.

Sheriff Department Special Revenue Fund – Funding for care and custody of persons placed in the Virginia Beach Correctional Center by the courts comes from all three levels of government. 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 2.7%, or over $600,000, higher in FY 2019-20 than last year's estimate. The majority of this increase is due to revenue generated from programs that are housed within the jail such as the use of tablet computers or the purchase of healthy food options.

Tourism Investment Program Fund – The Tourism Investment Program (TIP) receives dedicated revenue streams to fund tourism and other economic vitality related capital projects. Revenues in this fund are primarily generated from 5% of the hotel tax, 1.06% of the meal tax, 5¢ per pack of the cigarette tax, and 100% of the amusement (10% admissions and 5% participatory) tax.

Estimated revenue for FY 2019-20 is expected to decrease by 0.78%, or $325,000, when compared with the current year's revenue estimate. This reflects a transfer of parking ticket revenues to the Parking Enterprise Fund. For more on this transfer, please see the Parking Enterprise Fund later in this section, or the Ordinance section of the City Manager's Proposed Operating Budget.

Tourism Advertising Program Fund - The Tourism Advertising Program (TAP) generates revenue for increased tourism advertising. This program is funded through a $1 flat tax charge per hotel room night, a 0.5% tax on restaurant meals, and 1% of the hotel tax.

Estimated revenue is expected to increase in FY 2019-20 by 1.2%, or about $163,000, from last year's estimate.

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 by means that are voluntary rather than regulatory. Revenue is derived from a dedication of 0.9¢ (nine tenths of one cent) of the City's real estate tax revenue. For a complete history of the ARP's dedication over time, please see the table "Dedication of Other Local Taxes and Real Estate Taxes for Specific Purposes" earlier in the Revenue section.

Estimated revenue for the ARP will decrease this fiscal year, largely due to a reduction in the amount of fund balance necessary to offset program expenses in FY 2019-20. The estimated FY 2019-20 revenue for the ARP is $5.7 million.

Tax Increment Financing Funds - The Code of Virginia (Section 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 of a TIF works as follows: for the geographical area covered by the TIF, current real estate assessments are frozen; therefore any subsequent increases in real estate taxes derived from increases in assessments are earmarked to a fund used to support public improvements in that area. TIFs are often set for predetermined limits, usually associated with the cost of these improvements. All TIF related revenues are excluded from the City/School Revenue Sharing Formula. The City has established the following TIFs:

→ Sandbridge- 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 for 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 within this area. Revenues collected in the Sandbridge TIF are designed to fund future costs for sand replenishment. Surplus funds, above and beyond those necessary for a renourishment project, are used to finance various Sandbridge related projects in the CIP. The Sandbridge TIF's revenue will increase 1.1% in this fiscal year to a total of $10,466,192.

→ 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, which are a mixture of real estate and hotel room taxes, fund debt service costs associated with the construction of public parking at this facility. The CBD-South TIF's revenue will increase by 2.3% this fiscal year to a total of $8,535,042.

Open Space & Park Infrastructure Development & Maintenance Special Revenue Fund - This fund (which was renamed in FY 2017-18) provides funding for the preservation of property as identified by the Parks & Recreation Department in an Outdoor Plan/Open Space initiative. This plan calls for the preservation of 5% of the City's land for parks, trails, or natural vistas. The source of funding for this plan includes a 0.44% (forty four hundredths of one percent) dedication of the Restaurant Meal tax and the use of fund balance, when necessary.

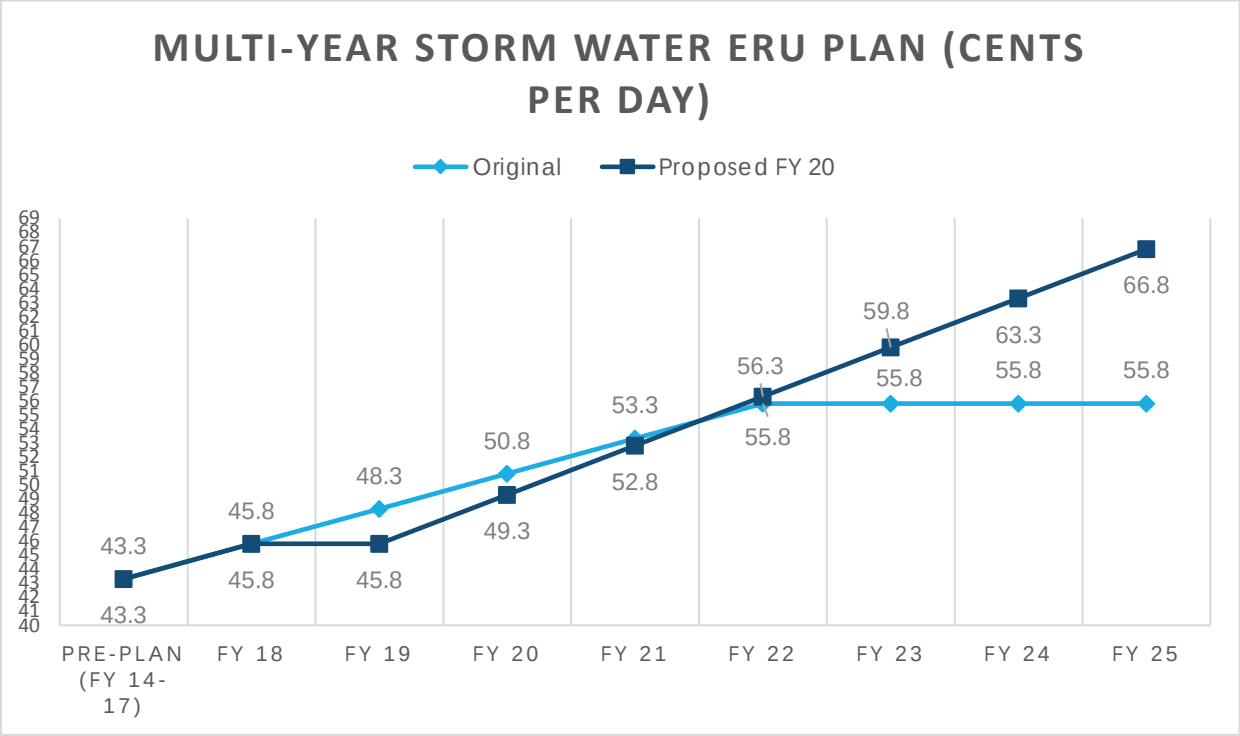
Estimated revenue is expected to slightly decline by -0.70% to $5,591,945 in FY 2019-20.

Enterprise/Utility Funds

Water and Sewer - The Water and Sewer Fund operates as a self-supporting enterprise fund. 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. In total, charges for service (both water and sewer) represent 96% of the fund's revenue.

Estimated revenue is expected to increase by 2.8% to a total of $133,346,540 in FY 2019-20 when compared with the current year's budget. This is due to a change in the water rate of 49 cents per 1,000 gallons consumed in FY 20 as a result of the multi-decade water services contract extension and water purchase agreement between the City and the City of Norfolk that was signed in the fall of 2018 and subsequently ratified by Council.

Storm Water Utility Enterprise Fund - This fund is self-supported through two charges for services, which 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. To address the storm water flood control needs and mandated regulations, City Council previously adopted a five year plan to increase the daily Storm Water Equivalent Residential Unit (ERU) rate by 2.5-cents per day each year through FY 2021-22. In FY 2018-19, this plan was suspended. This phased increase will resume this year, with an additional 1 cent per day per year increase beginning FY 2019-20, and will continue to FY 2024-25 instead of ending in FY 2021-22. Thus, the new ERU per day increase, including this year, will for 3.5 cents per day for the next six years. This is in addition to the 1.5 cent increase in the real estate dedication to storm water. The graph below compares the original 5 year Storm Water ERU plan with the now current plan.

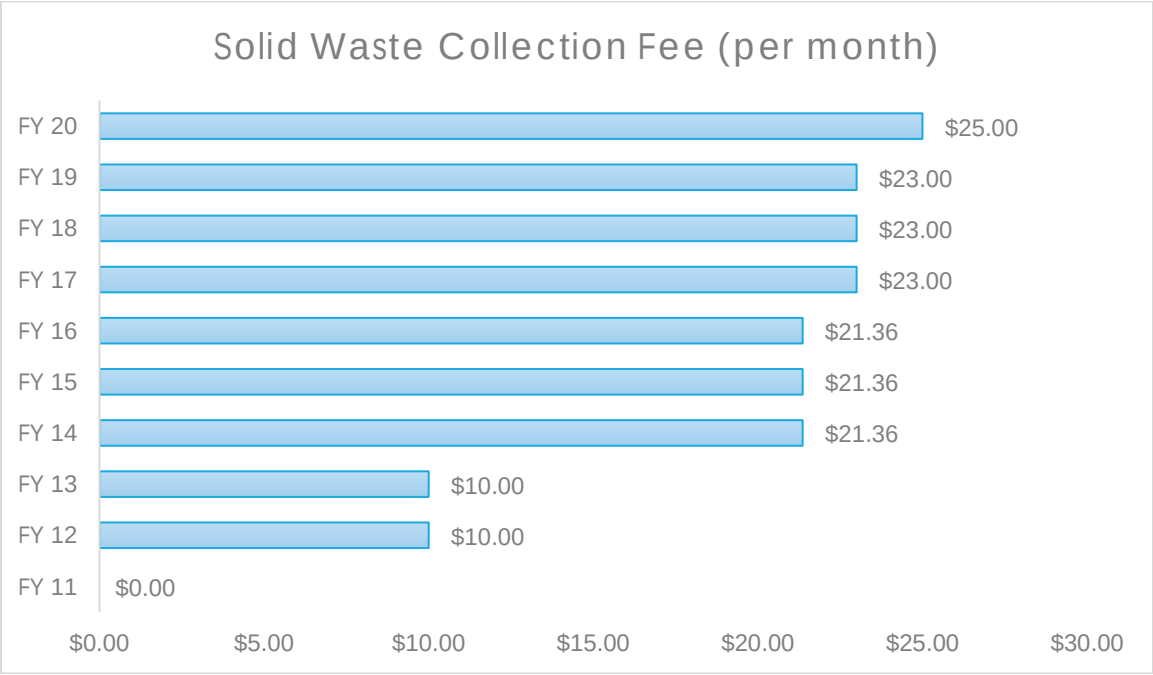


Estimated revenue is expected to increase by 8.3%, or $3.5 million in FY 2019-20 over the current year's budget. The driver of this increase is additional payments due to the fee increase as well as to real estate growth and development.

Parking Enterprise Fund - This fund is self-supported from revenues generated through the operations of the Parking Systems Management Office. Parking lots are operated at the Oceanfront and at Sandbridge, meters are installed along certain streets at the Oceanfront, and the City operates garages at 9th Street, 25th Street, and 31st Street at the Oceanfront. In addition, the Parking Office oversees the contract for the management of the Town Center garages and is involved with the structural engineering contract for all of the garages.

Estimated revenue is expected to increase by 11% from last year's estimate. This is due to a reallocation of parking ticket revenue from the TIP Fund to the Parking Enterprise Fee. For more on this change, please see the Ordinances Section of this document.

Waste Management Enterprise Fund – The Waste Management Fund is a new fund which continues to progress towards sustainability. Mainly supported from charges for service in relation to waste and refuse collection, FY 2017-2018 marked the last year that the Waste Management Fund received assistance from the General Fund. The purpose of this assistance was to assume the cost of City's annual payment to the Southeastern Public Service Authority (SPSA) for the use of their facilities, which was done while the Waste Management Fund built up its fund balance. Since the Waste Management Fund is now responsible for all of its own costs, the fund requires additional revenue to embark upon a scheduled program of asset (vehicle and facility) recapitalization. Accordingly, the Solid Waste fee that supports the Waste Management Fund is proposed to increase from $23 per month to $25 per month in FY 20. As the chart shows, this will be the first increase in the Solid Waste fee rate since FY 17. The amount of time in between the change in the Solid Waste fee is in line with the historical amount of time between increases in this rate.



The total revenue for the Waste Management Fund is expected to be $38,199,122 for FY 2019-20, an increase of over $3 million. This is primarily due to the proposed fee increase.

City of Virginia Beach, Virginia
Items Requested But Not Funded

Title	Description	Service Level	Amount	FTE
City Real Estate Assessor				
Real Estate Appraiser Position	Funding is requested for an additional Real Estate Appraiser position to assist with the increased workload demands created by higher parcel counts.	Above Current	61,802	1.00
	Total City Real Estate Assessor		**61,802**	**1.00**
Convention and Visitors Bureau				
Convention Center Site Management Plan	This request would fund improvements for the Sports Center's landscape and parking lots including enhanced turf management with weed control and proper fertilization. In addition, the proposal would fund a four-wheel drive truck with a snowplow and a Bobcat loader to assist with snow removal since the Convention Center and Sports Center are in such close proximity.	Above Current	128,000	0.00
Sports Marketing Staff Alignment	This request would fund one new Event Coordinator position to the department's sports marketing unit in anticipation of the upcoming Virginia Beach Sports Center opening. This position would help expand sales capacity and service events for the new facility.	Above Current	65,866	1.00
	Total Convention and Visitors Bureau		**193,866**	**1.00**
Cultural Affairs				
Restoration of High Impact Community Art Programs	Funding is requested to restore funds to community arts programming and supplies to Cultural Affair's operating budget. The request would fund installations and art projects such as the Rudee Loop murals, Mount Trashmore stairs, and Town Center garages.	Current	7,114	0.00
	Total Cultural Affairs		**7,114**	**0.00**
Department of Aquarium, Historic Houses, and Museums				
Transforming into a World Class Aquarium	This proposal would fund the first phase of a multi-year plan to add seven Aquarium positions. . The funding would also increase the marketing and analytics budgets while also helping expand the Aquarium's administrative office space.	Above Current	1,268,095	7.00
Replace Aquarium Retail Point-of-Sale System	This funding would replace the department's integrated inventory management and Point-of-Sale (POS) system. The Aquarium gift store utilizes this inventory management / POS system to handle a myriad of customer based functions such as sales, returns, exchanges, programs, promotions and discounts, as well as mange its inventory.	Above Current	214,000	0.00
	Total Department of Aquarium, Historic Houses, and Museums		**1,482,095**	**7.00**
Emergency Medical Services				
Restoration of Medical Supply Funds	This proposal would fund the restoration of a portion of the department's medical supply funds needed while reducing departmental reliance on the State.	Current	25,000	0.00

Advanced EMT Program	This proposal would fund staff and supporting materials required to offer advanced EMT courses and expanded advanced life support training programs. This includes one EMS Instruction Supervisor and one Paramedic to support program oversight, course delivery and clinical instruction. Additional funding of $49,000 is required for skill station proctors, text books, and related fees.	Above Current	201,488	2.00
Enhanced Sandbridge Beach Lifeguard Coverage	This proposal would fund an additional 1.20 FTEs to accommodate expanded lifeguard services at Sandbridge Beach. This request would provide at two ATV patrol teams consisting of one lifeguard and one lifeguard supervisor/EMT during the six weeks after Labor Day. A third patrol/response unit would be added on the weekends to provide coverage levels comparable to the lifeguard services present at the Oceanfront.	Above Current	37,214	1.20
	Total Emergency Medical Services		**263,702**	**3.20**
Finance				
ERP Citywide Support for Automation	This proposal would fund five positions to improve the controls, design, documentation, and training for the City's new enterprise resource planning (ERP) system. The new ERP will more than double the existing system's financial modules which requires additional staff and resources in order to train and support users to ensure the maximum potential benefit of the new system.	Above Current	503,910	5.00
Accounting Services for ERP and GASB Reporting	This request would provide funding for contracted manpower to assist in accounting functions related to the new ERP system including the new GASB requirements/mandates, VDOT billing, and analyzing / documenting internal controls and procedures needed by the system.	Above Current	154,189	0.00
	Total Finance		**658,099**	**5.00**
Fire				
Four Person Staffing-Plaza Fire Station	This request would provide funding for four additional firefighters to continue implementing the Fire Department's four person staffing initiative. This funding would provide an additional firefighter for each shift on Engine 16, located in the Plaza area.	Above Current	287,590	4.00
Fire Captain for Resource Mgmt. Bureau	This proposal would fund a Fire Captain position to help supervise the Resource Management Bureau which is currently solely managed by a Battalion Chief. The addition of a captain would help manage the bureau's $1.6 million inventory as well as freeing up the battalion chief to focus on strategic planning and equipment life cycle management.	Above Current	90,760	1.00
Additional Staffing for the Fire Training Center	This proposal would fund one captain and two master firefighters to help plan, manage, and conduct training for the department's operational staff at the Fire Training Center. These positions will help meet the training needs of the department created by an increase in required certifications for operational personnel.	Above Current	241,669	3.00

Fire Prevention Bureau Staffing	This proposal would fund three additional fire inspectors along with the required vehicles and communications equipment to help the Fire Inspection Bureau meet the increased demand for inspections.	Above Current	290,323	3.00
Vehicle for Fire Administration Staff	This funding would provide a shared, City vehicle for staff members of the Fire Department administration who are required to report to various work sites throughout the work day and must use a personal vehicle to do so. This commuting results in mileage reimbursements to the employees which would be eliminated with a dedicated Fire administration vehicle.	Above Current	17,728	0.00
Fire Training Center Front End Loader	This proposal would fund a front end loader for the Fire Training Center to be used for training exercises including live fire material loading, vehicle extrication, technical rescue, hazmat, and rescues. Currently the City Garage has loaned the Fire Department a front end loader; however, the demand for it has increased to the point that a dedicated loader is required at the training center.	Above Current	250,000	0.00
	Total Fire		**1,178,070**	**11.00**
Health				
Rent and State Salary 2% increase	This proposal would fund the estimated proportional increase of the City's Local Commitment to the Health Department based on the Governor's proposed FY 2019-20 budget.	Current	110,683	0.00
	Total Health		**110,683**	**0.00**
Human Resources				
Family Medical Leave Act Support	This request would fund an additional position to function as the liaison between employees, Occupational Health, and Human Resources for all record keeping associated with FMLA cases.	Above Current	55,393	1.00
Media & Communications Coordinator	This proposal would fund a media and communications position to work with Member Communications to create and highlight employees' videos to serve as a recruitment and retention tool. Recruitment and branding employment is a priority for the City and Virginia Beach needs a greater presence on social media platforms, the ability to create and update a dynamic employment site, and engaging videos to highlight our workforce. The position will create infographics and other recruitment materials such as brochures, flyers, and list-serve blasts.	Above Current	62,490	1.00
Administrative Analyst	This proposal would fund an Administrative Analyst position to assist the department with quality assurance of HR policies, procedures, and practices. In addition, the position will review existing policies and practices for conformity to State and Federal laws, analyze industry best practices, conduct organizational and departmental surveys, and provide recommendations for the necessary policy changes.	Above Current	73,615	1.00
	Total Human Resources		**191,498**	**3.00**

Human Services				
General Fund Gap Plan	This proposal would fund the restoration of four clerical positions and their associated operating costs in the financial assistance division within Human Services.	Current	310,937	4.00
State General Fund Gap Plan	This proposal would replace funding cut by the State to support the Medicaid Expansion Initiative. State funding was redirected to expand Medicaid and City funding is requested to backfill this cut.	Current	423,765	3.75
Technology Needs	This proposal would provide funding for communications and tracking equipment needed during emergency operations situations such as weather related events. In order to help operate and support emergency shelters and recovery centers, the department needs an inventory of hardware to quickly deploy to staff as the need arises.	Above Current	41,772	0.00
Developmental Services Infant Program	This proposal would fund one behavioral health and development services supervisor position needed to effectively manage staff activities and ensure that State and Federal regulations for service delivery are met and maintained.	Above Current	88,863	1.00
Child Welfare Practice Model Assess	This proposal would fund a study of the Child Welfare Practice Model to explore strength-based practices that support families staying together, promote children's emotional and mental health, and provide necessary safety protections for children in at-risk situations.	Above Current	50,000	0.00
	Total Human Services		**915,337**	**8.75**
Information Technology				
Enterprise Research, Development, Consulting	This funding would help ensure the current ERP system is adequately supported through the launch of the new system. This support includes increasing functionality at the request of customer departments for the various modules such as finance, payroll, HR, and benefits.	Above Current	40,168	0.00
Enterprise Research, Development, Consulting	This proposal would fund a full subscription to Gartner's IT consulting, research, and analysis tools as well as access to the company's global peer network. Gartner is currently used by the department for many of their consulting and research needs and these services are currently purchased on an as needed basis.	Above Current	220,000	0.00
ServiceNow Additional Modules	This funding would expand IT's ServiceNow platform to add additional functionality with a software management and vendor risk management system. The software management would ensure compliance and monitor usage across the City while the vendor risk platform would constantly assess each provider to ensure stable service delivery.	Above Current	300,604	0.00
Data Scientist Request	This proposal would fund a data scientist position to help parse and analyze the City's vast collection of data. This position will help leverage this data by providing insights that will lead to more efficient service delivery for citizens.	Above Current	99,878	1.00

Planview Enterprise One/Navvia	This funding would upgrade the department's project and workflow management platform from Planview PPM Pro to Planview Enterprise One. This upgrade would mitigate current reporting gaps with the current system as well as full integration with Microsoft Project Pro which is the platform of choice for many of the vendors that IT works with.	Above Current	120,000	0.00
Amazon Web Services/Azure Cloud Services for R&D	This proposal would fund the overhaul of the new software deployment process across the City through the use of Amazon and Azure cloud services. Moving to cloud-based software solutions will decrease the time required for software deployment, the cost of rolling out new platforms, and the complexity of managing the City's various systems.	Above Current	60,000	0.00
Dynamic Network Mapping Tool	This proposal would fund an automated network mapping tool that would capture changes as they happen across the City's network. Currently, engineers must manually audit and document any changes to the network environment so this tool would reduce staff time while also increasing accuracy and efficiency of any changes.	Above Current	15,000	0.00
Cloud Data Science & Advanced Analytics Capabilities	This proposal provides funding for cloud platforms that will help analyze large datasets to create metrics which will be used to benchmark and predict outcomes from some of the City's most pressing issues such as flooding.	Above Current	35,000	0.00
FirstNet Assessment	This proposal would fund a study of the FirstNet public safety broadband network to determine if it would meet the needs of Virginia Beach emergency responders. The network bridges the gap between different radio networks and would enable first responders in different cities across the region to communicate together on calls for service.	Above Current	500,000	0.00
GIS Engineering Services	This proposal would fund GIS hardware improvements and software upgrades which would affect various City systems such as Acela, Hansen, Motorola Banner, and RACS. These upgrades will facilitate moving GIS services to the cloud and support the changing workflows and needs of each GIS system.	Above Current	25,000	0.00
Hexagon Enterprise Software	This proposal would fund an enterprise license for Hexagon which allows for the creation of multiple GIS workflows in the cloud to transition away from paper and desktop based activities. Hexagon software will also reduce costs by eliminating the need to purchase individual licenses and also features no size limits.	Above Current	18,000	0.00
Network Quality Assurance Tool	This request would fund a network quality assurance tool that would reduce the time spent troubleshooting and resolving service issues.	Above Current	150,000	0.00
Octopai Lineage Tool	This proposal would fund a data lineage tool that can track how data made its way into the City's systems, who used it, and how it was changed and viewed. This tool would help create a data catalog and dictionary to document the various datasets across various systems in the City.	Above Current	15,000	0.00

Mobility for Remote Training and Testing	This proposal would fund a platform to host virtual training and testing sessions for employees across the City while also providing mobile environments for response to emergency events such as hurricanes. This funding includes wireless connectivity so that users in the field can connect with their peers regardless of the hardware.	Above Current	95,000	0.00
Line of Business Application Access	This proposal would fund licenses for the applications used by other departments in order to assess the current workflow processes to create efficiencies or integrate the systems with the broader City network.	Above Current	25,000	0.00
IT Solutions COI Support	This proposal would fund consulting services to help develop application lifecycle plans that would detail the process for upgrading, replacing, and retiring the various systems used across the City.	Above Current	200,000	0.00
	Total Information Technology		**1,918,650**	**1.00**
Library				
Library Services Specialists for Adult Programming	This proposal would fund two full-time, Library Services Specialists (LSS) at the Meyera E. Oberndorf Central Library. The MEO Central Library is the busiest library in the VBPL System and the addition of two LSS positions will allow the librarians and staff to provide more outreach and programing for citizens.	Above Current	88,828	2.00
Restoration of Law Library Funds	This proposal would fund the restoration of $28,000 in General Fund support for the Law Library's operating accounts that were reduced in tandem with a revenue reduction due to decreasing court filing fees.	Current	28,000	0.00
Law Library Staffing 2 PT to 2 FT	This proposal would fund the conversion of two part-time positions to full-time in order to address service gaps at the Law Library. Due to the volume of customers, additional library staff have been reallocated to the Law Library to ensure adequate services are provided. The conversion of these two positions would eliminate the need for additional staffing resources and ensure staff always have adequate legal training to assist library patrons.	Above Current	59,433	1.00
Part-Time to Full-time - Director's Office	This proposal would fund the conversion of one part-time Account Clerk I, one part-time Account Clerk II, and one part-time Administrative Technician to full time to address a growing workload in the director’s office. Both Account Clerks would address the Library’s need for increased manpower in the finance unit as a result of changing financial processes. Conversion of one part-time Administrative Technician to full-time in the Media & Communications Office would result in enhanced information for residents about library programming, services, and collections.	Above Current	84,080	1.50

Library (continued)

Youth Librarian Oceanfront Library	This proposal would fund one full-time youth librarian for the Oceanfront Area Library to directly support programming targeting birth through grade 5, including early literacy education, reading on grade level, and school readiness initiatives. This position would serve Birdneck Elementary School, Seatack Elementary School, Friendship Village Housing Development, Atlantis Apartments, and the general Resort Strategic Growth Area including the VIBE District.	Above Current	67,782	1.00
Teen Services Librarian	This proposal would fund a full-time teen librarian position to serve the Green Run area, including services to the Juvenile Detention Center and Green Run High School. This position would increase opportunities for residents to earn volunteer hours and work experience through the library.	Above Current	67,782	1.00
Bookmobile Replacement Vehicle	This proposal would fund a replacement bookmobile in order to retain current services and allowing access to more outreach locations by eliminating the need for CDL drivers. The new vehicle will be less expensive to operate and maintain while retaining the ability for staff to run an early literacy program on board with preschool storytime.	Above Current	200,000	0.00
Convert 3 Part-time Library Program Specialists to Full-time	This proposal would fund the conversion of three part-time library program specialists to full-time to address service gaps and enhance library services.	Above Current	94,257	1.50
Oceanfront Librarian I - Vulnerable Populations	This proposal would fund a librarian position for the Oceanfront Area Library. The position would be responsible for working with City agencies, other library divisions and community stakeholders to promote literacy, build self-efficacy and resilience, and increase awareness of City and community services available to vulnerable populations.	Above Current	65,527	1.00
Oceanfront Security Cameras	This proposal would fund security cameras for the interior and exterior of the Oceanfront Area Library in order to help maintain a facility that is clean and safe for residents of the resort area and surrounding neighborhoods	Above Current	9,743	0.00
Fuel for Outreach Vehicles	This proposal would fund the addition fuel costs for a new transit cargo van provided by the Virginia Beach Public Library Foundation. The vehicle would be used to expand and enhance outreach to preschools and other locations where youth are served.	Above Current	824	0.00
	Total Library		**756,513**	**9.00**

Office of Emergency Management

Emergency Management Accreditation Program	This proposal would fund the accreditation of the Emergency Management department from the Emergency Management Accreditation Program (EMAP).	Above Current	25,000	0.00
	Total Office of Emergency Management		**25,000**	**0.00**

Parks and Recreation				
Account Clerk II	This proposal would fund an Account Clerk position for the department's Out of School Time division.	Above Current	44,414	1.00
Administrative Technician	This proposal would fund an administrative technician position for the Marketing and Research division to support the unit with various administrative tasks, such as customer retention and analytics.	Above Current	50,451	1.00
Expanded Community Outreach	This proposal would fund a Recreation Specialist position to oversee the expansion of programming at the Williams Farm Teen Media Studio to grow new media classes and summer academies, create additional partnerships with community groups, and increase bookable studio time for adults.	Above Current	60,023	1.00
Youth & Community New Programming & Operations Manager	This proposal would fund a "Youth and Community" Programming and Operations Manager position to assist with community outreach, youth development, out of school time programming, and inclusive and therapeutic programming.	Above Current	90,401	1.00
Out-of-School-Time Site Technology – Phase I	This proposal would fund the purchase of 22 laptops to be deployed at selected program sites for the Virginia Beach Parks and Recreation Out-of-School Time program.	Above Current	97,900	0.00
Aquatics Inflatables	This proposal would fund a WiBit Rodeo Splash Stand Alone Play Inflatable for the Great Neck and Princess Anne recreation centers.	Above Current	11,004	0.00
Summer Youth Employment Program Expansion	This proposal would fund the expansion of the Summer Youth Employment Program currently placing 100 youth workers within City departments and private companies. This funding would increase the summer youth positions by 20 as well as creating additional job coaches and a full-time Recreation Specialist.	Above Current	84,237	1.00
	Total Parks and Recreation		**438,430**	**5.00**
Planning and Community Development				
Reduction of Paper and Microfiche to Digital Formats	This proposal would fund the conversion of paper and microfiche records to digital formats for permanent retention. There are over 1,000 boxes of paper files and 15 drawers of microfiche that contain invaluable historical and programmatic information that would be preserved with this funding.	Current	85,000	0.00
Zoning Code Inspectors and Planning Technician I	This proposal would fund three Zoning Code Inspectors and a Planning Technician for the Planning Department. The inspectors would operate predominately in the field enforcing zoning ordinances and focusing on the newly adopted short term rental ordinance. The Planning Technician would work to support the Zoning Administrator.	Above Current	228,120	4.00

Planning and Community Development (continued)

Historic Preservation Program Expansion	This proposal would fund an expansion of the historic preservation program: $10,000 to expand the research grant program to fund additional research projects and state highway markers, $20,000 to expand the National Register of Historic Places historic districts nomination program to begin to address the newly identified potentially eligible districts, and $15,000 to expand the archaeological assessment program and to be able to adequately address some of the larger historic properties.	Above Current	45,000	0.00
Standardizing Field Inspection	This proposal would fund the standardization of all new devices for field inspectors. Currently, inspectors have varying devices in the field. Previously, the department placed high value on allowing staff to select among compatible devices based on familiarity, comfort and durability.	Current	58,150	0.00
Welcome Desk Planning Technician	This proposal would provide funding for an additional Planning Technician to staff the department's welcome desk which is the first line of customer service for citizens. Currently, additional staffing is being provided by temporary staff members.	Above Current	50,451	1.00
	Total Planning and Community Development		**466,721**	**5.00**

Police

Oceanfront, Neighborhood and Central Business District Resources	This proposal would fund 36 additional police officers to enhance community policing efforts in the City's most challenged neighborhoods and to address the growing demand for services in the mixed-use Central Business District.	Above Current	3,061,868	36.00
Animal Care and Adoption Center Positions	This proposal would fund three additional positions for the Animal Care and Adoption Center: one clerk, one animal caretaker, and one shelter operations supervisor. Additional staff is needed as a result of underestimated workloads at the center with an increase in customer and animal volume.	Above Current	143,536	3.00
Homeland Security & Emergency Operations Lieutenant	This proposal would fund a full-time lieutenant under the Special Operations Command to oversee special events coordination, homeland security supervision, and serve as the coordinator to the Virginia Beach Incident Management Team.	Above Current	139,066	1.00
Civilian Body Worn Camera Administrator	This proposal would fund a full-time civilian position to oversee the administration of the Body Worn Camera program (BWC) and Evidence.com. The day to day management of the evidentiary side of the BWC program is currently under the direction of the Internal Affairs lieutenant. The day to day administration of the BWC program would better served by a non-sworn position to minimize the collateral impact on the Office of Internal Affairs	Above Current	67,112	1.00
Account Clerk for Uniform and Supply	This proposal would fund an Account Clerk to work in conjunction with the Uniform and Supply Storekeeper. The Uniform and Supply Unit processes several hundreds of thousands of dollars in clothing, protective apparel, and equipment purchases each fiscal year.	Above Current	50,704	1.00

K-9 Sergeant	This proposal would fund a Sergeant position for the Police Department's Special Operations Command, K9 Unit. The current K9 Unit is staffed by 15 officers supervised by one Sergeant. The ratio of 15:1 is not optimal for supervisory oversight of a unit responsible for activities with such high liability exposure.	Above Current	131,333	1.00
Animal Control Sergeant	This proposal would fund an Animal Control Supervisor. The span of control for both supervisors requires oversight of twenty-one Animal Control officers which is beyond what is required at the precinct level for first-line supervisors. Typically, each shift in the Police Department is staffed with three sergeants to manage approximately 20 to 25 officers.	Above Current	131,333	1.00
Civilian Peer Counselor/Wellness Coordinator	This proposal would fund a full-time civilian position to coordinate officer wellness protocols. These protocols address not just physical, but emotional health. As the VBPD embraces the principles of the 21st Century Policing model, Pillar 6; Officer Wellness and Safety, the VBPD is examining all opportunities to promote multi-faceted wellness protocols as identified in the department's organizational analysis.	Above Current	79,591	1.00
Expansion of Part Time Cold Case Investigator's hours	This proposal would fund increases in the hours of two part-time cold case investigators from 20 hours to 28 hours per week. The unit currently has 68 unsolved homicides dating to the 1970's, 24 long term missing person cases and 30 sexual assault cases requiring additional forensic testing. Over the last 18 months cold case investigators have researched and located recipients for 27 sets of unclaimed human remains, re-examined 13 cold case sexual assaults, cleared 4 cases by arrest and added 4 previously un-obtainable DNA samples to the national database.	Above Current	20,331	0.40
Civilian Media Advocate/ Public Safety Communications	This proposal would fund a civilian Media Advocate/Communications Officer that would be responsible for internal video and digital communications within the Department, as well as crafting external messaging such as recruitment videos, current police initiatives, accurate data and analyses, public information/safety messages to the public, and creating public interest stories designed to "sell' the police department and its initiatives to the public.	Above Current	61,696	1.00
Forensic Equipment	This proposal would fund forensic equipment that would enhance the identification of forensic evidence, the SceneScope UHD System that captures high resolution images to detect fingerprints on most non-porous surfaces prior to any treatment or after fuming.	Above Current	4,300	0.00
Special Investigations Equipment	This proposal would fund equipment used in conducting investigations and tactical responses. These include a ballistic shield ($3,750), long-sleeve tactical shirts ($1,700), a money counting system ($6,500), and software ($9,500).	Above Current	21,450	0.00

Fleet increase	This proposal would fund vehicles to add to the police fleet including two SUVs, two sedans, and one UTV, in the first phase in building out a training fleet that replicates the vehicle platforms used in the field. It is important that training replicate the operational environment, and in this case, that officers train on the vehicle platforms they will be utilizing. However, the training fleet is comprised primarily of aging Crown Victoria's; as opposed to the SUVs and sedans that comprise the majority of the operational fleet.	Above Current	170,000	0.00
Police Range Vehicles	This proposal would fund a utility vehicle to move targets, ammunition, equipment, and other items around the firearms range.	Above Current	39,000	0.00
Civilian Polygraph Operator	This proposal would fund a full-time civilian polygraph examiner position with collateral background investigation responsibilities to enhance the collective ability to identify qualified candidates for positions in the department.	Above Current	79,393	1.00
Part Time Driving/Firearms Instructors	This proposal would fund contracted part-time positions to deliver firearms and driver's instruction to department members on an as needed basis. Currently on-duty Sworn personnel are utilized as firearms and driving instructors, during both the recruit academy and during in-service training. These instructors are taken away from their primary duties and assigned as trainers periodically during the year.	Above Current	92,950	0.00
	Total Police		**4,293,663**	**47.40**
Public Works				
Pickup Truck for PW/Engineering Transportation	This proposal would fund a compact pickup truck for use by Public Works Engineering Transportation Division needed to visit job sites and for hurricane damage assessments.	Above Current	30,300	0.00
Increase Overtime for Concrete and Roadway Maintenance	This proposal would increase funding for Public Works-Street Maintenance Bureau to meet the growing needs and demands of Emergency Responses to all types of Right Of Way / Roadway quick response maintenance repairs that cover many areas such as Potholes, Sinkholes, Roadway Failures, Concrete Repairs of many types, Sidewalks, Curb and Gutter, ADA Handicap Ramps, Hurricanes and Nor'easter debris clean-up, Frost Patrol and Snow/Ice removal, and the increasing demand for special event support.	Current	100,000	0.00
Administrative Assistant Position for Front Desk Clerical Support	This proposal would fund an Administrative Assistant position to provide front desk clerical support in the Department of Public Works assisting customers, middle managers, and all staff in the following divisions: Engineering, Real Estate, and the Business Center / Public Works Director's Office.	Above Current	48,594	1.00
Recycle Program for Public Works Beach Operations Chesapeake Bay Beaches	This proposal would fund the addition of two positions and increased contracted manpower to expand recycling outside of the Resort Beach to the residential beaches.	Above Current	239,639	2.00

LED Street Light Maintenance Stop Gap Funding	This proposal would provide the necessary funding for maintenance needed to keep LED street lights in good working order. Several years ago it was decided that the City of Virginia Beach wanted to take a more proactive approach in energy saving by having LED street lights installed with all major roadway CIP projects. This lighting technology has been used on both street light fixtures to illuminate the roadways and also pedestrian fixtures to illuminate pedestrian pathways along these roadways. Along with undertaking this new program the City has also taken on the maintenance and upkeep of these assets, whereas Dominion Virginia Power had been maintaining all street lights within the public right of way, the LEDs belong to the City. This maintenance and upkeep includes the poles, arms, LED fixtures, wiring and conduit, junction boxes for conduit runs, control cabinet and all hardware within.	Above Current	50,000	0.00
Repair and Maintenance Services request for an additional Truck Mounted Attenuator	This proposal would fund the purchase of an additional truck mounted attenuator (TMA). TMAs are used to protect and inform the public of the roadway condition, any traffic control changes, and roadway work and construction to improve traffic safety of the drivers and the workers.	Above Current	225,000	0.00
Portable Dynamic Message Boards	The proposal would provide funding for five portable dynamic message boards with the capability to be remotely programmed. The existing portable boards are out dated and need to be replaced. These portable DMS boards are used to post messages for roadway repaving program, especial events, and roadway construction.	Above Current	100,000	0.00
Firmware Upgrade for PW Surveys Boat	This proposal would provide funding for the purchase of a firmware upgrade for the PW Surveys boat. City policy requires the City Surveyor to perform a hydrographic survey of Rudee Inlet channel on a weekly basis, provided that the weather conditions permit safe operations. Upgrading the onboard antenna firmware will provide for Real Time Kinematic (RTK) Tides. RTK Tides will allow the use of the City's current Virtual Reference Stations (VRS) network to determine tide height while underway.	Current	2,800	0.00
Conference Room Media Center for PW/Surveys	The proposal would provide funding to renovate space into a media center to have the capability to provide in-house training to Public Works Survey staff and to hold meeting to discuss work flow, plan projects etc. This is anticipated to include a large screen TV, dedicated CPU and speakers. The addition of the proposed media center would allow the Survey Bureau to utilize its current office space for training and staff meetings.	Above Current	7,850	0.00
Overtime for Construction Inspection Services	This proposal would provide additional funding for overtime. The Public Works Engineering and Construction Management Division routinely utilizes overtime in the project inspection process.	Current	24,796	0.00

Robotic Sewer Inspection Crawler	This proposal would fund the purchase of a robotic storm sewer inspection crawler to improve internal pipe inspections and will link directly to Public Works Operations asset management software. Funding will allow for immediate access to specialty utility inspection equipment without having to use outside services. This will enable inspection staff to rapidly deploy the robotic inspection camera in the event of an emergency such as pipe or culvert failures, provide faster acceptance of newly installed buried utilities, and provide accurate internal stormwater pipe inspection data to the City's asset management system.	Above Current	19,000	0.00
Engineer III for Quality Assurance/Quality Control	This proposal would fund the addition of an Engineer III for Quality Assurance/Quality Control. This position would ensure all projects are in compliance with local, state, and federal design requirements	Above Current	147,925	1.00
Administrative Assistant for PW/Surveys	This proposal would fund an Administrative Assistant to provide better record keeping and storage of data files of the City's assets and infrastructure.	Above Current	55,369	1.00
Survey Aide I FTE for PW/Surveys	This proposal would fund an additional Survey Aide for the surveying of watershed areas which will assist Public Works Engineering Group and Public Works Operations with the location of the City's infrastructure and assets along with other duties. The addition of this FTE would be utilized for staffing of field crews to minimize down time and better enable the Survey Bureau to maintain a balanced workload.	Above Current	41,943	1.00
Stormwater Share of Construction Inspection Services Overtime	This proposal would fund additional overtime expenses incurred by storm water inspectors. Proper and timely inspection of stormwater projects is critical to service delivery.	Current	44,993	0.00
Surface Water Quality Regulatory Compliance Additional Staffing	This proposal would fund an additional four Engineers to support Surface Water Regulatory Compliance and the City's MS4 permit, as well as their associated operating costs. The permit program management requirements are continuous in nature and will not vary with regard to the amount of construction underway in the City.	Above Current	774,176	4.00
Beach Operations Recycling Program for Sandbridge	This proposal would expand the recycling program to Sandbridge Beach. It would fund one position and associated operating costs to collect recycling from containers along beach access points.	Above Current	192,949	1.00
Beach Operations' Supervisory and Clerical Additions	This proposal would fund an additional Maintenance Supervisor and one Clerk as well as associated operating costs to streamline administrative and management efforts for beach maintenance and special event support responsibilities.	Above Current	193,478	2.00
Environmental Maintenance Crew	This proposal would fund 7 positions to create a formal Stormwater Management Facilities (SWMF)/Environmental Maintenance Crew. This crew would be responsible for performing the routine maintenance activities to support compliance with the MS4 permit.	Above Current	725,000	7.00

City Wide Pipe Cleaning and Inspection Crew	This proposal would fund 13 positions to create a citywide pipe cleaning and inspections crew. This crew will be responsible for performing the programmed pipe cleaning and inspections for the City's piped stormwater infrastructure. The City has over 1,100 miles of pipe in the ground. The goal is to clean all the City pipes once every 4 years and inspect them once every 15 years. The existing personnel are not in sufficient number or equipped adequately to keep the existing infrastructure function properly.	Above Current	3,302,366	13.00
Traffic Signal Controllers Replacement Program	This proposal would provide funding to replace 50 aging traffic signal Controllers. Most of existing signal controllers were installed from 2002 to 2004 and need to be replaced. Primary needs are along major corridors to allow for increased diagnostics of cabinet problems and the ability to install Flashing Yellow Arrow signal phasing.	Above Current	176,250	0.00
LED Street Light Maintenance Program	This proposal would provide three additional positions, vehicles, and associated operating costs to support the LED Street light maintenance program. These three positions would be fully dedicated to maintaining the City's LED street lights.	Above Current	1,121,831	3.00
Traffic Management Center Staffing	This proposal would fund the addition of an Engineer and two Traffic Signal Electronics Technicians to the Traffic Management Center (TMC). These positions would allow the TMC to become a more proactive in real-time traffic management.	Above Current	284,373	3.00
Motor Vehicle for Facilities Inspectors	This proposal would fund an additional vehicle for the Facilities Management inspections staff. Currently the division has five vehicles which are shared between eight FTEs. The additional vehicle will provide the inspectors the opportunity to maximize their work day, work more independently and be more apt to have transportation to visit a job site on short notice.	Above Current	24,590	0.00
Computer Tablets	This proposal would fund the purchase of tablets for Facilities Management inspectors. This would allow for the inspectors to have electronic copies of work orders and be able to complete the work order along with photo documentation which can be downloaded to the work order system.	Above Current	10,500	0.00
Mechanic III - Requested new vehicles and equipment	This proposal would fund an additional mechanic to support any additional vehicle and equipment purchases approved in the FY2019-20 budget.	Above Current	76,808	1.00
High-water vehicle Maintenance and Fuel	The proposal would support additional funding for the fuel and maintenance related to the City's high water vehicles that are used during severe weather events.	Current	25,000	0.00
		Total Public Works	**8,045,530**	**40.00**

Sheriff's Office

HR Administrative Technician	This proposal would fund a position to coordinate the annual update and renewal of all contractual and volunteer visitors to the secure facility due to the increased workload caused by an 89% increase in applications for access over the last two years.	Above Current	50,451	1.00
Medical Licensed Practical Nurse	This proposal would fund a part-time Medical LPN to serve as the liaison for the Sheriff's Office regarding inmate health services and grievances, collaboration with internal/external care providers, and interpretation of appropriate treatment plans for inmate medical care.	Above Current	39,229	0.80
Field Training Officer (FTO) Stipend	This proposal would fund a stipend to incentivize FTO's to maintain their status. FTO's have continued to be utilized in greater demand in the past three years as the experience level in the jail has decreased due to turnover.	Above Current	45,000	0.00
Property Mail Clerk	This proposal would fund a full-time Mail Clerk III position to support the additional service demand of mail received at the Correctional Center each month. Staff is currently processing over 6,500 pieces of incoming mail and over 6,000 pieces of outgoing mail monthly, in addition to generating over 4,500 copies monthly for the VBSO Law Library. This has created a backlog in processing and a risk of not meeting DOC minimum standards.	Above Current	40,843	1.00
Records PT Clerk I	This proposal would fund a part-time Clerk I position to support the Records division in the Sheriff's Office. This position would address the growing backlog of files to be processed in the jail.	Above Current	14,770	0.63
Accreditation PT Admin Specialist	This proposal would fund a part-time Administrative Specialist I in the Emergency Planning/Accreditation division of the Sheriff's Office. This position would address the increasing amount of files necessary to comply with federal, state, and local regulations.	Above Current	29,592	0.70
LETA Clerk	This proposal would fund a full-time Clerk II position in the LETA division of the Sheriff's Office. Due to increased organizational training efforts, there is a need for an additional position to fulfill all the paperwork associated with that training.	Above Current	37,631	1.00
Medical Isolation Doors	This proposal would fund the replacement of 14 medical isolation doors to provide a smoother experience in dealing with inmates. These doors are part of the Correctional Center building constructed by the City. The medical isolation doors of the B Wing of the Correctional Center went operational in 1992. Modern medical isolation doors are necessary to address the growing demands of inmates with mental health issues.	Above Current	87,500	0.00

Inmate Kitchen Equipment Replacement	This proposal would fund the remaining equipment necessary to renovate the inmate kitchen. This equipment has already surpassed its useful life and the office has already taken steps to start replacing the aging kitchen infrastructure that is 13 years old. The Sheriff's Office processes over 4,000 meals per day, or three per day as required by law. Breakdowns are common with aging equipment and are costly and inefficient for the requirements of the jail.	Above Current	380,226	0.00
	Total Sheriff's Office		**725,242**	**5.13**
Voter Registration & Elections				
Voter Registration Position	This proposal would fund a position to assist with the workload of the Absentee Coordinator and the Voter Registration Supervisor. This request is based on an ongoing increase in absentee voting.	Above Current	42,589	1.00
	Total Voter Registration & Elections		**42,589**	**1.00**
	Total Requested But Not Funded		**22,081,604**	**153**

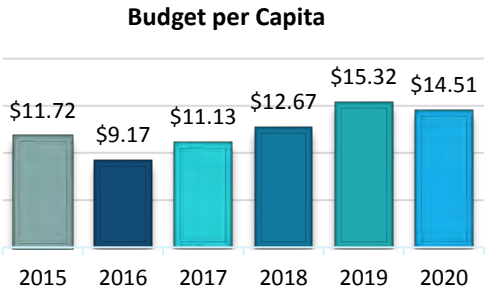
AGRICULTURE

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.



Virginia Beach Agricultural Reserve Program (ARP)

Established by City Council in May 1995, the goal of this program is to preserve and protect farm and forested lands in the southern part of the city. The ARP provides for the continued growth and sustainability of agriculture, the third 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.

Virginia Beach Farmers Market

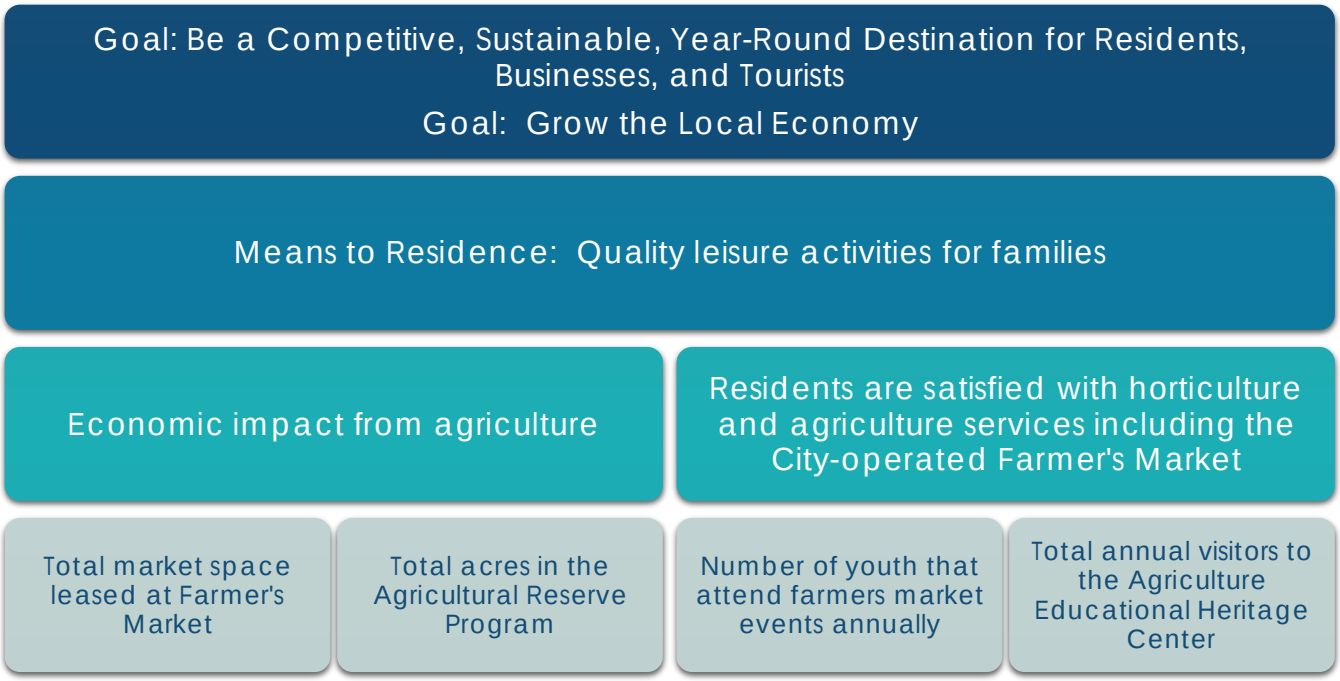
Leases space to vendors to sell agricultural and complimentary products and provides agricultural-based education programs (K-5th grade) with over 2,500 children participating annually. A weekly fruit and vegetable auction is open to the public, which benefits local and regional farms, local businesses, 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

The graphic below illustrates how Agriculture and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



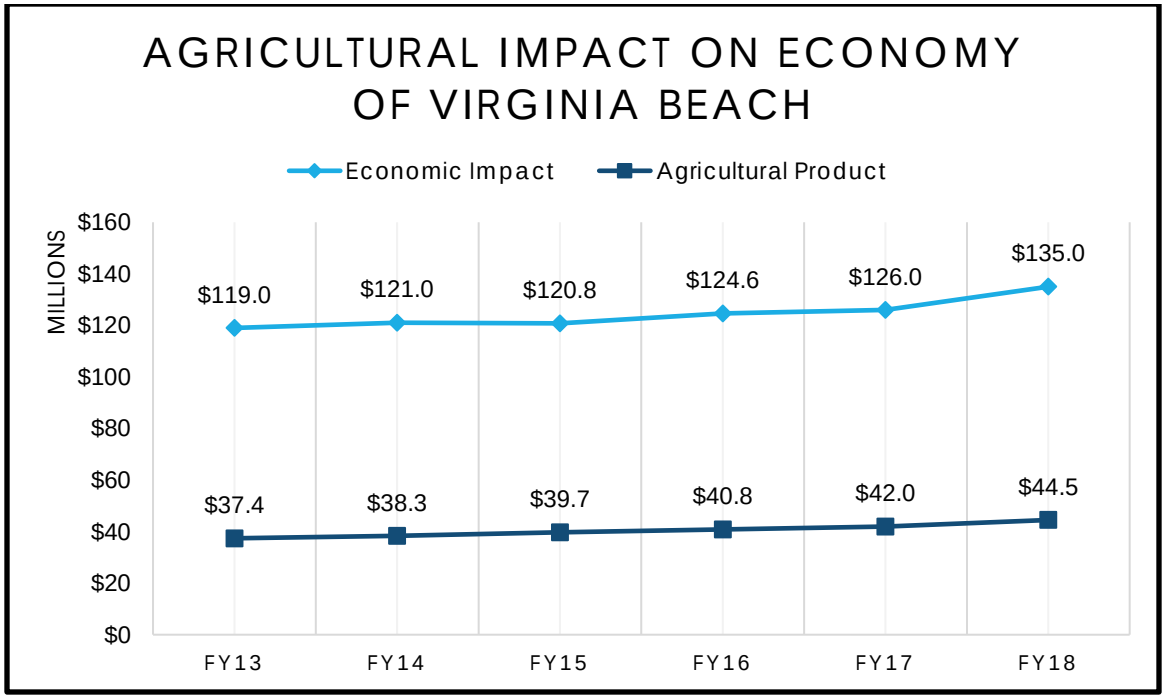
The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018		
Economic impact from Agriculture	$124m	$126m	$135m		
Residents are satisfied with agriculture services	93.8%	93.8%	91.4%		
Departmental Performance Metrics	**2016**	**2017**	**2018**	**2019 EST**	**2020 PROJ**
Total market space leased at Farmers Market	100%	100%	100%	100%	100%
Total acres in the Agricultural Reserve Program	9,316	9,722	9,850	10,150	10,450
Number of youth that attend farmers market events annually	8,500	8,500	8,500	9,000	9,000
Total annual visitors to the Agriculture Educational Heritage Center	2,526	2,092	2,600	3,000	3,200

Trends and Issues

→ **Agricultural Impact on the Local Economy**

Despite having the largest population of any city in Virginia, agriculture has a sizable presence in Virginia Beach. One-fifth of the City's total acreage is agriculture, forestry, open space, swamps, or marshland and of this total, over half is devoted purely to agricultural activities. This acreage produces positive value for the City: as illustrated below, agricultural products valued at $44.5 million drove an estimated economic impact of $135 million for the Virginia Beach economy in 2018. This ratio of $3 or more of economic value for every $1 of product is the recent norm for Virginia Beach.



In order to sustain this impact, the City supports the agricultural industry through programs and services offered by the Department of Agriculture. The Department works with intergovernmental partners such as the Virginia Department of Agriculture and Consumer Services, Virginia Cooperation Extension, the General Assembly, and the United States Department of Agriculture on state and federal agriculture issues and opportunities.

→ **Farmers Market Activities**

The Farmers Market is fully occupied. Fourteen leaseholders are located at the Farmers Market, and two permanent vendors have also established their own buildings on the site. These business generate considerable BPOL revenue dollars for the City. Special events and family activities are also popular, as total estimated attendance of over 500,000 visitors set foot in the Farmers Market last year. The Department continues to explore new programs and activities at the Market, such as last year's installation of the ice skating rink, and beyond, such as showcasing farm produce at four City libraries and providing corresponding instruction on fresh and local products.

→ **Use of Volunteers**

The Department of Agriculture maximizes its impact in the City through the use of volunteers. These volunteers assist marketing and delivering educational Family and Consumer Sciences programs to both adults and children throughout the city. Among the programs the volunteers emphasize are those that teach financial literacy through food, such as financial simulations based on stores and market places, protection from scams and identity theft, and resources to encourage healthier food consumption.

→ **Programs for Youth**

The Department of Agriculture maintains a strong 4-H program that is dedicated to enhancing the city's future through engagement with young Virginia Beach residents. Among the 4-H programs designed to foster learning and teach valuable skills include organized community clubs, organized military clubs across four area military bases, overnight camping programs, and school enrichment programs, which include the Embryology program and the Food & Nutrition Program (covered by the USDA SNAP-ED programs). In addition to the 4-H Program, Agriculture also interacts with young Virginia Beach residents through the Ready, Set, Grow horticulture school enrichment program conducted by Extension master gardeners.

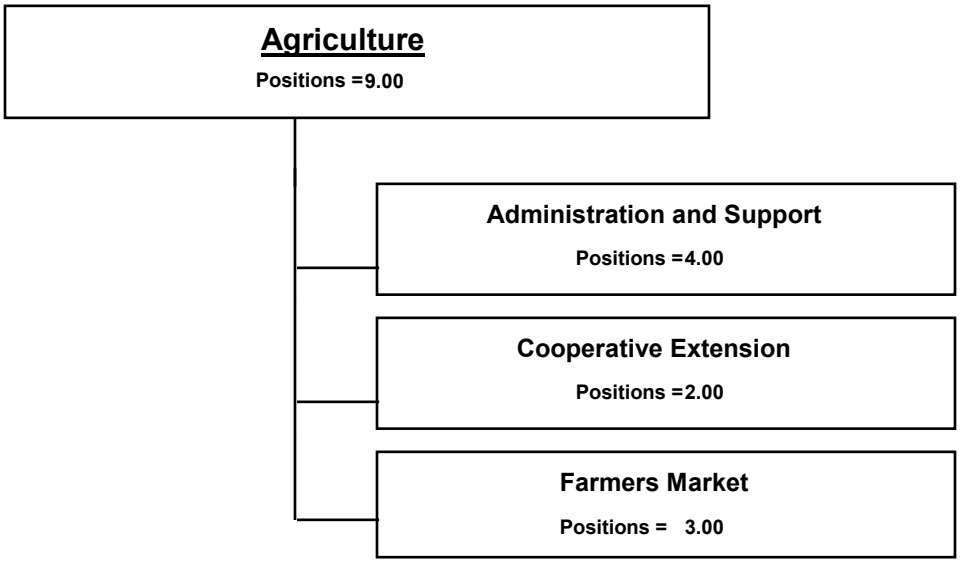
Agriculture - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	325,789	316,945	310,416	(6,529)
Cooperative Extension Program	278,213	327,612	330,852	3,240
Farmers Market	194,796	248,844	289,663	40,819
Total Expenditures	798,798	893,401	930,931	37,530
Revenues				
Fees	257,620	232,093	239,256	7,163
Total Revenues	257,620	232,093	239,256	7,163
General City Support	541,178	661,308	691,675	30,367
161 Agriculture Reserve Program Special Revenue Fund				
Expenditures				
Agricultural Reserve Program	170,907	217,691	220,081	2,390
Debt Service	2,376,990	4,845,553	4,457,539	(388,014)
Reserve for Contingencies - ARP	0	0	3,698	3,698
Transfer to Other Funds	0	990,000	990,000	0
Total Expenditures	2,547,897	6,053,244	5,671,318	(381,926)
Revenues				
Local Taxes	4,890,480	4,966,225	5,146,034	179,809
Fees	113,805	31,917	143,880	111,963
Fund Balance	0	1,055,102	381,404	(673,698)
Total Revenues	5,004,285	6,053,244	5,671,318	(381,926)
General City Support	(2,456,388)	0	0	0
Total Department Expenditure	3,346,695	6,946,645	6,602,249	(344,396)
Total Department Revenue	5,261,904	6,285,337	5,910,574	(374,763)
Total General City Support	(1,915,210)	661,308	691,675	30,367

Position Summary by Program				
002 General Fund				
Director's Office	2.52	2.52	2.52	0.00
Cooperative Extension Program	6.00	2.00	2.00	0.00
Farmers Market	2.50	3.00	3.00	0.00
Total	11.02	7.52	7.52	0.00
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	12.50	9.00	9.00	0.00

Agriculture - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Expenditure Category by Department				
Debt Service	2,376,990	4,845,553	4,457,539	(388,014)
Operating	151,326	399,900	446,322	46,422
Personnel	818,379	711,192	704,690	(6,502)
Reserves	0	0	3,698	3,698
Transfers	0	990,000	990,000	0
Total Expenditures:	3,346,695	6,946,645	6,602,249	(344,396)
Revenue Category by Department				
From the Use of Money and Property	345,099	245,560	364,686	119,126
Miscellaneous Revenue	26,325	18,450	18,450	0
Real Estate	4,890,480	4,966,225	5,146,034	179,809
Specific Fund Reserves	0	1,055,102	381,404	(673,698)
Total Revenue:	5,261,904	6,285,337	5,910,574	(374,763)


Agriculture
Positions =9.00
Administration and Support
Positions =4.00
Cooperative Extension
Positions =2.00
Farmers Market
Positions = 3.00

DEPARTMENT OF THE VIRGINIA AQUARIUM

The mission of the Department of the Virginia Aquarium 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.

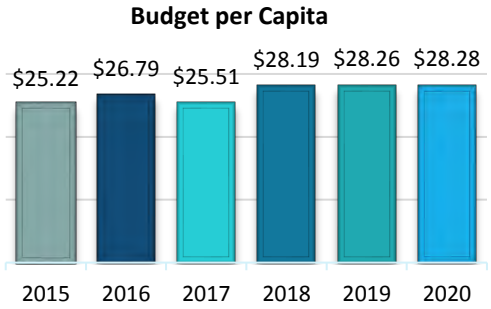
On May 14, 2019, the City Council adopted amendments for the Department of the Virginia Aquarium Operating Budget:

- Renamed the Department of Aquarium, Historic Houses and Museums to the Department of the Virginia Aquarium.
- Moved $596,487 of the historic homes program to the Department of Cultural Affairs.

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 3D Theater, coastal boat trips, a zip line and aerial adventure park, and a rotating collection of other exhibits.

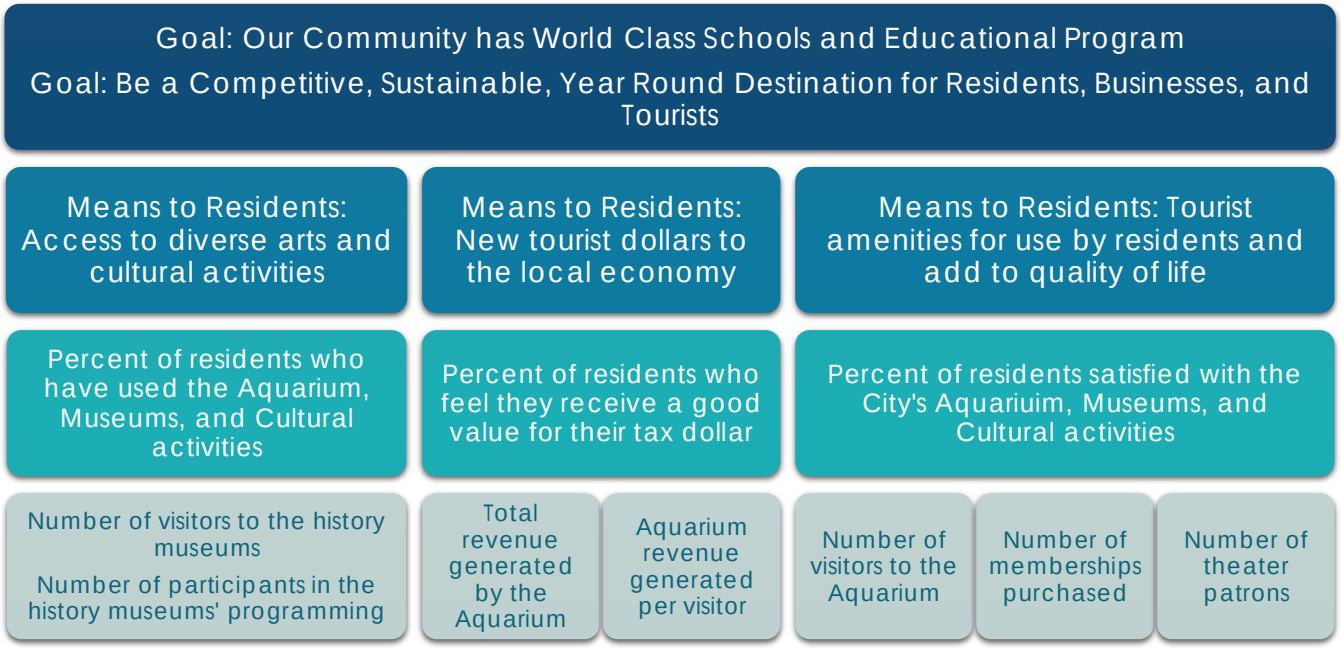


Historic Houses & Museums

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. These four history museums create awareness of Virginia Beach history. The three historic houses are supported by a 501c3 nonprofit.

Key Performance Measures

The graphic below illustrates how the Department of Aquarium, Historic Houses and Museums and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of residents who have used Aquarium, Museums and Cultural activities	63.5%	63.5%	75.1%
Percent of residents satisfied with the City's Aquarium, Museums and Cultural activities	96.5%	96.5%	96.3%
Percent of residents who feel they receive a good value for their tax dollar	80%	80%	75.2%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of visitors to the history museums	16,107	10,023	11,307	11,500	11,500
Total visitors to Aquarium	595,579	690,341	640,231	617,900	608,219
Total membership	7,971	9,500	9,250	7,550	7,456
Number of participants in the history museums' programming	3,987	1,500	7,667	7,500	7,500
Aquarium revenue generated per visitor (total)	17.00	17.03	17.87	18.02	17.87
Admissions	8.50	9.46	10.69	10.97	10.69
Theater	6.30	5.25	4.68	4.55	4.68
Store	2.20	2.32	2.50	2.50	2.50
Number of theater patrons	67,653	71,238	61,681	70,000	58,710
Total revenue generated by the Aquarium in millions	7.67	9.2	11.1	11.1	10.6

Trends & Issues

→ The Aquarium, Historic Houses and Museums Provide Entertaining Experiences and Educational Opportunities

- Research has proven that fun, entertaining experiences are the primary motivation for visiting an attraction; therefore the Virginia Aquarium and Virginia Beach History Museums must provide entertaining experiences interwoven into educational opportunities. This also means that these amenities must focus intensely on providing a quality, dynamic experience to improve customer satisfaction and drive repeat visitation. New and updated exhibits and innovative programming will be critical factors to continued success.
- The Aquarium is undergoing a $46.2 million renovation which will include the addition of an Aquarium Veterinary Care Center, Marine Animal Care Center, new exhibit areas, enhanced landscape and amenities, parking and seal exhibit studies, as well as renovations and modifications to the Marsh Pavilion's existing exhibits and trails. These renovations will necessitate the closure of the Marsh Pavilion from January 2019 until April of 2021.

→ New Technology at the Aquarium

- Obstacles that prevent guests from visiting an attraction include competition for entertainment dollars. The Aquarium must adapt programming and exhibits to embrace technology shifts and is exploring the incorporation of new technologies, such as VR (virtual reality) and AR (augmented reality).

→ Virginia Beach as a Year-Round Destination

- According to a report conducted by the Sage Policy Group, Inc., The Virginia Aquarium generates close to $277 million in economic activity for the Commonwealth of Virginia and the City of Virginia Beach and supports more than 3,250 jobs. This supports more than $9 million in annual tax revenue for the City and the Commonwealth. This activity enhances the City's goal of becoming a year-round destination while providing meaningful conservation initiatives for the community.

Major Budget Changes

	Change	Impact
⬌	Restore funding for Aquarium Operations during renovation $361,208	The Marsh Pavilion is closed for renovations from January 2019 to April 2021 and a 5% decrease in revenue is anticipated. This budget includes a one-time use of General Fund, Fund Balance to offset the closing of facilities and restores funding for supplies, animal care and services critical to Aquarium operations.
⬌	Making Historic Houses a Community Asset: The Virginia Beach History Pass	Through a collaboration with the Virginia Beach Public Library, those who show a Virginia Beach Public Library card will be admitted free of charge. This initiative gives individuals the ability to visit rich cultural institutions and fulfills the Virginia Beach Public Library's mission to bring together and provide convenient access to resources, educational experiences and opportunities to enrich lives.
⬌	Conversion of Part-time FTEs to contracted manpower 10.2 FTEs	Eliminate part-time positions equivalent to 10.2 FTEs and transfer this funding to contracted manpower. This allows more flexibility when hiring seasonal and temporary workers.

↑	Transforming into a World Class Aquarium 3.0 FTEs $208,683	The first phase of a multi-year approach to transform the Aquarium into a World Class destination. This budget includes 3 FTEs and associated costs. 1. Coordinator of Guest Experiences- plans, directs and evaluates activities related to enhancing the visitor experience. 2. Digital Marketing Manager- responsible for developing and increasing the presence and brand awareness through digital media channels. Creates an overall strategy for use of department website and social media. 3. Group Sales position- generates and pursues qualified sales leads to accomplish group sales goals.

Department of the Virginia Aquarium - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Aquarium & Marine Science Center Administration	1,622,872	1,775,918	1,846,043	70,125
Aquarium Stores	1,062,792	1,061,986	1,061,838	(148)
Aquarium Exhibits & Technology	0	0	586,721	586,721
Aquarium 3D Theater	238,927	337,799	256,015	(81,784)
Aquarium Education	795,056	927,165	770,400	(156,765)
Aquarium Facilities & Life Support	1,279,277	1,467,593	1,227,608	(239,985)
Aquarium Marketing	1,048,255	1,275,718	1,322,730	47,012
Aquarium Research & Conservation	476,869	653,501	671,199	17,698
Aquarium Guest Experiences	705,757	860,037	925,050	65,013
Aquarium Foundation	989,673	1,212,606	1,183,526	(29,080)
Aquarium Animal Husbandry	1,986,556	2,610,952	2,420,592	(190,360)
Total Expenditures	10,206,033	12,183,275	12,271,722	88,447
Revenues				
Fees	10,864,260	11,122,538	10,566,305	(556,233)
Fund Balance	0	0	361,208	361,208
Total Revenues	10,864,260	11,122,538	10,927,513	(195,025)
General City Support	(658,228)	1,060,737	1,344,209	283,472
Total Department Expenditure	10,206,033	12,183,275	12,271,722	88,447
Total Department Revenue	10,864,260	11,122,538	10,927,513	(195,025)
Total General City Support	(658,228)	1,060,737	1,344,209	283,472

Position Summary by Program				
002 General Fund				
Aquarium & Marine Science Center Administration	11.00	11.00	12.75	1.75
Aquarium Stores	7.64	8.55	7.30	-1.25
Aquarium Exhibits & Technology	0.00	0.00	8.00	8.00
Aquarium 3D Theater	1.63	1.90	1.90	0.00
Aquarium Education	18.02	16.90	12.70	-4.20
Aquarium Facilities & Life Support	15.67	15.65	10.65	-5.00
Aquarium Marketing	6.85	7.30	6.00	-1.30
Aquarium Research & Conservation	5.31	7.30	7.25	-0.05
Aquarium Guest Experiences	18.94	17.30	16.95	-0.35
Aquarium Foundation	22.74	20.60	21.10	0.50
Aquarium Animal Husbandry	38.13	37.90	32.65	-5.25
Total	145.93	144.40	137.25	-7.15
Total Position Summary	145.93	144.40	137.25	-7.15

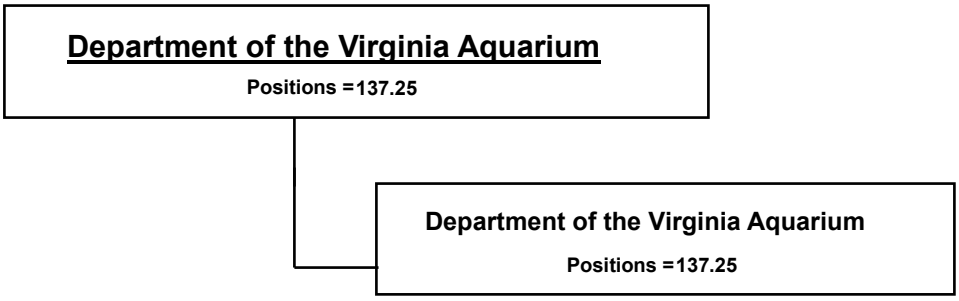
Expenditure Category by Department				
Capital	2,871	4,442	4,500	58
Operating	3,332,761	3,990,850	3,915,552	(75,298)
Personnel	6,870,401	8,187,983	8,351,670	163,687
Total Expenditures:	10,206,033	12,183,275	12,271,722	88,447

Department of the Virginia Aquarium - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	9,785,105	9,751,487	9,295,279	(456,208)
From the Use of Money and Property	37,472	37,500	37,500	0
Miscellaneous Revenue	1,041,683	1,333,551	1,233,526	(100,025)
Specific Fund Reserves	0	0	361,208	361,208
Total Revenue:	10,864,260	11,122,538	10,927,513	(195,025)

Resource Summary Notes:

Per City Council action, Historic Homes & Museums were moved from Aquariums to Cultural Affairs. Prior year history reflects the cost of these programs within Cultural Affairs.

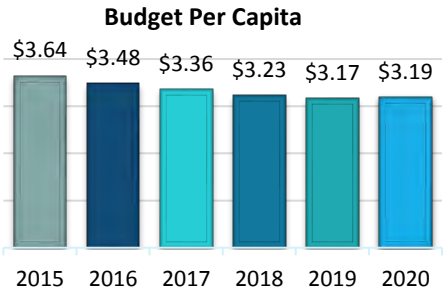

Department of the Virginia Aquarium
Positions =137.25
Department of the Virginia Aquarium
Positions =137.25

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 conducts ongoing reviews of public/private partnerships to address the fiscal, budgetary, and economic impacts of proposals.



Key Performance Measures

The graphic below illustrates how Budget and Management Services and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

- Means to Residents: City services delivered in the most cost-effective manner
  - Taxpayers feel they get good value for their tax dollars
    - Total fiscal impacts completed
    - Community Organization Grants
- Means to Residents: City services that are readily accessible and are provided in a customer friendly manner
  - Citizens are satisfied with city services
    - Ordinance & agenda requests completed in prescribed time
    - Total adjustments made to CIP and budget

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Taxpayers feel they get good value for their tax dollars	80.6%	80.6%	75.2%
Citizens are satisfied with city services	94.0%	94.0%	90.8%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Total Fiscal Impacts completed	4	4	4	2	4
Number of Community Organization Grants	17	17	15	15	15
Ordinance & agenda requests completed in prescribed time	100%	100%	100%	100%	100%
Total adjustments made to CIP and budget	367	427	437	445	465

Trends & Issues

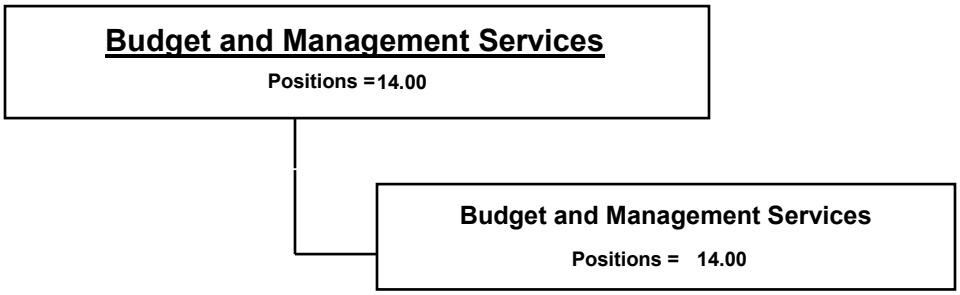
- Budget and Management Services continues to monitor state and federal mandates and the resulting effects on the City's budget. The Departments also reviews General Assembly legislation that contain financial implications for their impacts upon the City.

- To ensure citizens have access to budget information, Open Budget is available for citizens to review budget information at the line-item level. In addition, citizens can review performance related data on the Open Performance platform as well as actually balance the budget utilizing their own individual preferences with the Balancing Act platform on the City's website.

- Budget and Management Services is working with InfoTech and Finance to implement a new Enterprise Resource Planning System (ERP). This system will replace the existing financial and budgeting software tools used by the City. Implementation of this system is anticipated to consume a significant portion of staff time over the next two years. Budget and Management Services intends to absorb this additional work load through existing staff in lieu of requesting additional FTEs.

Budget and Management Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Budget and Management Services	1,365,182	1,438,075	1,451,354	13,279
Total Expenditures	1,365,182	1,438,075	1,451,354	13,279
General City Support	1,365,182	1,438,075	1,451,354	13,279
Total Department Expenditure	1,365,182	1,438,075	1,451,354	13,279
Total Department Revenue	0	0	0	0
Total General City Support	1,365,182	1,438,075	1,451,354	13,279
Position Summary by Program				
002 General Fund				
Budget and Management Services	14.00	14.00	14.00	0.00
Total	14.00	14.00	14.00	0.00
Total Position Summary	14.00	14.00	14.00	0.00
Expenditure Category by Department				
Operating	186,344	217,022	244,097	27,075
Personnel	1,178,838	1,221,053	1,207,257	(13,796)
Total Expenditures:	1,365,182	1,438,075	1,451,354	13,279


Budget and Management Services
Positions =14.00
Budget and Management Services
Positions = 14.00

CITY ATTORNEY

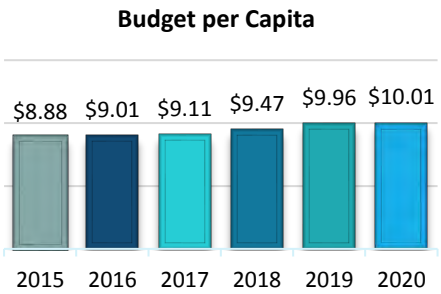
The Virginia Beach City Attorney's Office mission is dedicated to providing effective and efficient legal services, promoting accountability, trust and openness in government and focusing on outcomes that are fair, equitable and balanced while protecting the best interests of the client.

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

The graphic below illustrates how the City Attorney and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

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

Citizen satisfaction with value for tax dollar

- Percent of all legal services provided in house
- Effective hourly rate of all city legal services
- Number of FOIA Requests
- Number of hours of direct legal services

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018		
Citizen Satisfaction with value for tax dollar	71.3%	71.3%	66.3%		
Departmental Performance Metrics	**2016**	**2017**	**2018**	**2019 EST**	**2020 PROJ**
Percent of all legal services provided in house	98%	96%	97%	96%	96%
Effective hourly rate of all city legal services	$118	$135	$122	$120	$120
Number of FOIA Requests	497	612	945	1160	1160
Number of hours of direct legal services	39,361	39,901	42,018	40,650	40,650
Number of hours for policy, facilities, finance, safety, & human resources	19,693	19,972	20,327	19,950	19,950
Number of hours for land use, zoning, & code enforcement	3,193	3,125	4,271	3,600	3,600
Number of hours for real estate & infrastructure	9,427	8,961	9,422	9,100	9,100
Number of hours for economic development	2,539	2,039	1,881	2,000	2,000
Number of hours for public education	4,509	5,804	6,117	6,000	6,000

Trends and Issues

→ The City Attorney continues to minimize utilization of outside legal counsel because in-house legal services can be provided at a significantly lower cost. In FY 2017-18, 97% of all legal services were performed in house.

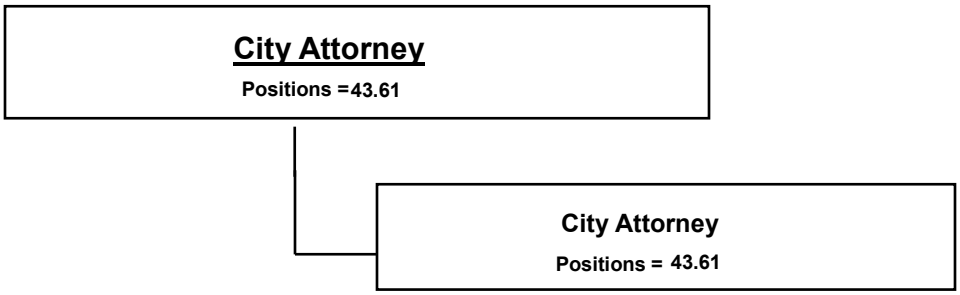
→ Freedom of Information Act (FOIA) requests continue to be an area of growth for the City Attorney's Office. In the last six fiscal years, the total number of FOIA requests has grown by 168% and the total number of pages produced by these requests has tripled. Within the last year alone, the office has responded to 945 requests, provided more than 300,000 pages of documents, more than 130 audio files, and facilitated the inspection of thousands of additional records.

Major Budget Changes

	Change	Impact
↑	Additional Office Assistant to support the Public Education Legal Team Amount: $0 FTEs: 1.0	The School Board has agreed to fund one office assistant to support the Public Education Legal Team in the City Attorney's Office. Currently, through the Cooperative Agreement for Legal Services, the Schools fund 4.5 City FTEs. This position will be funded by the School Board through the FY 2019-20 Cooperative Agreement. Once approved, the Schools will fund a total of 5.5 positions within the City Attorney's Office.

City Attorney - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
City Attorney	4,477,543	4,513,926	4,557,406	43,480
Total Expenditures	4,477,543	4,513,926	4,557,406	43,480
Revenues				
Fees	873	0	0	0
Total Revenues	873	0	0	0
General City Support	4,476,669	4,513,926	4,557,406	43,480
Total Department Expenditure	4,477,543	4,513,926	4,557,406	43,480
Total Department Revenue	873	0	0	0
Total General City Support	4,476,669	4,513,926	4,557,406	43,480
Position Summary by Program				
002 General Fund				
City Attorney	42.61	42.61	43.61	1.00
Total	42.61	42.61	43.61	1.00
Total Position Summary	42.61	42.61	43.61	1.00
Expenditure Category by Department				
Capital	35,350	0	0	0
Operating	360,357	284,919	284,058	(861)
Personnel	4,081,835	4,229,007	4,273,348	44,341
Total Expenditures:	4,477,543	4,513,926	4,557,406	43,480
Revenue Category by Department				
Charges for Services	873	0	0	0
Total Revenue:	873	0	0	0


City Attorney
Positions =43.61
City Attorney
Positions = 43.61

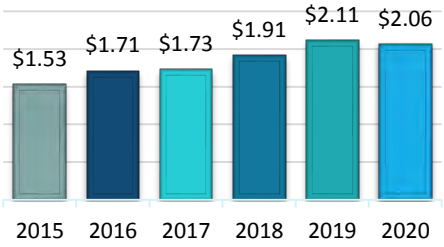
CITY AUDITOR

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.

Budget Per Capita



Key Performance Measures

The graphic below illustrates how the City Auditor and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

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

Percent of Citizens that feel they receive a good value for their tax dollar

- Number of audits scheduled each year
- Percent of audits completed within budgeted hours
- Number of audit recommendations accepted

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of citizens that feel they receive a good value for their tax dollar	80.0%	80.0%	75.2%

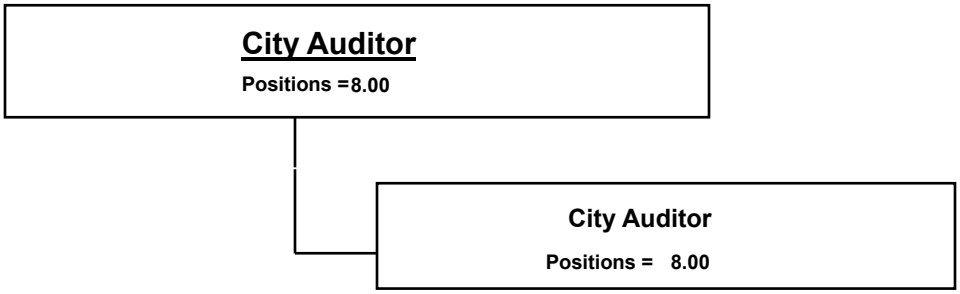
Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of audits scheduled each year	17	17	18	17	17
Number of audits completed each year	24	18	19	17	17
Percent of audits completed within budgeted hours	93%	98%	90%	95%	100%
Number of audit recommendations accepted	100%	86%	100%	95%	95%
Cases originating from the Fraud, Waste, and Abuse Hotline	53	76	82	80	80

Trends and Issues

→ Recently released revisions to the Government Auditing Standards will take effect in Fiscal Year 2019-20. These standards provide a framework for performing high-quality audit work with competence, integrity, objectivity and independence to enhance accountability and to help improve government operations and services. Anticipated impacts of these revisions are minimal.

City Auditor - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
City Auditor	885,581	957,251	938,831	(18,420)
Total Expenditures	885,581	957,251	938,831	(18,420)
General City Support	885,581	957,251	938,831	(18,420)
Total Department Expenditure	885,581	957,251	938,831	(18,420)
Total Department Revenue	0	0	0	0
Total General City Support	885,581	957,251	938,831	(18,420)
Position Summary by Program				
002 General Fund				
City Auditor	7.00	8.00	8.00	0.00
Total	7.00	8.00	8.00	0.00
Total Position Summary	7.00	8.00	8.00	0.00
Expenditure Category by Department				
Capital	0	3,918	0	(3,918)
Operating	29,302	42,329	50,561	8,232
Personnel	856,279	911,004	888,270	(22,734)
Total Expenditures:	885,581	957,251	938,831	(18,420)

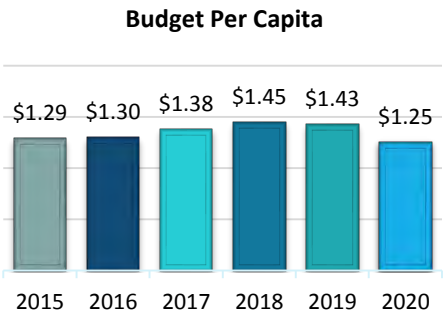

City Auditor
Positions =8.00
City Auditor
Positions = 8.00

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 and 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

The graphic below illustrates how the City Clerk and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain 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: Reliable city services that contribute to hassle-free daily living

- Overall citizen satisfaction with City services
- Percentage of citizens who agree that they can conveniently access City services
- Legal documents notarized, scanned, and returned to departments
- Notices of public hearings prepared and forwarded to the newspaper
- Number of passport applications processed and mailed on the same day

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of citizens who agree that they can conveniently access city services	94.6%	94.6%	92.1%
Percent of citizens satisfied with overall city services	94.0%	94.0%	90.8%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Legal documents notarized, scanned, and returned to departments	650	650	650	650	650
Number of passport applications processed and mailed on the same day	8,604	2,555	2,555	2,555	2,555
Notices of public hearings prepared and forwarded to the newspaper	160	160	160	160	160

Trends & Issues

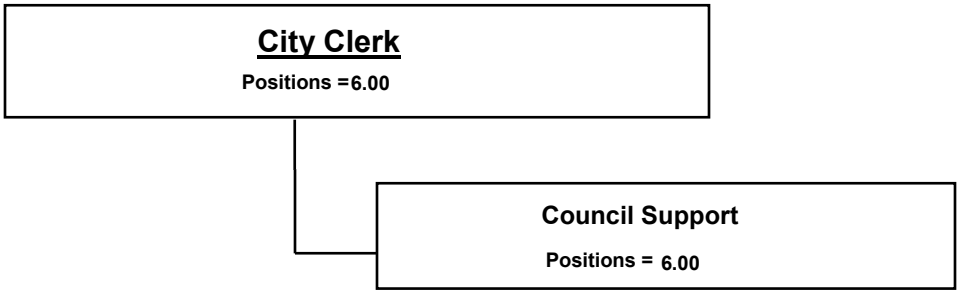
The City Clerk's office is exploring opportunities to improve city council meeting management and the various agenda processes. Overall goals include:

- → Simplifying the management of public meetings with an easy way to prepare agendas and minutes.
- → Automating the entire meeting process for better workflow and productivity.
- → Achieving easy agenda building and distribution with automatic routing of agenda items.
- → Developing Microsoft Office integration with the ability to format agenda items and to easily import files.
- → Instituting web and mobile approvals of agenda items on the go.
- → Establishing the ability to compile, store, and track meeting minutes and agenda items.
- → Building public trust with access to fully searchable meeting content, including legislative decisions and public meeting videos.
- → Keeping users engaged and informed by offering content online.

City Clerk - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
City Clerk	661,156	646,549	570,326	(76,223)
Total Expenditures	661,156	646,549	570,326	(76,223)
Revenues				
Fees	3,060	0	0	0
Total Revenues	3,060	0	0	0
General City Support	658,096	646,549	570,326	(76,223)
Total Department Expenditure	661,156	646,549	570,326	(76,223)
Total Department Revenue	3,060	0	0	0
Total General City Support	658,096	646,549	570,326	(76,223)
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				
Operating	156,382	121,778	116,930	(4,848)
Personnel	504,775	524,771	453,396	(71,375)
Total Expenditures:	661,156	646,549	570,326	(76,223)
Revenue Category by Department				
Charges for Services	3,060	0	0	0
Total Revenue:	3,060	0	0	0

City of Virginia Beach
Fiscal Year 2020 Department Organizational Chart

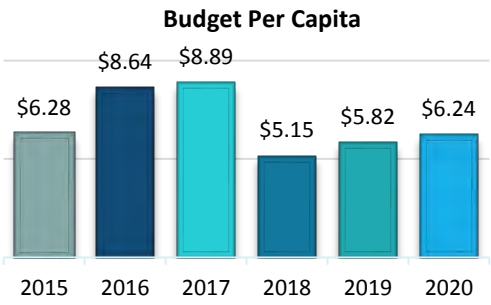


CITY MANAGER

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.



Decrease in FY 2017-18 due to the transition of the Communications Office into a separate budget

City Manager's Staff

The office is responsible for the executive oversight and coordination of operations, programs and initiatives to implement City Council goals and policies.

The City Manager is supported by four Deputy City Managers who manage portfolio teams of departments in the areas of Economic Vitality, Human Services, Operations Management and Public Safety, three Assistants to the City Manager (Community Affairs, Special Projects and Legislative/Military Liaison) and eight Executive Assistants (one of which is assigned to the Mayor's Office).

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

The graphic below illustrates how the City Manager's Office and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

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

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

- Percent of citizens believe they receive a good value for their city tax dollars
- Percent of citizens that are satisfied with city services
- Number of volunteers managed

Means to Residents: Transparent government

- Percent of citizens know how to inform the city about the way they feel
- Number of responses to citizen concerns

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Taxpayers feel they get good value for their tax dollars	80.0%	75.2%	75.2%
Citizens are satisfied with city services	94%	90.7%	90.7%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Response to citizen concerns/inquiries	2,436	2,200	2,215	2,300	2,350
Coordination of City's Legislative Interest	3,943	2,959	3,722	3,006	3,000
Value of volunteer service	$27,015,674	$28,027,312	$27,662,743	$27,662,743	$27,662,743
Volunteer Hours	1,146,675	1,161,032	1,120,403	1,120,403	1,120,403
Number of volunteers managed	15,510	13,770	15,207	15,207	15,207

Opportunities and Challenges

→ The citizens elected a new Mayor with an agenda of increased transparency and public engagement.

→ The City Manager's Office will provide the additional administrative assistance to support the increased level of City Council constituency affairs and outreach initiatives.

→ Expanding complexity of government oversight and request for more in-depth Council discussions.

→ The City Council held its annual goal setting retreat on February 11 and 12, 2019. Their top priorities for FY 2019-20 are:

- Stormwater/sea level rise/recurrent flooding
- Public Safety
- Transportation
- Education/Public Schools
- Economic Growth/Jobs/Economic Development

→ The focus of the Management Agenda for FY 2019-20 will include:

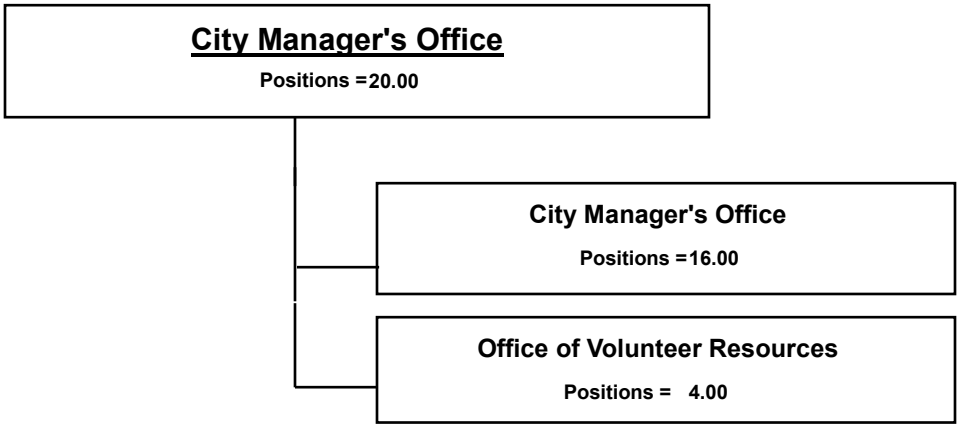
- Formulation of solutions to finance, design and construct projects to combat sea level rise and recurrent flooding
- Rigor to remain a best-managed city with excellent financial and budgetary oversight
- Strategic plans to increase the population, encourage business expansion, attract new companies and increase job creation
- Deliver transformative projects utilizing cost participation agreements
- Effectively manage challenges on social issues and regulatory compliance

→ Volunteer resources and the management of those resources are a critical component of the City

- During FY 2017-18, 15,207 volunteers dedicated 1,120,403 hours of service – the value of volunteer service is $27.7 million and 538.7 Full Time Equivalency
- Develop emerging opportunities to increase volunteerism

City Manager's Office - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
City Manager's Office	2,135,420	2,331,220	2,531,814	200,594
Office of Volunteer Resources	205,575	308,123	308,780	657
Total Expenditures	2,340,996	2,639,343	2,840,594	201,251
Revenues				
Fees	734	0	0	0
Total Revenues	734	0	0	0
General City Support	2,340,262	2,639,343	2,840,594	201,251
Total Department Expenditure	2,340,996	2,639,343	2,840,594	201,251
Total Department Revenue	734	0	0	0
Total General City Support	2,340,262	2,639,343	2,840,594	201,251
Position Summary by Program				
002 General Fund				
City Manager's Office	14.00	16.00	16.00	0.00
Office of Volunteer Resources	2.50	4.00	4.00	0.00
Total	16.50	20.00	20.00	0.00
Total Position Summary	16.50	20.00	20.00	0.00
Expenditure Category by Department				
Capital	6,234	3,838	885	(2,953)
Operating	143,868	160,833	194,120	33,287
Personnel	2,190,894	2,474,672	2,645,589	170,917
Total Expenditures:	2,340,996	2,639,343	2,840,594	201,251
Revenue Category by Department				
Charges for Services	734	0	0	0
Total Revenue:	734	0	0	0


City Manager's Office
Positions =20.00
City Manager's Office
Positions =16.00
Office of Volunteer Resources
Positions = 4.00

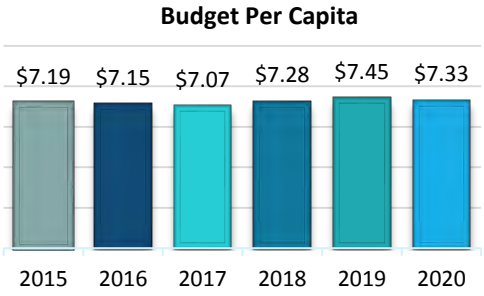
CITY REAL ESTATE ASSESSOR

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

The Office is responsible for 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 the real estate transfer function 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).



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

The graphic below illustrates how the City Real Estate Assessor and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

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

Number of taxable parcels per appraiser

Number of taxable parcels	Average increase in residential properties	Average increase in commercial properties	Number of new housing units

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Number of taxable parcels per appraiser	7,125	7,153	7,173

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of taxable parcels	156,739	157,372	157,799	157,995	158,500
Number of tax exempt parcels	3,795	3,796	3,802	3,768	3,768
Number of new housing units	1,661	1,667	2,007	1,500	1,500
Average increase in residential properties	1.84%	2.79%	2.47%	2.17%	2.8%
Average increase in commercial properties	3.85%	2.29%	2.16%	2.53%	2.8%

Trends and Issues

→ Short Sales, foreclosures and foreclosure sales in Virginia Beach remain on the decline. Short Sales or foreclosures occur when lenders are unable to recover the remaining balance owed on a property or attempt to recover the remaining balance owed by forcing the sale of property. A continuous decline in short sales, foreclosures, and foreclosure sales is evidence of a robust local financial market. These sales put downward pressure on overall assessments. Declining short sale and foreclosure sales should help real estate assessment growth moving forward.

Sale Type	2015	2016	2017	2018
Short Sale	263	236	171	120
Foreclosure	916	799	664	548
Foreclosure Sales	785	725	536	447

→ The department has continued to use iPads to assist in field inspections and verifications. They also hope to have a mobile app in the next year or two to enter data from the field in an effort to increase efficiency.

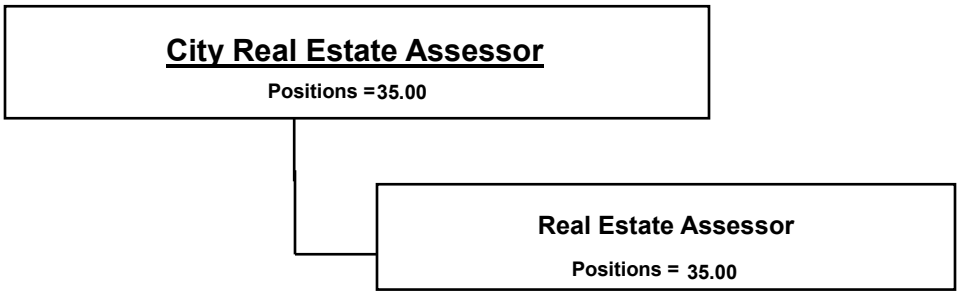
→ The City Real Estate Assessor's Office is working with GIS to enhance the digital capability of providing neighborhood maps and additional layers of data eliminating the need for a plotter and the costs associated with large scale printing.

Major Budget Changes

	Change	Impact
↑	Additional Real Estate Assessor I Amount: $61,802 FTEs: 1.0	An additional Real Estate Appraiser I was added to the City Real Estate Assessor's Office in FY 2019-20. This additional Appraiser will assist the Real Estate Assessor's Office in meeting the International Association of Assessing Officers (IAAO) standard of canvasing each taxable property in the city no less than every six years. Compliance with IAAO standards are included in Virginia State Code 58.1-3379 (B).

City Real Estate Assessor - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Board of Equalization	1,381	2,980	2,980	0
City Real Estate Assessor	3,185,357	3,376,290	3,332,487	(43,803)
Total Expenditures	3,186,738	3,379,270	3,335,467	(43,803)
Revenues				
Fees	63	0	0	0
Total Revenues	63	0	0	0
General City Support	3,186,675	3,379,270	3,335,467	(43,803)
Total Department Expenditure	3,186,738	3,379,270	3,335,467	(43,803)
Total Department Revenue	63	0	0	0
Total General City Support	3,186,675	3,379,270	3,335,467	(43,803)
Position Summary by Program				
002 General Fund				
City Real Estate Assessor	34.00	34.00	35.00	1.00
Total	34.00	34.00	35.00	1.00
Total Position Summary	34.00	34.00	35.00	1.00
Expenditure Category by Department				
Capital	8,055	0	2,203	2,203
Operating	251,225	305,807	321,109	15,302
Personnel	2,927,458	3,073,463	3,012,155	(61,308)
Total Expenditures:	3,186,738	3,379,270	3,335,467	(43,803)
Revenue Category by Department				
Charges for Services	13	0	0	0
Miscellaneous Revenue	50	0	0	0
Total Revenue:	63	0	0	0


City Real Estate Assessor
Positions =35.00
Real Estate Assessor
Positions = 35.00

CITY TREASURER

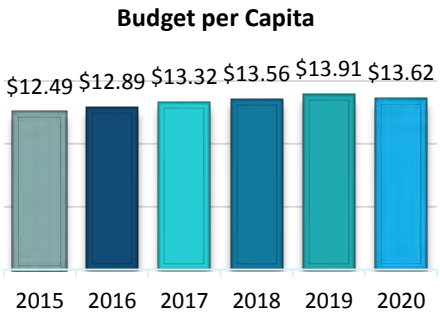
The mission of the City Treasurer's Office is to collect revenues and tax receipts due to the City in the most efficient and effective manner and to invest these funds in a manner which will provide the highest investment returns. This is done while meeting goals of: maximum security/safety, providing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

On May 14, 2019, the City Council adopted the following amendment for the City Treasurer Operating Budget:

- Estimated an additional $7,403 in State revenue.

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 the maximum security and safety, meeting daily cash flow demands, and conformance with all state and local statues governing the investment of public funds has been met.



Key Performance Measures

The graphic below illustrates how the Treasurer's Office and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

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

Citizens believe they receive a good value for their City tax dollars

Number of Personal property bills mailed | Amount of Restitution collected and reimbursed to victims | Number of Real estate bills mailed | Number of Trustee bills mailed

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of Citizens who believe they receive a good value for their City tax dollars	80%	80%	75.2%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of Personal property bills mailed	423,951	533,228	406,860	400,000	350,000

Amount of Restitution collected and reimbursed to victims	607,313	618,183	643,918	625,000	625,000
Number of Real estate bills mailed	125,716	140,002	137,663	138,000	138,000
Number of Trustee bills mailed	24,972	25,860	30,568	31,000	31,000

Trends & Issues

→ Long Time Treasurer Retires from Service

- John T. Atkinson, Treasurer, retired on December 31, 2018 after 41 years of service. V. Leigh Henderson, his Chief Deputy Treasurer, became the Interim Treasurer on January 1, 2019.

→ New Assessment and Collection Tool to Improve Efficiencies

- The Treasurer's Office went live with the Revenue Assessment Collections for Business Revenue and Personal Property project in November 2018, and expects to have some efficiencies and process improvements in the coming year:
  - New statement billing that will show new assessments, but also any associated delinquencies. This is brand new and the delinquent collections rate is expected to increase as the Treasurer's Office is directed by State Code 58.1-3913 to apply payments to the oldest outstanding bills first. This process is also expected to produce fewer pieces of mail.
  - Ability to apply DMV Stops in mass, which has not been accomplished since 2012. The Department of Motor Vehicles assists the City with the collection of delinquent personal property taxes. Once an account has become delinquent, the City notifies the DMV who then places a hold preventing the account holder from renewing their vehicle registration. This is one of the most effective collections tools.
  - A more unified look at most of the levies due to the City Treasurer in one program. The Office went from seven (7) programs to one (1).

→ Treasurer's Office to Begin Collecting Local Vehicle Registration

- The Office will begin collecting for Local Vehicle Registration (LVR) in June 2019 for vehicles that are purchased through a dealership. Previously this fee was collected by the DMV at the time of the vehicle's renewal. No additional resource needs are anticipated for this program in FY 2019-20.

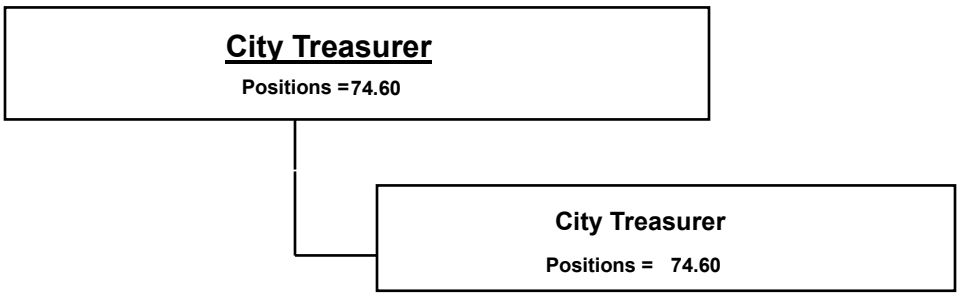
City Treasurer - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
City Treasurer	5,861,053	6,350,171	6,196,789	(153,382)
Total Expenditures	5,861,053	6,350,171	6,196,789	(153,382)
Revenues				
Local Taxes	(2)	0	0	0
Fees	2,537,437	2,382,033	2,447,345	65,312
State	663,173	665,810	678,403	12,593
Transfers	349,120	339,527	352,785	13,258
Total Revenues	3,549,728	3,387,370	3,478,533	91,163
General City Support	2,311,325	2,962,801	2,718,256	(244,545)
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - City Treasurer	60,251	0	0	0
Total Expenditures	60,251	0	0	0
Revenues				
Fees	60,251	0	0	0
Total Revenues	60,251	0	0	0
General City Support	0	0	0	0
Total Department Expenditure	5,921,304	6,350,171	6,196,789	(153,382)
Total Department Revenue	3,609,980	3,387,370	3,478,533	91,163
Total General City Support	2,311,325	2,962,801	2,718,256	(244,545)

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				
Operating	982,447	1,046,420	975,829	(70,591)
Personnel	4,938,857	5,303,751	5,220,960	(82,791)
Total Expenditures:	5,921,304	6,350,171	6,196,789	(153,382)

Revenue Category by Department				
Charges for Services	60,251	0	0	0
Fines and Forfeitures	1,086,225	1,036,939	1,038,850	1,911
Miscellaneous Revenue	1,451,212	1,345,094	1,408,495	63,401
Other Sources from the Commonwealth	663,173	665,810	678,403	12,593
Personal Property	(2)	0	0	0
Transfers from Other Funds	349,120	339,527	352,785	13,258
Total Revenue:	3,609,980	3,387,370	3,478,533	91,163


City Treasurer
Positions =74.60
City Treasurer
Positions = 74.60

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.

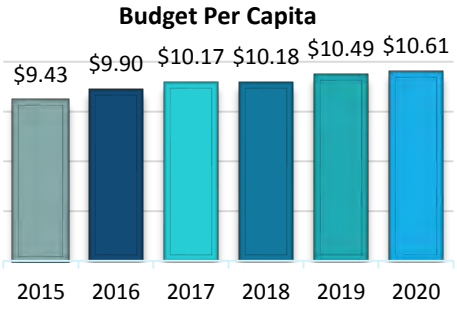
On May 14, 2019, the City Council adopted the following amendment for the Commissioner of the Revenue Operating Budget:

- Estimated an additional $32,254 in State revenue.

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

The graphic below illustrates how the Commissioner of the Revenue and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

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

- Percent of taxpayers feel that they receive a good value for their city tax dollars
- Percent of citizens agree that they can conveniently access city services

- Number of audits and investigations
- Number of personal property accounts assessed annually
- Number of direct customer contacts
- Number of DMV customer contacts

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of taxpayers who feel that they receive a good value for their city tax dollars	80%	75.2%	N/A
Percent of citizens agree that they can conveniently access city services	94.6%	92.1%	N/A

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Audits and investigations	3,919	4,076	3,306	3,372	3,423
Personal property accounts assessed	482,112	28,469	28,173	28,736	29,168
DMV customer contacts	45,496	47,316	45,034	45,935	46,624
Direct customer contacts	316,017	328,658	327,449	333,998	339,008
Business licenses assessed	29,379	30,554	30,379	30,987	31,451
Business property accounts assessed	27,374	28,469	28,173	28,736	29,168
Military and volunteer exemptions processed	31,351	32,605	20,370	20,777	21,089
State income returns assessed	29,240	30,410	24,901	25,399	25,780

Trends & Issues

→ The Commissioner's drive-thru appeals program continues to grow each year and its new location at the Princess Anne Sportsplex will allow for future growth. In 2018, the appeals program reassessed over 17,500 vehicles, a 17% increase from the prior year. The program allows citizens to have their vehicles reappraised for their property tax bill based on any damages or issues that may be present.

→ The Commissioner's Office has taken a proactive approach in dealing with the discovery and registration of short term rentals (STRs) in Virginia Beach. There are over 2,000 STRs across the city and the office has begun utilizing the latest technology to help identify new STRs and guarantee their registration with the office. This work has helped maximize an important local revenue source by ensuring that all lodging places are assessed and remit the proper tax receipts to the City as required by both State and City code.

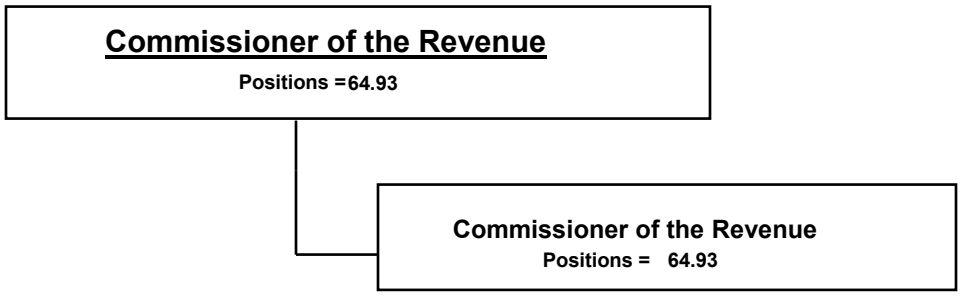
→ The Commissioner of the Revenue, in partnership with the City Treasurer, the Real Estate Assessor, and Information Technology, worked to implement a new City tax application which became fully operational in the fall of 2018. This system has allowed citizens to file and review all business and personal property taxes online, reducing the need for citizens to pay their bill or register a business by visiting City Hall or via mail. Online renewal of business licenses will be operational in the spring of 2019 with full integration of local trust taxes to follow in fall of 2019. This new system will allow for better financial reporting and monitoring of all taxes assessed and managed by the Commissioner of the Revenue while delivering better customer service and ease of access to citizens.

Major Budget Changes

	Change	Impact
↑	National Automobile Dealers Association (NADA) cost increase $35,000	This additional funding will be used to cover an increase in the cost of NADA assessments which are required in order to levy the City's personal property tax on vehicles. The previous tax assessment system was recently replaced and under the new system, the flat rate charge for all vehicle assessments was replaced with a $0.16 per assessment fee. The office assesses roughly 450,000 vehicles each year and the corresponding increase in NADA assessments totals $35,000.

Commissioner of the Revenue - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Commissioner of the Revenue	4,628,008	4,710,141	4,744,307	34,166
DMV Select	118,016	79,000	85,430	6,430
Total Expenditures	4,746,025	4,789,141	4,829,737	40,596
Revenues				
Fees	38	0	0	0
State	849,452	843,079	875,333	32,254
Total Revenues	849,490	843,079	875,333	32,254
General City Support	3,896,535	3,946,062	3,954,404	8,342
Total Department Expenditure	4,746,025	4,789,141	4,829,737	40,596
Total Department Revenue	849,490	843,079	875,333	32,254
Total General City Support	3,896,535	3,946,062	3,954,404	8,342
Position Summary by Program				
002 General Fund				
Commissioner of the Revenue	62.60	62.00	62.00	0.00
DMV Select	2.93	2.93	2.93	0.00
Total	65.53	64.93	64.93	0.00
Total Position Summary	65.53	64.93	64.93	0.00
Expenditure Category by Department				
Operating	432,521	388,373	481,077	92,704
Personnel	4,313,504	4,400,768	4,348,660	(52,108)
Total Expenditures:	4,746,025	4,789,141	4,829,737	40,596
Revenue Category by Department				
Charges for Services	38	0	0	0
Other Sources from the Commonwealth	849,452	843,079	875,333	32,254
Total Revenue:	849,490	843,079	875,333	32,254


Commissioner of the Revenue
Positions =64.93
Commissioner of the Revenue
Positions = 64.93

COMMONWEALTH'S ATTORNEY

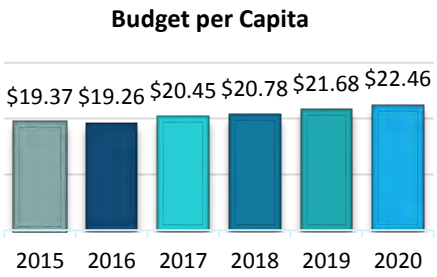
The Office of the Commonwealth's Attorney is responsible for reviewing and prosecuting all felony cases as well as some misdemeanors and civil matters. At the discretion of the Commonwealth's Attorney, the office also prosecutes all DUI's, city and state misdemeanor appeals, domestic violence cases, 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.

On May 14, 2019, the City Council adopted the following amendment for the Commonwealth's Attorney Operating Budget:

- Estimated an additional $83,800 in State revenue.

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

The graphic below illustrates how The Office of the Commonwealth's Attorney and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Be the Safest City in the Nation

Means to Residents: Residents feel safe throughout the city

Percent of residents who agree with the statement "my neighborhood is a safe place to live"

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

Domestic Violence:
Conviction rate
Defendants prosecuted
Open cases closed

Property Crime:
Conviction rate
Defendants prosecuted
Open cases closed

Serious Narcotic Violations:
Conviction Rate
Defendants Prosecuted
Open cases closed

Violent Felonies:
Conviction rate
Defendants prosecuted
Open cases closed

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of residents who agree with the statement "my neighborhood is a safe place to live"	90.2	90.2	89.6
Percent of residents who agree with the statement "Virginia Beach, in general, is a safe place to live"	94	94	88.2

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Domestic Violence conviction rate	84%	85%	84%	84%	84%
Domestic Violence defendants prosecuted	1,560	1,368	1,368	1,395	1,395
Domestic Violence open cases closed	78%	72%	71%	71%	71%
Property Crime conviction rate	94%	94%	92%	92%	92%
Property Crime defendants prosecuted	1,179	1,020	1,058	1,058	1,058
Property Crime open cases closes	82%	83%	86%	86%	86%
Serious Narcotic Violation conviction rate	95%	92%	96%	96%	96%
Serious Narcotic defendants prosecuted	638	674	811	811	811
Serious Narcotic open cases closed	88%	72%	83%	83%	83%
Violent Felonies conviction rate	90%	90%	90%	90%	90%
Violent Felonies defendants prosecuted	526	541	600	600	600
Violent Felonies open cases closed	71%	69%	80%	80%	80%

Trends & Issues

→ Commonwealth Attorney's Office Going Paperless

- Efforts to transition to a paperless operation are progressing with the anticipated implementation of a replacement case management software system that has improved functionality. The new system will be browser-based with 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.

→ Formation of Drug Treatment Court

- The office worked with other City and State agencies to form a Drug Treatment Court to offer an alternative sentencing option for non-violent drug offenders in need of treatment and other services.

→ Implementation of Body Worn Camera Program Completed

- Workload increases are anticipated with the implementation of Police Body Worn Cameras (i.e. video reviewing and redacting, case preparation, and presentation). The first phase of a four-phase program was funded in FY 2016-17, and the second phase was funded in FY 2018-19. The third and fourth phases of staffing for the Commonwealth Attorney's Office are anticipated in FY 2019-20. This will complete the four phase implementation of the Body Worn Camera initiative. Over the four phases of the program, 13 FTEs have been added to the Commonwealth Attorney's budget to support the Body Worn Camera Program.

Major Budget Changes

	Change	Impact
↑	Increase of 6 FTEs for the Expansion of CWA Body Camera Program $330,000	Phase three and four of the Virginia Beach Body Camera Program (VBBCP) adds three Assistant Commonwealth's Attorney (ACA) positions, two Paralegal positions and one Clerk position. These positions will be used to support the increased workload created by viewing video footage evidence associated with body worn cameras.

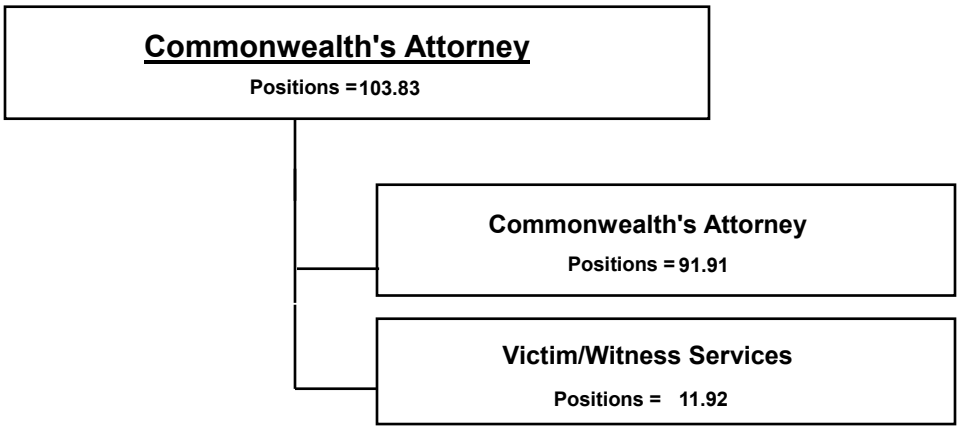
Commonwealth's Attorney - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Commonwealth's Attorney	8,214,545	8,978,655	9,183,377	204,722
Total Expenditures	8,214,545	8,978,655	9,183,377	204,722
Revenues				
State	2,768,166	2,807,324	2,876,872	69,548
Total Revenues	2,768,166	2,807,324	2,876,872	69,548
General City Support	5,446,379	6,171,331	6,306,505	135,174
140 Commonwealth Attorney's Fed & State Seized Assets SRF				
Expenditures				
DEA - Commonwealth's Attorney	48,471	100,000	100,000	0
Total Expenditures	48,471	100,000	100,000	0
Revenues				
Fees	6,793	0	0	0
State	60,574	0	0	0
Fund Balance	0	100,000	100,000	0
Total Revenues	67,367	100,000	100,000	0
General City Support	(18,896)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Commonwealth's Attorney - Grants	556,906	816,827	938,999	122,172
Total Expenditures	556,906	816,827	938,999	122,172
Revenues				
State	57,579	140,397	143,512	3,115
Federal	299,224	421,191	430,536	9,345
Transfers	240,119	255,239	364,951	109,712
Total Revenues	596,921	816,827	938,999	122,172
General City Support	(40,015)	0	0	0
Total Department Expenditure	8,819,921	9,895,482	10,222,376	326,894
Total Department Revenue	3,432,453	3,724,151	3,915,871	191,720
Total General City Support	5,387,468	6,171,331	6,306,505	135,174

Position Summary by Program				
002 General Fund				
Commonwealth's Attorney	82.91	85.91	91.91	6.00
Total	82.91	85.91	91.91	6.00
183 Grants Consolidated Fund				
Commonwealth's Attorney - Grants	11.92	11.92	11.92	0.00
Total	11.92	11.92	11.92	0.00

Commonwealth's Attorney - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Total Position Summary	94.83	97.83	103.83	6.00
Expenditure Category by Department				
Capital	3,136	21,584	12,924	(8,660)
Operating	502,694	776,749	841,676	64,927
Personnel	8,314,091	9,088,583	9,344,057	255,474
Reserves	0	8,566	23,719	15,153
Total Expenditures:	8,819,921	9,895,482	10,222,376	326,894
Revenue Category by Department				
From the Use of Money and Property	6,793	0	0	0
Other Sources from the Commonwealth	2,886,318	2,947,721	3,020,384	72,663
Revenue from the Federal Government	299,224	421,191	430,536	9,345
Specific Fund Reserves	0	100,000	100,000	0
Transfers from Other Funds	240,119	255,239	364,951	109,712
Total Revenue:	3,432,453	3,724,151	3,915,871	191,720


Commonwealth's Attorney
Positions =103.83
Commonwealth's Attorney
Positions = 91.91
Victim/Witness Services
Positions = 11.92

COMMUNICATIONS

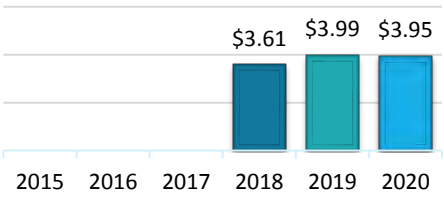
The Communications Office mission is to provide the full range of strategic and tactical communications services that facilitate service delivery, relationship-building and the exchange of ideas to achieve established objectives.

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:

- Develops communication strategies
- Creates campaigns to achieve established objectives
- Coordinates, crafts and distributes city messages during crisis and weather events.
- Promotes community awareness of and engagement in municipal government
- Organizes special events
- Produces videos and streams 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.

Budget Per Capita



Prior to FY 2018 the Communications Office was part of the City Manager's Office

Key Performance Measures

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

Means to Residents: Transparent government

- Percent of citizens who know how to inform the city about the way they feel on important issues
- Percent of citizens satisfied with their opportunity to share their ideas or opinions before the city makes important decisions
- Website visitors per year
- Plays of online files
- Social media followers across all platforms.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of Citizens who know how to inform the city about the way they feel on important issues	N/A	N/A	69.8%
Percent of citizens satisfied with their opportunity to share their ideas or opinions before the city makes important decisions	N/A	N/A	63.3%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of website visitors per year	N/A	N/A	2,742,200	2,850,000	2,900,000
Number of plays of online files	N/A	N/A	468,700	325,000	335,000
Number of social media followers across all platforms	N/A	N/A	206,200	225,000	225,000

Trends & Issues

→ **Social Media and Citizen Engagement**

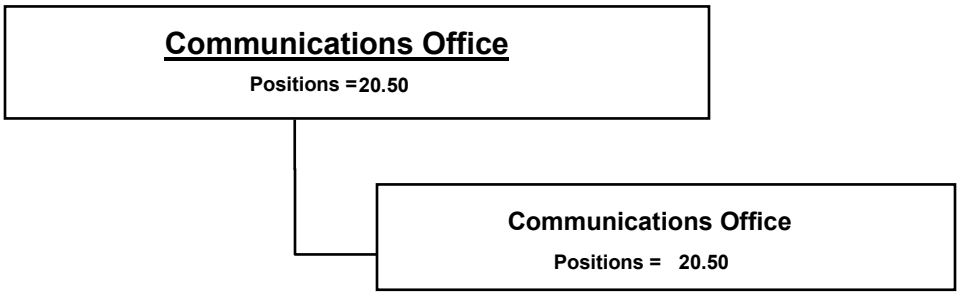
- The Communications Office maintains seven social media sites for the City (Facebook, Twitter, Nextdoor, YouTube, Flickr, Instagram and LinkedIn) and in the last year, followers grew by 35,000; totaling more than 180,000 followers across all platforms providing greater coverage of issues and access to more people. The City's Instagram site launched January 2018 with approximately 400 followers. As of February 2019, it has 6,248. LinkedIn was relaunched in February 2018 and has grown followers from 3,000 to 8,950.
- In 2018-19 new tools were added to improve communications, citizen engagement and accountability. Software was implemented to archive social media sites (Facebook and Twitter) enterprise-wide. City staff was trained on the use of Publicinput.com, the mobile-friendly online survey tool that was brought online in January 2018. Surveys on a variety of topics have garnered more than 20,000 participants who provided over 274,000 responses and 10,000 comments. This level of engagement is among the highest of the municipalities currently using the platform.
- A continuing challenge for the City is the proliferation of false news and misinformation. To better disseminate information and extend the reach of accurate information, several new tools were developed: one page project summaries, embedded key issues and topics covered on VB411 and the City's Fact or Fiction website. The Office also instituted processes to quickly address inaccurate posts on the City's social media sites.
- Several new video programs have been developed and aired: "Hints of History" tells stories about locations around Virginia Beach; "Pursuit of Purpose" features people who make a difference in our community; and "Senior Source" provides information about City services, programs and other information useful to senior citizens and their caregivers.

→ **Website and Streaming Improvements**

- The Communications Office has worked with Information Technology to select a new Content Management System (CMS) to provide enhanced functionality on the City's website, including notification options for content changes and service delivery interfaces. In the 2017 citizen satisfaction survey, 66% of respondents identified the City's website, VBGov.com, as their primary source of information. It is anticipated the enhanced functionality will increase citizen satisfaction and usage.
- The City Council chamber video production facility equipment was upgraded from standard definition to high definition and equipment at the end of its useful life was replaced. This included: replacing cameras, streaming media hardware, photography catalog hardware, studio production truck, back-up power, mobile edited field equipment and accessories and video production facility upgrades. The Office also continues to explore ways to meet expectations for live-streaming of meetings. In addition to offering this service for City Council district meetings and certain community meetings, the Office began streaming Virginia Beach Development Authority meetings in February 2019.

Communications Office - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Communications Office	1,661,398	1,819,393	1,796,015	(23,378)
Total Expenditures	1,661,398	1,819,393	1,796,015	(23,378)
Revenues				
Fees	4,099	6,500	0	(6,500)
Total Revenues	4,099	6,500	0	(6,500)
General City Support	1,657,299	1,812,893	1,796,015	(16,878)
Total Department Expenditure	1,661,398	1,819,393	1,796,015	(23,378)
Total Department Revenue	4,099	6,500	0	(6,500)
Total General City Support	1,657,299	1,812,893	1,796,015	(16,878)
Position Summary by Program				
002 General Fund				
Communications Office	18.50	20.50	20.50	0.00
Total	18.50	20.50	20.50	0.00
Total Position Summary	18.50	20.50	20.50	0.00
Expenditure Category by Department				
Capital	1,806	3,600	0	(3,600)
Operating	138,184	149,221	143,236	(5,985)
Personnel	1,521,408	1,666,572	1,652,779	(13,793)
Total Expenditures:	1,661,398	1,819,393	1,796,015	(23,378)
Revenue Category by Department				
Charges for Services	294	0	0	0
From the Use of Money and Property	3,805	6,500	0	(6,500)
Total Revenue:	4,099	6,500	0	(6,500)


Communications Office
Positions =20.50
Communications Office
Positions = 20.50

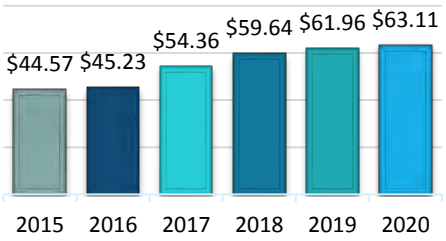
CONVENTION AND VISITORS BUREAU

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:

Budget Per Capita



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 nationwide 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 and opportunities 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 the appropriate 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). The Office Interacts with other city 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

The graphic below illustrates how CVB and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Direct spending by domestic travelers	$2.32	$2.45	$2.45
Repeat visitation for summer domestic overnight visitors	84%	76%	76%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Percent of first time visitors to the city	21%	25%	25%	25%	25%
Percent of Increased visitor spending	6%	6%	6%	6%	6%
Number of Convention center events	309	325	345	325	333
Number of convention center visitors	669,386	622,013	612,870	630,000	610,000
Hotel room demand (in summer)	775,204	781,741	782,392	798,822	809,207
Hotel room demand (non-peak)	1,501,526	1,514,105	1,504,661	1,536,259	1,556,230
Hotel occupancy	62.7%	63.7%	62.9%	63.0%	62.3%
Percent of overnight visitors “very” or “somewhat” satisfied with overall Virginia Beach trip experience compared to other destinations they have visited	95.1%	95.6%	95.6%	95.6%	95.6%
Total visitation (in millions)	15.2	19	19	19	19
Number of international visitors to Virginia Beach	90,000	408,000	408,000	408,000	408,000
Number of visitors served at visitor center information locations	126,476	123,047	121,000	120,000	120,000

Trends and Issues

→ **Virginia Beach Sports Center to Bring Major Sporting Events to Virginia Beach**

In July 2018, City Council approved a Comprehensive Agreement that provided official notice to proceed with the construction of the Sports Center project. Ground broke on the project in the fall of 2018, and the project is moving forward with an anticipated November 2020 completion. In December, the Operating Agreement was approved for Eastern Sports Management (ESM) as the operator of the building. The Department's Sports Marketing team continues to communicate the capabilities of this facility and submitting proposals to new groups and tournaments who have an interest in the City's new Sports Center.

→ **Something in the Water Festival Looks to Reshape College Beach Weekend**

In October 2018, Pharrell Williams and his team presented an opportunity to the City of Virginia Beach to develop a festival during what is traditionally College Beach Weekend. The festival, named "Something in the Water", will reflect the variety of successful people who come from Virginia Beach and the Hampton Roads region in the fields of music, art, film, technology and more.

The event will include various types of activities at and around the Virginia Beach Convention Center and Oceanfront including the stages at 5th Street, 17th Street, 24th Street and 31st Street. The Festival will provide a variety of events from music, conferences, and cultural gatherings that will serve as a launching pad for fashion, music, food and guest speakers.

The "Something in the Water Festival" provides an opportunity to elevate Virginia Beach to international prominence as a cultural hub of music, art, and technology. In FY 2018-19, the City provided a sponsorship of $250,000 to help launch the "Something in the Water" Festival. An additional $250,000 sponsorship has been included in the FY 2019-20 budget as well. This sponsorship is of similar size of that provided to the Patriotic Festival and the Neptune Festival.

Major Budget Changes

	Change	Impact
↑	Rediscover the Beach + $100,000	This budget includes additional funding in the Tourism Investment Program fund for local advertisement. This additional funding will be utilized to develop a campaign titled "Rediscover the Beach." This campaign will highlight the Oceanfront resort area as a year round destination for locals. The campaign will focus on promoting the value of tourism-related event activity, attractions and businesses to citizens. It will also include media placements designed to encourage locals to take advantage of the tourism-related amenities across all of the unique districts located throughout the City.

Convention and Visitors Bureau - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	1,458,965	1,569,505	1,656,807	87,302
Marketing, PR and Communications	57,577	30,000	48,319	18,319
Tourism Marketing and Sales	539,151	557,296	548,521	(8,775)
Sports Marketing	479,211	564,035	634,929	70,894
Convention Marketing and Sales	869,487	1,015,828	887,802	(128,026)
Convention Services	267,233	272,559	280,854	8,295
Virginia Beach Convention Center	5,884,668	6,462,007	6,333,668	(128,339)
Total Expenditures	9,556,292	10,471,230	10,390,900	(80,330)
Revenues				
Fees	4,171,444	4,100,872	4,102,912	2,040
Total Revenues	4,171,444	4,100,872	4,102,912	2,040
General City Support	5,384,848	6,370,358	6,287,988	(82,370)
152 Tourism Investment Program Fund				
Expenditures				
TIP - Marketing, PR and Communications	97,658	438,357	728,844	290,487
TIP Resort Programs & Special Events	4,617,029	4,424,012	4,676,358	252,346
Total Expenditures	4,714,687	4,862,369	5,405,202	542,833
Revenues				
Local Taxes	3,088,389	3,157,918	4,160,227	1,002,309
Fees	1,722,230	1,704,451	1,244,975	(459,476)
Total Revenues	4,810,619	4,862,369	5,405,202	542,833
General City Support	(95,931)	0	0	0
163 Tourism Advertising Program Special Revenue Fund				
Expenditures				
Visitor Information Center	710,919	651,165	716,887	65,722
TAP - Marketing, PR and Communications	9,742,732	9,622,554	9,746,139	123,585
Sports Marketing & Sales	1,137,764	1,193,033	1,173,416	(19,617)
Tourism Marketing & Sales	518,030	461,653	446,262	(15,391)
Administration	82,913	152,187	197,577	45,390
Convention Marketing & Sales	385,850	333,350	414,089	80,739
Convention Services	158,760	290,334	143,776	(146,558)
Reserve for Contingencies	0	0	29,063	29,063
Transfer to Other Funds	56,838	56,838	56,838	0
Total Expenditures	12,793,807	12,761,114	12,924,047	162,933
Revenues				
Local Taxes	12,050,396	12,631,114	12,794,047	162,933
Fees	118,811	130,000	130,000	0
Total Revenues	12,169,207	12,761,114	12,924,047	162,933
General City Support	624,600	0	0	0

Convention and Visitors Bureau - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Total Department Expenditure	27,064,786	28,094,713	28,720,149	625,436
Total Department Revenue	21,151,269	21,724,355	22,432,161	707,806
Total General City Support	5,913,517	6,370,358	6,287,988	(82,370)

Position Summary by Program

002 General Fund				
Director's Office	10.00	10.00	11.00	1.00
Tourism Marketing and Sales	5.00	5.00	5.00	0.00
Sports Marketing	5.00	5.00	6.00	1.00
Convention Marketing and Sales	9.00	10.00	8.00	-2.00
Convention Services	3.00	3.00	3.00	0.00
Virginia Beach Convention Center	62.89	61.89	60.89	-1.00
Total	94.89	94.89	93.89	-1.00
152 Tourism Investment Program Fund				
TIP Resort Programs & Special Events	9.00	9.00	9.00	0.00
Total	9.00	9.00	9.00	0.00
163 Tourism Advertising Program Special Revenue Fund				
Visitor Information Center	7.39	6.39	7.39	1.00
TAP - Marketing, PR and Communications	9.00	10.00	10.00	0.00
Total	16.39	16.39	17.39	1.00
Total Position Summary	120.28	120.28	120.28	0.00

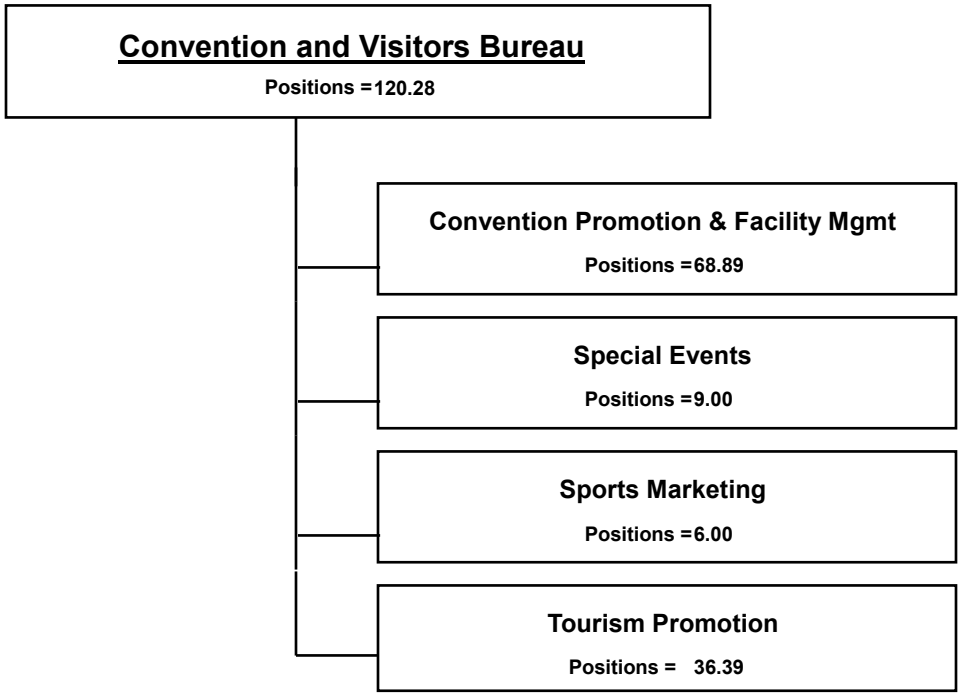
Expenditure Category by Department

Capital	230,658	113,946	0	(113,946)
Operating	18,670,547	19,295,327	20,054,665	759,338
Personnel	8,106,743	8,628,602	8,579,583	(49,019)
Reserves	0	0	29,063	29,063
Transfers	56,838	56,838	56,838	0
Total Expenditures:	27,064,786	28,094,713	28,720,149	625,436

Revenue Category by Department

Charges for Services	1,039,467	1,033,001	1,122,723	89,722
Fines and Forfeitures	520,536	458,900	0	(458,900)
From the Use of Money and Property	4,053,578	4,010,172	3,938,321	(71,851)
Hotel Room Tax	9,028,545	8,953,062	9,624,447	671,385
Miscellaneous Revenue	35,382	49,475	33,489	(15,986)
Permits, Privilege Fees, and Regulatory Licenses	363,522	383,775	383,354	(421)
Restaurant Meal Tax	6,110,240	6,835,970	7,329,827	493,857
Total Revenue:	21,151,269	21,724,355	22,432,161	707,806

In FY 2019-20, $215,000 is included in the TIP Fund for management fee payments of the Sports Center while it is under construction. Once the Sports Center is open for business, the management fee will be netted from the gross revenue generated by the Sports Center.


Convention and Visitors Bureau
Positions =120.28
Convention Promotion & Facility Mgmt
Positions =68.89
Special Events
Positions =9.00
Sports Marketing
Positions =6.00
Tourism Promotion
Positions = 36.39

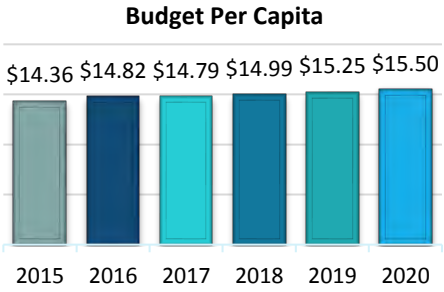
COURTS AND COURT SUPPORT

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.

On May 14, 2019, the City Council adopted amendments for the Courts and Court Support Operating Budget:

- Provided $120,414 to both the Juvenile and Domestic Relations District Court and the General District Court for a City supplement of 5% to employees making less than $34,000, a 3% salary supplement for employees making between $34,001 and $40,000 and a 1% supplement for those making more than $40,000.
- Estimated an additional $191,177 in State revenue for the Clerk of the Circuit Court.

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:

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.

Virginia Beach General District Court (GDC)
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.

Virginia Beach Juvenile and Domestic Relations District Court (JDR)
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, power 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.

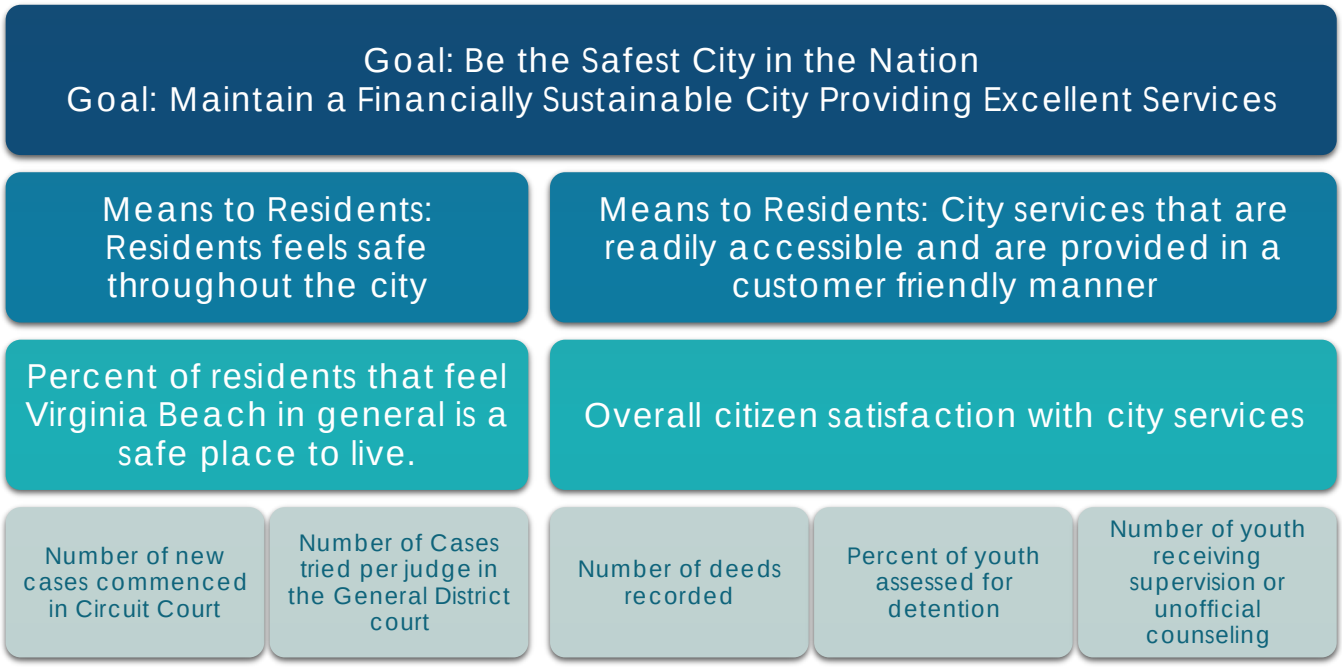
Virginia Beach Magistrate's Office
This division provides an independent review of complaints from law enforcement officers and citizens to determine if there is probable cause for criminal charges. Magistrates issue arrest and search warrants and can set bail or commit individuals to custody following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

The graphic below illustrates how the Courts and Court's Support and the services they provide align to the overall goals of the City Council. It demonstrates the metrics these Departments track to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Overall citizen satisfaction with city services	93.8%	93.8%	90.7%
Percent of residents that feel Virginia Beach is general is a safe place to live	94.0%	94.0%	88.2%

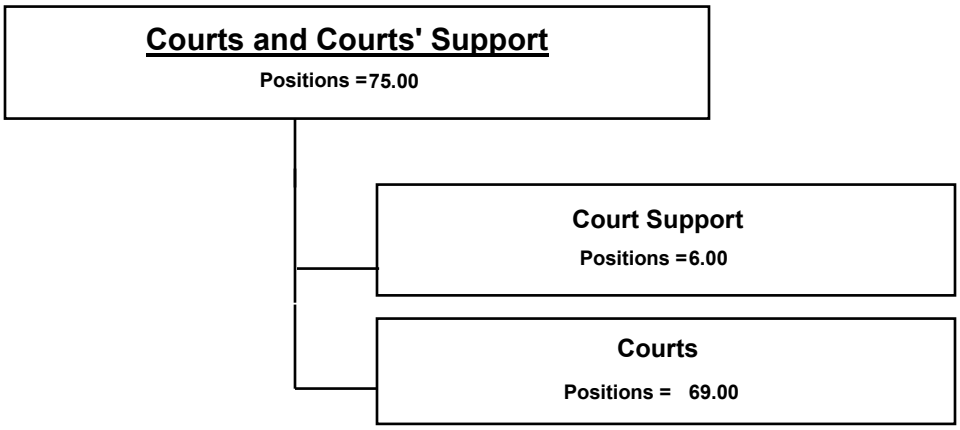
Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of Cases tried per judge in the General District court	-	144,292	180,947	180,947	180,947
Percent of youth assessed for detention	81%	84%	84%	84%	87%
Number of youth receiving supervision of unofficial counseling	555	667	637	669	669
Number of deeds recorded	73,949	68,714	65,879	65,000	65,000
Number of total processes issued in the Magistrate's Office	-	57,662	57,573	58,598	57,628
New cases commenced in Circuit Court	14,683	16,020	15,705	15,131	15,131

Trends and Issues

- → The Circuit Court courtrooms are being upgraded with audio-visual equipment and hearing assistance devices.
- → In the General District Court, overall summons and filings continue to decrease from the prior year. Legislation enacted last year regarding payment plans and community service along with current proposed legislation regarding removal of driver license suspension for fines and costs may impact General District Court revenues moving forward.
- → Efforts continue to be made to outfit courtrooms with the necessary equipment to incorporate body worn camera video footage as courtroom evidence.

Courts and Courts' Support - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Circuit Court	1,120,670	1,146,471	1,154,854	8,383
General District Court	405,831	476,224	549,071	72,847
Juvenile and Domestic Relations District Court	158,894	181,918	224,774	42,856
Clerk of the Circuit Court	3,460,403	3,670,975	3,658,384	(12,591)
Magistrates	44,504	64,858	54,858	(10,000)
Juvenile Probation	1,323,839	1,216,534	1,252,081	35,547
Juvenile Probation CHINS Unit	142,353	278,455	278,739	284
Total Expenditures	6,656,494	7,035,435	7,172,761	137,326
Revenues				
Local Taxes	7,565,471	0	0	0
Fees	510,930	347,226	301,533	(45,693)
State	2,044,054	2,022,111	2,213,288	191,177
Total Revenues	10,120,456	2,369,337	2,514,821	145,484
General City Support	(3,463,961)	4,666,098	4,657,940	(8,158)
Total Department Expenditure	6,656,494	7,035,435	7,172,761	137,326
Total Department Revenue	10,120,456	2,369,337	2,514,821	145,484
Total General City Support	(3,463,961)	4,666,098	4,657,940	(8,158)
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				
Operating	2,089,369	2,083,369	2,134,525	51,156
Personnel	4,567,125	4,952,066	5,038,236	86,170
Total Expenditures:	6,656,494	7,035,435	7,172,761	137,326
Revenue Category by Department				
Charges for Services	157,020	164,721	194,028	29,307
Fines and Forfeitures	138,994	0	0	0
From the Use of Money and Property	121,250	0	0	0
Miscellaneous Revenue	78,494	75,000	0	(75,000)
Other Sources from the Commonwealth	2,044,054	2,022,111	2,213,288	191,177
Other Taxes	7,565,471	0	0	0
Permits, Privilege Fees, and Regulatory Licenses	15,171	107,505	107,505	0
Total Revenue:	10,120,456	2,369,337	2,514,821	145,484


Courts and Courts' Support
Positions =75.00
Court Support
Positions =6.00
Courts
Positions = 69.00

CULTURAL AFFAIRS

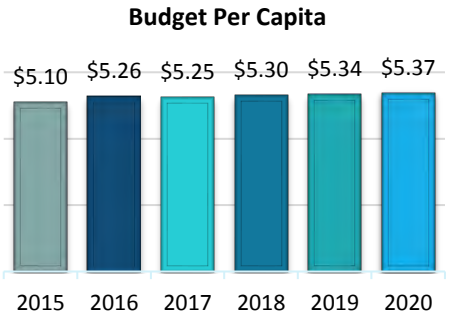
The mission of the Office of Cultural Affairs is to integrate the arts and humanities, in its full ethnic and cultural diversity, into the fabric of everyday life. Toward that end, the Office exists to stimulate and support excellence and accessibility in the arts and humanities for all citizens.

On May 14, 2019, the City Council adopted amendments for the Cultural Affairs Operating Budget:

- Established the Department of Cultural Affairs.
- Received $45,000 for the Lifesaving Museum and $45,000 from the Atlantic Wildfowl Museum from the Non-Departmental section.
- Received $596,487 of the historic homes program from the Department of the Virginia Aquarium.
- Provided $90,000 for additional historic home programming and a new position effective on January 1, 2020.

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, African American Cultural Center, Zeiders American Dream Theater, and Sandler Center Foundation.

→ Overseeing the city's public art program and working 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.

→ Funding 25 grants to non-profit arts and cultural organizations through the Arts and Humanities Commission.

→ Providing a grant to the Virginia Museum of Contemporary Art for utilities and educational programs.

→ Providing support to the Boardwalk Art Show funded by the Tourism Investment Program fund.

Key Performance Measures

The graphic below illustrates how Cultural Affairs and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Be a Competitive, Sustainable, Year-Round Destination for Residents, Businesses and Tourists

Means to Residents: Quality leisure activities for families

Residents satisfied with the city's museums, aquarium, & cultural arts activities

Programs funded by the Arts and Humanities Commission

Number of event days at the Sandler Center

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Residents satisfied with the City's museums, aquarium, and cultural arts activities	96.5%	96.3%	N/A

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Programs funded by the Arts and Humanities Commission	533	503	377	429	429
Event days at the Sandler Center	503	480	456	470	470
Attendees at Sandler Center events	195,000	195,747	176,586	185,000	185,000

Trends and Issues

→ The Virginia Beach Arts and Humanities Commission is comprised of 11 members appointed by City Council. The Commission meets in late March to determine grant allocations for the upcoming fiscal year. The Commission awards three types of grants: project grants, leadership and organizational development (LOD) grants and the new community arts 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. LOD grants are intended to support the leadership of arts and humanities organizations by funding professional development or outside consulting. The new Community Arts Grant is designed to provide support for arts projects that create innovative or participatory experiences that reflect the changing communities in which we live, or broaden access to arts experiences with an emphasis on projects that bring the community together to celebrate the diversity of artistic heritage to increase understanding, acceptance and positive regard among our communities.

→ Organizations awarded grants in FY 2018-19:

Leadership and Organizational Development Grants

Organization	Amount
Virginia Symphony Orchestra	750
Virginia Museum of Contemporary Art	750
Zeiders American Dream Theater	750
Total	$2,250

Community Arts Grants (small or emerging multi-cultural non-profits)

Organization	Amount
African American Cultural Center of VB	2,000
I. Sherman Greene Chorale	1,500
Teens with a Purpose	5,000
The Art of Humanity Festival	1,500
Total	$10,000

*These grants are still open for applications for FY 2018-19.

→ Organizations awarded Project grants in FY 2018-19:

Organization	Amount	Organization	Amount
Ballet Virginia International	15,000	Little Theatre of Virginia Beach	22,000
Symphonicity	80,000	The Tidewater Winds	13,000
The Hurrah Players	25,000	Tidewater Arts Outreach	9,000
ViBe Creative District	5,000	Virginia Arts Festival	10,000
Virginia Beach Chorale	2,500	Virginia Musical Theatre	121,500
Virginia Museum of Contemporary Art	120,000	Virginia Opera Association, Inc.	10,000
Virginia Stage Company	4,000	Virginia Symphony Orchestra	80,000
World Affairs Council of Greater Hampton Roads	1,500	WHRO	5,000
Young Audiences of Virginia	14,000	Zeiders American Dream Theater	18,000
		Total	$555,500

→ Cultural Affairs will present a new outreach series called VB Globally Inspired Gatherings, and will partner with presenting venues, parks, libraries, and cultural/community organizations to reach the widest possible audience. The series will reinforce our city's commitment to improving quality of life through encouraging interpersonal engagement, reinforcing the power of community gatherings, enabling cultural understanding through art, food, education, and discussion.

→ Cultural Affairs will continue to support growth in the ViBe Creative District through partnerships with non-profits that provide a sense of place, district branding, marketing, programming, events and creative engagements.

Major Budget Changes

	Change	Impact
↑	Arts Program Coordinator $0 1 FTE	This position will implement the new Virginia Beach Creative Forces and New Artists in Residency programs as well as overseeing the art gallery program, managing program budgets, assisting in Cultural Affairs programs and events, and publicizing cultural activities across the city. This new position will not increase the department's budget since it is being offset with a reduction in contracted manpower, Sandler Center administration, and marketing accounts.
↑	Interactive art and light festival feasibility study $25,000	This funding will allow for an initial feasibility study of a possible 10-day, interactive art and light festival which would take place in the shoulder season at the oceanfront. The festival will feature cutting-edge, interactive public art installations installed throughout Atlantic Avenue and provide a wide variety of events and activities celebrating the arts.

Cultural Affairs - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Cultural Affairs	738,193	748,568	821,248	72,680
Sandler Center	800,061	768,000	750,211	(17,789)
Contemporary Arts Center Grant	290,000	285,000	285,000	0
Arts and Humanities Commission	573,962	590,000	686,487	96,487
History Museums	624,960	716,219	600,000	(116,219)
Total Expenditures	3,027,176	3,107,787	3,142,946	35,159
Revenues				
Fees	34,123	36,000	26,000	(10,000)
State	4,500	5,000	4,500	(500)
Total Revenues	38,623	41,000	30,500	(10,500)
General City Support	2,988,553	3,066,787	3,112,446	45,659
152 Tourism Investment Program Fund				
Expenditures				
Cultural Affairs - TIP	50,500	50,500	75,500	25,000
Total Expenditures	50,500	50,500	75,500	25,000
Revenues				
Local Taxes	51,060	50,500	75,500	25,000
Total Revenues	51,060	50,500	75,500	25,000
General City Support	(560)	0	0	0
Total Department Expenditure	3,077,676	3,158,287	3,218,446	60,159
Total Department Revenue	89,682	91,500	106,000	14,500
Total General City Support	2,987,994	3,066,787	3,112,446	45,659

Position Summary by Program				
002 General Fund				
Cultural Affairs	3.00	4.00	6.00	2.00
History Museums	7.68	6.80	6.75	-0.05
Total	10.68	10.80	12.75	1.95
Total Position Summary	10.68	10.80	12.75	1.95

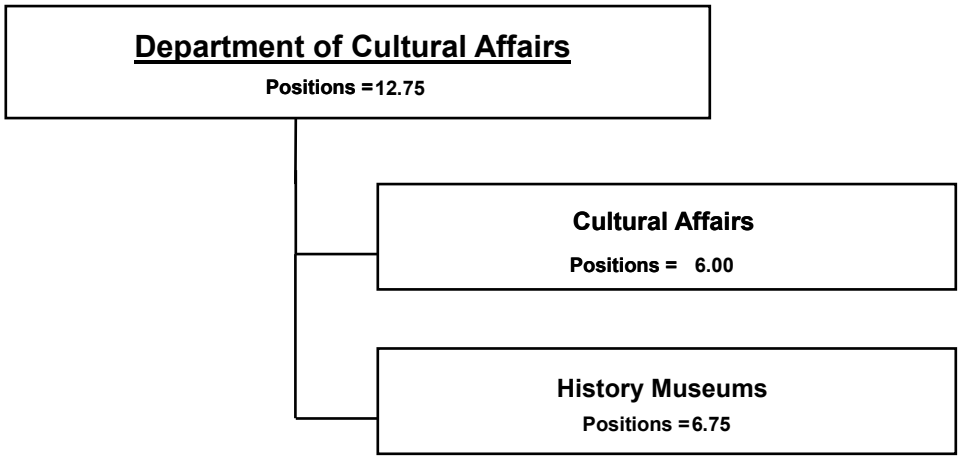
Expenditure Category by Department				
Capital	1,353	0	0	0
Operating	2,421,917	2,335,744	2,317,319	(18,425)
Personnel	654,406	822,543	901,127	78,584
Total Expenditures:	3,077,676	3,158,287	3,218.446	60,159

Cultural Affairs - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	23,393	22,000	12,000	(22,000)
From the Use of Money and Property	10,730	14,000	14,000	(14,000)
Hotel Room Tax	51,060	50,500	50,500	(50,500)
Other Sources from the Commonwealth	4,500	5,000	4,500	(5,000)
Restaurant Meal Tax	0	0	25,000	25,000
Total Revenue:	89,682	91,500	106,000	14,500

Resource Summary Notes:

Per City Council action, Historic Homes & Museums were moved from Aquariums to Cultural Affairs. Prior year history reflects the cost of these programs within Cultural Affairs.


Department of Cultural Affairs
Positions =12.75
Cultural Affairs
Positions = 6.00
History Museums
Positions =6.75

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.

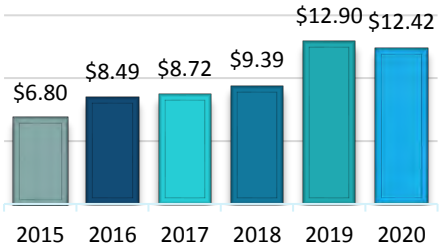
Department Overview

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 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 and life sciences, defense, information services, retail, maritime and logistics, small women-owned and minority (SWaM) businesses etc.

Budget per Capita



Note: The increase in FY 2018-19 is largely due to $1.5M in funding for the City's bio med and cybersecurity initiatives being placed in Economic Development's operating budget.

Workforce Development

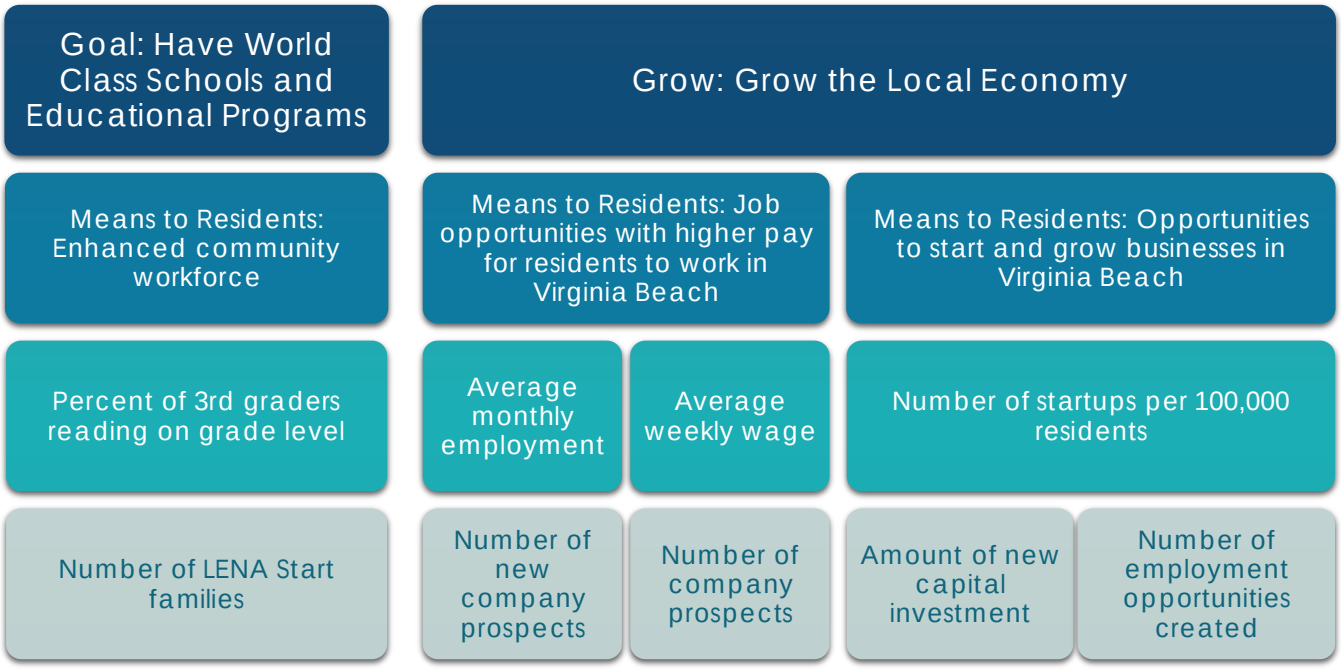
A well-educated and skilled population is vital for a thriving community. Virginia Beach residents and employers benefit from an excellent public and private education system. The GrowSmart program works with VBCPS and community partners to ensure the childrens' healthy development and access to high-quality 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 constantly communicates 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 investment in business. 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 26-cents of the cigarette tax. Economic Development staff provides support and implements decisions made by the VBDA.

Key Performance Measures

The graphic below illustrates how Economic Development and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Average monthly employment	219,060	221,466	227,247
Average weekly wage	$789	$805	$791
Average monthly unemployment rate	3.9%	3.6%	2.9%
Median household income	$71,117	72,586	--
Startups per 100,000 residents	106.5	108	122
Residents satisfied with the job opportunities in Virginia Beach	76.9%	73.4%	--
Average monthly jobs	176,404	178,270	180,142
Percent of 3rd graders reading on grade level	76.8%	76.2%	76%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
LENA Start families	0	0	46	100	100
New women and minority firms located	6	7	13	8	8
Existing companies expanded	25	24	32	35	35
New companies located	13	18	5	20	20
Existing company prospects	50	50	50	50	50
New company prospects	75	75	75	75	75
Value of new capital investment (millions)	$372	$173	$319	$100	$100
New employment opportunities created	1,500	1,548	2,371	1,500	1,500
Hours of IT training per employee	3	3	3	3	3
Employees completing career enhancing opportunities	50%	50%	50%	50%	50%

Trends & Issues

→ Virginia Beach continued its efforts to enhance the biomedical industry ecosystem and bring more fast-growing, high income producing companies to the city. This past year, Economic Development announced strategic global partnerships to expand the bio brand with AseBio, Spain's biotechnical association, and OBN, the main biomedical trade association in the United Kingdom. In addition, work on the VABeachBio Innovation Park continued in earnest, with design of the entry road into the park and the first building being completed. The building will be approximately 60,000 square feet, with 20,000 square feet designated for the VABeachBio Accelerator, a shared lab space designed for startup companies and graduates of the VABeachBio Innovation Challenge, whose winners will be announced in the spring of 2019. These efforts support City Council's strategic priority to diversify the local economy with the biomedical industry which will bring high paying jobs and increased growth to the area.

→ Globalinx is completing the first of a four phase, 21 acre data center campus that will ultimately consist of a carrier hotel and four data centers totaling over 280,000 square feet in Corporate Landing Business Park. The first phase of the 10,750 square foot, carrier-neutral, colocation carrier hotel facility and data center will be operational in the first quarter of 2019. Globalinx has entered into a purchase agreement to acquire 10 acres from the Virginia Beach Development Authority at $200,000 per acre to build phase four of their data center campus. In addition, NxtVn Virginia Beach DigiPorts has purchased 10 acres with an option to purchase a total of 219 acres across Dam Neck Road from Corporate Landing Business Park. ACA International has announced that it will be the first tenant in the NxtVn Virginia Beach DigiPorts campus and a conditional rezoning has been filed for the property. Finally, PointOne Data Centers has entered into a purchase agreement to acquire 10.2 acres from the Virginia Beach Development Authority at $200,000 per acre to build two, 31,000 square foot data center facilities.

→ The MAREA subsea cable, jointly owned by Microsoft, Facebook and Telxius, is fully operational and is the fastest highest capacity submarine cable in the world at 200 terabytes a second. The BRUSA cable owned by Telxius that will connect Virginia Beach to Rio de Janeiro, Brazil has also been completed and is currently in testing. In 2018, there were two additional submarine cables announced that will land in Virginia Beach. The South Atlantic Express (SAEx) will run from Cape Town South Africa to Virginia Beach and is scheduled for completion in the first quarter of 2021. The Dunant cable will be owned by Google and is to be built from France to Virginia Beach with a schedule completion date of quarter one, 2020. The VBDA is adding additional conduit infrastructure to Corporate Landing Business Park to support the new cable landings, expansion of new data center developments, and to enhance its future technology needs of the business park. The conduit plan will include eight 4-inch conduits on each side of Corporate Landing Parkway.

→ Small business growth has continued across the city, as one-third of the region's startup activity takes place in Virginia Beach. The city's small business web presence with targeted programming for small businesses and entrepreneurs has attracted more than 2,000 attendees. Small, women-owned, and minority-owned (SWaM) certified firms accounted for 13 new openings last fiscal year, creating 48 new jobs. In addition, the City in conjunction with 1701 Co-Working, created an Entrepreneur-in-Residence program that will provide small business coaching and mentorships to eight entrepreneurs selected during the year. These efforts support the City's commitment to grow the local economy and encourage small business growth.

→ Due to the announcement in late 2017 that Global Technical Systems (GTS), a Virginia Beach based technology engineering company, will expand in the city other technology companies have been drawn to Virginia Beach to launch and expand their own operations. The demand for non-military applications of GTS's cutting-edge technologies has resulted in the opening of SPARQ Global, a company that creates commercial versions of these innovative products. Plans are in place for the company to hire 250 employees over the next three years at an average salary of $74,000. The total investment of SPARQ Global into the Virginia Beach project is $20 million.

→ Virginia Beach GrowSmart has been selected as one of five programs to participate in the first What Works Cities Early Education cohort to replicate the Providence Talks model which involves interventions during the critical

developmental window between birth and age three. This cohort will allow us to expand on our LENA innovation with our current home visiting programs. Research shows that early talk is the biggest single factor supporting brain development and kindergarten readiness. By aligning our efforts and infusing innovation in early talk, we will connect with our most vulnerable families of young children and support their role in ensuring healthy development and kindergarten readiness. The City is providing $50,000 to support this Bloomberg Innovation grant initiative for FY 2019-20.

Major Budget Changes

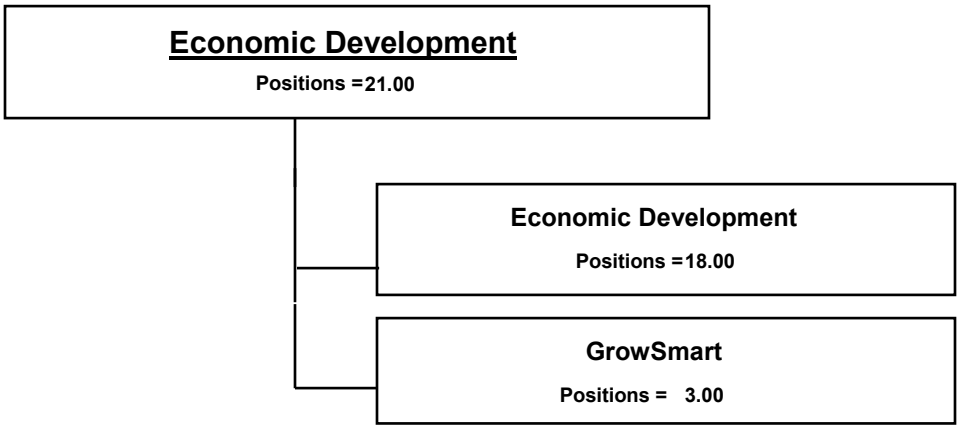
	Change	Impact
	Office assistant position $0 1 FTE	This funding will support an additional Office Assistant position to help with administrative related tasks for the department. The position will be responsible for scheduling meetings, corresponding with outside organizations, preparing documents and flyers, and providing better coverage for accounting functions by preparing invoices. This position is cost neutral due to being offset with a reduction in the department's contracted manpower accounts.
	District Investment Program	Funding will support a District Investment Program, to provide matching capital investment grants for businesses in managed districts or commercial corridors. The goal of the program is to ensure continued commercial sector growth through targeted investment in areas experiencing redevelopment. Funding for the program is provided by reallocating existing monies budgeted in Development Services.

Economic Development - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	3,941,510	5,522,229	2,759,304	(2,762,925)
GrowSmart	300,978	393,610	394,709	1,099
Strategic Initiatives	0	0	2,500,000	2,500,000
Total Expenditures	4,242,488	5,915,839	5,654,013	(261,826)
Revenues				
Fees	1,145	0	0	0
State	125,000	0	0	0
Total Revenues	126,145	0	0	0
General City Support	4,116,343	5,915,839	5,654,013	(261,826)
Total Department Expenditure	4,242,488	5,915,839	5,654,013	(261,826)
Total Department Revenue	126,145	0	0	0
Total General City Support	4,116,343	5,915,839	5,654,013	(261,826)
Position Summary by Program				
002 General Fund				
Director's Office	17.00	17.00	18.00	1.00
GrowSmart	2.00	3.00	3.00	0.00
Total	19.00	20.00	21.00	1.00
Total Position Summary	19.00	20.00	21.00	1.00
Expenditure Category by Department				
Capital	1,768	0	0	0
Operating	2,231,862	3,800,509	3,704,332	(96,177)
Personnel	2,008,858	2,115,330	1,949,681	(165,649)
Total Expenditures:	4,242,488	5,915,839	5,654,013	(261,826)
Revenue Category by Department				
Miscellaneous Revenue	1,145	0	0	0
Other Sources from the Commonwealth	125,000	0	0	0
Total Revenue:	126,145	0	0	0

Resource Summary Notes

In FY 2019-20, a new budget unit has been created within Economic Development for the funding authorized for payment to the Virginia Beach Development Authority for bio-medical and cybersecurity initiatives. This funding was previously located in the department's Director's Office budget unit.

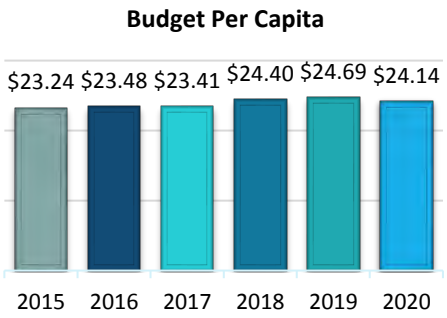

Economic Development
Positions =21.00
Economic Development
Positions =18.00
GrowSmart
Positions = 3.00

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.

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.

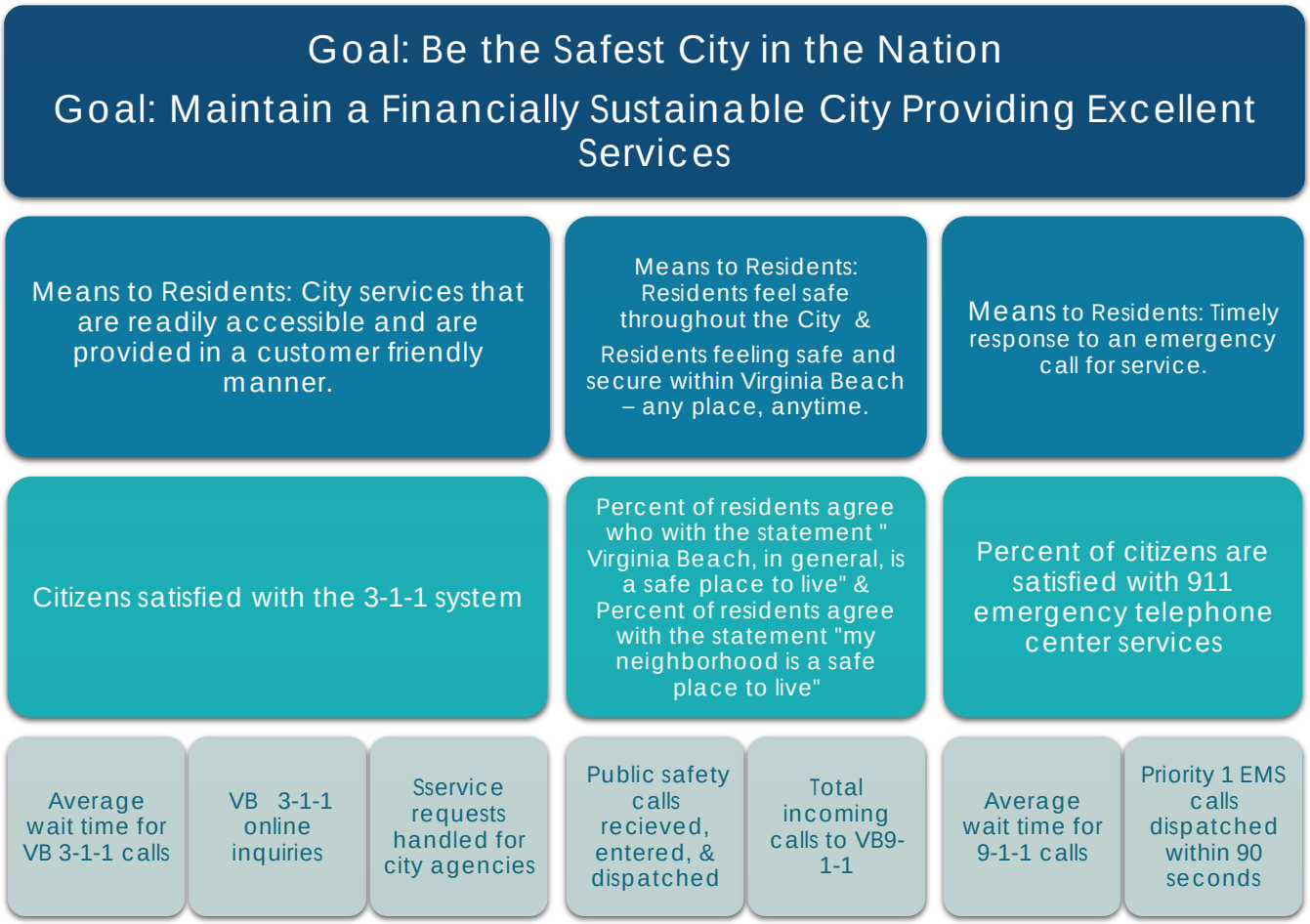
Administration
Provides support for the day-to-day business affairs for ECCS including payroll, accounts payable/receivable, human resources, quality assurance and quality improvement related to call processing, and departmental inventory.

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

The graphic below illustrates how ECCS and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Citizens satisfied with the 3-1-1 system	89.8%	89.8%	89.1%
Percent of residents who agree with the statement “Virginia Beach, in general, is a safe place to live”	94.0%	94.0%	88.2%
Percent of residents who agree with the statement “My neighborhood is a safe place to live”	90.2%	90.2%	86.4%
Citizens satisfied with 911 emergency telephone center services	95.9%	95.9%	90.0%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Average wait time for VB 3-1-1 calls (in seconds)	18.5	23.3	22	20	20
3-1-1 online inquiries	17,757	9,395	8,844	12,000	12,000
Service requests handled for city agencies	17,488	11,747	14,229	15,000	15,000
Total incoming calls to VB9-1-1	532,687	543,292	513,407	530,000	530,000
Public safety calls received and dispatched	414,265	411,956	424,035	430,000	425,000
9-1-1 average wait time (in seconds)	17	17	16	10	10
Priority 1 EMS calls dispatched within 90 seconds	96.6%	97.1%	97.9%	91.0%	91.0%

Trends & Issues

→ Emergency Communications & Citizen Services (ECCS) is in the process of accepting RFPs to begin the transition to Next Generation 9-1-1 (NG9-1-1). This is part of a regional project that will replace legacy telephone infrastructure with IP based technology providing many benefits to those who contact 9-1-1 and also provide additional capabilities for ECCS.

→ Emergency Communications & Citizen Services (ECCS) is working with Information Technology (IT) and other city departments to implement a distributed customer relationship management (CRM) solution to help provide a 360 degree view of any customer who contacts the city requesting information or services. This program will enable customer information from interactions with numerous city departments to be complied into one comprehensive record. Additionally, it will provide more up-to-date information when speaking with and responding to citizens and the ability to generate improved actionable reports during and after citizen contact.

→ Emergency Communications & Citizen Services (ECCS) is in the process of developing an enhanced wellness program. This program will provide stress relief options for employees dealing with cumulative stress.

Emergency Communications and Citizen Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	254,151	235,877	237,225	1,348
Administration	357,429	504,833	463,281	(41,552)
Training	78,133	108,024	100,824	(7,200)
Emergency Communications	6,980,780	8,665,409	8,421,734	(243,675)
Citizen Services	795,974	915,135	935,736	20,601
Technology and Support	655,571	763,923	824,109	60,186
Total Expenditures	9,122,038	11,193,201	10,982,909	(210,292)
Revenues				
Fees	663	0	0	0
State	1,942,381	1,735,000	0	(1,735,000)
Transfers	141,396	141,396	141,396	0
Total Revenues	2,084,440	1,876,396	141,396	(1,735,000)
General City Support	7,037,598	9,316,805	10,841,513	1,524,708
183 Grants Consolidated Fund				
Expenditures				
ECCS Grant	125	2,000	3,000	1,000
Total Expenditures	125	2,000	3,000	1,000
Revenues				
State	125	2,000	3,000	1,000
Total Revenues	125	2,000	3,000	1,000
General City Support	0	0	0	0
Total Department Expenditure	9,122,163	11,195,201	10,985,909	(209,292)
Total Department Revenue	2,084,565	1,878,396	144,396	(1,734,000)
Total General City Support	7,037,598	9,316,805	10,841,513	1,524,708

Position Summary by Program				
002 General Fund				
Director's Office	1.75	1.75	1.75	0.00
Administration	5.00	5.00	4.00	-1.00
Emergency Communications	106.00	106.00	106.00	0.00
Citizen Services	18.00	18.00	18.00	0.00
Technology and Support	7.00	7.00	8.00	1.00
Total	137.75	137.75	137.75	0.00
Total Position Summary	137.75	137.75	137.75	0.00

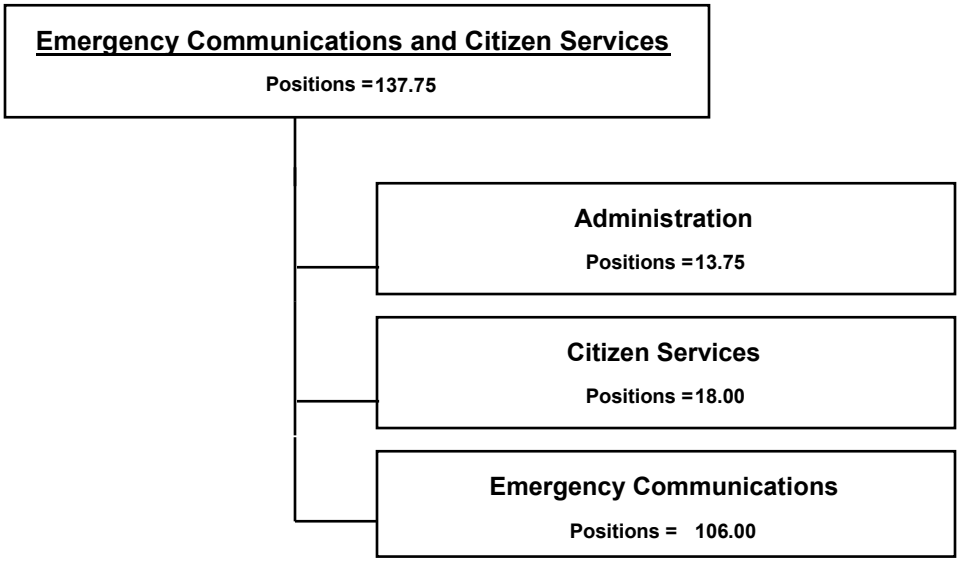
Expenditure Category by Department				
Capital	0	4,000	0	(4,000)
Operating	1,399,863	1,702,966	1,507,606	(195,360)
Personnel	7,722,301	9,488,235	9,478,303	(9,932)
Total Expenditures:	9,122,163	11,195,201	10,985,909	(209,292)

Emergency Communications and Citizen Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	663	0	0	0
Other Sources from the Commonwealth	1,942,506	1,737,000	3,000	(1,734,000)
Transfers from Other Funds	141,396	141,396	141,396	0
Total Revenue:	2,084,565	1,878,396	144,396	(1,734,000)

Resource Summary Notes

In Fiscal Year 2018-19, the decision was made to move future state revenue estimates to non-dedicated general fund revenue. ECCS now receives more general fund support in accordance with revenue changes.


Emergency Communications and Citizen Services
Positions =137.75
Administration
Positions =13.75
Citizen Services
Positions =18.00
Emergency Communications
Positions = 106.00

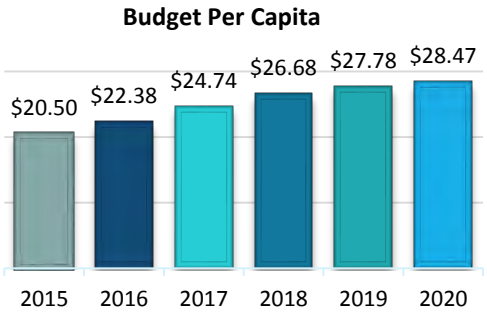
EMERGENCY MEDICAL SERVICES

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 531 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

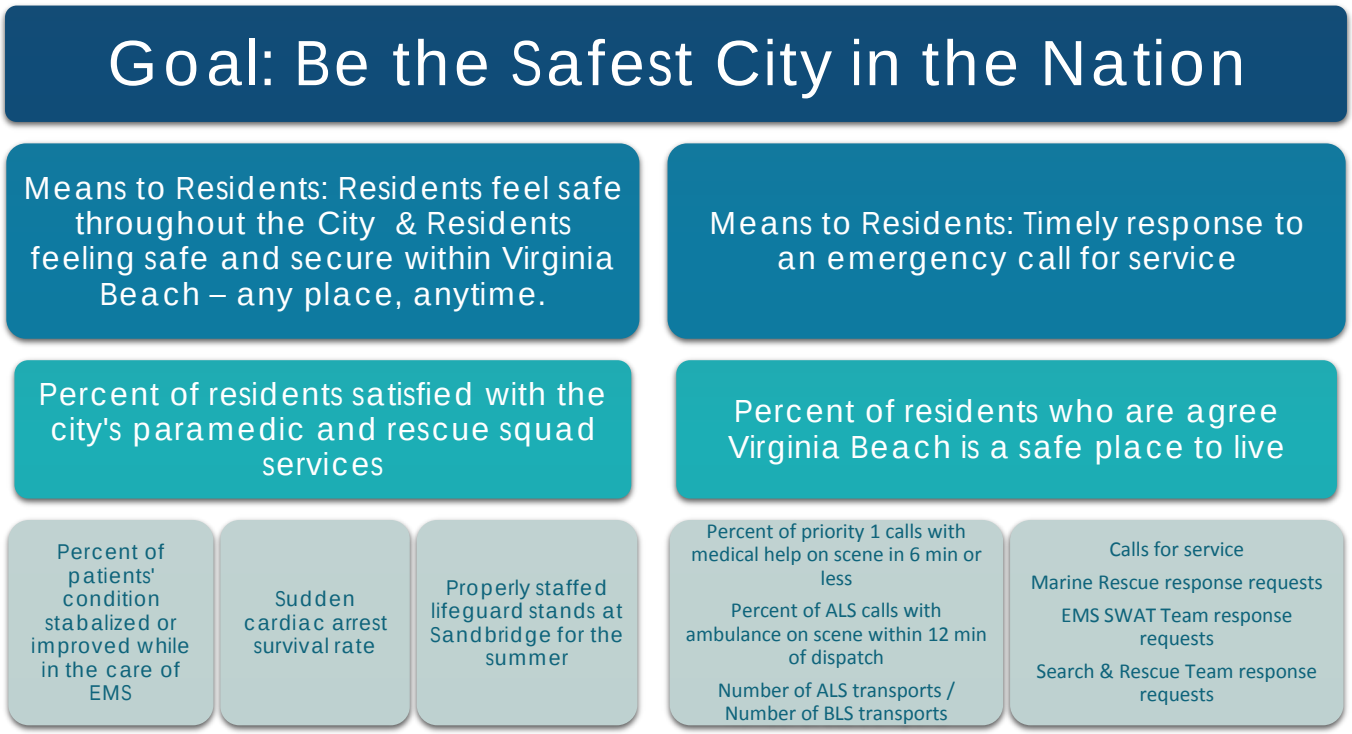
Provides basic life support (BLS), advanced life support (ALS) and specialized training for EMS volunteers, career medics and specialty team members, Fire, Police, emergency dispatchers, and hospital personnel. Keeps personnel certified, in compliance with state requirements, to work on ambulances and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

Key Performance Measures

The graphic below illustrates how EMS and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

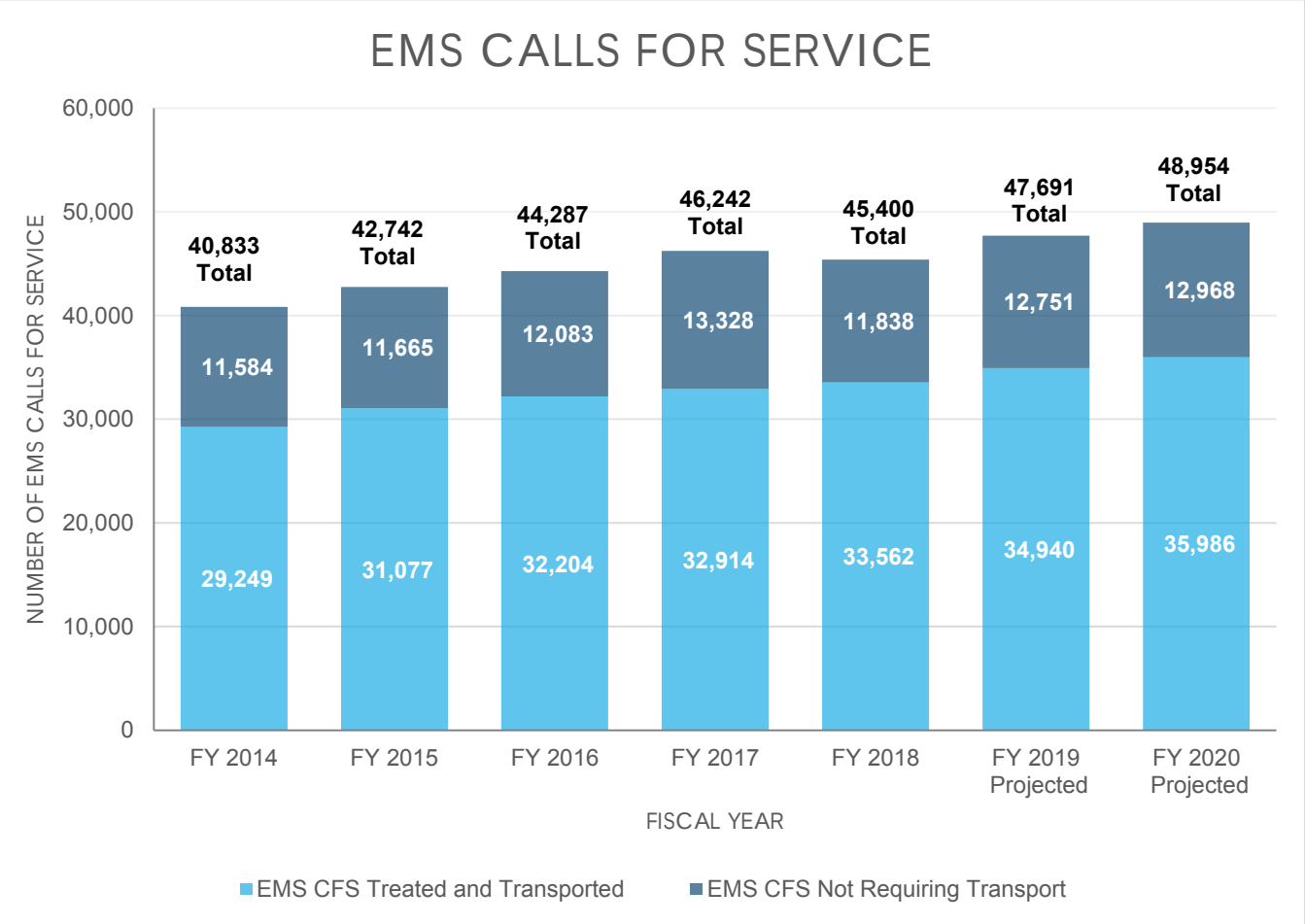
Community Outcome Measures	2016	2017	2018
Percent of residents satisfied with the city's paramedic and rescue squad services	98.3%	98.1%	99%
Percent of residents who agree Virginia Beach is a safe place to live	94.0%	88.2%	88.2%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Probability that patients' conditions are stabilized or improved in care of EMS	99%	99%	99%	99%	99%
Cardiac arrest survival rate	24%	24%	37%	36.4%	36%
Percent of properly staffed lifeguard stands at Sandbridge for the Summer	100%	100%	100%	100%	100%
Percent of priority one calls the first medical help on scene in 6 minutes or less	N/A	69.8%	68.3%	68.5%	68%
Percent of priority one calls ambulance on scene within 12 minutes of dispatch (Advance Life Support calls)	N/A	79.3%	80.4%	81.9%	81.9%
Number of Advance Life Support transports	12,633	10,558	10,814	9,787	9,787
Number of Basic Life Support transports	19,958	19,152	22,735	23,619	23,619
Number of calls for ambulance services	44,287	46,242	45,400	47,691	47,691
Number of marine rescue response requests	239	269	315	319	319
Number of EMS SWAT Team response requests	48	107	164	136	136
Number of Search and Rescue Team response requests	18	15	9	13	13
Applicants attended orientation	941	915	677	806	806
New Attendants In Charge certified	112	168	140	158	158
Average number of total certified ambulance volunteers	496	513	518	521	521
Total EMS volunteer members all types	827	925	950	936	936

Trends & Issues

→ **Increased calls for service**

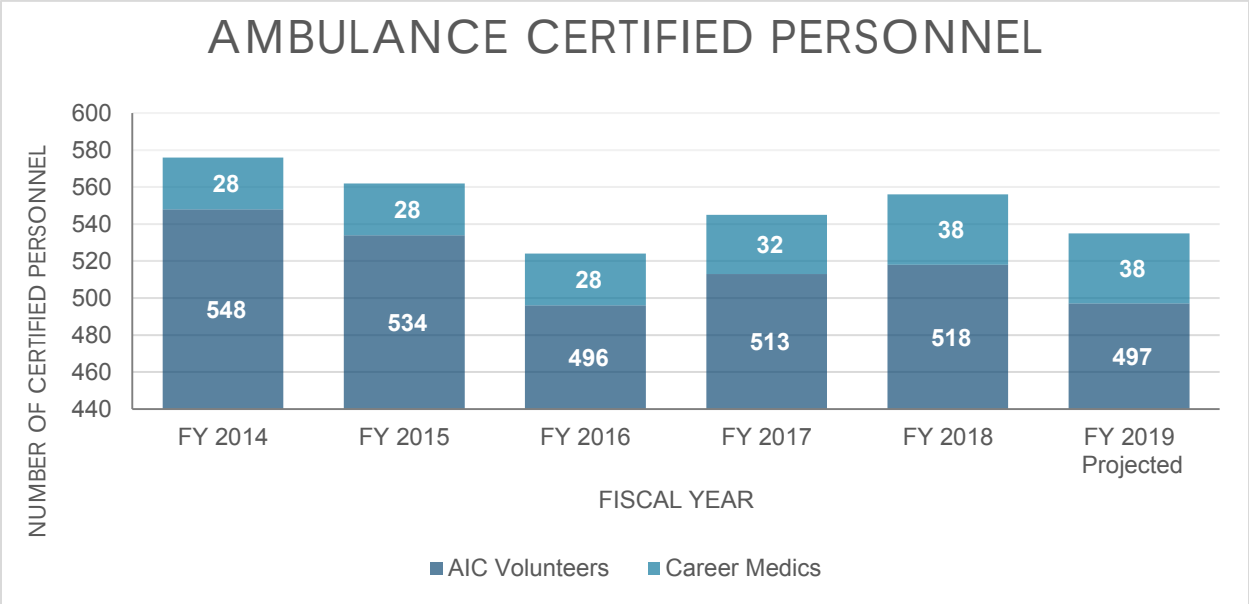
Based on the previous five years, calls for service (all calls where an EMS unit was dispatched) are forecasted to reach over 47,000 in FY 2019, an increase of 5% over FY 2018. On average, 72.6% of calls for service over the previous five years required transport to area hospitals or other facilities; this trend is expected to continue as the population ages. In FY 2018, 74% of EMS calls required transport. This results in units being unavailable for calls more often, as these transports averaged 67 minutes in duration per call during FY 2018.



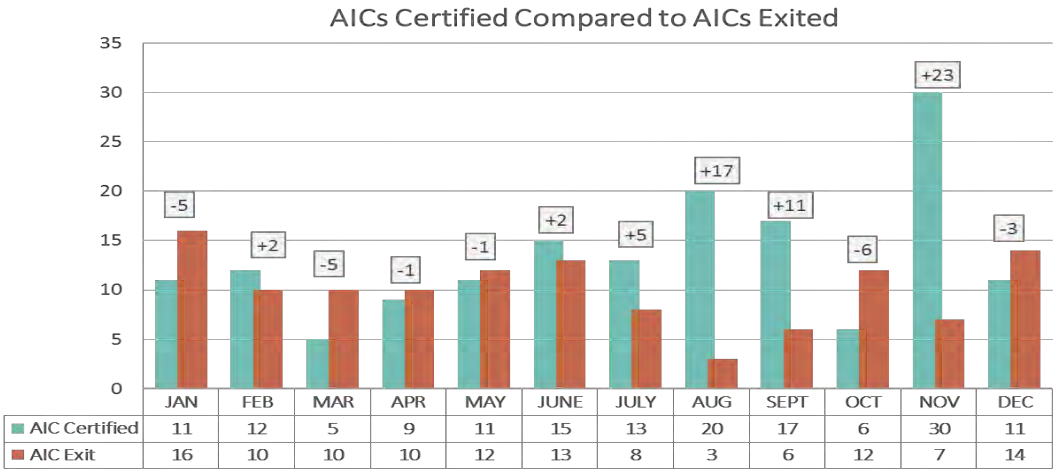
→ **Ambulance Certified Personnel**

The Department is expecting a decrease in ambulance certified volunteers. In FY 2017, there was a slight increase in the average number of Attendant In Charge/EMT volunteers; however based on projections the department expects to have an average of 497 AIC Volunteers. Volunteerism is expected to be down due to a favorable job market. The number of volunteers projected for 2019 is equivalent to nearly 100 FTEs. In order to increase

staffing ambulances to the level needed, EMS will need to recruit, train, and retain more than 50 additional volunteers.



Over the past year, the Department successfully certified 160 new Attendants In Charge/EMT, however 121 exited the volunteer service only leaving a net gain of 39 volunteers. Historical data shows that it takes approximately 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 one year to recruit, train, and certify a new volunteer EMT making this a long term process. As noted in a 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. 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 existing training staff of seven FTEs along with the expanded capacity of their new headquarters and training facility.



	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
AIC Certified	11	12	5	9	11	15	13	20	17	6	30	11
AIC Exit	16	10	10	10	12	13	8	3	6	12	7	14

Major Budget Changes

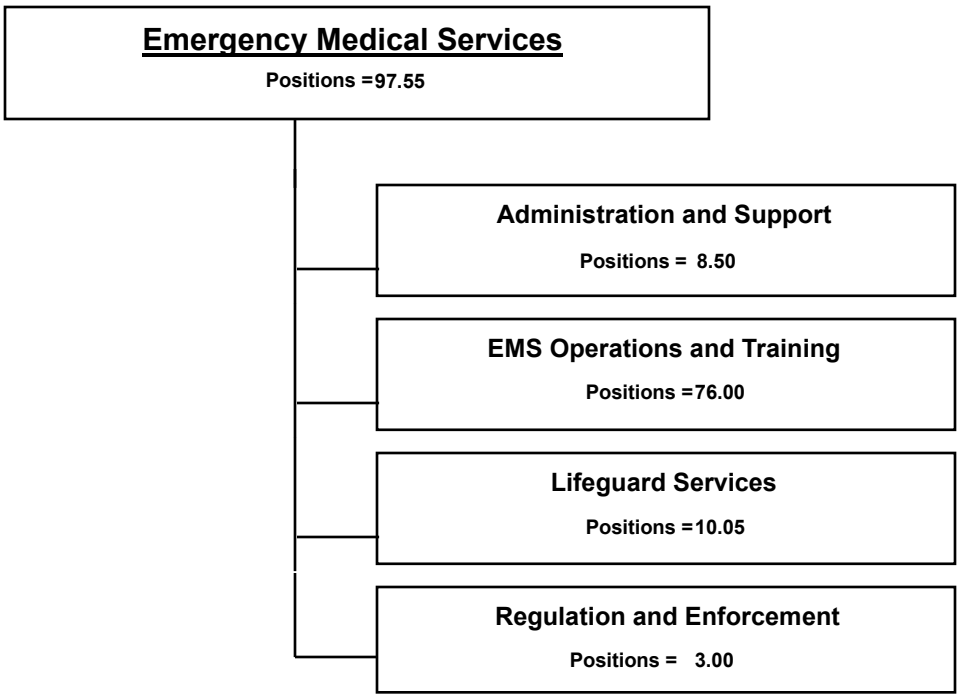
	Change	Impact
↑	Paramedics for Fire/EMS Burton Station 8.00 FTEs $231,579	Capital project 3-075 Fire/EMS Station Burton Station is expected to open in the Fall of 2020 (FY 2020-21). Full operation of the Station will require 30 firefighters and 12 paramedics along with necessary apparatus'. Full staffing for the station will occur in two phases. This budget includes the Department of Emergency Medical Services staffing needs for phase one. These eight positions will be hired during the last quarter of 2020. The funding included will provide salaries for two months and necessary equipment for eight paramedics.
↑	Resort Lifeguard Contract Renewal for 5 years $227,058	The City of Virginia Beach has relied on a contracted lifeguard service on the Oceanfront beaches for decades. Contracts have traditionally been awarded for five to seven year terms. The Resort Lifeguard contract was renewed for five years in January 2019. The new contract pricing is 13% higher for FY 2019-20. This results in a need for an additional $227,058 to meet the contract pricing. There is also a 3% escalation clause in the contract starting with the 2020 season. The contract is based on a calendar year, which means payments will cross fiscal years. The FY 2019-20 payment includes the 3% calendar year escalation.

Emergency Medical Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Administration	877,742	895,515	835,507	(60,008)
Operations	3,612,153	3,905,817	3,865,545	(40,272)
Emergency Response System	4,159,896	4,251,203	4,523,363	272,160
Training	837,484	911,420	883,336	(28,084)
Regulation and Enforcement	215,761	248,775	236,743	(12,032)
Lifeguard Services	1,961,233	2,008,863	2,236,365	227,502
Total Expenditures	11,664,269	12,221,593	12,580,859	359,266
Revenues				
Fees	89,517	66,500	81,500	15,000
Total Revenues	89,517	66,500	81,500	15,000
General City Support	11,574,752	12,155,093	12,499,359	344,266
183 Grants Consolidated Fund				
Expenditures				
State Four-for-Life Grants	549,418	375,000	375,000	0
Total Expenditures	549,418	375,000	375,000	0
Revenues				
State	452,875	375,000	375,000	0
Transfers	25,709	0	0	0
Total Revenues	478,584	375,000	375,000	0
General City Support	70,834	0	0	0
Total Department Expenditure	12,213,687	12,596,593	12,955,859	359,266
Total Department Revenue	568,101	441,500	456,500	15,000
Total General City Support	11,645,586	12,155,093	12,499,359	344,266
Position Summary by Program				
002 General Fund				
Administration	8.50	8.50	8.50	0.00
Operations	11.00	13.00	13.00	0.00
Emergency Response System	46.00	46.00	54.00	8.00
Training	9.00	9.00	9.00	0.00
Regulation and Enforcement	3.00	3.00	3.00	0.00
Lifeguard Services	10.05	10.05	10.05	0.00
Total	87.55	89.55	97.55	8.00
Total Position Summary	87.55	89.55	97.55	8.00
Expenditure Category by Department				
Capital	113,523	2,474	3,000	526
Operating	4,962,732	4,957,645	5,119,114	161,469
Personnel	7,137,433	7,636,474	7,833,745	197,271
Total Expenditures:	12,213,687	12,596,593	12,955,859	359,266

Emergency Medical Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	75,311	55,000	70,000	15,000
From the Use of Money and Property	12,668	11,500	11,500	0
Miscellaneous Revenue	1,538	0	0	0
Other Sources from the Commonwealth	452,875	375,000	375,000	0
Transfers from Other Funds	25,709	0	0	0
Total Revenue:	568,101	441,500	456,500	15,000


Emergency Medical Services
Positions =97.55
Administration and Support
Positions = 8.50
EMS Operations and Training
Positions =76.00
Lifeguard Services
Positions =10.05
Regulation and Enforcement
Positions = 3.00

FINANCE

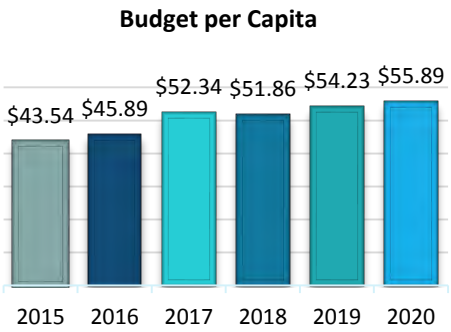
The mission of the Finance Department is through strong leadership, deliver comprehensive financial and business services, and protect the City's resources in a high quality, cost effective, and innovative environment that inspires trust and supports our community for a lifetime.

On May 14, 2019, the City Council adopted the following amendment for the Finance Department Operating Budget:

- Added $30,000 to continue the implementation of findings and recommendations resulting from a disparity study completed by the City.

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 accomplished through the 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.

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. Manages unclaimed property reporting, and provides oversight of accounting policies and internal controls citywide.

Accounts Payable
Processes all invoices, generates and manages City payments and payment tax compliance.

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.

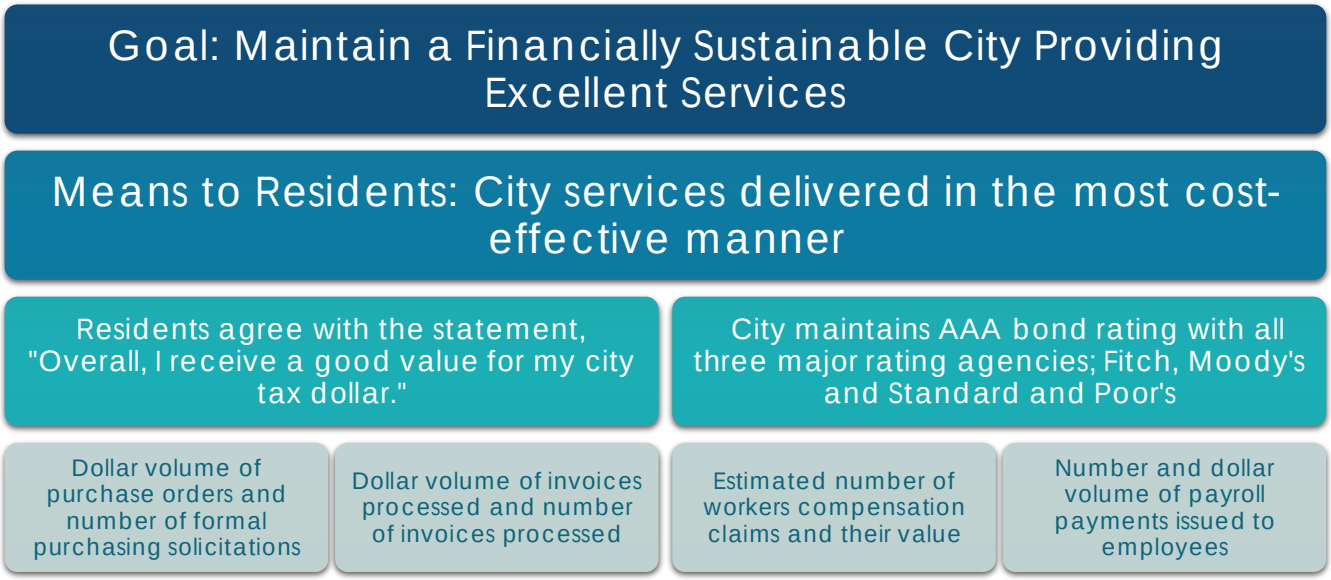
Risk Management
Manages the City's self-insurance program including: identifying and evaluating City risk, managing the loss control programs, purchasing insurances, and processing workers' compensation adjustments and civil liability claims. Also manages public assistance recovery and reimbursement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

The graphic below illustrates how the Finance Department and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

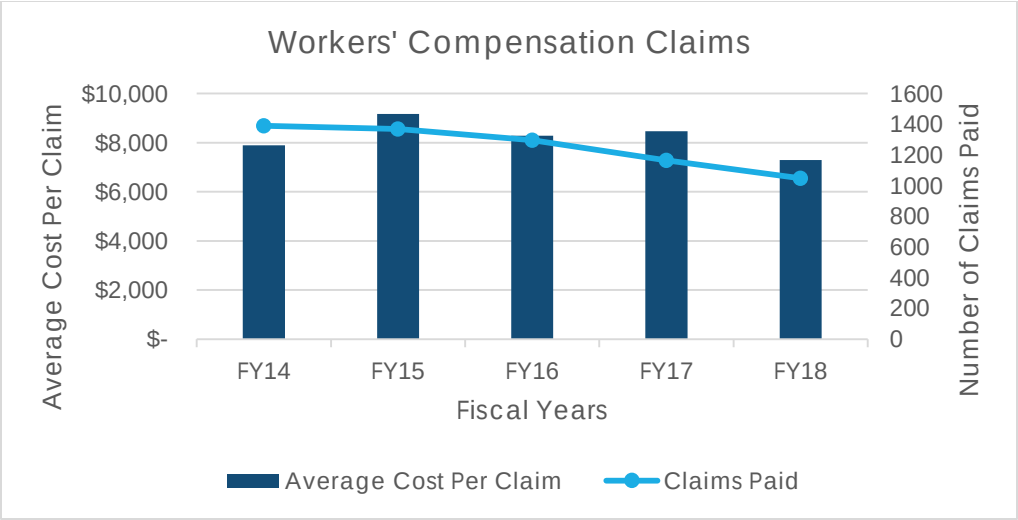
Community Outcome Measures	2016	2017	2018
Residents agree with the statement "Overall, I receive a good value for my city tax dollar."	80%	80%	75.2%
City maintains AAA bond rating	100%	100%	100%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Dollar volume of purchase orders in millions	320	306	281	281	281
Number of formal purchasing solicitations	190	179	154	154	154
Number of workers compensation claims	1,177	1,109	1,109	1,062	1,160
Value of workers compensation claims in millions	12.6	11.42	11.1	10.9	9.9
Dollar volume of invoices processed in millions	718	684	682	690	690
Number of invoices processed	145,556	144,751	148,727	146,000	149,000
Dollar Volume of payroll payments issued to employees in millions	343	352	372	383	390
Number of payroll payments issued to employees	239,345	241,470	258,270	266,018	271,338

Trends & Issues

→ **Workers' Compensation Claims**

- During the last five years, the paid for workers' compensation claims ranged from $7.7 million to $12.6 million, and the average amount of claims paid ranged from $7,298 to $9,169 as illustrated in the chart. To stem the 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 in the Risk Management Fund that can cover 70% of expected future liabilities; as of June 2018, it is at 57%.



→ **Triple-A Ratings**

- The City has been rated Triple-A for the last nine 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 meet financial commitments, resulting in favorable interest rates whenever the City borrows money.

- In February 2019, City Council approved a resolution to provide for the issuance and sale of Storm Water Utility Revenue Bonds ("SW Bonds"), Series 2019, in a maximum principal amount of $35 million to reimburse for previous capital project expenditures incurred in the Storm Water Capital Improvement Program. The City competitively sold $29,525,000 in Series 2019 SW bonds. The bonds were rated by Fitch Ratings and Moody's Investors Service at "AAA" and "Aa1" respectively, based on the financial performance of the City and its Storm Water Utility system. There was strong demand for the City's bonds as a result of (i) the City's high credit ratings from Moody's Investors Service and Fitch Ratings; (ii) manageable size for bidders; and (iii) steady conditions in the broader municipal bond market.

→ **Business Process and Technology Initiatives**

- In FY 2019 Finance continued to work on major business process and technology initiatives that will modernize city-wide time and scheduling systems and financial and 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.

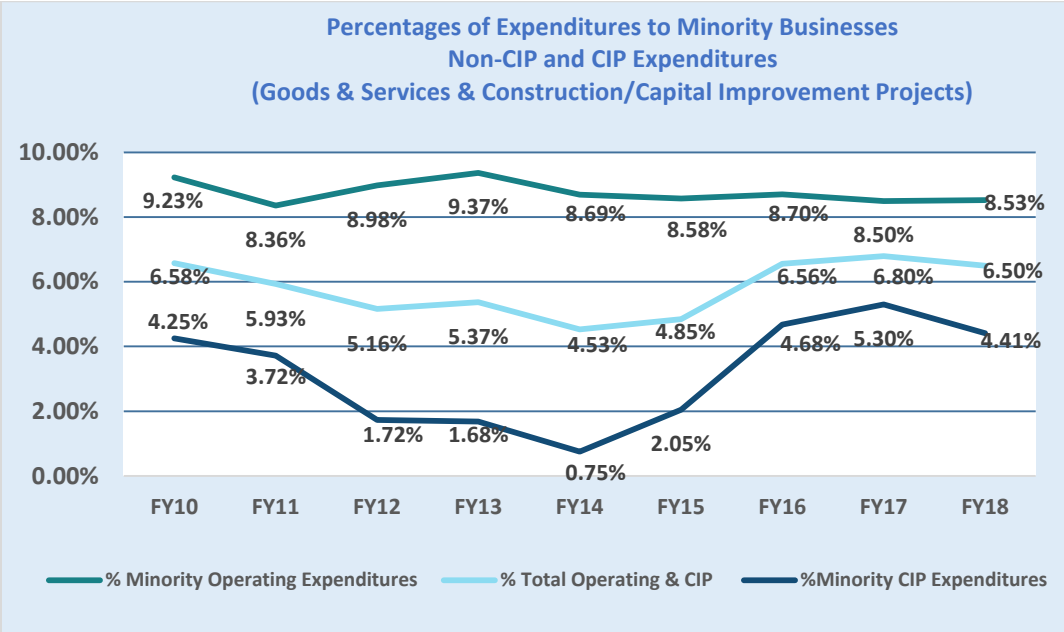
- In the FY 2018 budget, a Capital Improvement Project was approved to begin the replacement of the City's Enterprise Resource Planning (ERP) system. This replacement will be a multi-year effort. The goal for the project is to create an ERP system that is useful and reliable for program managers, improve functionality and use throughout the City with a single source of financial data, improve controls and better manage risk while reducing transaction processing time and paper records.

→ **DMV Stop Program**

- This budget reflects an increase in the DMV Stop Program. The Department of Motor Vehicles (DMV) assists the City of Virginia Beach with the collection of delinquent personal property taxes. Once an account has become delinquent, the City notifies DMV who then places a hold preventing the delinquent account holder from renewing their vehicle registration. The hold remains until the delinquent account is paid. DMV charges the City of Virginia Beach a flat fee for each account that a hold is placed. The City passes the fee through to the account holder at the time that the delinquent personal property tax bill is paid.

→ **Support of Minority Business Council**

- 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 and services and construction (capital improvement project) related expenditures to minority-owned businesses over the past eight years.



- BBC Research & Consulting completed a Disparity Study in 2018 to assess how minority, women and veteran-owned business are faring in the local marketplace and to analyze the City's contracting and procurement procedures. Based on the results, the City will determine the next steps to be taken to implement the recommendations and monitor the impacts of changes made to the process the City uses to award contracts for goods and services.

Major Budget Changes

	Change	Impact
↑	Financial Analyst FTE: 1.0 $100,782	The Financial Analyst for the Comptroller division will support Accounting, Reporting and Accounts Payable functions.
↑	Procurement Specialist III FTE: 1.0 $78,476	Procurement Specialist III for the Purchasing division and associated costs.
↑	Citywide Cyber Insurance $90,000	Cyber insurance is needed to cover the city for breach notifications, breach coverage, incident management, business loss expense and data restoration.

Finance - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	**FY 2020** Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	705,307	862,275	865,196	2,921
DMV Stop Program	592,000	1,300,000	1,610,000	310,000
Financial Systems Services	449,567	653,139	646,580	(6,559)
Accounting Office	1,034,346	938,628	1,123,324	184,696
Payroll	868,699	876,239	805,234	(71,005)
Accounts Payable	561,492	572,114	478,953	(93,161)
Purchasing	1,290,290	1,359,015	1,537,645	178,630
Total Expenditures	5,501,700	6,561,410	7,066,932	505,522
Revenues				
Fees	140,305	905,665	871,642	(34,023)
Total Revenues	140,305	905,665	871,642	(34,023)
General City Support	5,361,395	5,655,745	6,195,290	539,545
607 Risk Management Internal Service Fund				
Expenditures				
Risk Management Insurance Payments	12,260,117	17,200,088	17,237,980	37,892
Risk Management	3,673,945	997,023	1,161,390	164,367
Total Expenditures	15,934,062	18,197,111	18,399,370	202,259
Revenues				
Fees	18,608,054	18,197,111	18,309,370	112,259
Fund Balance	0	0	90,000	90,000
Total Revenues	18,608,054	18,197,111	18,399,370	202,259
General City Support	(2,673,992)	0	0	0
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - Finance	172,897	0	0	0
Total Expenditures	172,897	0	0	0
Revenues				
Fees	172,897	0	0	0
Total Revenues	172,897	0	0	0
General City Support	0	0	0	0
Total Department Expenditure	21,608,660	24,758,521	25,466,302	707,781
Total Department Revenue	18,921,256	19,102,776	19,271,012	168,236
Total General City Support	2,687,403	5,655,745	6,195,290	539,545

Position Summary by Program				
002 General Fund				
Director's Office	5.00	6.00	6.00	0.00
Financial Systems Services	4.00	6.00	6.00	0.00
Accounting Office	8.00	8.00	10.00	2.00

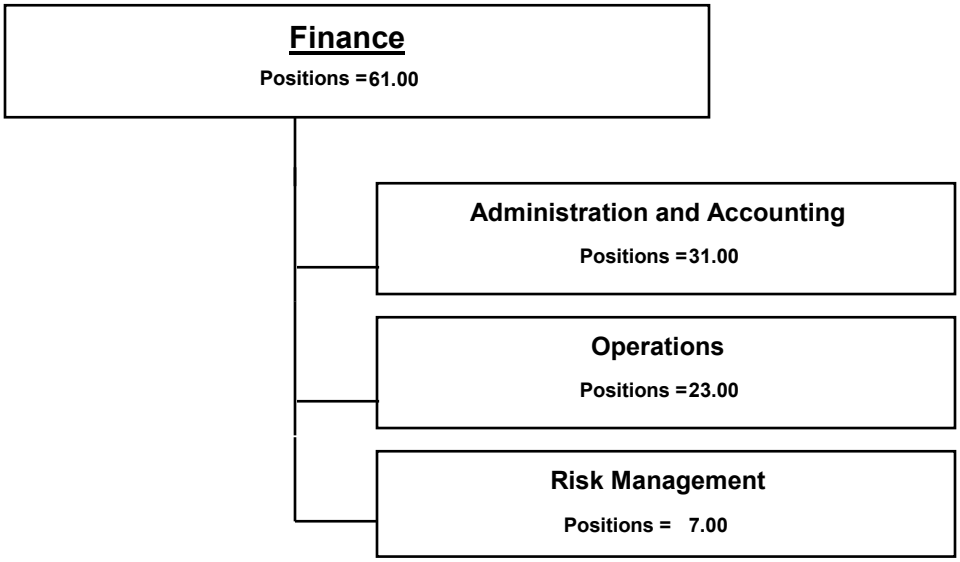
Finance - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
002 General Fund				
Payroll	10.00	10.00	9.00	-1.00
Accounts Payable	9.00	8.00	7.00	-1.00
Purchasing	14.00	14.00	16.00	2.00
Total	50.00	52.00	54.00	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	0.00	0.00	0.00
Total	2.00	0.00	0.00	0.00
Total Position Summary	59.00	59.00	61.00	2.00

Expenditure Category by Department				
Capital	8,616	0	4,714	4,714
Debt Service	1,692	0	0	0
Operating	16,570,855	19,278,096	19,840,490	562,394
Personnel	5,027,497	5,480,425	5,614,193	133,768
Reserves	0	0	6,905	6,905
Total Expenditures:	21,608,660	24,758,521	25,466,302	707,781

Revenue Category by Department				
Charges for Services	18,401,103	18,082,711	18,061,511	(21,200)
From the Use of Money and Property	248,259	40,000	248,259	208,259
Miscellaneous Revenue	271,894	970,715	862,492	(108,223)
Permits, Privilege Fees, and Regulatory Licenses	0	9,350	8,750	(600)
Specific Fund Reserves	0	0	90,000	90,000
Total Revenue:	18,921,256	19,102,776	19,271,012	168,236

City of Virginia Beach
Fiscal Year 2020 Department Organizational Chart

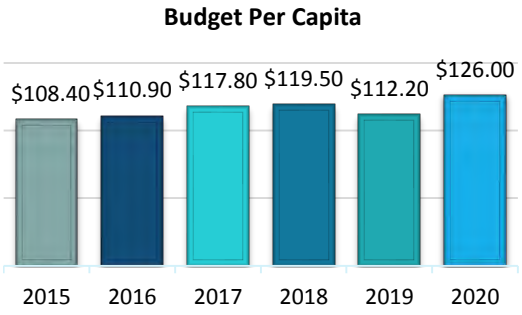


FIRE

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, accreditation, and alignment with City Council goals.

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; community risk reduction through life safety education programming; 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, and one shared facility at Fort Story, 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 rescue 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, six 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 and houses one of 28 national FEMA Urban Search and Rescue teams.

Fire Personnel and Development
This division provides human resource management, diverse workforce recruiting, mandated career development, and organizational enhancement training programs meeting nationally recognized standards in the following areas: fire, EMS, rescue, life safety, management, driver operator, and any specialty training for volunteer and career firefighters. All research and analysis for department accreditation, performance measurement, and operational efficiency is also completed by this division.

Key Performance Measures

The graphic below illustrates how Fire and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

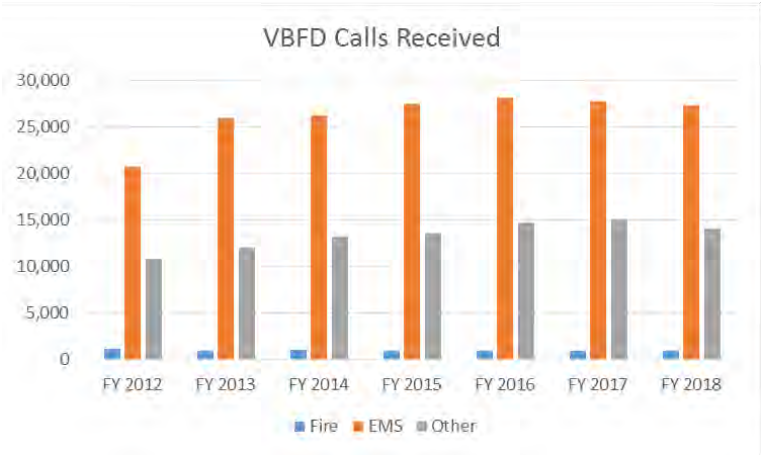
The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Residents reporting that their neighborhood is a safe place to live	90.2%	86.4%	N/A
Citizen satisfaction with Fire Department services	98.8%	98.8%	N/A
Fire deaths per 100,000	0.9	0.9	N/A

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Fire deaths	4	6	3	0	0
Fire injuries	57	52	60	56	55
Fire incidents responded to in under 4 minutes (en route to arrival)	50.9%	57.1%	56.4%	56.7%	58%
Medical calls	27,962	27,781	27,190	27,486	28,000
Fire calls	1,006	928	937	933	1,000
Other calls	16,133	15,038	14,488	14,763	18,000
Building and property saved	96.4%	97.2%	97%	96.9%	98%
Fire code initial inspections	5,660	7,168	7,267	7,000	7,000
Fire code re-inspections	2,784	3,774	4,810	4,500	4,500

Trends and Issues

→ Total calls for service have dropped slightly over the past two years from the peak of 43,837 total calls in FY 2015-16. The vast majority of the Fire Department's calls for service are driven by EMS emergencies while fires only account for 2% of total calls.



Note: Other calls include: hazardous materials, service or good intent calls, false alarms, and severe weather / natural disasters.

→ As highlighted by the Dewberry Report, climate change will continue to change the scope of work faced by the Fire Department in the coming years as flooding events increase. This will create an even greater demand for Fire response to calls for service with high-water vehicles, boats, drones, and rescue swimmers. To face these challenges, additional resourcing will be necessary to train Fire personnel about rapid water responses as well as funding the additional equipment necessary to operate in high-water situations.

→ There has been an increased focus in recent years on the long-term health impacts that are linked to firefighting. The Fire Department is participating in a study conducted by Eastern Virginia Medical School on carcinogenic absorption to determine if there are additional steps or safeguards that can be put in place to better protect fire personnel in the field. The outcome of this study could lead to significant changes in the department's personal protective equipment as well as firefighting techniques and training.

Major Budget Changes

	Change	Impact
↑	Burton Station staffing $594,923 15 FTEs	In preparation for the opening of Burton Station in the fall of 2020, the Fire Department has received 15 Firefighter Recruit positions and the associated personal protective equipment, radios, and uniforms. This proposal includes six months of funding for the new positions who will enter the Fire academy in January of 2020 in order to be ready for service by the station's projected opening. Burton Station will eventually house 30 firefighters (6 captains and 24 firefighters), with the second half of those positions being added in the FY 2020-21 budget.
↑	Civilian finance and payroll position $52,307 1 FTE	This funding is for a civilian, Account Clerk III position within the Fire Department administration to assist with the department's payroll process as well as grant management and other financial responsibilities. The increasingly complex nature of the Fire Department's payroll has necessitated additional staff resources to assist in the timely management of payroll. The department has received significant operational additions in recent years which creates additional strain on the payroll process with more overtime, leave, and deployment events to manage.

Fire - Departmental Resource Summary

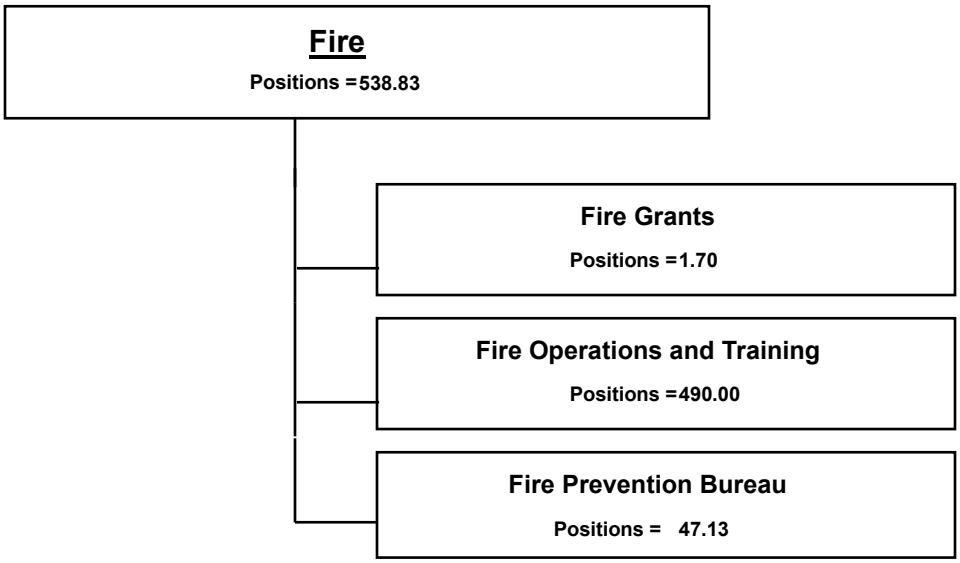
	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Fire Administration	2,398,026	2,648,015	2,193,774	(454,241)
Fire Prevention Bureau	2,608,090	3,341,461	2,536,286	(805,175)
Fire Operations	48,092,029	47,580,937	49,832,546	2,251,609
Fire Personnel and Development	1,473,618	1,373,840	1,272,528	(101,312)
Total Expenditures	54,571,764	54,944,253	55,835,134	890,881
Revenues				
Fees	779,363	575,868	659,900	84,032
Total Revenues	779,363	575,868	659,900	84,032
General City Support	53,792,401	54,368,385	55,175,234	806,849
183 Grants Consolidated Fund				
Expenditures				
Fire - Grants	1,995,022	0	84,663	84,663
Fire Program Grants	1,124,776	384,495	1,121,346	736,851
Transfer to Other Fund (Fire Programs)	1,367,034	1,038,155	300,000	(738,155)
Total Expenditures	4,486,832	1,422,650	1,506,009	83,359
Revenues				
State	1,479,846	1,421,346	1,421,346	0
Federal	1,384,296	0	84,663	84,663
Transfers	487,033	1,304	0	(1,304)
Total Revenues	3,351,175	1,422,650	1,506,009	83,359
General City Support	1,135,656	0	0	0
Total Department Expenditure	59,058,595	56,366,903	57,341,143	974,240
Total Department Revenue	4,130,538	1,998,518	2,165,909	167,391
Total General City Support	54,928,058	54,368,385	55,175,234	806,849

Position Summary by Program				
002 General Fund				
Fire Administration	20.00	24.00	20.00	-4.00
Fire Prevention Bureau	29.71	34.71	27.13	-7.58
Fire Operations	449.00	451.00	478.30	27.30
Fire Personnel and Development	14.00	12.50	11.70	-0.80
Total	512.71	522.21	537.13	14.92
183 Grants Consolidated Fund				
Fire - Grants	8.00	0.00	0.70	0.70
Fire Program Grants	1.00	1.00	1.00	0.00
Total	9.00	1.00	1.70	0.70
Total Position Summary	521.71	523.21	538.83	15.62

Fire - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Expenditure Category by Department				
Capital	579,565	50,982	51,303	321
Operating	8,301,278	6,414,768	7,025,615	610,847
Personnel	48,810,719	48,862,998	49,964,225	1,101,227
Transfers	1,367,034	1,038,155	300,000	(738,155)
Total Expenditures:	59,058,595	56,366,903	57,341,143	974,240
Revenue Category by Department				
Charges for Services	507,472	355,823	391,900	36,077
Miscellaneous Revenue	62,201	40,000	60,000	20,000
Other Sources from the Commonwealth	1,479,846	1,421,346	1,421,346	0
Permits, Privilege Fees, and Regulatory Licenses	209,690	180,045	208,000	27,955
Revenue from the Federal Government	1,384,296	0	84,663	84,663
Transfers from Other Funds	487,033	1,304	0	(1,304)
Total Revenue:	4,130,538	1,998,518	2,165,909	167,391

City of Virginia Beach
Fiscal Year 2020 Department Organizational Chart



HEALTH

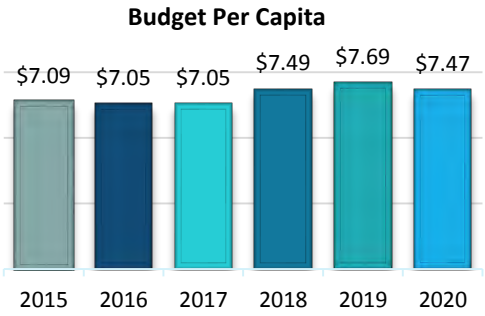
The mission of the Virginia Beach Department of Public Health is: Promoting health, preventing disease, and protecting the environment so that all in Virginia Beach are empowered to achieve optimal health and well-being.

On May 14, 2019, the City Council adopted the following amendment for the Department of Public Health Operating Budget:

- Add $77,889 in State revenue and authorize an additional position to support the Healthy Families program.

Department Overview

The Virginia Beach Department of Public Health (VBDPH) operates under a cooperative agreement between the City of Virginia Beach and the Commonwealth of Virginia. It provides a wide range of health services to the Virginia Beach population. The department has a total of 115.38 FTE's, of which 6.38 are fully City-funded. The City is required to provide a 45% match to State funding for the VBDPH 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.



The VBDPH also provides the following non-mandated services to residents:

Dental Program
Provides free and low-cost dental services for eligible children and teenagers ages 6 months to 18 years. Services include cleanings, fillings, sealants, x-rays, restorations, and extractions. This program is completely funded by the City, and patients must be residents of the City of Virginia Beach to qualify for services.

Healthy Families 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.

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
Issues needed laboratory tests required to support the various health department clinics.

Key Performance Measures

The graphic below illustrates how Public Health and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Age Adjusted Mortality Rate	675.6	667.6	N/A
Infant Mortality Rate	5.1%	N/A	N/A
Overall Satisfaction with City services	94.0%	94.0%	90.8%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Total Number of Services Provided to elderly citizens	2,094	1,495	1,881	3,200	3,200
Total Number of unduplicated immunization clients	2,602	2,615	2,347	3,000	3,000
Total Number of children's dental visits	1,037	696	797	1,000	1,000
Total Number of expectant mothers served	105	78	62	100	100
Number of Restaurants in Virginia Beach inspected annually	4,995	4,769	4,863	4,500	4,500

Trends and Issues

→ Beginning in FY 2018-19, the Virginia Beach Department of Health and the Norfolk Department of Public Health have deployed a joint-services delivery model. This arrangement will extend the coverage area of the Norfolk District's Health Director in to the City of Virginia Beach to handle all medical matters of the two health districts. In addition, a Chief Operating Officer will be hired to oversee all administrative matters of the districts. This model has been successful in many districts across the state and mitigates challenges presented by the limited talent pool available for hiring a director based on the State's requirement for a medical doctor to be the head of the Department of Health in each locality.

→ The Opioid epidemic continues to be a public health crisis. In calendar year 2017, the City of Virginia Beach's mortality rate from Fentanyl and/or Heroin overdoses was 10.4 per 100,000 residents, a decrease from 12.4 in 2016. The State of Virginia has a rate of 11.0 per 100,000 residents. Prescription Opioid overdoses in the City increased to 7.5 per 100,000 in 2017 from 6.4 in 2016. The Virginia Beach Department of Public Health is collaborating with the community by providing the REVIVE! Lay Rescue Training. The department trained 175 individuals in 2018 on how to appropriately respond to an opioid overdose.

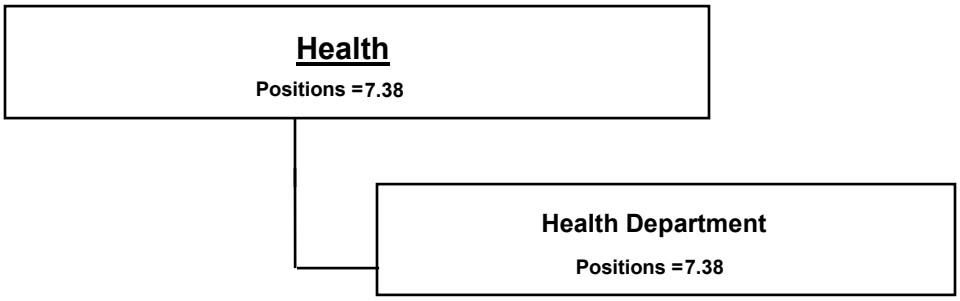
Major Budget Changes

	Change	Impact
↓	Reduction of 2.70 FTEs $162,261	A total of three Nurse II positions have been eliminated from the Department's City budget. Two of these three positions are a part of the Nursing Home Pre-Admission Screening program performed by the department, and have been converted to State positions. The third position was vacant and the supported Senior Services program, was no longer needed due to realignment of existing staff within the department.
↑	Cooperative Agreement City Match $77,549	An additional $77,549 has been appropriated to support the City's required 45% match to the State Health Department's FY 2019-20 budget. This funding supports a wide array of mandated services such as childhood immunizations, communicable disease treatment and prevention, family planning services, pregnancy testing, and food service inspections.

Health - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Public Health	3,309,859	3,486,963	3,479,631	(7,332)
Total Expenditures	3,309,859	3,486,963	3,479,631	(7,332)
Revenues				
State	216,026	170,099	210,099	40,000
Federal	138,664	0	0	0
Total Revenues	354,690	170,099	210,099	40,000
General City Support	2,955,169	3,316,864	3,269,532	(47,332)
183 Grants Consolidated Fund				
Expenditures				
Health Department Grants	132,620	0	0	0
Total Expenditures	132,620	0	0	0
General City Support	132,620	0	0	0
Total Department Expenditure	3,442,479	3,486,963	3,479,631	(7,332)
Total Department Revenue	354,690	170,099	210,099	40,000
Total General City Support	3,087,788	3,316,864	3,269,532	(47,332)
Position Summary by Program				
002 General Fund				
Public Health	9.08	9.08	7.38	-1.70
Total	9.08	9.08	7.38	-1.70
Total Position Summary	9.08	9.08	7.38	-1.70
Expenditure Category by Department				
Operating	2,882,258	2,977,047	3,054,087	77,040
Personnel	560,220	509,916	425,544	(84,372)
Total Expenditures:	3,442,479	3,486,963	3,479,631	(7,332)
Revenue Category by Department				
Other Sources from the Commonwealth	216,026	170,099	210,099	40,000
Revenue from the Federal Government	138,664	0	0	0
Total Revenue:	354,690	170,099	210,099	40,000

City of Virginia Beach
Fiscal Year 2020 Department Organizational Chart



HOUSING AND NEIGHBORHOOD PRESERVATION

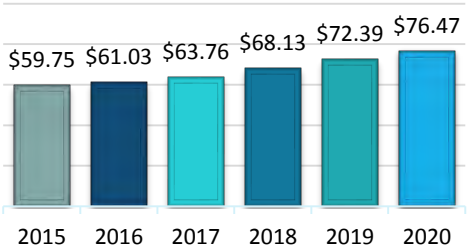
The Department of Housing and Neighborhood Preservation's mission is to create quality solutions that expand housing opportunities and promote vibrant, well maintained neighborhoods.

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.

Budget Per Capita



Rental Housing

This division administers various rental subsidy programs that provide affordable rental housing, mainly the Federal Section 8 Housing Choice Voucher Program. It also administers family self-sufficiency, portability, project-based HUD vouchers, home-funded tenant-based rental assistance, Community Development Block Grant (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 and housing counseling services related to the Section 8 program are provided for existing renters and for those seeking rental housing.

Housing Development

This division is responsible for managing all aspects of homeowner rehabilitation programs, and the development and coordination of new housing programs and the City's neighborhood revitalization strategy. The division also seeks and utilizes other sources of funding for housing improvements, works closely with housing development organizations seeking to create new housing in the City, and coordinates with the Planning department for the review of proposed housing developments.

Homeless Services

This division is 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 non-profits, 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 new Housing Resource Center and all of 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. 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

The graphic below illustrates how Housing and Neighborhood Preservation and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Revitalize Neighborhoods and Plan for the Future

Means to Residents: Upgraded older, aging homes and buildings

- Percent of residents who agree that the houses in their neighborhood are well maintained
- Percent of residents who are satisfied with the overall appearance of their neighborhood
- Building maintenance code violations cited
- Property maintenance code violations cited

Means to Residents: Safe homes & buildings in the city

- Percent of residents who agree that Virginia Beach is a good place to live
- Certificates of compliance issued

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Residents who agree that the houses in their neighborhood are well maintained	88.7%	90.5%	N/A
Residents who are satisfied with the overall appearance of their neighborhood	90.4%	89.9%	N/A
Residents who agree that Virginia Beach is a good place to live	96%	94.1%	N/A

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Unique properties inspected	20,036	16,933	18,326	17,630	17,978
Code violations corrected	36,230	29,744	30,851	30,298	30,574
Building maintenance code violations cited	10,383	7,815	7,548	7,682	7,615
Property maintenance code violations cited	19,180	14,610	14,850	14,730	14,790
Unsafe equipment violations cited	696	644	796	720	758
Waste management violations cited	2,620	2,025	2,842	2,434	2,638
Inoperable vehicle violations cited	5,078	2,423	2,973	2,698	2,836
Nuisance cases abated by contractor	5,078	381	596	489	542
Graffiti cases abated by contractor	65	81	71	76	74
Inoperable vehicles towed	98	124	290	207	249
Certificate of compliance inspections	1,047	1,051	1,030	1,041	1,035
Households provided long-term housing stability	1,866	2,266	2,439	2,473	2,433
Affordable housing units created or preserved	185	107	6	41	42
Homes improved or provided rehab or emergency repairs	46	24	14	40	70
Disaster relief homes improved or provided rehab repair	N/A	N/A	N/A	15	30
Years of housing stability created	8,308	5,836	2,829	4,528	5,193
Persons who became homeless for the first time	N/A	50	689	550	300
Permanent supportive housing units available	253	263	293	317	400
Persons accessing the system	N/A	15,000	8,000	8,000	8,000

Length of time person remain homeless in emergency shelters and transitional housing programs	N/A	77	77	77	60
Homeless persons sheltered	845	845	845	820	700
Households served with day support	583	594	594	624	600
Homeless persons who have an increase in earned income	45%	45%	17%	25%	30%
Persons from street outreach successfully placed into housing or shelter	45%	45%	45%	45%	50%
Sheltered persons successfully placed into permanent housing	61%	67%	80%	85%	88%

Trends and Issues

→ The Housing Resource Center (HRC) opened in September 2018 and is performing all its expected functions to serve the homeless and at-risk population of Virginia Beach. Its operation has created new opportunities to further serve these populations although its impact on homelessness has yet to be fully realized since it has been operational for less than a year. As of January 2018, there were 243 persons identified as completely homeless in Virginia Beach in the point-in-time count which was down approximately 50% from five years ago. Determining the impact that the Housing Resource Center and its various programs has on this trend will be a key factor to determine what the future resource needs of the department will be.

→ The Neighborhood Revitalization: The Department of Housing and Neighborhood Preservation (DHNP) is leading multi-department efforts to develop programs and activities that are part of an overall housing strategy. In addition, DHNP and the City's Planning Department are co-leading the Neighborhood Revitalization strategic goal initiative to develop a neighborhood revitalization strategy to address one of the City Council's goals. This work is intertwined and inter-connected. Key elements of it include: new housing investment programs to support and spur reinvestment, disaster recovery and hazard mitigation for low and moderate income homeowners; new land use and development policies that allow and/or incentivize new types, styles and densities of development, in appropriate locations, to help bring new housing that is attractive and affordable to new generations of buyers; a pilot neighborhood revitalization project; a new approach to citizen engagement; and new incentives for preferred development types.

→ Federal funding for housing related programs has stabilized and begun to slightly increase over the past few years ending a long trend of decreased funding. Starting in FY 2002-03, federal funding from the Office of Community Planning and Development decreased from $5.9M to a low of $3.7M in FY 2015-16. Since that time, the funding stream has stabilized and increased to a FY 2017-18 total of $4.1M. This increase in funding will help enhance the services offered to the homeless and at-risk populations of Virginia Beach and help ensure that all citizens have access to safe, affordable housing.

Major Budget Changes

	Change	Impact
↑	Housing Resource Center cost increases $852,000	This funding will annualize the revised cost of operating the Housing Resource Center. Previous cost estimates were calculated before the final bids had been received by external vendors for some of the services provided at the HRC. The largest cost variance was caused by the operations and maintenance contract which covers janitorial, maintenance, and linen services, food for residents, on-site security, and monthly pest control services.

↑	Expansion of the family shelter program $42,285	An expansion of the HRC's family shelter program has been funded in this budget which will increase the staff presence on-site from Monday through Friday, 8 am to 8 pm to 24/7 coverage. Currently, security is the only staff present at the HRC after normal hours of operation. This funding will ensure that trained staff is available to handle incidents such as residents locking themselves out of their rooms.

Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Code Enforcement	1,907,180	1,925,763	1,972,698	46,935
Housing Resource Center	751,792	3,353,515	4,300,412	946,897
Total Expenditures	2,658,971	5,279,278	6,273,110	993,832
Revenues				
Fees	180,653	177,800	207,800	30,000
Total Revenues	180,653	177,800	207,800	30,000
General City Support	2,478,318	5,101,478	6,065,310	963,832
145 Workforce Housing Revolving SRF				
Revenues				
Fees	36	0	0	0
Total Revenues	36	0	0	0
General City Support	(36)	0	0	0
146 State Rental Assistance Program				
Expenditures				
State Rental Assistance Program (SRAP)	357,785	690,131	876,912	186,781
Reserve for Contingencies	0	70,078	89,354	19,276
Total Expenditures	357,785	760,209	966,266	206,057
Revenues				
Fees	5,977	0	0	0
State	782,522	760,209	966,266	206,057
Total Revenues	788,499	760,209	966,266	206,057
General City Support	(430,714)	0	0	0
147 Federal Section 8 Program Special Revenue Fund				
Expenditures				
Mainstream Vouchers	1,369,916	0	0	0
VASH Vouchers	931,133	0	0	0
Section 8 Operating	1,628,350	1,661,181	1,669,418	8,237
Cloverleaf SRO Vouchers	130,638	132,628	132,259	(369)
Portability Payments	3,022,557	3,500,000	3,523,000	23,000
Section 8 Vouchers - Housing Choice	14,149,895	16,699,672	16,524,022	(175,650)
Reserve for Contingencies	0	9,915	38,344	28,429
Total Expenditures	21,232,489	22,003,396	21,887,043	(116,353)
Revenues				
Fees	3,136,734	3,627,000	3,735,855	108,855
Federal	17,778,853	18,232,670	18,044,601	(188,069)
Transfers	141,821	143,726	74,742	(68,984)
Fund Balance	0	0	31,845	31,845
Total Revenues	21,057,408	22,003,396	21,887,043	(116,353)
General City Support	175,080	0	0	0

Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
180 Community Development Special Revenue Fund				
Expenditures				
Certificate of Compliance Program	637,988	577,414	654,528	77,114
Rehabilitation and Construction	417,287	468,711	434,160	(34,551)
Director's Office	561,170	653,093	658,924	5,831
Reserve for Contingencies	0	9,644	47,322	37,678
Transfer to Other Funds	350,930	128,858	128,858	0
Total Expenditures	1,967,374	1,837,720	1,923,792	86,072
Revenues				
Federal	1,636,176	1,289,468	1,415,924	126,456
Transfers	539,999	548,252	507,868	(40,384)
Total Revenues	2,176,175	1,837,720	1,923,792	86,072
General City Support	(208,801)	0	0	0
181 CD Loan and Grant Fund				
Expenditures				
Loan and Grants	565,641	791,115	824,476	33,361
Total Expenditures	565,641	791,115	824,476	33,361
Revenues				
Fees	260,238	120,000	120,000	0
Federal	103,802	534,849	584,908	50,059
Transfers	358,338	136,266	119,568	(16,698)
Total Revenues	722,378	791,115	824,476	33,361
General City Support	(156,736)	0	0	0
182 Federal Housing Assistance Grant Fund				
Expenditures				
Federal HOME Grants	645,374	863,028	1,195,294	332,266
Reserve for Contingencies	0	545	2,361	1,816
Total Expenditures	645,374	863,573	1,197,655	334,082
Revenues				
Fees	77,891	75,000	75,000	0
Federal	1,144,885	788,573	1,122,655	334,082
Total Revenues	1,222,776	863,573	1,197,655	334,082
General City Support	(577,402)	0	0	0

Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
183 Grants Consolidated Fund				
Expenditures				
Housing Grants	1,181,132	1,345,599	1,524,127	178,528
Housing Grants - ESG	156,566	160,067	164,230	4,163
COC Permanent Housing Bonus	37,628	41,995	41,208	(787)
Total Expenditures	1,375,325	1,547,661	1,729,565	181,904
Revenues				
Federal	1,302,922	1,546,722	1,729,565	182,843
Transfers	0	939	0	(939)
Total Revenues	1,302,922	1,547,661	1,729,565	181,904
General City Support	72,403	0	0	0
910 Parking Meters - Homeless Donation Fund				
Expenditures				
Parking Meter Donations	400	1,000	1,000	0
Total Expenditures	400	1,000	1,000	0
Revenues				
Fees	222	1,000	1,000	0
Total Revenues	222	1,000	1,000	0
General City Support	178	0	0	0
Total Department Expenditure	28,803,359	33,083,952	34,802,907	1,718,955
Total Department Revenue	27,451,070	27,982,474	28,737,597	755,123
Total General City Support	1,352,289	5,101,478	6,065,310	963,832

Position Summary by Program

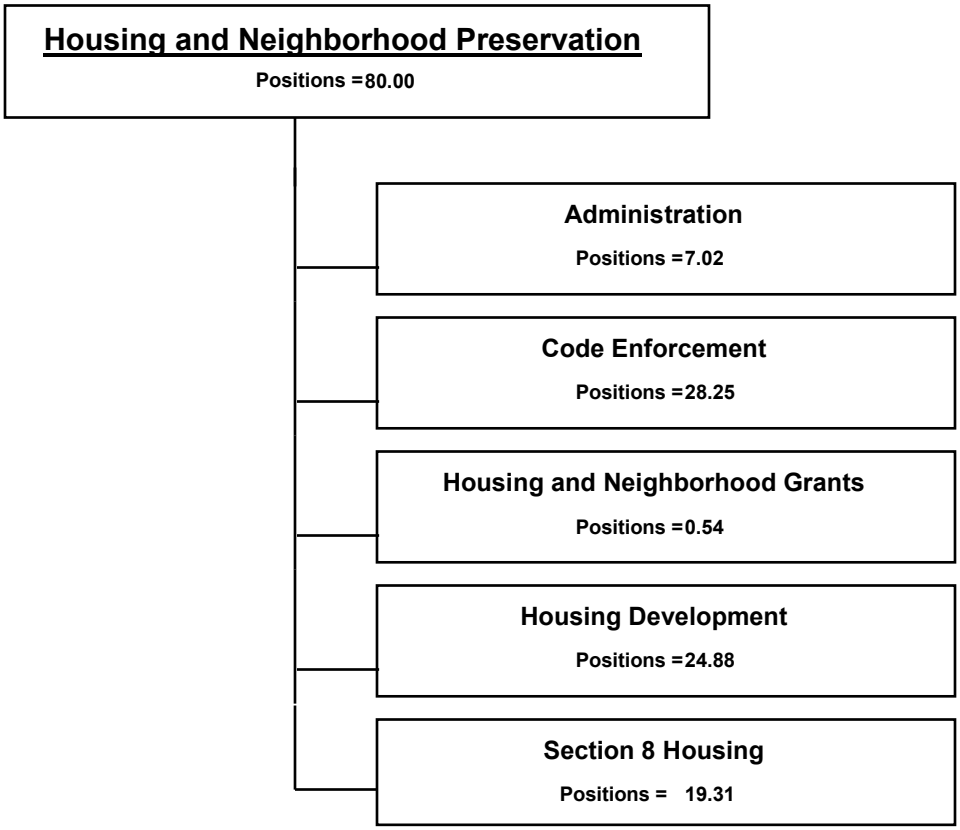
002 General Fund				
Code Enforcement	20.20	21.00	20.00	-1.00
Housing Resource Center	19.21	18.26	18.33	0.07
Total	39.41	39.26	38.33	-0.93
146 State Rental Assistance Program				
State Rental Assistance Program (SRAP)	0.78	0.63	0.62	-0.01
Total	0.78	0.63	0.62	-0.01
147 Federal Section 8 Program Special Revenue Fund				
Section 8 Operating	18.44	18.58	18.48	-0.10
Cloverleaf SRO Vouchers	0.20	0.19	0.21	0.02
Total	18.64	18.77	18.69	-0.08
180 Community Development Special Revenue Fund				
Certificate of Compliance Program	8.02	7.22	8.25	1.03
Rehabilitation and Construction	4.62	5.65	5.61	-0.04
Director's Office	5.49	6.49	6.41	-0.08
Total	18.13	19.36	20.27	0.91

Housing and Neighborhood Preservation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
182 Federal Housing Assistance Grant Fund				
Federal HOME Grants	0.90	0.89	0.94	0.05
Total	0.90	0.89	0.94	0.05
183 Grants Consolidated Fund				
Housing Grants	0.40	0.40	0.48	0.08
Housing Grants - ESG	0.15	0.15	0.13	-0.02
COC Permanent Housing Bonus	0.59	0.54	0.54	0.00
Total	1.14	1.09	1.15	0.06
Total Position Summary	79.00	80.00	80.00	0.00

Expenditure Category by Department				
Capital	902	0	1,000	1,000
Operating	23,097,645	26,760,610	28,400,161	1,639,551
Personnel	5,353,883	6,104,301	6,092,780	(11,521)
Reserves	0	90,183	180,108	89,925
Transfers	350,930	128,858	128,858	0
Total Expenditures:	28,803,359	33,083,952	34,802,907	1,718,955

Revenue Category by Department				
Charges for Services	3,294,968	3,802,800	3,941,655	138,855
From the Use of Money and Property	26,519	0	0	0
Miscellaneous Revenue	15,744	3,000	3,000	0
Non-Revenue Receipts	324,521	195,000	195,000	0
Other Sources from the Commonwealth	782,522	760,209	966,266	206,057
Revenue from the Federal Government	21,966,639	22,392,282	22,897,653	505,371
Specific Fund Reserves	0	0	31,845	31,845
Transfers from Other Funds	1,040,158	829,183	702,178	(127,005)
Total Revenue:	27,451,070	27,982,474	28,737,597	755,123

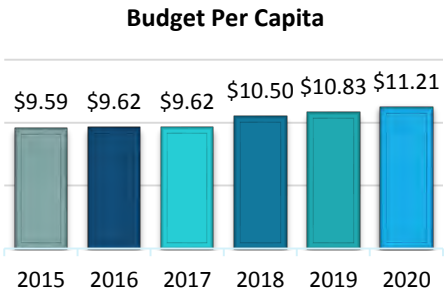

Housing and Neighborhood Preservation
Positions =80.00
Administration
Positions =7.02
Code Enforcement
Positions =28.25
Housing and Neighborhood Grants
Positions =0.54
Housing Development
Positions =24.88
Section 8 Housing
Positions = 19.31

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. Significant services include:



Staffing and Compensation
Coordinates and oversees the City's recruitment, test administration, selection processes, employee personnel records, 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, 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

The graphic below illustrates how the Human Resources Department and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of residents who are satisfied with the Courtesy of City Employees	91%	91%	85.8%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of Participants attending Learning & Development instructor led courses	9,685	8,912	9,493	9,493	9,493
Number of Participants attending Learning and Development e-learning courses	1,408	1,369	1,247	1,247	1,247
Number of participants attending Occupational Health and Safety Training	4,400	3,426	3,921	3,921	3,921
Number of Medical exams/nursing services	7,009	6,931	8,664	8,664	8,664
Number of employee injuries reported	1,064	1,146	1,150	1,150	1,150
Number of full-time positions filled	1097	1410	1529	1529	1529

Trends and Issues

→ **Continuing Efficiency through Deployment of Technology**

- Human Resources continues to review and revise pay policies as well as engage in the procurement process to prepare for implementation of a Time and Attendance System. This system will provide scheduling and payroll efficiencies while ensuring appropriate compliance with federal timekeeping standards.
- In partnership with Finance and IT, Human Resources is vetting consultants to assist with needs requirements and review of the Human Resource Management and Payroll platforms.
- The department is continuing to pursue technology to automate and capture environmental conditions associated with each classification at the position classification number level. This will identify and possibly mitigate risk management liabilities, identify safety related training needs, identify factors that could cause work related injuries, facilitate legal actions associated with workman's compensation, and comply with the American with Disabilities Act (ADA), including the 2008 amendments to the Act.
- During the past fiscal year the Taleo Applicant Tracking System (ATS) has been updated and redesigned to provide greater mobile access. Taleo Learn has been redesigned to facilitate ease in online search and enrollment.
- Human Resources is currently collaborating with IT on a Beachnet intranet redesign for improved navigation and responsiveness.

→ **Enhancement of Employee Benefits**

- With the implementation of the Leave Donation Program the organization has seen an increase in sick leave donations (versus usage of the former Sick Leave Bank). Since April 2018, 180 employees have applied for donations.
- Based on employee feedback, Human Resources proposed an increase in Paid Time off (PTO) accruals for hybrid employees (Virginia Retirement System eligible members hired on or after January 1, 2014). This budget proposes an annual increase of 1.5 days per year and a carryover (year to year) increase of 7 additional days.

→ **Employee Safety and Wellness**

- There has been over a 25% increase in patient visits to the Occupational Health Clinic during the past year due to increases in Family Medical Leave cases, an aging workforce, increases in injuries on and off the job requiring return to work case management and increasing applications for disabilities (ADA) processing.
- OSHA site inspections have increased by 33% over the past year. In collaboration with the City Attorney's Office, OSHS worked with departments to identify safety sensitive positions and designate them as such. This ensures the City is compliant with state and federal regulations as related to employee physicals and drug testing.

→ **Modernization of Training Facility**

- The training rooms in Building 19 were originally outfitted with equipment in 2003. Much of the equipment is well past life expectancy, or is no longer supported/compliant with newer standards. Building 19 is one of the few locations at the Municipal Center that can accommodate larger crowds and is used to hold training events as well as joint meetings of the City Council and the School Board. Updated technology will allow for expanded services such as streaming video, hosting and joining remote trainings/meetings, and improved connectivity.

Major Budget Changes

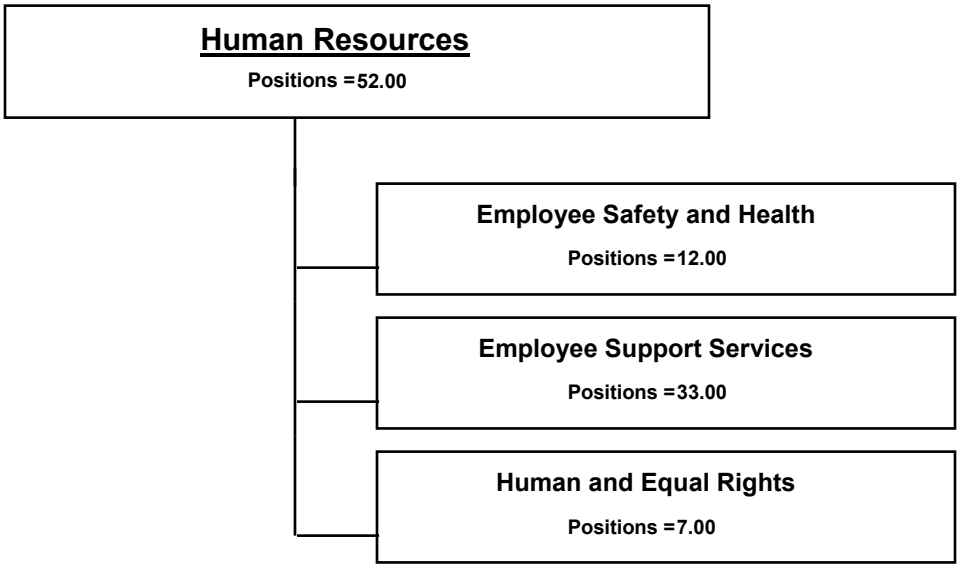
	Change	Impact
↑	Funding for OSHS equipment $30,000	This funding will replace and purchase Automatic External Defibrillators (AEDs) for buildings citywide.
↑	FMLA Support $46,914 FTE: 1.0	This position will decrease the burden of administration on department staff and ensure proper oversight is maintained over FMLA cases to avoid the risk of non-compliance with the law.
↑	Inclusion and Diversity Support $70,339 FTE: 1.0	This position will assist in developing creative initiatives, designed to ensure the City is a highly culturally competent organization that recruits and retains talented applicants of various cultural, racial and ethnic backgrounds. Proactive recruitment, particularly in a relatively tight labor market, is necessary to recruit diverse and quality talent to fill current and future vacancies.

Human Resources - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	393,338	493,031	553,322	60,291
Employee Relations	473,000	544,642	586,874	42,232
Staffing and Compensation Services	1,292,156	1,367,212	1,399,262	32,050
Learning and Development	792,347	807,562	799,253	(8,309)
HR Police Services	122,329	120,093	125,042	4,949
Member Communications	114,821	121,042	122,316	1,274
Human Rights Commission	75,665	88,030	89,043	1,013
Occupational Safety	146	0	0	0
Occupational Health	409	0	0	0
Occupational Safety and Health Services	1,342,655	1,400,802	1,427,250	26,448
Total Expenditures	4,606,868	4,942,414	5,102,362	159,948
Revenues				
Fees	9,479	7,750	5,950	(1,800)
Transfers	29,800	35,000	33,750	(1,250)
Total Revenues	39,279	42,750	39,700	(3,050)
General City Support	4,567,588	4,899,664	5,062,662	162,998
Total Department Expenditure	4,606,868	4,942,414	5,102,362	159,948
Total Department Revenue	39,279	42,750	39,700	(3,050)
Total General City Support	4,567,588	4,899,664	5,062,662	162,998
Position Summary by Program				
002 General Fund				
Director's Office	3.00	4.00	5.00	1.00
Employee Relations	7.00	7.00	8.00	1.00
Staffing and Compensation Services	17.00	17.00	17.00	0.00
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 and Health Services	12.00	12.00	12.00	0.00
Total	49.00	50.00	52.00	2.00
Total Position Summary	49.00	50.00	52.00	2.00
Expenditure Category by Department				
Capital	38,967	5,000	3,803	(1,197)
Operating	933,960	915,021	926,751	11,730
Personnel	3,633,941	4,022,393	4,171,808	149,415
Total Expenditures:	4,606,868	4,942,414	5,102,362	159,948

Human Resources - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	88	0	0	0
From the Use of Money and Property	2,026	1,200	1,200	0
Miscellaneous Revenue	7,366	6,550	4,750	(1,800)
Transfers from Other Funds	29,800	35,000	33,750	(1,250)
Total Revenue:	39,279	42,750	39,700	(3,050)


Human Resources
Positions =52.00
Employee Safety and Health
Positions =12.00
Employee Support Services
Positions =33.00
Human and Equal Rights
Positions =7.00

HUMAN SERVICES

The mission of the Department 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.

On May 14, 2019, the City Council adopted the following amendment for the Human Services Operating Budget:

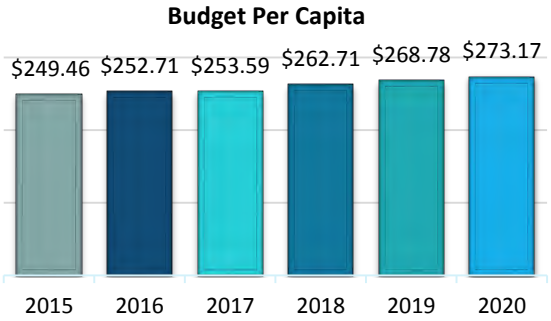
- Increase 1.75 positions and $98,620 for continuation of funding based on City Council action on March 19, 2019.

Department Overview

The Department of Human Services (DHS) 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 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

The graphic below illustrates how Human Services and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of Citizens Satisfied with Mental Health/Intellectual Disability Services	81.0%	81.0%	68.3%
Percent of Citizens Satisfied with the Services for Needy or Homeless Families	72.5%	72.5%	54.8%
Percent of Residents who agree that Virginia Beach is a Safe Place to live	94.0%	94.0%	88.2%
Percent of Residents who agree that My neighborhood is a Safe Place to live	90.2%	90.2%	86.4%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Clients with Developmental Disabilities in Residential Services	67	55	52	57	57
Individuals Admitted to Pathways to Recovery Center	696	795	734	790	750

Individuals served with Behavioral Health Emergency Services	3,223	2,767	2,850	2,900	2,900
Households Assisted by SNAP at Year-End	22,490	20,900	18,471	18,000	18,000
Case Opened to TANF by Year-End	648	756	871	850	850
Number of Child Protective Service Complaints Assessed	1,253	1,254	1,313	1,300	1,300
Number of Juvenile Offenders Detained in Temporary & Safe Custody	290	333	350	350	350

Trends & Issues

→ In FY 2019, DHS embarked on the first year implementation of 3-5 year strategic plan that focuses on four main components: service integration, access to services, communication and community engagement, and talent acquisition and development. Highlighted accomplishments in this past fiscal year include opening and staffing the Housing Resource Center, implementation of Opioid treatment and recovery programs, and launching, in conjunction with public safety departments, two coordinated behavioral health response pilot projects. The goal of these projects are to reduce the incarceration of individuals with mental illness who would be better served with behavioral health treatments.

→ DHS has contracted with Welligent to replace the aging electronic health record utilized by Department of Behavioral Health and Developmental Services (DBHDS) with a state-of-the art comprehensive health record (CHR). The anticipated 18-month system implementation process kicked off in January 2019 in partnership with the Virginia Beach Information Technology Department, and is expected to go live in early 2020. The key areas addressed by upgrading include:

- Compliance with DBHDS data submission requirements
- Compliance with Medicaid service billing rules
- More in-house control over system settings
- Timely modifications to CHR in response to state changes with quick deadlines
- Gains in anticipated documentation time, allowing more time for direct service provision

→ Effective January 1, 2019, the Virginia General Assembly adopted the expansion of Medicaid. In the first few months of enrollment, 10,637 previously ineligible Virginia Beach citizens gained coverage. In order to initially fund expansion costs, the State reduced support to the Virginia Department of Behavioral Health and Developmental Services, and therefore allocations to local Community Services Boards. At the same time, the Virginia Department of Social Services increased funding to local Social Services departments for additional staffing to assist in enrolling newly eligible recipients.

→ As the State continues to implement Medicaid expansion and evaluate expansion's effects, the distribution of health related funding could be reallocated in future budgets. To this end, the new State budget called for reports to be conducted for the General Assembly's review on the impact of the reduction in funds to Community Services Boards. These reports will also cover projected savings realized due to expansion, as well as the actual rates of Medicaid reimbursement payments realized by Community Services Boards. Depending on the outcomes of the report, the General Assembly has committed to consider funding adjustments in the 2020 session of the legislature.

→ Effective July 1, 2019, §37.2-500 of the Code of Virginia adds same-day mental health screening services as well as outpatient primary care screening and monitoring to the list of Community Service Board mandated services. This will provide patients same-day access to adult and child outpatient clinics for basic health services such as screenings and physical health indicator monitoring such as BMI and diabetes testing. However, filling clinical positions will be a challenge due to a nationwide shortage of psychiatrists, highly competitive regional

compensation for nurses and doctors, and limited numbers of college students who select behavioral health career paths.

→ Effective July 1, 2021, a number of services, in addition to those in effect on July 1, 2019, will be required to be provided. These include:
- Behavioral Health Crisis Services
- Outpatient Behavior Health
- Psychiatric Rehabilitation
- Peer/Family Support Services
- Veterans Behavioral Health
- Care Coordinator
- Targeted Case Management

→ In the recently adopted State Budget, the Virginia General Assembly agreed to provide statewide funding in FY 2020 to help "accelerate the provision of crisis services." The allocation and distribution of this funding is yet to be determined.

→ SNAP and Medicaid Benefits: DHS must comply with state and federal timeframes for processing applications for public assistance to ensure timelines in the distribution of benefits to residents. At present, there is increased scrutiny from state lawmakers regarding Medicaid care programs and costs. SNAP active caseloads decreased beginning FY 2016-17.

SNAP and Medicaid Recipients by Fiscal Year

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
SNAP Active Households	25,071	25,434	24,250	22,490	20,990	18,471
Medicaid Recipients	51,350	52,599	58,235	58,035	61,271	61,472

There are 2 factors contributing to the decline in SNAP benefits: 1) Improved economic conditions; and 2) SNAP polices that add work requirement for able-bodied adults and limits the duration of benefits. There has been interest at the federal level in imposing further restrictions on SNAP eligibility, yet these proposals were not included in the final edition of the multi-year Farm Bill that passed Congress in late 2018. Even so, during periods of government shutdowns, SNAP is subject to significant drains on its resources.

Major Budget Changes

	Change	Impact
↑	Comprehensive Health Record (CHR) +$2,899,614	Year two of operational costs related to the department's new Comprehensive Health Record is funded in this year's budget. This includes $2,400,000 in revenue loss associated with Human Services' staff being reallocated during the implementation period from service delivery to system testing and training. In addition, $499,614 is required to hire contracted manpower to replace the temporarily reassigned full-time staff during the duration of this project as well as some hardware costs attached to the project. Because this revenue loss and additional expenditures are a one-time costs, the City will fund these needs through the use of General Fund fund balance.
↓	State Cuts and Partial Position Restoration	Due to state cuts outlined in the "Trends & Issues" section above, a number of FTEs that were previously funded through the use of state

	-$576,407 -11.75 FTEs	funds will be eliminated due to funding constraints. These include a mixture of full and part time positions. Most of the positions that will be cut relate to the anticipated closure of the Harbour Adult Psychiatric Rehabilitation Program. The City will assume the costs of some programs and staff members that were previously funded through the use of state funds. In particular, four FTEs will be retained in this year's budget with an increase in City funds to cover their salaries and two new positions will be created to offset two positions that were eliminated. The FTEs that are to be retained include two Family Service Specialists and two Juvenile Detention Counselors, while new positions are two BH/DS Clinicians. The cost of these positions to the City General Fund is $391,660. When deducting the amount restored to DHS through added City support, state revenue cuts will result in a net reduction to DHS of $576,407.
↓	Part-Time Position Adjustments -1.15 FTEs	Annually, the Department of Human Services makes adjustments to the hours to be worked by their part-time personnel. These adjustments cover a range of different positions and functions within the Department. In FY 2019-20, the Department of Human Services total net change through part-time position adjustments will equal a reduction of 1.15 FTEs.
↑	Housing Resource Center Costs +$99,856	Operational costs for the Housing Resource Center have increased from estimates made prior to the opening of the facility. The majority of these enhanced costs are in the areas of security, cleaning services, utilities, and records management.
↑	Same Day Access Program +$49,397 +6.0 FTEs	In accordance with the department's strategic plan, six contracted case management staff members will be converted into City FTEs, and two existing City FTEs will be reclassified to enhance Same Day Access to Rehabilitative and Community Services. This program, which now exists at all CSBs statewide as a result of state code changes addressed in the "Trends and Issues" section above, provides clinical assessments to any individuals on the same day they seek services from a local CSB. There is additional revenue with this program that offsets a part of the added expenses.
↑	Intellectual and Developmental Disability Case Management +$47,111 +2.25 FTEs	Due to enhanced United States Department of Justice requirements as a result of a settlement between the federal government and the Commonwealth of Virginia, additional staff are needed for an expansion of Intellectual and Developmental Disability Case Management and ensuring 24/7 operation of Point of Entry crisis access. There is additional revenue with this program that offsets a part of the added expenses.

Human Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Central Administraton	1,416,251	1,282,051	1,321,746	39,695
Information Technology Services	26,793	0	0	0
Reimbursement	748,134	886,354	892,824	6,470
Quality Assurance	2,076,887	3,052,405	3,375,250	322,845
Personnel	880,105	3,725,652	3,668,485	(57,167)
Accounts Payable	365,042	334,973	860,087	525,114
Transportation	1,430,130	1,559,010	1,702,043	143,033
Facilities and Fleet Management	480,868	470,023	656,686	186,663
Payroll	0	204,433	206,358	1,925
BHDS Administration	522,072	668,398	467,230	(201,168)
BH Program Support	229,216	250,885	225,080	(25,805)
Senior Adult Services	239,146	234,361	150,574	(83,787)
Adult Outpatient Services	5,055,185	5,994,153	6,673,295	679,142
Community Rehabilitation	1,431,517	1,443,676	1,472,933	29,257
Emergency Services	1,526,262	1,784,050	1,730,821	(53,229)
Child and Youth Services	3,015,138	3,179,690	3,167,270	(12,420)
Residential Services	2,197,766	2,306,681	2,110,191	(196,490)
Permanent Supportive Housing	452,594	882,805	884,232	1,427
Crisis Management	968,022	875,760	1,010,109	134,349
BH Case Management	2,166,374	2,418,998	2,666,559	247,561
PATH	354,295	274,436	282,145	7,709
Harbour	823,253	840,439	208,916	(631,523)
Program of Assertive Community Treatment	1,405,861	1,715,077	1,545,473	(169,604)
Discharge Assistance Planning (DAP)	187	0	0	0
Complex Care Fund	102,238	50,000	300,000	250,000
Office of Consumer and Family Affairs	151,337	192,161	190,496	(1,665)
DS Program Support	409,026	396,766	350,848	(45,918)
DS Case Management	3,055,066	2,949,255	3,172,716	223,461
Employment Services	1,416,285	1,443,803	1,466,360	22,557
Skillquest	3,145,537	2,985,851	2,993,671	7,820
Respite Care Program	355,458	364,145	409,612	45,467
Infant Program	2,259,528	2,224,999	2,440,127	215,128
Supportive Living	2,650,576	2,697,417	2,785,567	88,150
Skilled Nursing	176,928	434,037	428,514	(5,523)
Family Support	53,568	67,757	53,757	(14,000)
Group Homes	2,805,971	2,929,522	2,849,479	(80,043)
Kentucky Avenue ICF	1,671,867	1,964,621	1,899,329	(65,292)
Early Intervention	5	0	0	0
Colby Way ICF	1,065,238	954,219	998,780	44,561
West Neck ICF Side A	2,676,232	2,976,024	3,024,162	48,138
Indian River Road ICF	2,485,045	2,669,753	2,662,188	(7,565)
West Neck ICF Side B	2,539,111	2,270,526	2,527,569	257,043
Medically Assisted Treatment OPT-R	820,853	942,586	607,334	(335,252)
Pathways at Birdneck	3,073,393	3,526,006	3,310,294	(215,712)
Adult Day Treatment Services	406,770	353,609	230,203	(123,406)
Prevention	588,811	601,512	592,287	(9,225)
Adult Drug Court	4,987	0	0	0

Human Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
002 General Fund				
Adult Correctional Services	750,813	778,185	799,150	20,965
HIV Prevention	55,202	88,876	83,514	(5,362)
Project LINK	303,164	272,689	228,747	(43,942)
Regional Opioid Recovery Program OPT-R	77,661	64,696	28,499	(36,197)
Child Services	16,421,427	16,388,324	16,690,281	301,957
Benefit Program	9,914,700	10,570,664	10,833,792	263,128
Employment Services	3,203,706	3,377,637	3,227,133	(150,504)
Adult Services	2,157,499	2,206,204	2,521,888	315,684
Social Services Administration	1,904,657	2,407,501	2,047,139	(360,362)
Benefits Fraud Investigation	0	375,378	381,256	5,878
Virginia Beach Juvenile Detention Center	5,264,167	5,507,681	5,550,631	42,950
CSA Administration and Social Services	10,254,186	10,603,063	11,471,664	868,601
Total Expenditures	110,032,107	120,019,777	122,435,294	2,415,517
Revenues				
Fees	26,427,742	26,409,794	25,110,348	(1,299,446)
State	32,274,828	31,867,225	32,609,230	742,005
Federal	20,858,707	22,189,407	21,790,618	(398,789)
Transfers	179,086	350,000	250,000	(100,000)
Fund Balance	0	98,970	3,198,584	3,099,614
Total Revenues	79,740,362	80,915,396	82,958,780	2,043,384
General City Support	30,291,745	39,104,381	39,476,514	372,133
183 Grants Consolidated Fund				
Expenditures				
Hard to Serve Grant	72,718	136,974	138,060	1,086
Community Corrections and Pre-Trial	1,768,294	1,772,263	1,784,411	12,148
Transfer to Other Funds	7,063	0	0	0
Total Expenditures	1,848,075	1,909,237	1,922,471	13,234
Revenues				
Fees	7,407	0	0	0
State	1,156,664	1,157,061	1,157,061	0
Federal	74,258	135,647	135,647	0
Transfers	642,047	616,529	629,763	13,234
Total Revenues	1,880,377	1,909,237	1,922,471	13,234
General City Support	(32,302)	0	0	0

Human Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
916 Social Services Gift Fund				
Expenditures				
Social Services - Holiday Project	0	4,930	16,164	11,234
Social Services - Pennies for Prescriptions	7,328	19,342	25,456	6,114
Social Services - Community Resources	0	328	378	50
Domestic Violence Assistance	388	6,798	11,186	4,388
Memories and Educational Milestones (MEM)	0	3,666	6,666	3,000
Total Expenditures	7,716	35,064	59,850	24,786
Revenues				
Fees	5,462	5,875	5,400	(475)
Fund Balance	0	29,189	54,450	25,261
Total Revenues	5,462	35,064	59,850	24,786
General City Support	2,255	0	0	0
Total Department Expenditure	111,887,898	121,964,078	124,417,615	2,453,537
Total Department Revenue	81,626,201	82,859,697	84,941,101	2,081,404
Total General City Support	30,261,697	39,104,381	39,476,514	372,133

Position Summary by Program

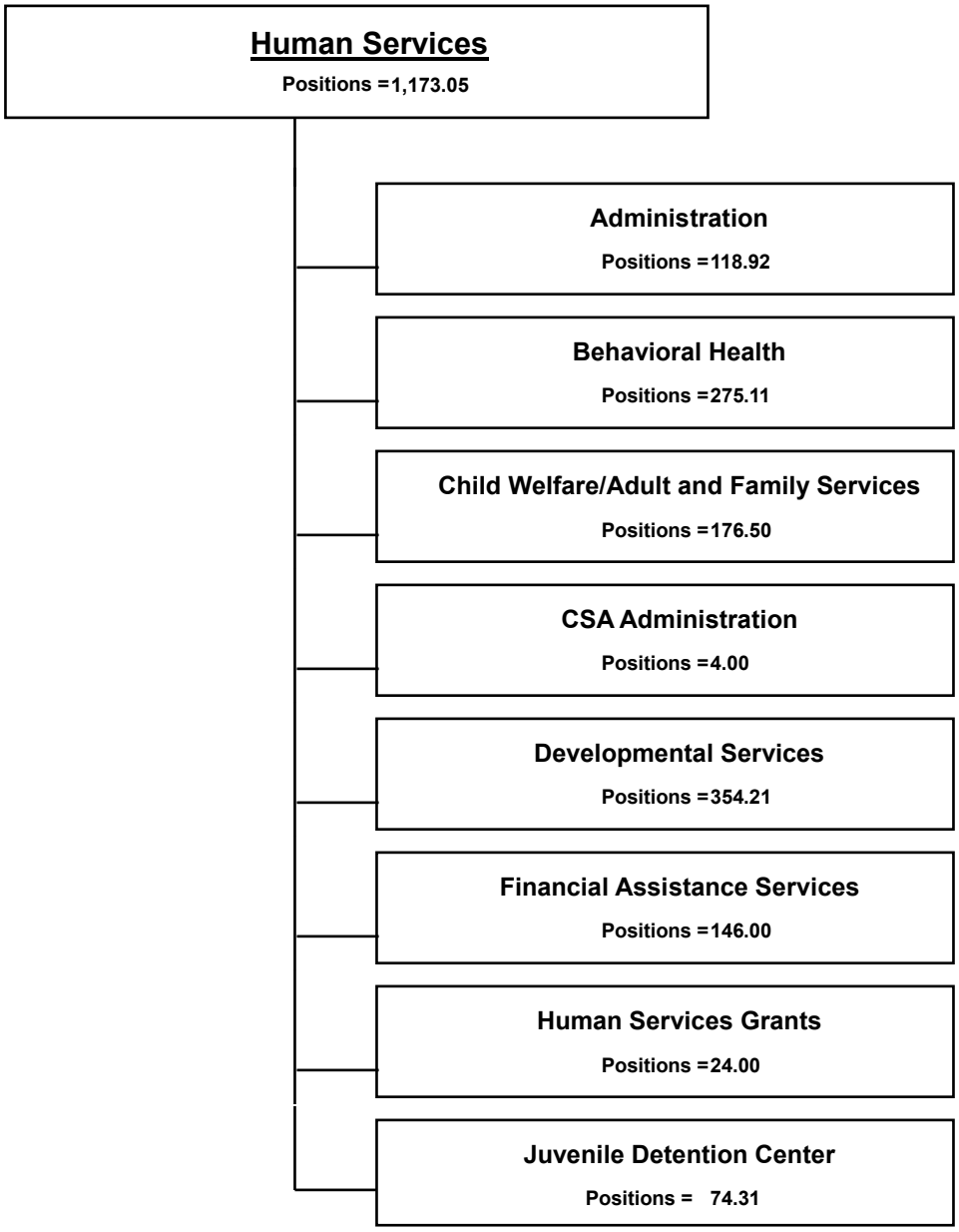
002 General Fund				
Central Administraton	9.00	9.00	10.00	1.00
Reimbursement	12.00	12.00	12.00	0.00
Quality Assurance	25.00	28.00	27.00	-1.00
Personnel	16.00	13.00	12.00	-1.00
Accounts Payable	5.00	5.00	13.00	8.00
Transportation	30.44	30.19	29.92	-0.27
Facilities and Fleet Management	9.00	8.00	11.00	3.00
Payroll	0.00	4.00	4.00	0.00
BHDS Administration	8.00	8.00	5.00	-3.00
BH Program Support	1.00	1.00	1.00	0.00
Senior Adult Services	2.63	2.63	1.63	-1.00
Adult Outpatient Services	52.82	58.12	60.97	2.85
Community Rehabilitation	17.00	17.00	17.75	0.75
Emergency Services	16.63	20.63	20.63	0.00
Child and Youth Services	32.05	31.25	31.25	0.00
Residential Services	22.04	17.04	15.38	-1.66
Permanent Supportive Housing	2.00	2.00	2.00	0.00
Crisis Management	12.25	11.25	12.50	1.25
BH Case Management	24.00	27.00	35.75	8.75
PATH	2.75	2.75	2.75	0.00
Harbour	8.63	8.75	1.00	-7.75
Program of Assertive Community Treatment	15.00	16.00	14.00	-2.00
Office of Consumer and Family Affairs	2.00	2.00	2.00	0.00
DS Program Support	4.00	4.00	3.00	-1.00
DS Case Management	35.65	35.65	36.90	1.25
Employment Services	19.00	19.00	19.00	0.00
Skillquest	41.33	41.33	41.65	0.32
Respite Care Program	4.75	4.75	5.50	0.75
Infant Program	19.45	23.65	22.50	-1.15

Human Services - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
002 General Fund				
Supportive Living	43.15	42.20	43.20	1.00
Skilled Nursing	4.00	4.00	4.00	0.00
Group Homes	39.54	40.54	39.51	-1.03
Kentucky Avenue ICF	26.55	24.85	23.35	-1.50
Colby Way ICF	11.50	12.25	13.00	0.75
West Neck ICF Side A	31.40	35.45	35.95	0.50
Indian River Road ICF	34.35	36.45	35.15	-1.30
West Neck ICF Side B	35.70	30.50	31.50	1.00
Pathways at Birdneck	29.78	31.15	30.12	-1.03
Adult Day Treatment Services	3.00	4.00	2.00	-2.00
Prevention	6.13	6.13	6.00	-0.13
Adult Correctional Services	8.75	9.75	9.75	0.00
HIV Prevention	1.00	1.00	1.00	0.00
Project LINK	2.63	2.63	2.63	0.00
Child Services	107.50	106.50	106.00	-0.50
Benefit Program	145.00	151.00	146.00	-5.00
Employment Services	40.00	41.00	37.00	-4.00
Adult Services	20.00	20.00	24.50	4.50
Social Services Administration	6.00	8.00	4.00	-4.00
Benefits Fraud Investigation	0.00	5.00	5.00	0.00
Virginia Beach Juvenile Detention Center	74.31	74.31	74.31	0.00
CSA Administration and Social Services	5.00	4.00	4.00	0.00
Total	1,124.71	1,153.70	1,149.05	-4.65
183 Grants Consolidated Fund				
Hard to Serve Grant	1.00	1.00	1.00	0.00
Community Corrections and Pre-Trial	23.00	23.00	23.00	0.00
Total	24.00	24.00	24.00	0.00
Total Position Summary	1,148.71	1,177.70	1,173.05	-4.65

Expenditure Category by Department				
Capital	17,155	18,750	224,641	205,891
Operating	36,601,750	37,146,615	38,634,752	1,488,137
Personnel	75,261,930	84,798,713	85,558,222	759,509
Transfers	7,063	0	0	0
Total Expenditures:	111,887,898	121,964,078	124,417,615	2,453,537

Revenue Category by Department				
Charges for Services	25,576,347	25,570,881	23,952,339	(1,618,542)
Miscellaneous Revenue	864,263	844,788	1,163,409	318,621
Other Sources from the Commonwealth	33,431,492	33,024,286	33,766,291	742,005
Revenue from the Federal Government	20,932,965	22,325,054	21,926,265	(398,789)
Specific Fund Reserves	0	128,159	3,253,034	3,124,875
Transfers from Other Funds	821,133	966,529	879,763	(86,766)
Total Revenue:	81,626,201	82,859,697	84,941,101	2,081,404


Human Services
Positions =1,173.05
Administration
Positions =118.92
Behavioral Health
Positions =275.11
Child Welfare/Adult and Family Services
Positions =176.50
CSA Administration
Positions =4.00
Developmental Services
Positions =354.21
Financial Assistance Services
Positions =146.00
Human Services Grants
Positions =24.00
Juvenile Detention Center
Positions = 74.31

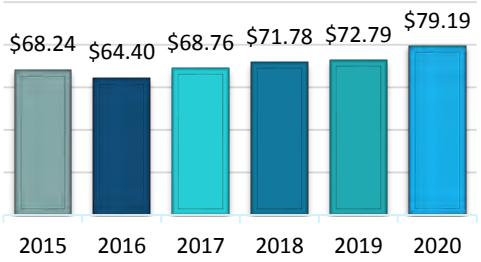
INFORMATION TECHNOLOGY

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 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:

Budget Per Capita



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 organizational mission critical business systems and 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 / Infrastructure and Operations
Provides organizational computer, server, radio, 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.

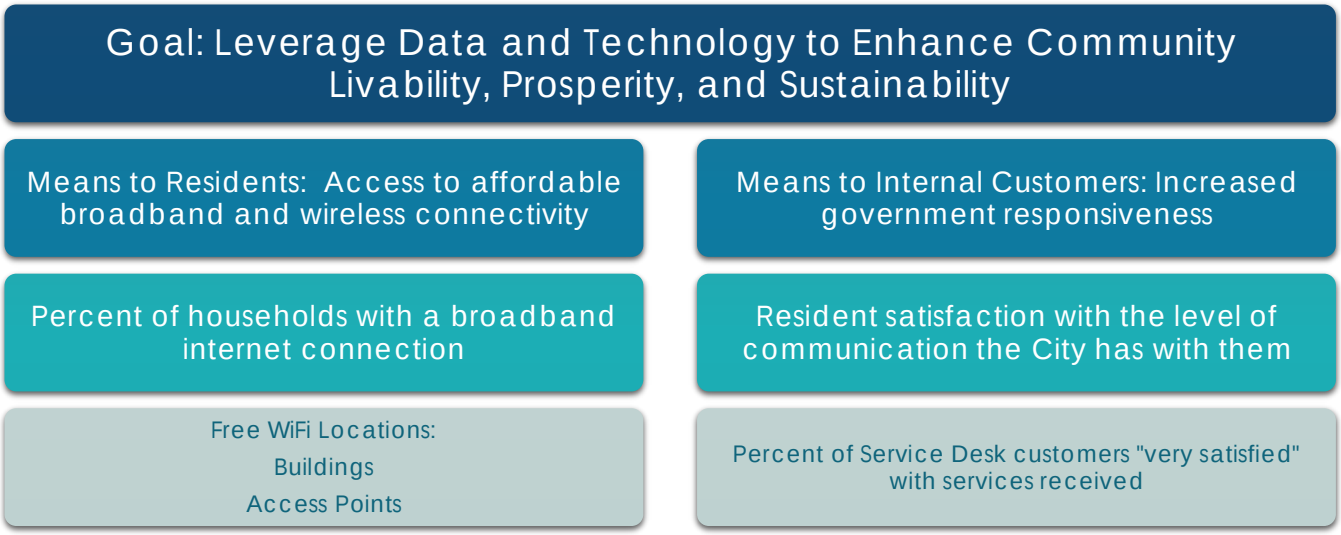
IT Security
Provides protection for all city electronic data and the information technology infrastructure within the city through information security training, and by employing administrative, technical, and physical controls.

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

The graphic below illustrates how IT and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of households with a broadband internet connection	89.6%	90.9%	N/A
Resident satisfaction with the level of communication the City has with them	74.6%	70.3%	N/A

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Percent of availability of municipal center based WAN	99.6%	99.8%	99.9%	99.9%	99.9%
Percent of trouble calls resolved as very satisfied	93.5%	99%	98.1%	99%	99%
Phishing service tickets	384	849	1,087	2,700	2,700
Virus service tickets	158	89	107	340	340
City members receiving training	4,875	3,763	5,600	6,200	6,200
Applications at security risk	25	8	0	0	0
Percent of all computers under 5 years of age at the end of the fiscal year	86%	78%	54%	67%	67%
Computer devices supported	6,073	5,984	5,712	5,900	5,900
Service tickets closed	98.8%	98.9%	99.1%	99.3%	99.3%
Buildings with free WiFi	20	23	28	30	32
Free WiFi access points	105	92	158	168	175

Trends & Issues

→ **Citizen-centric**

IT is guiding the City's digital transformation with a citizen-centric approach to technology initiatives. In September 2018, the department launched VB Connect on Amazon Alexa and Google Assistant platforms to provide citizens an easier way to access City information about events, voting districts, job opportunities, waste collection schedules and more. Within four months of its release, the digital assistant app won a Smart 50 Award for community engagement. The annual award program honors the world's most transformative smart city projects. This digital assistant is helping the City engage with citizens in new ways to create more responsive services and provide the information they need easier than ever. The application is expected to continue growing as new features are requested by residents and departments.

→ **Data-driven**

The IT Department is expanding its Power Business Intelligence (Power BI) and data analytics upskilling program throughout the City to meet user demand. To date, more than 200 employees from 21 departments have participated and nearly 80 have been identified as business intelligence experts for their respective business units. Formally referred to as the Data Academy Initiative, the training supports data-informed decision making, encourages transparency and strengthens the City's digital capabilities.

In order to increase transparency and engagement with the citizens, IT Department is also revamping the Open Data website to create a more inclusive and engaging platform. The initiative is constructed with open source and cloud technologies which allow enhanced flexibility allowing the City to engage citizens, create opportunities for economic development, generate open dialogue, and spur innovation on a regional level. As a part of this overhaul, the over 200 GIS datasets will be consolidated with the existing Open Data catalog to create a one-stop-shop for citizens to access City data.

→ **Training, recruitment, and retention**

Several issues that are particularly relevant to the IT department is the need to constantly train staff on the evolving digital landscape as well as the recruitment and retention of high quality employees. Due to the rapid changes in technology, there is a pressing need for IT staff to be up-to-date on the latest advances in order to help the City navigate its digital needs. Developing a highly trained workforce requires significant resourcing and the department has made strides towards this end through the addition of $100,000 in training funding in the FY 2019-20 budget. In addition, the department must find ways to recruit and retain top talent in the field despite the challenges of competing with the private sector for the same workers. Generally speaking, the private sector has higher salaries than the public sector so IT must find ways to create a culture which can attract and retain a highly educated workforce.

→ **Future needs**

Another challenge that the IT department will be facing in the near future is the implementation and continued support of the City's new Enterprise Resource Planning (ERP) system that is scheduled to come online in 2020. The new system will have double the financial modules as well as the addition of a new budgeting system. This additional capacity requires increased IT resourcing in order to support the system before, during, and after implementation as there are currently only two staff dedicated to the current ERP software. Government Finance Officers Association (GFOA) recommends increasing the City's technical staff to support an ERP system so the additional resources required to bridge this gap will be a funding challenge for the IT department in the coming fiscal years.

Major Budget Changes

	Change	Impact
↑	Maintenance cost for new Integrated Public Safety (IPS) and Revenue Billing Systems (RBS) applications $1,497,702	IT's Subscriptions Internal Service Fund will fund the required maintenance and support fees associated with the newly created IPS and RBS systems. The fund will use its existing fund balance to cover the maintenance fees before being eventually transitioned to the General Fund. The total cost for Integrated Public Safety will be $1,171,177 while the Revenue Billing System accounts for $326,525.
↑	Continuous security monitoring $228,000	This funding will create a continuous security monitoring solution to scan the City's network for vulnerabilities and problems. The system will assess all new users as they connect to the network to ensure the devices meet a security baseline established to connect to the City's network.
↑	Security log and vulnerability management $215,000	Funding has been provided for a new security log and vulnerability management system to better track potential security events. This increase in funding will allow the InfoSec Office to monitor security events across the City's newer systems as well as scanning the entire network automatically for any potential vulnerabilities.
↑	Geospatial Information Services (GIS) Enterprise Wide Licensing $176,000	This funding will cover an enterprise wide licensing agreement for GIS which will provide all City employees with access to Environmental Systems Research Institute (ESRI) mapping. In addition to mapping services, the new license will provide an enhanced level of support for the GIS services which are integral in many areas of City operation. Under the previous license agreement, it was cost prohibitive for new business units to gain access to GIS services but an enterprise wide solution will provide access for all City employees. This funding directly supports City Council's goal of leveraging data and technology to enhance community livability, prosperity, and sustainability.
↑	Training for service improvement $100,000	This funding will increase IT's professional development budget for employees at all levels within the department in order to enhance IT's service delivery and stay up to date with the rapidly changing technology landscape. The additional funding will encompass a wide variety of learning opportunities including supervisory skills, customer support, business analysis, emerging technologies, and industry conferences.

Information Technology - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Multimedia Services	66,360	0	0	0
Mail Service	184,496	181,117	185,049	3,932
Information Technology Business Center	1,056,345	1,084,421	1,850,545	766,124
Applications Support	8,974,388	9,470,410	8,502,047	(968,363)
Data & Information Management	980,736	1,250,503	1,483,824	233,321
Systems Support	7,467,893	8,406,899	8,503,662	96,763
Center for Geospatial Information Services	1,991,684	1,788,213	1,920,069	131,856
Information Security and Privacy Office	0	0	210,000	210,000
Information Technology Security	623,159	610,906	855,747	244,841
Technology Services	2,786,920	3,352,959	0	(3,352,959)
Strategy and Architecture	642,194	730,164	3,897,458	3,167,294
Total Expenditures	24,774,176	26,875,592	27,408,401	532,809
Revenues				
Fees	7,581	0	0	0
Transfers	1,985,721	1,985,721	1,985,721	0
Total Revenues	1,993,302	1,985,721	1,985,721	0
General City Support	22,780,874	24,889,871	25,422,680	532,809
620 Telecommunications Internal Service Fund				
Expenditures				
Telecommunications	2,364,087	3,297,317	3,110,654	(186,663)
Reserve for Contingencies	0	3,050	24,514	21,464
Total Expenditures	2,364,087	3,300,367	3,135,168	(165,199)
Revenues				
Fees	3,169,291	3,088,500	3,098,787	10,287
Fund Balance	0	211,867	36,381	(175,486)
Total Revenues	3,169,291	3,300,367	3,135,168	(165,199)
General City Support	(805,204)	0	0	0
621 Subscriptions Internal Service Fund				
Expenditures				
Subscriptions	2,924,399	3,272,745	5,132,700	1,859,955
Reserve for Contingencies	0	276,964	276,964	0
Total Expenditures	2,924,399	3,549,709	5,409,664	1,859,955
Revenues				
Fees	2,576,434	2,478,859	2,841,112	362,253
Fund Balance	0	1,070,850	2,568,552	1,497,702
Total Revenues	2,576,434	3,549,709	5,409,664	1,859,955
General City Support	347,965	0	0	0

Information Technology - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Total Department Expenditure	30,062,661	33,725,668	35,953,233	2,227,565
Total Department Revenue	7,739,026	8,835,797	10,530,553	1,694,756
Total General City Support	22,323,635	24,889,871	25,422,680	532,809

Position Summary by Program

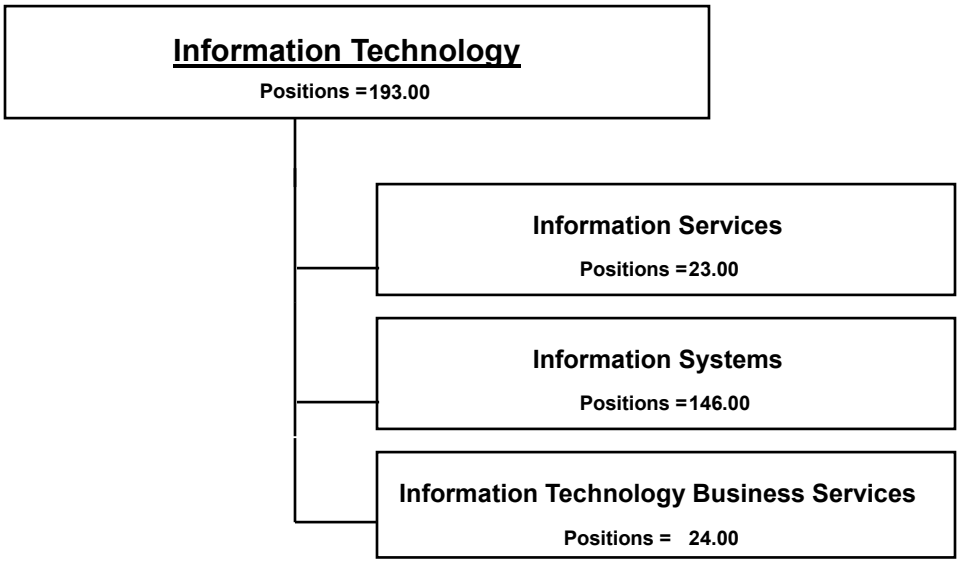
002 General Fund				
Mail Service	4.00	3.00	3.00	0.00
Information Technology Business Center	13.00	13.00	21.00	8.00
Applications Support	52.00	59.00	55.00	-4.00
Data & Information Management	9.00	9.00	10.00	1.00
Systems Support	43.00	47.00	47.00	0.00
Center for Geospatial Information Services	16.00	13.00	13.00	0.00
Information Technology Security	4.00	4.00	4.00	0.00
Technology Services	27.00	29.00	0.00	-29.00
Strategy and Architecture	6.00	6.00	30.00	24.00
Total	174.00	183.00	183.00	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	184.00	193.00	193.00	0.00

Expenditure Category by Department

Capital	79,498	264,750	245,500	(19,250)
Depreciation and Bad Debt Expense	0	0	228,000	228,000
Operating	11,936,618	13,093,664	15,113,170	2,019,506
Personnel	18,046,545	20,087,240	20,065,085	(22,155)
Reserves	0	280,014	301,478	21,464
Total Expenditures:	30,062,661	33,725,668	35,953,233	2,227,565

Revenue Category by Department

Charges for Services	5,671,681	5,521,934	5,894,474	372,540
From the Use of Money and Property	81,499	45,425	45,425	0
Miscellaneous Revenue	125	0	0	0
Specific Fund Reserves	0	1,282,717	2,604,933	1,322,216
Transfers from Other Funds	1,985,721	1,985,721	1,985,721	0
Total Revenue:	7,739,026	8,835,797	10,530,553	1,694,756


Information Technology
Positions =193.00
Information Services
Positions =23.00
Information Systems
Positions =146.00
Information Technology Business Services
Positions = 24.00

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:

Budget Per Capita

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. Because of its affiliation with Tidewater Community College, it has extended hours of operation.

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 they 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. The Bookmobile provides access to books and electronic databases to support educational and recreational needs of 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

The graphic below illustrates how the Libraries and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services
Goal: Have 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

Percent of citizens satisfied with the Library

Number of outreach events | Total number of library visits | Total items circulated | Youth with library cards | Number of children's programs offered

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of citizens satisfied with the library	97.3%	97.3%	90.8%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of Outreach events	1,914	1,711	1,729	1,800	1,908
Total items circulated	2,769,707	2,540,196	2,385,370	2,400,000	2,691,941
Total items downloaded	326,160	342,384	395,655	350,000	356,479
Volunteer hours	22,286	20,425	20,305	20,000	11,678
Early literacy programs offered	3,208	2,766	2,722	2,700	2,740
Children's programs offered	5,055	4,504	5,185	5,100	5,389
Teen programs offered	478	478	541	500	518
Total number of library visits	1,861,585	1,673,255	1,431,764	1,500,000	1,620,231
Youth with library cards	45,865	40,844	43,264	45,000	48,091

Trends & Issues

→ **Renovations and Customer Service:**
Over the next year, the closure of several facilities are expected to impact revenue. Eight of the ten library locations will experience temporary closure requiring citizens to visit different locations for library services. Staff is focused on customer service in the forms of way finding signage, furniture and material storage upgrades, and customer service points. To be more accessible to library customers throughout the library system and provide more shared public spaces, Libraries will add smaller service desks and provide additional public spaces for community members to gather together to interact, share ideas, and work collaboratively in improved meeting rooms, enclosed children's areas and program rooms, and study rooms.

→ **Additional Public Safety Presence at Oceanfront Library:**
The Oceanfront library has always faced challenges stemming from the homeless population at the Virginia Beach oceanfront. Over the last year, these challenges have become increasingly disruptive. To mitigate the impact of public safety concerns at and near the Oceanfront Library, Libraries will gain the presence of two

police officers that will serve as Library Resource Officers in Fiscal Year 2019-20. The presence of police officers during library operating hours is anticipated to prevent vandalism, littering, or heightened levels of aggression towards staff and customers.

→ **Youth and Family Services and Adult Programming:**
Library programs such as youth literacy outreach and the adult reading program will promote early childhood literacy and community connection.

→ **Online Library Card Sign Up:**
Libraries continues to expand its digital collection and now allows its online users to attain a library card online.

→ **Take Home Technology:**
Libraries continues to add technology for circulation, use in the library, and as part of library programing. Libraries now has a collection of 160 Wi-Fi hotspots and began circulating these devices as part of the library's overall collection. Additional examples of our growing collections are Roku Streaming devices, Kibo, Dash & Dot, Sphero, and Cubetto robotics, and 3-D Printing. These services fill the need for internet and technology access at home or on the go for citizens of Virginia Beach.

Library - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	1,464,871	1,492,274	1,561,198	68,924
Meyera E. Oberndorf Central Library	2,499,854	2,565,624	2,219,579	(346,045)
Great Neck Area Library	658,765	676,361	666,209	(10,152)
Bayside Area Library	956,834	1,021,428	1,060,715	39,287
Oceanfront Area Library	688,168	725,949	701,477	(24,472)
Kempsville Area Library	1,173,975	1,258,180	1,251,507	(6,673)
Windsor Woods Area Library	606,092	644,355	680,440	36,085
Pungo - Blackwater Area Library	403,859	403,440	408,484	5,044
Princess Anne Area Library	990,319	1,201,261	1,128,293	(72,968)
Joint Use Library	1,808,467	1,965,488	1,901,271	(64,217)
Records Management	389,223	450,827	444,886	(5,941)
Adult Services	0	0	340,348	340,348
Support Services	4,620,842	4,631,936	4,454,566	(177,370)
Youth and Family Services	1,255,642	1,309,849	1,346,683	36,834
Total Expenditures	17,516,912	18,346,972	18,165,656	(181,316)
Revenues				
Fees	412,504	508,707	427,550	(81,157)
State	234,282	240,684	252,710	12,026
Total Revenues	646,786	749,391	680,260	(69,131)
General City Support	16,870,126	17,597,581	17,485,396	(112,185)
130 Law Library Fund				
Expenditures				
Law Library	451,477	222,089	212,260	(9,829)
Reserve for Contingencies	0	0	4,740	4,740
Transfer to Other Funds	59,090	40,000	40,000	0
Total Expenditures	510,567	262,089	257,000	(5,089)
Revenues				
Fees	260,641	256,460	257,000	540
Fund Balance	0	5,629	0	(5,629)
Total Revenues	260,641	262,089	257,000	(5,089)
General City Support	249,927	0	0	0

Library - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
909 Library Gift Fund				
Expenditures				
Library Donations	49,961	0	95,000	95,000
Special Services Gift Fund	0	0	1,961	1,961
Total Expenditures	49,961	0	96,961	96,961
Revenues				
Fees	51,006	0	95,000	95,000
Fund Balance	0	0	1,961	1,961
Total Revenues	51,006	0	96,961	96,961
General City Support	(1,045)	0	0	0
Total Department Expenditure	18,077,440	18,609,061	18,519,617	(89,444)
Total Department Revenue	958,433	1,011,480	1,034,221	22,741
Total General City Support	17,119,008	17,597,581	17,485,396	(112,185)

Position Summary by Program

002 General Fund				
Director's Office	16.00	16.00	17.00	1.00
Meyera E. Oberndorf Central Library	44.00	44.00	39.50	-4.50
Great Neck Area Library	12.00	12.00	12.00	0.00
Bayside Area Library	19.00	19.00	19.50	0.50
Oceanfront Area Library	13.50	13.50	13.50	0.00
Kempsville Area Library	24.50	24.50	25.00	0.50
Windsor Woods Area Library	12.00	12.00	12.50	0.50
Pungo - Blackwater Area Library	6.50	6.50	6.50	0.00
Princess Anne Area Library	22.00	23.00	22.50	-0.50
Joint Use Library	32.50	33.00	32.00	-1.00
Records Management	4.00	4.00	4.00	0.00
Adult Services	0.00	0.00	4.50	4.50
Support Services	24.50	24.50	23.50	-1.00
Youth and Family Services	18.00	18.00	18.00	0.00
Total	248.50	250.00	250.00	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	251.50	253.00	253.00	0.00

Expenditure Category by Department

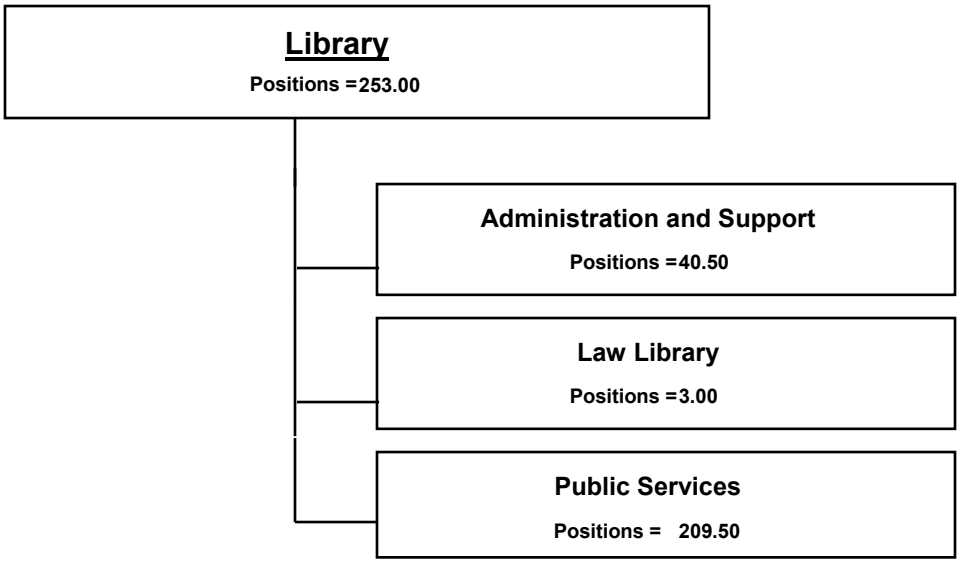
Capital	116,528	28,600	13,160	(15,440)
Operating	3,979,362	3,733,971	3,839,512	105,541
Personnel	13,922,461	14,806,490	14,622,205	(184,285)
Reserves	0	0	4,740	4,740
Transfers	59,090	40,000	40,000	0
Total Expenditures:	18,077,440	18,609,061	18,519,617	(89,444)

Library - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	579,754	671,000	591,000	(80,000)
From the Use of Money and Property	92,870	93,767	93,200	(567)
Miscellaneous Revenue	51,526	400	95,350	94,950
Other Sources from the Commonwealth	234,282	240,684	252,710	12,026
Specific Fund Reserves	0	5,629	1,961	(3,668)
Total Revenue:	958,433	1,011,480	1,034,221	22,741

Resource Summary Notes:

In FY 2018-19, $46,128 was appropriated to the Library Gift Fund as a mid-year transfer and is not reflected in the FY 2018-19 adjusted budget.


Library
Positions =253.00
Administration and Support
Positions =40.50
Law Library
Positions =3.00
Public Services
Positions = 209.50

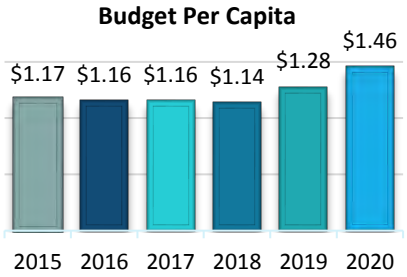
MUNICIPAL COUNCIL

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 the City's goals (both long-term and short-term) and policies, interprets and represents the community's needs, and promotes the economic, social, educational, and physical quality of the City.

The Municipal Council has identified the following goals and their associated indicators of success:



Stormwater / Recurrent Flooding / Sea Level Rise

Modernize City Assets and Infrastructure

- 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.

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.

Public Safety

Be the Safest City in the Nation

- Residents feel safe throughout the City.
- Decreased opioid addiction.
- Increased property values.
- Increased business relocations and openings.
- Engaged citizens.

Be an Inclusive Community that is Welcoming and Empowers All

- Access to neighborhood events.
- Comfort and welcoming community and neighborhoods.
- Easy access to government participation and services.

Transportation

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.

Education / Public Schools

Have World Class Schools and Educational Programs

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

Economic Growth / Jobs

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.

Maintain 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.

Be a Competitive, Sustainable, Year-Round Destination for Residents, Businesses and Tourists

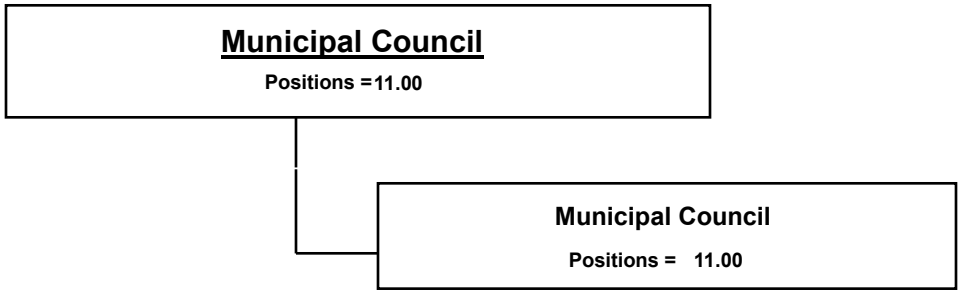
- Job opportunities for residents and youth.
- Tourist amenities for use by residents and added value to the quality of life.
- New tourist dollars for the local economy.
- More choices for your leisure time.
- Quality leisure activities for families.

Leverage Data and Technology to Enhance Community Livability, Prosperity and Sustainability

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

Municipal Council - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Municipal Council	587,086	583,962	663,050	79,088
Total Expenditures	587,086	583,962	663,050	79,088
Revenues				
Fees	8,078	0	0	0
Total Revenues	8,078	0	0	0
General City Support	579,008	583,962	663,050	79,088
Total Department Expenditure	587,086	583,962	663,050	79,088
Total Department Revenue	8,078	0	0	0
Total General City Support	579,008	583,962	663,050	79,088
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				
Operating	219,799	250,247	257,604	7,357
Personnel	367,287	333,715	405,446	71,731
Total Expenditures:	587,086	583,962	663,050	79,088
Revenue Category by Department				
Charges for Services	653	0	0	0
Miscellaneous Revenue	7,425	0	0	0
Total Revenue:	8,078	0	0	0


Municipal Council
Positions =11.00
Municipal Council
Positions = 11.00

NON-DEPARTMENTAL

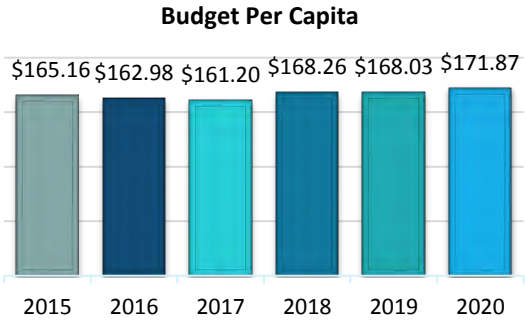
On May 14, 2019, the City Council adopted amendments for the Non-Departmental Operating Budget:

- Established a dedicated reserve of $4,511,823 for implementation of a public safety pay system expansion to address pay disparities with the Sheriff's Office and further expand a workforce development plan in the Fire Department, EMS, Police Department and the Sheriff's Office.
- Provide $7,000 to Sister Cities to support another partnership in Virginia Beach high schools (Cox High School).
- Moved $45,000 for the Lifesaving Museum and $45,000 from the Atlantic Wildfowl Museum to the Department of Cultural Affairs.
- Eliminated the $340,000 dedicated reserve for Neighborhood Dredging Special Service Districts.

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.

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

The graphic below illustrates how EMS and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

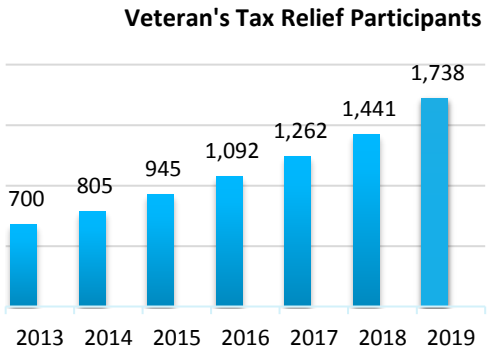
The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of citizens satisfied with services for needy or homeless families	72.5%	54.8%	54.8%
Percent of citizens satisfied with City's work with other communities	76.6%	78.3%	78.3%
Percent of citizen that feel they receive a good value for their tax dollar	80.0%	75.2%	75.2%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of Regional Organizations Funded	22	26	26	31	27
Number of Community Organizations Funded	16	17	15	14	N/A
Number of Participants in Veterans Tax Relief	1092	1262	1441	1738	2000

Trends & Issues

→ The Commonwealth of Virginia exempts from taxation the real property, including the joint real property of husband and wife, of any veteran who has been rated by the U. S. Department of Veterans Affairs or its successor agency pursuant to federal law to have a 100% service connected permanent and total disability, and who occupies the real property as his or her principal place of residence. **Program participation in the Veterans Real Estate Tax Relief Program** has risen 248% since FY 2012-13, as shown in the following chart. For FY 2019-20, the State mandated disabled veterans' real estate tax relief program will be accounted for differently by the City. Instead of budgeting an expenditure and corresponding revenue for the estimated cost of the veterans tax relief, the veterans' tax relief amount will be reduced from estimated revenues. This eliminates the need to budget an expenditure for the program. Accounting for this program in this manner reduces estimated real estate revenue to be more in line with the actual amount of real state revenue to be received. This also allows for a more equitable share of real estate revenue between the General Fund, and other City Council dedications such as Parks and Recreation, the Agricultural Reserve Program, and the School Funding Formula.



→ **Community Organization Grant (COG) Program**

Allocates funding to organizations that benefit Virginia Beach by providing food, shelter, medical care, training, and other services to citizens. The COG Review and Allocation Committee, appointed by City Council, reviews grant applications, interviews qualified applicants, and recommends the allocation of funds. For FY 2019-20 a total of $500,599 is budgeted, and the application period for the upcoming fiscal year runs from early February through the last week of March, with grants awarded in June. Listed here are the organizations that received funding in FY 2018-19.

Community Organization	FY 2018-19
Together We Can Foundation	25,000
For Kids	15,000
The Foodbank of Southeastern Virginia	75,000
Legal Aid Society of Virginia	20,000
Beach Health Clinic	52,000
Boys and Girls Club of South Hampton Roads	29,949
Southeastern Virginia Health Systems	40,000
Senior Services of Southeastern Virginia	64,000
Judeo-Christian Outreach	70,000
Children's Health Investment Program	8,850
Armed Services YMCA of Hampton Roads	37,394
United Way of South Hampton Roads	25,000
Seton Youth Shelters	15,000
Endependence Center	25,000
Total	**$502,193**

→ **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 2019-20.

Organization Grants	FY 2018-19	FY 2019-20
Lynnhaven River Now	181,839	181,839
Tidewater Community College	6,000	6,000
Eastern Virginia Medical School	450,528	459,539
HRPDC – Membership	371,975	363,558
HRPDC- Metropolitan Medical Response System	90,726	90,890
Virginia Dare Soil & Water Conservation District	8,000	8,000
USO Wounded Warrior Week	20,000	20,000
Virginia Beach SPCA	30,000	30,000
Hampton Roads Economic Development Alliance	400,000	400,000
Students on the Swim	20,000	20,000
Virginia Arts Festival	350,000	350,000
Hampton Roads Military & Federal Facilities Alliance	226,814	227,224
Square One/GrowSmart Foundation	53,000	53,000
Virginia Symphony	25,000	25,000
Virginians for High Speed Rail	10,000	10,000
Navy League	21,250	21,250
Elizabeth River Project	-	20,000
Virginia Center for Inclusive Communities	-	2,000
Southeast 4-H	7,500	10,000
Court Appointed Special Advocates	48,000	48,000
American Red Cross	20,000	20,000
Achievable Dream	3,000	3,000
Hampton Roads Workforce Council	106,436	106,436
Hampton Roads Chamber	10,000	10,000
Lifesaving Museum	52,131	-
Atlantic Wildfowl Museum	59,630	-
Sister Cities	42,500	50,840
STOP Inc.	13,700	13,700
Together We Can	1,500	1,500
Princess Anne Little League	250,000	-
Tidewater Builders Association	78,000	-
Oceana 75th Anniversary	50,000	-
Opportunity Grants	34,359	32,359
Total	**$3,041,888**	**$2,584,135**

Please Note: The Lifesaving Museum and Atlantic Wildfowl Museum are included in the Department of Cultural Affairs Operating Budget in FY 2019-20. This table has been updated to reflect the adopted budget.

Major Budget Changes

	Change	Impact
↑	Aquarium Parking Lease $2,200,000	Increased funding in the amount of $ 2.2 million dollars is included in the FY 2019-20 budget. Total payment in FY 2019-20 will be $2.5 million dollars, which is the first of two equal payments to the Commonwealth of Virginia for a 50 year lease of land for the Virginia Aquarium's parking lot.
↑	Real Estate Tax Relief- Disabled Veterans $1,219,079	Beginning in FY 2019-20, the City will account for disabled veteran's tax relief by reducing the total estimated real estate revenue, instead of budgeting a revenue and corresponding expenditure for the estimated cost of the veterans tax relief. In FY 2019-20, this program will cost the City an estimated $1.2 million more than in FY 2018-19 due to increased participation in the program as well as increased real estate tax assessments. The total program cost estimate is $6,579,622.
↑	Real Estate Tax Relief- Elderly and Freeze $749,126	Elderly tax relief as well as "freeze" tax exemptions will still have an estimated revenue and corresponding expenditure. Unlike Disabled Veterans Tax Relief, these two tax relief programs are not mandated by the State, but are City Council policy. In FY 2019-20 the cost of this program is estimated to increase by approximately $750,000 due to increased participation in the program as well as increased real estate tax assessments. The total program cost estimate is $12,283,370.

Reserve for Contingencies by Fund

Reserve for Contingencies by Fund

Fund and Purpose	Amount
General Fund (002)	
Compensation	$ 7,855,199
Regular	1,500,000
Building 19 Audio Visual Improvements	150,000
Public Safety Compression and Parity Plan	4,511,823
Law Library Fund (130)	
Compensation	4,740
State Rental Assistance Program (146)	
Regular	89,354
Federal Section 8 Program Special Revenue Fund (147)	
Compensation	38,344
Parks and Recreation Special Revenue Fund (151)	
Compensation	625,393
Summer Youth Employment Program	233,236
Tourism Investment Program Fund (152)	
Compensation	75,000
Eastern Sports Management	750,000
Future Capital Projects	7,471,258
Sandbridge Special Service District (157)	
Compensation	4,069
Agriculture Reserve Program Special Revenue Fund (161)	
Compensation	3,698
Tourism Advertising Program Special Revenue Fund (163)	
Compensation	29,063
Sandbridge Tax Increment Financing (166)	
Future Capital Projects	8,500,000
Regular	268,193
Central Business District- South Tax Increment Financing	
Town Center Infrastructure	148,531
Open Space Special Revenue Fund (172)	
Compensation	9,287
Regular	144,582
Community Development Special Revenue Fund (180)	
Compensation	47,322
Federal Housing Assistance Grant Fund (182)	
Compensation	2,361
Grants Consolidated Fund (183)	
Compensation	26,446
Water and Sewer Fund (241)	
Compensation	960,000
Regular	600,000
Rolling Stock Replacements	300,000
Parking Enterprise Fund (253)	
Compensation	12,136
Parking Maintenance	58,900
Waste Management Special Revenue Fund (254)	
Compensation	276,604
Equipment Replacements and Facility Improvements	500,000
Regular	250,819

Reserve for Contingencies by Fund (Continued)

Fund and Purpose	Amount
Storm Water Utility Enterprise Fund (255)	
Compensation	196,892
Regular	1,120,309
Old Donation Creek Area Dredging Special Service District (310)	
Future Capital Projects	41,636
Chesopeian Colony Dredging Special Service District (313)	
Future Capital Projects	215,632
Gills Cove Dredging Special Service District (315)	
Future Capital Projects	13,986
Hurds Cove Dredging Special Service District (316)	
Future Capital Projects	218,111
City Garage Internal Service Fund (606)	
Compensation	133,228
Risk Management Internal Service Fund (607)	
Compensation	6,905
School Landscaping Internal Service Fund (613)	
Compensation	81,468
Telecommunications Internal Service Fund (620)	
Compensation	24,514
Subscription Internal Service Fund (621)	
Regular	276,964
Total	**$ 37,776,003**

Note: This table has been updated to reflect the adopted budget.

Non-Departmental - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Community Organization Grants	501,436	502,193	500,599	(1,594)
Employee Special Benefits	6,569,605	7,750,031	7,886,430	136,399
Benefits Administration	735,538	735,538	735,538	0
Vehicle Replacements	5,793,041	5,357,514	5,357,514	0
Computer Replacement Program	1,002,359	1,648,642	1,728,171	79,529
Revenue Reimbursements	15,850,077	11,865,270	12,334,917	469,647
Organization Grants	3,269,765	3,041,888	2,584,135	(457,753)
Independent Financial Services	161,330	164,999	164,999	0
Leases	1,622,071	2,155,539	4,380,800	2,225,261
Total Expenditures	35,505,223	33,221,614	35,673,103	2,451,489
Revenues				
Fees	659,857	653,500	653,500	0
State	950,000	0	0	0
Transfers	65,522	0	0	0
Fund Balance	0	0	2,270,795	2,270,795
Total Revenues	1,675,379	653,500	2,924,295	2,270,795
General City Support	33,829,844	32,568,114	32,748,808	180,694
152 Tourism Investment Program Fund				
Expenditures				
Debt Service	22,187,385	22,365,740	22,839,263	473,523
Reserve for Contingencies	0	7,725,428	8,296,258	570,830
Transfer to Other Funds	14,873	1,990,873	14,873	(1,976,000)
Total Expenditures	22,202,258	32,082,041	31,150,394	(931,647)
Revenues				
Local Taxes	30,447,764	32,077,041	31,145,394	(931,647)
Fees	96,721	5,000	5,000	0
Total Revenues	30,544,485	32,082,041	31,150,394	(931,647)
General City Support	(8,342,227)	0	0	0
169 Central Business District-South TIF (Twn Cntr) Fd				
Expenditures				
Debt Service	7,814,195	8,193,269	8,236,511	43,242
Reserve for Contingencies	0	0	148,531	148,531
Transfer to Other Funds	150,000	150,000	150,000	0
Total Expenditures	7,964,195	8,343,269	8,535,042	191,773
Revenues				
Local Taxes	7,598,077	7,833,268	8,533,042	699,774
Fees	874	2,000	2,000	0
Fund Balance	0	508,001	0	(508,001)
Total Revenues	7,598,951	8,343,269	8,535,042	191,773
General City Support	365,244	0	0	0

Non-Departmental - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
174 Town Center Special Service District				
Expenditures				
Town Center Parking Operations	2,142,065	1,906,480	2,141,480	235,000
Transfer to Other Funds	479,999	631,976	631,976	0
Total Expenditures	2,622,064	2,538,456	2,773,456	235,000
Revenues				
Local Taxes	1,928,690	1,973,733	2,048,703	74,970
Fees	515,093	398,800	493,800	95,000
Transfers	150,000	150,000	150,000	0
Fund Balance	0	15,923	80,953	65,030
Total Revenues	2,593,783	2,538,456	2,773,456	235,000
General City Support	28,281	0	0	0
Total Department Expenditure	68,293,740	76,185,380	78,131,995	1,946,615
Total Department Revenue	42,412,599	43,617,266	45,383,187	1,765,921
Total General City Support	25,881,142	32,568,114	32,748,808	180,694

Expenditure Category by Department				
Capital	6,541,637	6,438,533	6,459,857	21,324
Debt Service	30,001,580	30,559,009	31,075,774	516,765
Operating	24,617,737	21,021,202	23,529,968	2,508,766
Personnel	6,487,913	7,668,359	7,804,758	136,399
Reserves	0	7,725,428	8,464,789	739,361
Transfers	644,872	2,772,849	796,849	(1,976,000)
Total Expenditures:	68,293,740	76,185,380	78,131,995	1,946,615

Revenue Category by Department				
Amusement Tax	6,344,248	6,872,387	7,019,378	146,991
Charges for Services	45,146	24,300	24,300	0
Cigarette Tax	760,410	773,988	745,278	(28,710)
Fines and Forfeitures	172,003	115,000	170,000	55,000
From the Use of Money and Property	408,990	295,000	335,000	40,000
Hotel Room Tax	11,193,741	12,117,100	12,515,869	398,769
Miscellaneous Revenue	646,406	625,000	625,000	0
Other Sources from the Commonwealth	950,000	0	0	0
Real Estate	9,026,767	9,307,001	10,081,745	774,744
Restaurant Meal Tax	12,649,366	12,813,566	11,364,869	(1,448,697)
Specific Fund Reserves	0	523,924	2,351,748	1,827,824
Transfers from Other Funds	215,522	150,000	150,000	0
Total Revenue:	42,412,599	43,617,266	45,383,187	1,765,921

Resource Summary Notes:

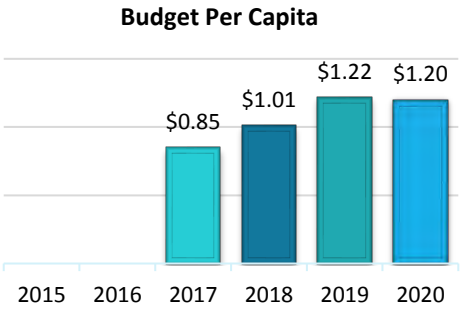
Beginning in FY 2019-20, Veteran's tax relief is reflected by reducing estimated Real Estate tax revenue, instead of as an expenditure.

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 four pronged approach to emergency management which includes preparedness, mitigation, response and recovery.

The Virginia Beach Community Emergency Response Team (VBCERT) program is a division within the Office of Emergency Management and 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

The graphic below illustrates how the Office of Emergency Management and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

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

Means to Residents : Residents feel safe throughout city &
Means to Residents: Protection of residents' property values

Citizen satisfaction with emergency management efforts to respond to disasters

- Completion rate of the EOP including annexes.
- Percent compliance from Tier II facilities for reporting through E-plan
- Percent of exercises, planning, and training activities that relate to Core Capabilities
- All-Hazards Emergency Preparedness presentations given to the community
- Number of CERT members trained for support activities in VB

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Citizen satisfaction with emergency management efforts to respond to disasters	-	-	89.7%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Completion rate of the EOP including annexes.	-	30%	60%	70%	75%
All-Hazards Emergency Preparedness presentations given to the community	-	10	20	25	30
Exercises annually that include more than 5 departments	-	4	4	8	8
Percent compliance from Tier II facilities for reporting through E-plan	-	73%	75%	75%	80%
Percent of exercises, planning, and training activities that relate to Core Capabilities	-	25%	50%	50%	50%
Number of CERT members trained for support activities in VB	-	1,289	1,350	1,450	1,500

Trends and Issues

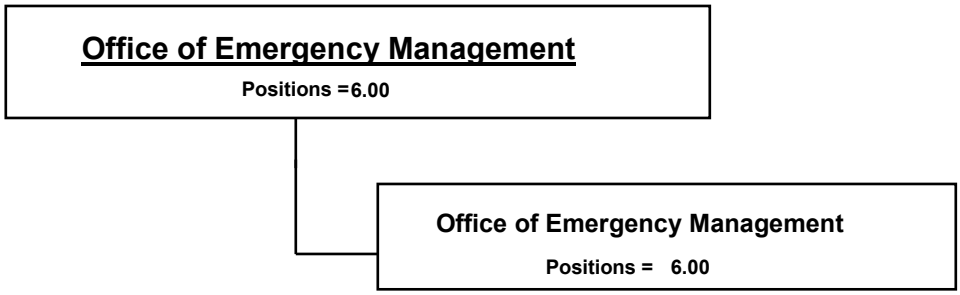
→ The Virginia Department of Emergency Management (VDEM) continues to struggle with funding necessary for the programs they support. Historically, the city has relied on Emergency Management Grant Program (EMGP) funds to supplement departmental programs. Should VDEM modify the EMPG method in which they allocate funding; the City will need to find alternative funding solutions to fund previously mentioned initiatives.

→ Because the public's health and safety is a top priority, the Office continues to work on updating and creating emergency response plans, exercises and training including a comprehensive recovery plan for the City to ensure preparedness and resiliency in the case of disaster.

Office of Emergency Management - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Office of Emergency Management	449,220	554,123	548,202	(5,921)
Total Expenditures	449,220	554,123	548,202	(5,921)
Revenues				
Fees	0	0	2,000	2,000
Federal	103,011	102,914	102,914	0
Total Revenues	103,011	102,914	104,914	2,000
General City Support	346,209	451,209	443,288	(7,921)
183 Grants Consolidated Fund				
Expenditures				
Office of Emergency Management Grants	38,278	0	0	0
Total Expenditures	38,278	0	0	0
Revenues				
Federal	29,994	0	0	0
Total Revenues	29,994	0	0	0
General City Support	8,284	0	0	0
Total Department Expenditure	487,498	554,123	548,202	(5,921)
Total Department Revenue	133,005	102,914	104,914	2,000
Total General City Support	354,493	451,209	443,288	(7,921)

Position Summary by Program				
002 General Fund				
Office of Emergency Management	5.00	6.00	6.00	0.00
Total	5.00	6.00	6.00	0.00
Total Position Summary	5.00	6.00	6.00	0.00
Expenditure Category by Department				
Capital	0	1,500	0	(1,500)
Operating	119,782	88,846	87,619	(1,227)
Personnel	367,716	463,777	460,583	(3,194)
Total Expenditures:	487,498	554,123	548,202	(5,921)
Revenue Category by Department				
Miscellaneous Revenue	0	0	2,000	2,000
Revenue from the Federal Government	133,005	102,914	102,914	0
Total Revenue:	133,005	102,914	104,914	2,000

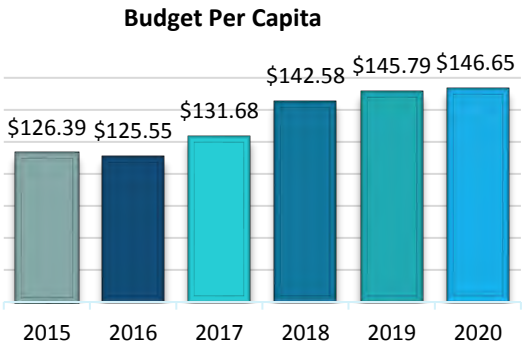

Office of Emergency Management
Positions =6.00
Office of Emergency Management
Positions = 6.00

PARKS AND RECREATION

The mission of the Department of Parks and Recreation is: to exceed community expectations in an inclusive, innovative and sustainable manner

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:



Administration and Business 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

The graphic below illustrates how the Department of Parks and Recreation and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of residents satisfied with the appearance of the city	91.7%	91.7%	96.3%
Percent of residents satisfied with efforts to protect natural resources, the environment, & open space	79.1%	79.15	69.9%
Percent of residents satisfied with city recreation centers	97.3%	97.1%	97.1%
Percent of residents satisfied with city parks	93.5%	92.3%	92.3%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of days in average mowing cycle for divided roadways	24.2	20.5	18	18	18
Miles of bikeways, trails and wide sidewalks	288	297	305	305	307
Percent of residents within a 10 minute walk to a park	58%	58%	61%	64%	64%
Number of unique recreation center visitors	79,898	84,464	96,433	103,467	104,000
Percent of residents reporting a member of their household has used a recreation center in past year	49.6%	49.6%	46.0%	44.8%	45.7%
Number of city park visitors (in thousands)	2,887	2,905	3,086	3,158	3,222
Percent of residents reporting a member of their household has visited a city park in past year	75.6%	75.6%	76.0%	76.1%	76.1%
Percent of residents who believe P&R promote healthy lifestyles	83.5%	83.5%	83.5%	83.5%	85.2%
Number of citizen who attend P&R programs	n/a	74,363	91,842	93,679	95,552
Percent of residents satisfied with P&R programs	95.4%	94.7%	94.7%	94.2%	96%

Trends and Issues

→ **Groundskeeper I Wages**
Recruiting and retaining Groundskeeper I positions has become a challenge for the Department. Consistently, the Department is averaging about 15 to 20 Groundskeeper I vacancies out of 96 positions. The Department in collaboration with Human Resources identified the positions starting wage as a significant issue. Currently, the City's starting wage for this position is below the starting wage in the private sector. Since the current job market for these positions is favorable, this makes it difficult for the department to maintain a fully staffed workforce. In order to be competitive and improve retention and recruitment efforts, the Department temporarily increased the base starting wage for Groundskeeper I positions.

→ **Increase in the need for Interpreters**
The Department has consistently seen an increase in the need for qualified sign language interpreters in their programs over the last 3 years. This has spurred the Department to become more proactive in providing qualified sign language interpreters for events and special ceremonies.

→ **Customer demand for improved technology**
Staff and customers have expressed a need for technology upgrades to improve the interface between internal and external customers. The Department is working on providing Wi-Fi at four city parks (Mt. Trashmore, PAAC, Little Island and City View). This was initially driven by multiple requests from sports leagues to be able to Live-Stream their events from city sites. The Department is also in the process of implementing the ability to accept credit cards at boat ramps and the fishing pier. This will alleviate the issue of requiring customers to pay with cash in order to use certain city amenities.

The Department is also expanding the use of mobile technology to communicate with citizens more effectively in a variety of ways. Future expansions include an expansion of the Park Finder app to allow citizens to sign up for alerts about park closures and a more robust method for citizens to review fitness schedules across all 7 rec center sites at one time as opposed to one site at a time.

→ **Demand for bikeways and trails**
Every two years, the Department of Parks and Recreation distributes a Needs Assessment Survey to Virginia Beach residents. The last survey was conducted in 2017 and identified a significant interest in making trail connections throughout and between communities.

→ **Elimination of Dog & Skate Park Fees**
As of April 1, 2019, the Department eliminated fees for the use of dog parks and skate park facilities. These parks will no longer be staffed. The Department hopes this will improve customer service, increase efficiencies and make it easier for the public to take advantage of the City's outdoor recreation amenities.

→ **Demand for Program Expansion**
Customers have expressed a desire for adventure programs, cultural arts and nature programming. There is also a desire for family-friendly fun for all ages and events to bring nearby communities together that incorporate themes such as sports, the environment, and music & entertainment variety in parks and at the ocean front. Movie nights were a big hit in the community, and there is a desire to continue those activities with other features such as cultural food fests and family entertainment. Events that celebrate different cultures and or, events that teach about the environment, sustainability or other local topics are also desired.

Major Budget Changes

	Change	Impact
↑	Increased Funding for Landscape Maintenance Total Cost: $72,566	This budget includes an increase in contractual landscape maintenance for additional work that will be required for two new capital projects: the Lesner Bridge and Marshview Improvements.

	Change	Impact
↑	Account Clerk II for Out of School Time Program Total cost: $44,414 1.00 FTE	This position will join the Out of School Time Registration Team. The Out of School Time Registration Management Team is responsible for all Out-of-School Time Program Registration and Account Management Standards.
↑	Part Time Pay Increases Total cost: $317,803	Included in this budget is a pay rate adjustment for childcare workers in Activity Center Leader, Assistant Leader and Facility Customer Assistants positions for the Out of School Time program. This will be used as a mechanism to improve recruitment and retention. Currently the program is experiencing staffing challenges and unable to recruit enough staff members to maintain required staff to participant ratios. In addition, the City of Virginia Beach's OST program currently pays leaders less than surrounding cities.
↑	Programming and Operations Manager Total cost: $95,401 1.00 FTE	The Department's budget includes the addition of one Programming & Operations Manager to focus on sports management, outdoor programming, and parks special use administration.
↑	New Pre-k Program Total Cost: $10,000 Total Revenue: $61,785	A new program to provide childcare for Pre-K 4 year-olds is included in the budget. The program will operate during regular school hours to provide childcare for 4 year olds. In the first year, the Department expects to serve 27 students and generate $61,785 of revenue. In addition, the program will require very few additional expenses beyond transportation to/from school, snacks and disposable supplies, all of which total under $10,000. The Department currently has staff in place to serve the students during the before and after school times. The Department also has sufficient resources to operate transportation runs to/from the target school locations. These transportation resources are holdovers from the previous Kinderbuddies service at Williams Farm, Bow Creek, and Kempsville.
↑	Program Fee Increases Total Revenue: $310,626	Fee increases for the Out of School Time before and after school programs and licensed early childhood programs are expected to generate $286,801 in revenue. Fee increases for sprayground rentals are expected to generate an additional $525 in revenue. Likewise, fee increases for swim league and water polo are expected to generate $16,100 in additional revenue. Adult Basketball is expected to generate $850 and Therapeutic Recreation is expected to generate $6,350 in additional revenue. These increases will help offset programmatic operating costs.
↓	Reduction of Part-Time 2.0 FTEs	The department has reduced part time hours equivalent to two full time positions. The elimination of dog and skate park fees reduces the need for these parks to be staffed.

Parks and Recreation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Landscape Asset Management	2,543,161	2,578,032	2,624,903	46,871
Landscape Maintenance Management	7,336,821	7,627,282	7,641,800	14,518
Landscape Life Cycle Management	3,146,678	3,173,937	3,058,058	(115,879)
Landscape Special Zone Management - Resort Area	824,424	772,999	734,398	(38,601)
Landscape Special Zones Management - Municipal Center	721,588	768,416	803,269	34,853
Total Expenditures	14,572,672	14,920,666	14,862,428	(58,238)
Revenues				
Fees	32,540	31,580	27,250	(4,330)
State	2,670,402	5,338,227	5,500,098	161,871
Transfers	761,419	778,536	832,662	54,126
Total Revenues	3,464,361	6,148,343	6,360,010	211,667
General City Support	11,108,312	8,772,323	8,502,418	(269,905)
151 Parks and Recreation Special Revenue Fund				
Expenditures				
Director's Office	340,652	327,095	385,825	58,730
Planning, Design and Development	735,029	690,018	693,736	3,718
Business Systems	1,411,220	1,640,525	1,031,763	(608,762)
Parks and Recreation Human Resources	550,260	606,623	604,086	(2,537)
Parks and Recreation IT Team	0	0	648,623	648,623
Parks Maintenance	0	221,568	230,873	9,305
Parks and Natural Areas	2,138,900	2,238,494	2,100,134	(138,360)
Lynnhaven Boat Ramp and Beach Facility	153,100	131,365	138,300	6,935
Outdoor Programming and Special Events	255,072	277,511	282,103	4,592
Little Island Park	225,864	235,787	240,414	4,627
Lynnhaven Municipal Marina	12,587	15,670	21,170	5,500
Recreation Centers Landscaping	151,966	198,149	201,242	3,093
Sports Management	1,412,095	1,713,129	1,471,328	(241,801)
Red Wing Golf	496	0	0	0
CRC- Kempsville	1,710,731	1,994,265	2,156,078	161,813
CRC- Bow Creek	2,016,762	1,995,148	2,054,300	59,152
CRC- Seatack	1,003,999	1,025,051	1,056,296	31,245
CRC - Great Neck	1,767,175	1,909,983	2,007,976	97,993
CRC - Bayside	1,820,665	1,891,657	1,916,813	25,156
CRC - Princess Anne	1,806,727	1,958,649	1,985,301	26,652
CRC- Williams Farm	1,787,216	2,005,691	1,996,798	(8,893)
Early Childhood Programs	1,204,338	1,752,175	1,432,628	(319,547)
Recreation Centers	0	0	0	0
Out-of-School Time - Recreation Center Based	1,098,463	1,275,116	1,814,632	539,516
Programming and Operations Administration	682,296	580,459	1,106,304	525,845
Marketing and Resource Development	919,497	855,917	890,981	35,064
Youth Opportunities Office	525,788	570,495	563,462	(7,033)
Athletic Leagues	14,863	0	0	0
Therapeutic Recreation Programs	501,168	557,044	589,083	32,039
Athletic Complexes	13,928	0	0	0
Inclusion Services	800,230	783,064	838,878	55,814

Parks and Recreation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
151 Parks and Recreation Special Revenue Fund				
Out-of-School Time - School Based	4,182,370	5,361,505	5,321,439	(40,066)
Landscape Special Zone Management - Princess Anne Athletic Complex	596,357	620,872	591,812	(29,060)
Pottery and Ceramics	18,357	10,000	0	(10,000)
Debt Service	3,887,156	4,478,998	4,221,986	(257,012)
Reserve for Contingencies	0	233,236	535,106	301,870
Transfer to Other Funds	1,488,979	1,495,788	1,618,100	122,312
Total Expenditures	35,234,309	39,651,047	40,747,570	1,096,523
Revenues				
Local Taxes	15,780,476	16,183,410	16,639,829	456,419
Fees	15,379,621	16,927,881	17,632,793	704,912
State	10,718	11,000	11,000	0
Transfers	6,244,833	6,501,756	6,436,948	(64,808)
Fund Balance	0	27,000	27,000	0
Total Revenues	37,415,648	39,651,047	40,747,570	1,096,523
General City Support	(2,181,338)	0	0	0
152 Tourism Investment Program Fund				
Expenditures				
Landscape Special Zone Management - TIP Resort Area	622,143	730,152	846,713	116,561
Total Expenditures	622,143	730,152	846,713	116,561
Revenues				
Local Taxes	640,267	722,397	846,713	124,316
Fees	0	7,755	0	(7,755)
Total Revenues	640,267	730,152	846,713	116,561
General City Support	(18,124)	0	0	0
172 Open Space & Park Infrastructure Development & Maintenance SRF				
Expenditures				
Open Space Management and Maintenance	207,388	242,322	250,241	7,919
Open Space Planning	162,224	171,683	178,790	7,107
Debt Service	2,554,311	2,588,043	2,509,045	(78,998)
Reserve for Contingencies	0	127,851	153,869	26,018
Transfer to Other Funds	1,000,000	2,500,000	2,500,000	0
Total Expenditures	3,923,923	5,629,899	5,591,945	(37,954)
Revenues				
Local Taxes	5,291,171	5,629,899	5,591,945	(37,954)
Fees	589	0	0	0
Total Revenues	5,291,760	5,629,899	5,591,945	(37,954)
General City Support	(1,367,837)	0	0	0

Parks and Recreation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
174 Town Center Special Service District				
Expenditures				
Landscape Special Zone Management - Town Center	99,854	60,338	62,438	2,100
Total Expenditures	99,854	60,338	62,438	2,100
Revenues				
Local Taxes	59,760	60,338	62,438	2,100
Total Revenues	59,760	60,338	62,438	2,100
General City Support	40,094	0	0	0
183 Grants Consolidated Fund				
Revenues				
Fees	2,500	0	0	0
Total Revenues	2,500	0	0	0
General City Support	(2,500)	0	0	0
613 School Landscaping Internal Service Fund				
Expenditures				
Schools Landscaping	3,893,940	5,006,908	4,442,908	(564,000)
Reserve for Contingencies	0	0	81,468	81,468
Total Expenditures	3,893,940	5,006,908	4,524,376	(482,532)
Revenues				
Fees	4,743,930	4,442,908	4,524,376	81,468
Fund Balance	0	564,000	0	(564,000)
Total Revenues	4,743,930	5,006,908	4,524,376	(482,532)
General City Support	(849,991)	0	0	0
908 City Beautification Fund				
Expenditures				
Landscape Beautification Projects	8,413	50,000	50,000	0
Total Expenditures	8,413	50,000	50,000	0
Revenues				
Fees	20,785	50,000	50,000	0
Total Revenues	20,785	50,000	50,000	0
General City Support	(12,373)	0	0	0

Parks and Recreation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
911 Parks and Recreation Gift Fund				
Expenditures				
Parks and Recreation Gift Fund	3,276	30,000	30,000	0
Sponsorships / Partnerships	29,275	25,000	25,000	0
Total Expenditures	32,551	55,000	55,000	0
Revenues				
Fees	31,946	55,000	55,000	0
Total Revenues	31,946	55,000	55,000	0
General City Support	605	0	0	0
Total Department Expenditure	58,387,806	66,104,010	66,740,470	636,460
Total Department Revenue	51,670,958	57,331,687	58,238,052	906,365
Total General City Support	6,716,848	8,772,323	8,502,418	(269,905)

Position Summary by Program

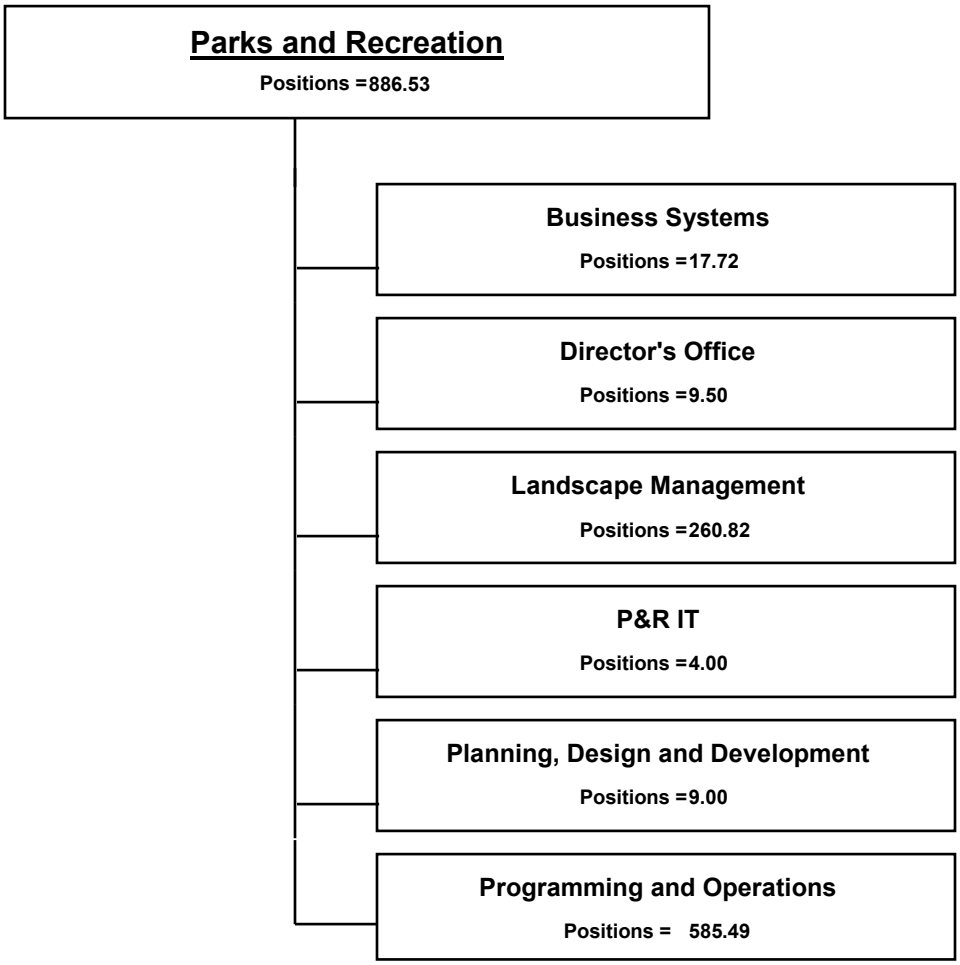
002 General Fund				
Landscape Asset Management	24.00	24.00	24.00	0.00
Landscape Maintenance Management	81.00	81.00	81.00	0.00
Landscape Life Cycle Management	39.00	38.00	38.00	0.00
Landscape Special Zone Management - Resort Area	11.00	11.00	11.00	0.00
Landscape Special Zones Management - Municipal Center	15.00	15.00	15.00	0.00
Total	170.00	169.00	169.00	0.00
151 Parks and Recreation Special Revenue Fund				
Director's Office	2.00	2.00	3.50	1.50
Planning, Design and Development	7.00	7.00	7.00	0.00
Business Systems	11.00	13.00	9.00	-4.00
Parks and Recreation Human Resources	8.72	8.72	8.72	0.00
Parks and Recreation IT Team	0.00	0.00	4.00	4.00
Parks Maintenance	0.00	5.82	5.82	0.00
Parks and Natural Areas	49.70	45.38	39.68	-5.70
Lynnhaven Boat Ramp and Beach Facility	4.10	3.25	3.25	0.00
Outdoor Programming and Special Events	4.84	3.84	3.84	0.00
Little Island Park	6.55	6.55	6.55	0.00
Sports Management	24.04	23.04	23.04	0.00
CRC- Kempsville	40.66	41.23	43.96	2.73
CRC- Bow Creek	40.54	39.11	39.81	0.70
CRC- Seatack	19.92	19.49	19.92	0.43
CRC - Great Neck	39.74	38.31	38.73	0.42
CRC - Bayside	38.64	37.21	37.18	-0.03
CRC - Princess Anne	37.85	38.42	38.08	-0.34
CRC- Williams Farm	41.30	41.20	39.51	-1.69
Early Childhood Programs	66.29	45.84	31.34	-14.50
Out-of-School Time - Recreation Center Based	10.15	29.27	46.77	17.50
Programming and Operations Administration	7.00	5.00	6.00	1.00

Parks and Recreation - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
151 Parks and Recreation Special Revenue Fund				
Marketing and Resource Development	7.00	6.00	6.00	0.00
Youth Opportunities Office	5.00	5.67	5.67	0.00
Therapeutic Recreation Programs	13.06	13.06	13.06	0.00
Inclusion Services	15.14	15.14	16.87	1.73
Out-of-School Time - School Based	130.90	131.58	127.83	-3.75
Landscape Special Zone Management - Princess Anne Athletic Complex	7.00	7.00	7.00	0.00
Pottery and Ceramics	0.67	0.00	0.00	0.00
Total	638.81	632.13	632.13	0.00
152 Tourism Investment Program Fund				
Landscape Special Zone Management - TIP Resort Area	10.00	11.00	11.00	0.00
Total	10.00	11.00	11.00	0.00
172 Open Space & Park Infrastructure Development & Maintenance SRF				
Open Space Management and Maintenance	4.40	4.40	4.40	0.00
Open Space Planning	2.00	2.00	2.00	0.00
Total	6.40	6.40	6.40	0.00
613 School Landscaping Internal Service Fund				
Schools Landscaping	61.00	68.00	68.00	0.00
Total	61.00	68.00	68.00	0.00
Total Position Summary	886.21	886.53	886.53	0.00

Expenditure Category by Department				
Capital	185,117	619,466	60,666	(558,800)
Debt Service	6,441,467	7,067,041	6,731,031	(336,010)
Depreciation and Bad Debt Expense	(34,562)	0	0	0
Operating	11,897,404	12,889,308	13,083,016	193,708
Personnel	37,409,400	41,171,320	41,653,691	482,371
Reserves	0	361,087	1,093,966	732,879
Transfers	2,488,979	3,995,788	4,118,100	122,312
Total Expenditures:	58,387,806	66,104,010	66,740,470	636,460

Revenue Category by Department				
Charges for Services	17,841,730	19,748,245	20,612,415	864,170
From the Use of Money and Property	1,405,591	1,636,474	1,564,354	(72,120)
Hotel Room Tax	640,267	722,397	721,713	(684)
Miscellaneous Revenue	947,605	129,155	111,400	(17,755)
Other Sources from the Commonwealth	2,681,119	5,349,227	5,511,098	161,871
Permits, Privilege Fees, and Regulatory Licenses	16,985	1,250	1,250	0
Real Estate	15,840,236	16,243,748	16,702,267	458,519
Restaurant Meal Tax	5,291,171	5,629,899	5,716,945	87,046
Specific Fund Reserves	0	591,000	27,000	(564,000)
Transfers from Other Funds	7,006,252	7,280,292	7,269,610	(10,682)
Total Revenue:	51,670,958	57,331,687	58,238,052	906,365


Parks and Recreation
Positions =886.53
Business Systems
Positions =17.72
Director's Office
Positions =9.50
Landscape Management
Positions =260.82
P&R IT
Positions =4.00
Planning, Design and Development
Positions =9.00
Programming and Operations
Positions = 585.49

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.*

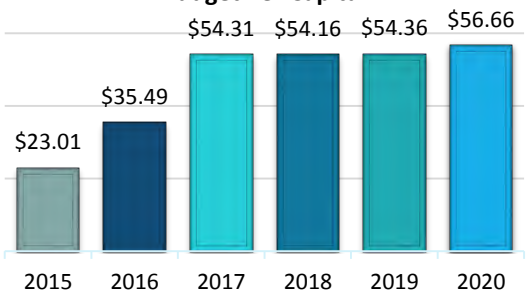
Department Overview

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.

Budget Per Capita



Note: The increase in the Fiscal Year 2015-16 and 2016-17 per capita expenditures reflects the reorganization of the SGA Office within the Planning Department. This added costs and revenues for parking operations and 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, and Transportation Planning. 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, and provides on-going professional planning and program management support to Virginia Beach elected and appointed officials.

Transportation Planning coordinates short and long-range multi-modal transportation issues (pedestrians, bicycles, vehicles, and public transit). Transportation Planning serves as the City's liaison with Hampton Roads Transit (HRT), which provides mass transit and paratransit services to residents and visitors, and actively participates in the Transportation District Commission of Hampton Roads and the Hampton Roads Transportation Planning Organization, reviewing and making recommendations on all regional transportation planning programs, projects and initiatives.

Parking Management

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

The graphic below illustrates how Planning and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of Residents Agree They Can Conveniently Access City Services	94.6%	94.6%	92.1%
Percent of Citizens Satisfied With Planning for Residential Development	71.9%	71.9%	57.7%
Percent of Residents Satisfied With the Overall Appearance of the City	71.9%	71.9%	96.3%
Percent of Residents Satisfied With the City's Efforts to Protect Natural Resources, the Environment, and Open Space	79.1%	79.1%	69.9%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of Inspections	96,444	102,329	99,897	99,897	99,897
Permits Issued	33,125	34,274	35,309	35,309	35,309
Zoning Inspections	25,380	21,987	14,121	14,121	14,121
Zoning Permits Issued	902	1,309	1,344	1,344	1,344
Cases Heard by the Board of Zoning Appeals	96	90	100	100	100
Plans Reviewed in the Development Services Center	2,726	3,175	2,843	2,843	2,843
Applications Heard by the Planning Commission and City Council	190/158	168/143	208/148	208/148	208/148
Applications Heard by the Wetlands Board	45	165	143	143	143
Applications Heard by the Chesapeake Bay Preservation Board	65	79	67	67	67
Joint Waterfront Review Permit Applications	188	337	200	200	200
Vehicles Parked per Day in Parking Garages	946	1,193	1,193	1,193	1,193
Vehicles Parked per Day in Surface Lots	1,080	765	765	765	765
Parking Space Turnover	0.47	0.55	0.55	0.55	0.55
Parking Enforcement Hours	16,087	16,600	16,600	16,600	16,600
Violations per Hour Issued	0.92	0.92	0.92	0.92	0.92
Parking Violations Issued	14,729	15,292	15,292	15,292	15,292

Trends & Issues

→ City Council adopted regulations governing Short Term Rentals in January 2019. These regulations have an effective date of November 2019. The Short Term Rental regulations will require a number of enforcement activities. These include tracking registered rental units, program evaluation, and compliance reporting. Enforcement will be managed by the Zoning Division of the Department of Planning and Community Development.

→ Development of the Dome Site will alter the City's Oceanfront Parking network. In place of the existing surface level parking lots on 19th Street, the Parking Enterprise Fund will gain responsibility for managing additional public parking facilities in the Central Beach and Convention Districts.

→ Hampton Roads Transit is currently in the process of launching a Transit Transformation Project. The purpose of this project is to build an effective, efficient, and usable regional bus network that is "more relevant and responsive to the needs of Hampton Roads citizens." Staff from Planning and Community Development are the City's lead representatives to the Project's Technical Work Group.

→ The trend of adaptive reuse, infill development, and increasingly more environmentally challenging sites increases the complexity of site and building review. FEMA and stormwater standards and regulations pertaining to these reviews continues to evolve as the science of sea level rise and climate change advances.

→ The Unified Statewide Building Code requires that building inspections be made within 48 hours of the request, otherwise requests are automatically approved. To attempt to provide an adequate level of service in order to meet demand requirements, the City continues to encourage builders to use Accela Automation, which provides builders with a 24/7/365 inspection scheduling tool. For all inspection requests scheduled by 8 AM, Planning and Community Development will provide same day inspections.

Major Budget Changes

	Change	Impact
↑	Planning Technician-Customer Service +1.0 FTE +$50,451	Planning will receive 1 new FTE to staff its new front desk. This Planning Technician will assist citizens and customers who contact the department in person or over the phone.
↑	Zoning Code Inspector +2.0 FTE +$84,734	Planning will receive 2 new Zoning Code Inspectors. These inspectors will enforce the new Short-Term Zoning Rental Ordinances that was approved by Council in early 2019 with an effective date of November 2019.
↑	New HRT Bus Route (Route 24) +$291,456	The City has agreed, in conjunction with the City of Chesapeake, to fund a new Hampton Roads Transit (HRT) route. This route, 24, will run from Pembroke Mall to Greenbrier Mall in Chesapeake. The route will serve the Kempsville corridor, including the Housing Resource Center. The intended start date of Route 24 is in October 2019.
↑	General Fund Mass Transit Operations Cost +$454,200	HRT's Fiscal Year 2019-2020 Operating Budget contained a base service cost increase for all six of HRT's constituent cities. The increase will fund added costs associated with HRT employees, fuel and paratransit services.
↓	Software and Support -$148,885	Funding for software and support costs for two items: Legislative Management and the conversion of paper documents to digital records were eliminated from the Planning Budget this fiscal year. Legislative Management costs will now be funded through CIP project # 3-717, "Accela Sustainment."

Planning and Community Development - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	1,911,220	1,689,008	1,551,567	(137,441)
Environment and Sustainability Office	16,411	0	0	0
Chesapeake Bay Program	16,711	0	0	0
Wetlands Program	8,056	0	0	0
Mass Transit Operations	6,534,155	6,234,227	6,979,883	745,656
Comprehensive Planning	30,106	0	0	0
Current Planning	1,068,020	1,370,235	1,287,566	(82,669)
Zoning Administration	1,230,705	1,257,902	1,356,202	98,300
Development Services Center	1,834,016	2,058,465	2,039,400	(19,065)
PU / Development Services	312,432	324,538	332,419	7,881
Building Permits and Inspections	3,836,529	4,233,360	4,269,948	36,588
Strategic Growth Areas	966,217	972,475	1,013,076	40,601
Transportation Planning	197,029	215,336	160,837	(54,499)
Chesapeake Bay Preservation Board	9,192	0	0	0
Wetlands Board	4,973	0	0	0
Planning Commission	30,871	0	0	0
Board of Zoning Appeals	1,636	0	0	0
Total Expenditures	18,008,280	18,355,546	18,990,898	635,352
Revenues				
Fees	4,957,791	5,152,497	4,981,531	(170,966)
Transfers	446,529	463,973	474,743	10,770
Total Revenues	5,404,320	5,616,470	5,456,274	(160,196)
General City Support	12,603,960	12,739,076	13,534,624	795,548
152 Tourism Investment Program Fund				
Expenditures				
TIP Trolley Mass Transit	1,203,932	1,200,548	1,154,830	(45,718)
Total Expenditures	1,203,932	1,200,548	1,154,830	(45,718)
Revenues				
Local Taxes	676,784	1,200,548	1,154,830	(45,718)
Total Revenues	676,784	1,200,548	1,154,830	(45,718)
General City Support	527,148	0	0	0
183 Grants Consolidated Fund				
Revenues				
Transfers	(324)	0	0	0
Total Revenues	(324)	0	0	0
General City Support	324	0	0	0

Planning and Community Development - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
253 Parking Enterprise Fund				
Expenditures				
Parking Management	3,802,641	3,755,125	3,744,434	(10,691)
Retiree Health Insurance Expenditures	5,247	9,487	9,487	0
Parking Enterprise Fund	2,525	0	0	0
Debt Service	579,606	579,780	705,536	125,756
Reserve for Contingencies	0	19,776	71,036	51,260
Transfer to Other Funds	537,308	725,821	1,108,271	382,450
Total Expenditures	4,927,327	5,089,989	5,638,764	548,775
Revenues				
Fees	6,087,707	5,021,489	5,570,264	548,775
Transfers	67,273	68,500	68,500	0
Total Revenues	6,154,980	5,089,989	5,638,764	548,775
General City Support	(1,227,654)	0	0	0
Total Department Expenditure	24,139,539	24,646,083	25,784,492	1,138,409
Total Department Revenue	12,235,761	11,907,007	12,249,868	342,861
Total General City Support	11,903,778	12,739,076	13,534,624	795,548

Position Summary by Program

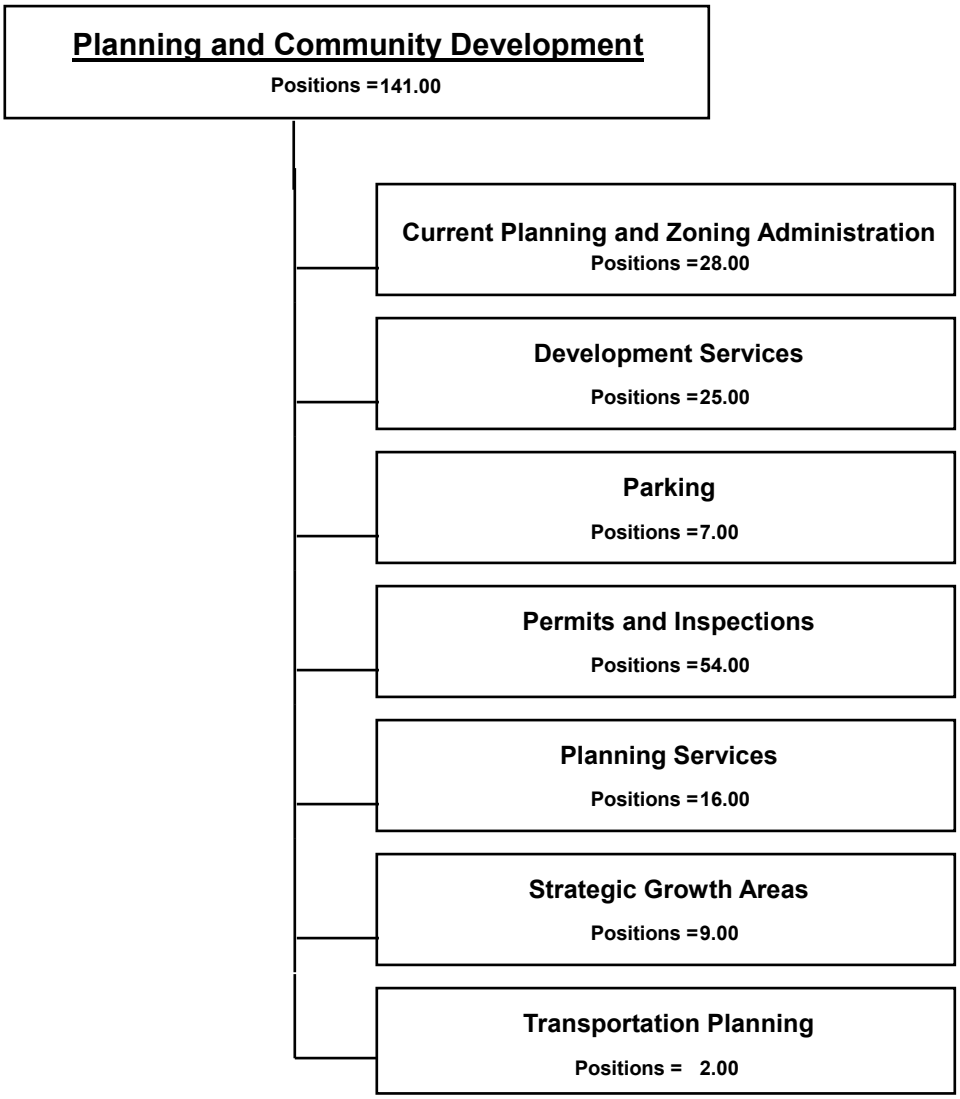
002 General Fund				
Director's Office	14.00	15.00	16.00	1.00
Current Planning	13.00	13.00	12.00	-1.00
Zoning Administration	14.00	14.00	16.00	2.00
Development Services Center	22.00	22.00	22.00	0.00
PU / Development Services	3.00	3.00	3.00	0.00
Building Permits and Inspections	52.00	54.00	54.00	0.00
Strategic Growth Areas	8.00	8.00	9.00	1.00
Transportation Planning	2.00	1.00	2.00	1.00
Total	128.00	130.00	134.00	4.00
253 Parking Enterprise Fund				
Parking Management	6.00	7.00	7.00	0.00
Total	6.00	7.00	7.00	0.00
Total Position Summary	134.00	137.00	141.00	4.00

Expenditure Category by Department

Capital	26,611	28,949	3,400	(25,549)
Debt Service	579,606	579,780	705,536	125,756
Operating	12,346,926	11,835,734	12,458,592	622,858
Personnel	10,649,088	11,456,023	11,437,657	(18,366)
Reserves	0	19,776	71,036	51,260
Transfers	537,308	725,821	1,108,271	382,450
Total Expenditures:	24,139,539	24,646,083	25,784,492	1,138,409

Planning and Community Development - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	6,120,630	5,161,425	5,201,430	40,005
Fines and Forfeitures	188,601	170,000	629,300	459,300
From the Use of Money and Property	53,567	8,500	22,034	13,534
Hotel Room Tax	676,784	932,265	886,547	(45,718)
Miscellaneous Revenue	32,622	0	0	0
Permits, Privilege Fees, and Regulatory Licenses	4,650,078	4,834,061	4,699,031	(135,030)
Restaurant Meal Tax	0	268,283	268,283	0
Transfers from Other Funds	513,478	532,473	543,243	10,770
Total Revenue:	12,235,761	11,907,007	12,249,868	342,861


Planning and Community Development
Positions =141.00
Current Planning and Zoning Administration
Positions =28.00
Development Services
Positions =25.00
Parking
Positions =7.00
Permits and Inspections
Positions =54.00
Planning Services
Positions =16.00
Strategic Growth Areas
Positions =9.00
Transportation Planning
Positions = 2.00

POLICE

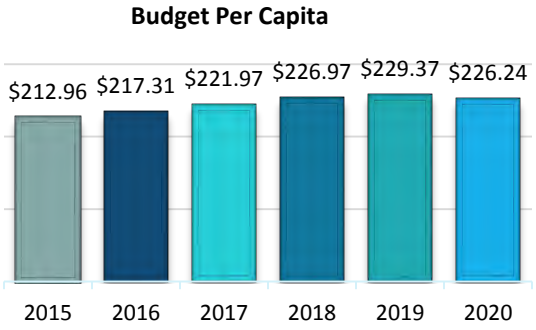
The Mission of the Virginia Beach Police Department is to remain committed to providing a safe community and improving the quality of life for all people. This is accomplished by delivering quality police services and enforcing laws with equity and impartiality. In partnership with the community, the 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.

On May 14, 2019, the City Council adopted the following amendment for the Police Department Operating Budget:

- Covert 1.3 part-time position to fund one full-time veterinary technician based on City Council action taken on April 2, 2019.

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.

Community Engagement
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.

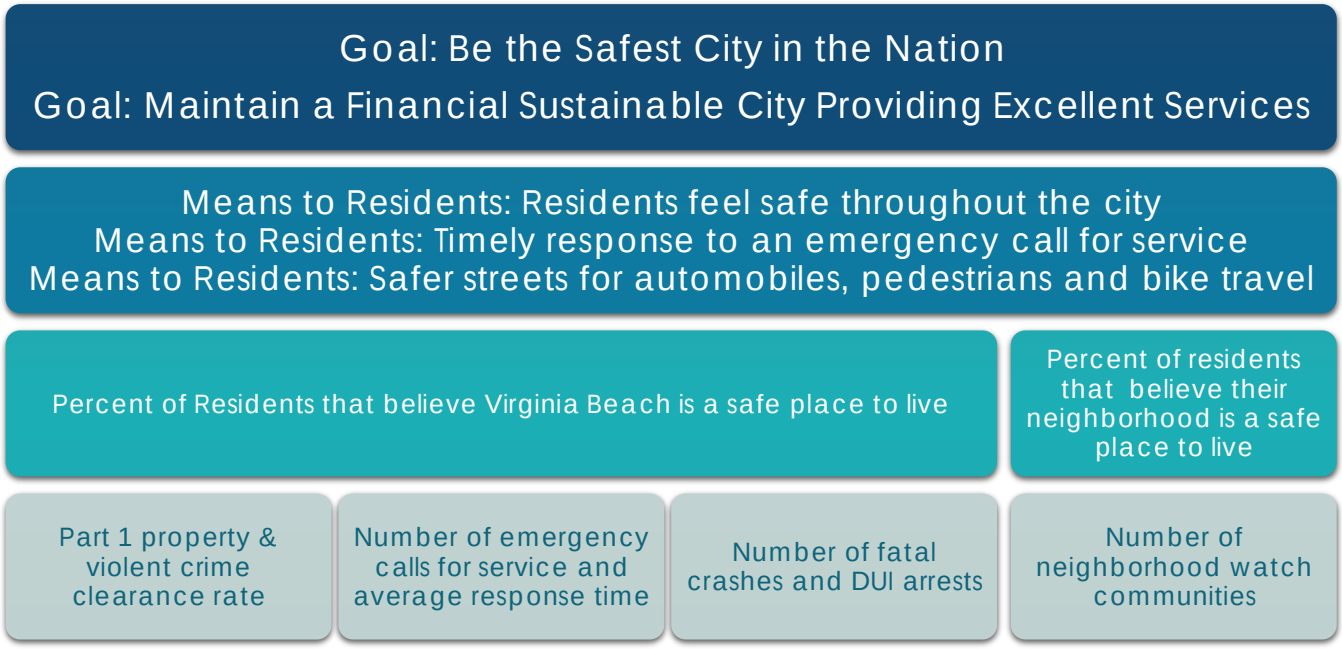
Special Investigations
This bureau of the Investigative Division has several units conducting investigations of various types of criminal activity including the Criminal Intelligence Unit (including gangs), Narcotics Unit, Vice Squad, Diversion Unit related to investigations involving pharmaceutical 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, "Stop Arm" school bus camera, and false alarm programs, coordinating departmental purchasing and budgeting, conducting statistical analysis, and special projects.

Key Performance Measures

The graphic below illustrates how the Police Department and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of Residents that Believe Virginia Beach is a Safe Place to Live	94.0%	94.0%	88.2%
Percent of Residents That Believe their Neighborhood is a Safe Place to Live	90.0%	90.0%	86.4%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Clearance Rate of Part 1 Violent Crimes	76.7%	68.9%	72.8%	72.8%	72.8%
Clearance Rate of Part 1 Property Crimes	23.0%	24.0%	26.0%	26.0%	26.0%
Number of Emergency Calls for Service	12,647	11,919	12,000	12,000	12,000
Average Response Time to Emergency Calls	7.1	7.0	7.4	7.4	7.4
Number of Neighborhood Watch Communities	374	374	374	374	374
Number of Fatal Crashes	14	21	25	25	25
Number of DUI Arrests	2,086	2,093	2,000	2,000	2,000

Trends & Issues

→ Virginia Beach continues to be considered one of the safest cities in the nation according to FBI statistics. The City's Part I Crime rate, consisting of the most serious crimes, was 18.6 crimes per 1,000 residents in 2018, down from 21.1 in 2017. This is the lowest since 1963 when it was 17.3 crimes per 1,000 residents.

→ The Virginia Beach Mobile Co-Response TEAM (MCRT) was launched in November 2018. The MCRT is a collaborative partnership between the Department of Human Services, the Police Department, and EMS to

ensure access to appropriate services for persons with mental illness and substance use or co-occurring disorders, and provides an expedited response to the scene to ensure safety, make an accurate and compassionate assessment of needs, develop a plan to accomplish treatment, and expedite transportation to a treatment facility.

→ The City of Virginia Beach School Bus Stop Arm Program was created to help keep students safe as they are getting on or off the bus. The Virginia Beach City Public Schools (VBCPS) added exterior cameras to its buses. These cameras capture pictures and videos of motorists illegally passing when stop arms are extended and red lights are flashing. Images will be reviewed by the Virginia Beach Police Department (VBPD) and can result in citations for the drivers at fault. After a trial period in February, the initiative went live in March 2019.

→ The construction of the new Fourth Precinct Building in Kempsville is underway. As of publication, the roof and the building's metal walls have been installed. The Precinct will most likely open in October 2019.

Major Budget Changes

	Change	Impact
↑	Civilianization +6.6 FTEs +$442,242	The Police Department will be adding 6.6 FTEs in Fiscal Year 2019-2020 as part of a process designed to hire civilian employees in support roles such as public safety analysts. This initiative thereby allows 12 sworn officers currently employed in these roles to return to field duty.
↑	Animal Care and Adoption Center Positions +2.0 FTEs +$81,686	The Police Department will add 1 new Caretaker and 1 new Clerk to the Animal Care and Adoption Center (ACAC) to reduce workloads upon the current ACAC staff members and provide additional animal care and customer assistance.
↑	Safety Engineer +1.0 FTEs +$82,860	The Police Department will add 1 FTE to work with officers and Occupational Health to design and administer programs intended to reduce officer workforce injuries and enhance officer safety.
↑	Stop Arm Reviewers +1.8 FTEs +$0	The Police Department will add 1.8 FTEs in part-time positions to review and enforce the school bus Stop Arm Program discussed in the "Trends and Issues" section above. While these positions will be in the Police Department, their costs will be reimbursed by the VBCPS, therefore creating no new cost to the City.

Police - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	2,603,482	2,470,801	2,371,483	(99,318)
False Alarms	73,135	79,716	153,137	73,421
Personnel and Training	4,937,710	5,148,400	4,827,723	(320,677)
Community Engagement Unit	672,777	813,422	847,381	33,959
Support	4,810,321	5,558,599	5,566,978	8,379
K-9 Unit	1,927,385	1,909,350	1,849,635	(59,715)
Helicopter Unit	986,305	953,409	902,407	(51,002)
Uniform Patrol	55,195,116	58,160,420	58,262,849	102,429
Red Light Camera Program	1,034,552	1,070,584	1,120,127	49,543
Mounted Patrol	980,858	1,155,500	1,091,470	(64,030)
Marine Patrol	1,102,596	1,089,968	1,076,004	(13,964)
School Resource Officer Program	2,469,770	2,499,606	2,618,315	118,709
Investigative Division	13,079,949	13,453,961	12,978,409	(475,552)
Special Investigative Unit	5,053,920	5,310,657	5,181,736	(128,921)
Commercial Extraditions	313,302	392,925	391,966	(959)
Animal Control	3,291,496	3,644,226	3,720,913	76,687
Total Expenditures	98,532,673	103,711,544	102,960,533	(751,011)
Revenues				
Fees	2,996,333	3,405,231	3,112,855	(292,376)
State	287,980	350,000	350,000	0
Federal	62,402	59,600	60,000	400
Total Revenues	3,346,715	3,814,831	3,522,855	(291,976)
General City Support	95,185,958	99,896,713	99,437,678	(459,035)
142 Police Federal & State Seized Assets SRF				
Expenditures				
DEA - Uniform Patrol Grants	5,877	0	0	0
DEA - K-9	13,600	0	0	0
DEA - Uniform Patrol	356,637	285,915	0	(285,915)
DEA - Investigative	43,100	0	0	0
DEA - Special Investigative Unit	500	0	0	0
Total Expenditures	419,714	285,915	0	(285,915)
Revenues				
Fees	568,008	0	0	0
State	170,275	0	0	0
Federal	15,341	0	0	0
Fund Balance	0	285,915	0	(285,915)
Total Revenues	753,624	285,915	0	(285,915)
General City Support	(333,910)	0	0	0

Police - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
183 Grants Consolidated Fund				
Expenditures				
Police - Uniform Patrol Grants	257,620	0	0	0
Total Expenditures	257,620	0	0	0
Revenues				
Fees	3,000	0	0	0
State	37,928	0	0	0
Federal	139,246	0	0	0
Transfers	359,233	0	0	0
Total Revenues	539,408	0	0	0
General City Support	(281,788)	0	0	0
Total Department Expenditure	99,210,007	103,997,459	102,960,533	(1,036,926)
Total Department Revenue	4,639,746	4,100,746	3,522,855	(577,891)
Total General City Support	94,570,261	99,896,713	99,437,678	(459,035)

Position Summary by Program

002 General Fund				
Director's Office	22.80	22.80	22.80	0.00
False Alarms	1.75	1.75	2.55	0.80
Personnel and Training	33.72	35.72	37.52	1.80
Community Engagement Unit	8.00	8.00	8.00	0.00
Support	61.00	62.00	67.00	5.00
K-9 Unit	16.00	16.00	16.00	0.00
Helicopter Unit	8.00	8.00	8.00	0.00
Uniform Patrol	594.63	597.83	597.83	0.00
Red Light Camera Program	2.40	2.40	4.20	1.80
Mounted Patrol	12.00	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	140.00	141.00	141.00	0.00
Special Investigative Unit	54.00	54.00	54.00	0.00
Animal Control	46.00	46.50	48.50	2.00
Total	1,040.76	1,048.46	1,059.86	11.40
Total Position Summary	1,040.76	1,048.46	1,059.86	11.40

Expenditure Category by Department

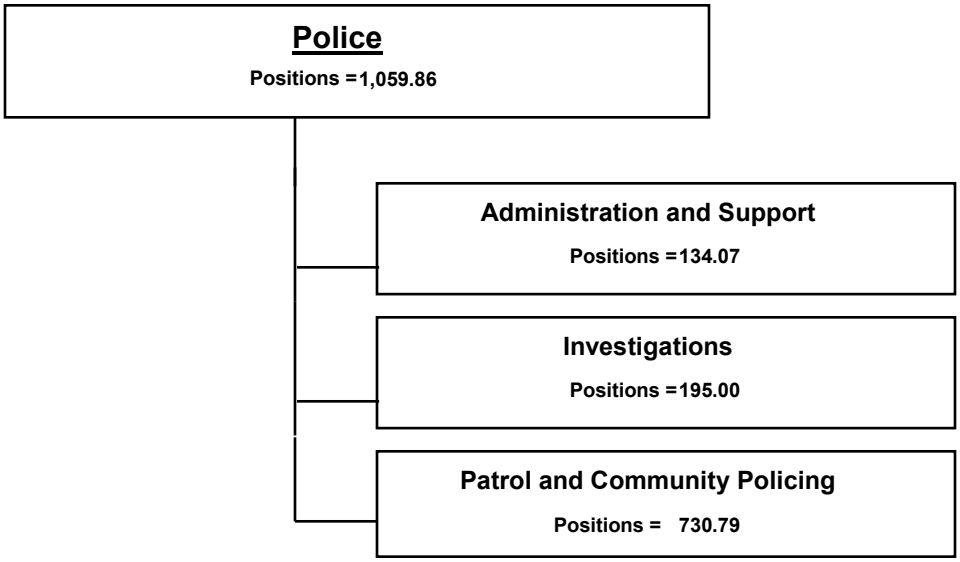
Capital	331,353	1,096,926	952	(1,095,974)
Operating	15,858,471	15,796,874	15,782,163	(14,711)
Personnel	83,020,182	87,103,659	87,177,418	73,759
Total Expenditures:	99,210,007	103,997,459	102,960,533	(1,036,926)

Police - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Revenue Category by Department				
Charges for Services	788,651	818,100	801,250	(16,850)
Fines and Forfeitures	1,637,536	2,019,000	1,744,000	(275,000)
From the Use of Money and Property	38,182	4,100	9,850	5,750
Miscellaneous Revenue	563,091	8,200	8,700	500
Other Sources from the Commonwealth	496,183	350,000	350,000	0
Permits, Privilege Fees, and Regulatory Licenses	539,880	555,831	549,055	(6,776)
Revenue from the Federal Government	216,989	59,600	60,000	400
Specific Fund Reserves	0	285,915	0	(285,915)
Transfers from Other Funds	359,233	0	0	0
Total Revenue:	4,639,746	4,100,746	3,522,855	(577,891)

Resource Summary Notes

The reduction in the Police Department's FY 2020 capital expenditure category is primarily attributable to a reduction in the need for new equipment purchases related to the City's Body Worn Camera program.


Police
Positions =1,059.86
Administration and Support
Positions =134.07
Investigations
Positions =195.00
Patrol and Community Policing
Positions = 730.79

PUBLIC EDUCATION

The mission of the Virginia Beach City Public Schools (VBCPS), in partnership with the entire community, is to empower every student to become a life-long learner who is a responsible, productive and engaged citizen within the global community.

On May 14, 2019, the City Council adopted amendments for the Public Education Operating Budget:

- Accelerate full-day kindergarten in all remaining schools not under construction.
- Reduced funding from the City by $421,977 based on the final State budget and its impact on the City/School Revenue sharing formula; reduced Schools debt service by $2,043,114 based on an anticipated Fall bond sale rather than a Spring bond sale and other adjustments as reflected in the final State budget.

Department Overview

Virginia Beach City Public Schools is the largest school division in the region, consisting of 55 elementary schools, 15 middle schools, 11 high schools, one charter school, and a number of secondary / post-secondary specialty centers.

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. As noted in a July 27, 2018 letter, the City Manager recommended to City Council that the School funding formula be extended through June 30, 2019. The letter also recommended that a working group with both City and School employees be established to make recommendations regarding any revisions to the revenue sharing formula before the FY 2020-21 budget process. The following represents the current four-step computation for calculating the formula:

→ **Total Non-Dedicated General Fund Local Revenues**
The base from which the computation derives is the total General Fund, 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 General Fund, 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 was included to phase-in full day kindergarten.

Composite Index of Local Ability to Pay

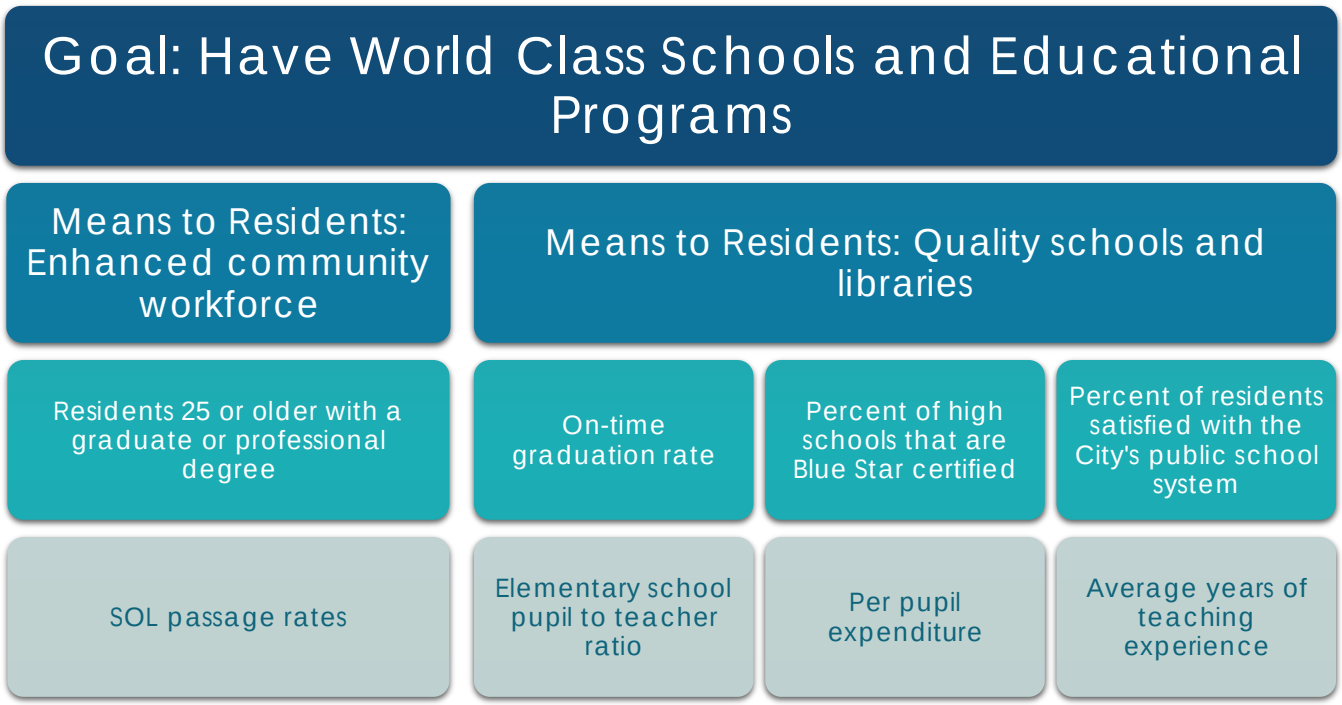
The Composite Index determines a locality's ability to pay education costs fundamental to the Commonwealth's SOQ. The Composite Index is calculated using each locality's: (1) true value of real property (weighted 50%); (2) adjusted gross income (weighted 40%); and (3) taxable retail sales (weighted 10%), divided by average daily membership and population.

Local Composite Index – Virginia Beach			
FY 04-06	0.3353	FY 12-14	0.4110
FY 06-08	0.3492	FY 14-16	0.4034
FY 08-10	0.3704	FY 16-18	0.3925
FY 10-12	0.4060	FY 18-20	0.4046

Each locality's index is adjusted to maintain an overall statewide local share of 45% and an overall state share of 55%. The schools' Composite Index funding level for FY 2018-19 to FY 2019-20 is .4046, which means the city is responsible for 40.46% of the SOQ funding level. The table shows the history of Virginia Beach's local composite index from FY 2002-2004 biennium to the present. This sets the required local SOQ match included in the revenue sharing formula. Also, as previously noted, the city provides funding well above the SOQ requirements.

Key Performance Measures

The graphic below illustrates how Schools and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.



The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Residents 25 or older with a graduate or professional degree	12.3%	13.1%	N/A
On-time graduation rate	91.3%	91.9%	N/A
Percent of high schools that are Blue Star certified	90.9%	83.3%	72.7%
Percent of residents satisfied with the City's public school system	85.8%	84.1%	N/A

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Reading SOL passage rate	85%	86%	86%	N/A	N/A
Writing SOL passage rate	81%	82%	83%	N/A	N/A

Math SOL passage rate	85%	84%	83%	N/A	N/A
Science SOL passage rate	87%	87%	85%	N/A	N/A
History SOL passage rate	88%	88%	86%	N/A	N/A
Student enrollment	67,927	67,214	67,001	66,820	66,653
Elementary school pupil to teacher ratio	20:1	20:1	20:1	N/A	N/A
Per pupil expenditure	$11,185	$11,767	$12,100	12,796	13,191
Average years of teaching experience	14.8	14.4	14.3	N/A	N/A

Trends and Issues

- For the second consecutive year, 100 percent of schools tested in VBCPS earned full state accreditation from the state of Virginia.
- VBCPS has reached an all-time high graduation rate (93.3%) and its lowest ever dropout rate (3.8%).
- VBCPS outscored the nation in the overall SAT mean score and mean section scores.
- According to the College Board, more VBCPS students enrolled in AP courses, took AP Exams, and performed higher than ever before.
- The VBCPS Class of 2018 was offered more than $104 million in scholarships and went on to accept more than $63 million. Both totals are all-time records for the division.
- VBCPS students earned 13,634 industry credentials during the 2017-18 school year, an all-time record for the division and a clear indication of the Schools' emphasis on workforce readiness.
- The School Superintendents Association named VBCPS one of the top 25 school divisions in the nation for its innovative practices around school improvement.
- The Center for Digital Education named VBCPS one of the nation's best digital school districts.
- The American Heart Association named VBCPS the top school division in the state for its ongoing efforts in promoting health awareness.
- VBCPS and 22 of its schools were named the 2018 Virginia Index of Performance (VIP) award winners. The annual awards recognize school divisions and individual schools that exceed state and federal accountability standards and achieve excellence goals.
- All 11 VBCPS comprehensive high schools earned the 2017 National Council of Excellence Award from the National Association of Student Councils (NASC). Only 18 schools in Virginia received this honor which recognizes student councils for their records of leadership and service.
- Last year, approximately 35,000 volunteers and partners in education donated more than 400,000 hours of service to VBCPS to support the work and mission of the division.

Major Budget Changes

	Change	Impact
↑	School employee experience step and cost of living increase	Funding has been allocated in the FY 2019-20 budget to provide eligible School employees with a 0.5% experience, step increase that will move them along the scale of their pay range as well as a 2.5% cost of living adjustment for a total 3% compensation increase.
↑	76.2 additional instructional positions	The School Board Proposed Operating Budget includes funding for a net of 76.2 additional instructional positions including: → 42 instructional positions connected to the 3rd year implementation of full-day kindergarten → 6 elementary guidance counselors → 6 high school teachers

		→ 5 elementary behavioral intervention specialists → 5 psychologists → 4 special education teacher assistants → 3 special education teachers → 2 academy teacher positions → 1 program compliance support teacher → 1 interpreter The additional 42 instructional positions for elementary schools will help the division works towards the goal of full-day kindergarten in every school. Currently, the program is offered at 35 of the 55 elementary schools. The additional positions at the high school level will reduce the number of teachers that are assigned more than 150 students while the positions for special education and the academies will ensure students receive more direct educational support and instruction. The counselors, behavioral specialists, and psychologists will seek to minimize classroom disturbances by working with children and their parents to correct disruptive behaviors before they negatively impact the learning environment for other students in the classroom.
↑	Other highlights	→ $731,000 in additional special education funding to meet the Child Services Act required local match. → $539,000 for five additional special education busses. → $1.2M for increasing utility and maintenance costs across the school division. → Reduction of 21 custodial FTEs based on revised staffing guidelines. → 8 FTEs added to the Office of Safe Schools
⇔	4 cent real estate dedication	In FY 2012-13, due to significant cuts in State funding for schools as a result of the recession, City Council dedicated 4¢ of the real estate tax to the schools. This dedication was to be reviewed when funding from the State exceeded $350 million; however, it has taken eight years to reach this level of funding when both Basic Aid and State Sales Tax revenue are combined. The City Manager's proposed budget maintains this dedication to schools as it is necessary to achieve City Council's goal to have World Class Schools and Educational Programs.
↑	Real estate increase for full-day kindergarten	After the School Board adopted their budget, they requested a $0.0085, or eighty-five hundredth of a cent, addition to the real estate tax rate for the accelerated expansion of full-day kindergarten. This request is not reflected in the following budget for Public Education.

Public Education - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
104 Green Run Collegiate Charter School				
Expenditures				
School Green Run Collegiate Charter Instruction	3,004,423	3,442,838	3,554,645	111,807
School Green Run Collegiate Charter Transporation	227,187	321,578	321,578	0
School Green Run Collegiate Charter Oper & Maint	67	0	0	0
School Green Run Collegiate Charter Technology	65,424	38,615	37,715	(900)
Total Expenditures	3,297,101	3,803,031	3,913,938	110,907
Revenues				
Transfers	3,315,737	3,803,031	3,913,938	110,907
Total Revenues	3,315,737	3,803,031	3,913,938	110,907
General City Support	(18,636)	0	0	0
107 School Equipment Replacement Special Revenue Fund				
Expenditures				
Reserve for Contingencies	169,495	1,088,036	80,000	(1,008,036)
Total Expenditures	169,495	1,088,036	80,000	(1,008,036)
Revenues				
Fund Balance	11,002	1,088,036	80,000	(1,008,036)
Total Revenues	11,002	1,088,036	80,000	(1,008,036)
General City Support	158,493	0	0	0
108 School Instructional Technology Fund				
Expenditures				
Instructional Technology	0	260,244	200,000	(60,244)
Total Expenditures	0	260,244	200,000	(60,244)
Revenues				
Fund Balance	124,606	260,244	200,000	(60,244)
Total Revenues	124,606	260,244	200,000	(60,244)
General City Support	(124,606)	0	0	0
109 School Vending Operations Fund				
Expenditures				
School Vending Operations	135,477	150,000	150,000	0
Total Expenditures	135,477	150,000	150,000	0
Revenues				
Fees	155,057	144,000	144,000	0
Fund Balance	0	6,000	6,000	0
Total Revenues	155,057	150,000	150,000	0
General City Support	(19,580)	0	0	0

Public Education - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
112 School Communication Tower Technology Fund				
Expenditures				
Communication Tower Technology	596,914	850,000	800,000	(50,000)
Total Expenditures	596,914	850,000	800,000	(50,000)
Revenues				
Fees	498,350	510,000	516,000	6,000
Fund Balance	0	340,000	284,000	(56,000)
Total Revenues	498,350	850,000	800,000	(50,000)
General City Support	98,564	0	0	0
114 School Cafeteria Fund				
Expenditures				
Food Services	28,486,784	33,733,213	35,554,104	1,820,891
Total Expenditures	28,486,784	33,733,213	35,554,104	1,820,891
Revenues				
Fees	10,716,009	11,954,253	11,892,029	(62,224)
State	658,930	500,000	500,000	0
Federal	19,589,633	19,333,672	20,671,443	1,337,771
Fund Balance	0	1,945,288	2,490,632	545,344
Total Revenues	30,964,572	33,733,213	35,554,104	1,820,891
General City Support	(2,477,788)	0	0	0
115 School Operating Fund				
Expenditures				
Instruction	554,474,732	570,250,577	582,276,144	12,025,567
Administration, Attendance, and Health	23,789,954	25,872,553	26,211,588	339,035
Pupil Transportation	45,805,664	36,910,951	39,500,098	2,589,147
Operations and Maintenance	86,721,311	91,094,755	93,683,312	2,588,557
Technology	37,744,708	34,597,083	35,344,644	747,561
Debt Service	42,173,255	42,421,657	43,786,482	1,364,825
Transfer to Other Funds	12,026,692	12,440,085	13,233,617	793,532
Total Expenditures	802,736,317	813,587,661	834,035,885	20,448,224
Revenues				
Fees	4,140,294	3,518,341	3,768,341	250,000
State	347,475,410	348,069,568	363,807,384	15,737,816
Federal	12,614,392	12,670,337	12,672,600	2,263
Transfers	424,496,262	449,329,415	453,787,560	4,458,145
Total Revenues	788,726,357	813,587,661	834,035,885	20,448,224
General City Support	14,009,959	0	0	0

Public Education - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
116 School Grants Fund				
Expenditures				
School Grants	44,585,582	61,486,650	65,962,175	4,475,525
Total Expenditures	44,585,582	61,486,650	65,962,175	4,475,525
Revenues				
Fees	394,638	993,539	1,071,964	78,425
State	10,000,696	16,297,858	17,115,392	817,534
Federal	31,014,149	40,582,973	43,899,955	3,316,982
Transfers	3,653,090	3,612,280	3,874,864	262,584
Total Revenues	45,062,573	61,486,650	65,962,175	4,475,525
General City Support	(476,991)	0	0	0
117 School Textbook Fund				
Expenditures				
Textbook	3,769,632	6,206,584	4,775,188	(1,431,396)
Total Expenditures	3,769,632	6,206,584	4,775,188	(1,431,396)
Revenues				
Fees	72,764	56,483	56,483	0
State	4,474,385	4,009,991	3,995,902	(14,089)
Fund Balance	0	2,140,110	722,803	(1,417,307)
Total Revenues	4,547,149	6,206,584	4,775,188	(1,431,396)
General City Support	(777,517)	0	0	0
119 School Athletic Special Revenue Fund				
Expenditures				
Athletics	5,070,537	5,028,774	5,227,274	198,500
Total Expenditures	5,070,537	5,028,774	5,227,274	198,500
Revenues				
Fees	557,532	504,000	504,000	0
Transfers	5,057,865	4,524,774	4,723,274	198,500
Total Revenues	5,615,397	5,028,774	5,227,274	198,500
General City Support	(544,860)	0	0	0
460 School General Revenue Capital Projects Fund				
Expenditures				
School Capital Projects	900,000	500,000	721,541	221,541
Total Expenditures	900,000	500,000	721,541	221,541
Revenues				
Transfers	900,000	500,000	721,541	221,541
Total Revenues	900,000	500,000	721,541	221,541
General City Support	0	0	0	0

Public Education - Departmental Resource Summary

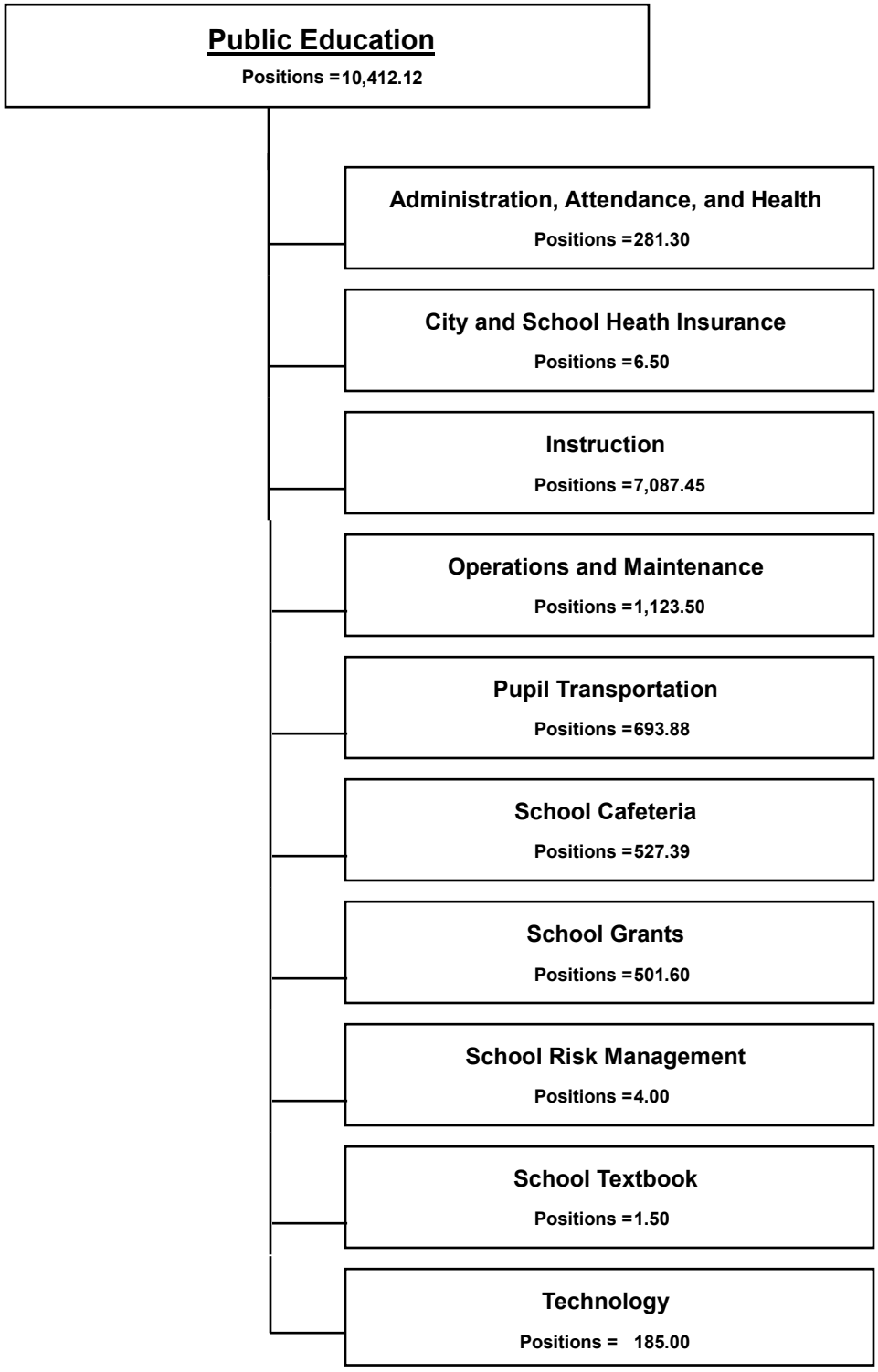
	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
614 School Risk Management Fund				
Expenditures				
School Risk Management	6,565,806	6,805,724	8,170,228	1,364,504
Total Expenditures	6,565,806	6,805,724	8,170,228	1,364,504
Revenues				
Fees	7,327,811	6,805,724	6,805,724	0
Fund Balance	0	0	1,364,504	1,364,504
Total Revenues	7,327,811	6,805,724	8,170,228	1,364,504
General City Support	(762,005)	0	0	0
615 City and School Health Insurance Fund				
Expenditures				
City and School Health Insurance	136,367,364	157,467,867	157,467,867	0
Total Expenditures	136,367,364	157,467,867	157,467,867	0
Revenues				
Fees	149,344,403	157,467,867	157,467,867	0
Total Revenues	149,344,403	157,467,867	157,467,867	0
General City Support	(12,977,039)	0	0	0
Total Department Expenditure	1,032,681,007	1,090,967,784	1,117,058,200	26,090,416
Total Department Revenue	1,036,593,013	1,090,967,784	1,117,058,200	26,090,416
Total General City Support	(3,912,006)	0	0	0

Position Summary by Program

104 Green Run Collegiate Charter School				
School Green Run Collegiate Charter Instruction	39.30	39.30	38.80	-0.50
Total	39.30	39.30	38.80	-0.50
114 School Cafeteria Fund				
Food Services	495.89	492.89	527.39	34.50
Total	495.89	492.89	527.39	34.50
115 School Operating Fund				
Instruction	6,853.85	6,972.45	7,048.65	76.20
Administration, Attendance, and Health	280.30	281.30	281.30	0.00
Pupil Transportation	675.13	693.88	693.88	0.00
Operations and Maintenance	1,152.50	1,134.50	1,123.50	-11.00
Technology	182.00	186.00	185.00	-1.00
Total	9,143.78	9,268.13	9,332.33	64.20
116 School Grants Fund				
School Grants	516.80	521.10	501.60	-19.50
Total	516.80	521.10	501.60	-19.50
117 School Textbook Fund				
Textbook	1.50	1.50	1.50	0.00
Total	1.50	1.50	1.50	0.00

Public Education - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
614 School Risk Management Fund				
School Risk Management	4.00	4.00	4.00	0.00
Total	4.00	4.00	4.00	0.00
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	10,207.77	10,333.42	10,412.12	78.70
Expenditure Category by Department				
Capital	19,972,363	8,492,702	8,244,025	(248,677)
Debt Service	42,173,255	42,421,657	43,786,482	1,364,825
Operating	285,406,012	316,612,196	318,183,750	1,571,554
Personnel	673,102,685	711,001,144	733,610,326	22,609,182
Transfers	12,026,692	12,440,085	13,233,617	793,532
Total Expenditures:	1,032,681,007	1,090,967,784	1,117,058,200	26,090,416
Revenue Category by Department				
Charges for Services	19,844,123	20,752,032	20,738,391	(13,641)
Fines and Forfeitures	0	0	250,000	250,000
From the Use of Money and Property	1,380,151	1,059,483	1,090,483	31,000
Miscellaneous Revenue	151,744,522	160,142,692	159,638,494	(504,198)
Non-Revenue Receipts	238,061	0	0	0
Other Sources from the Commonwealth	288,344,546	293,532,927	306,436,831	12,903,904
Revenue from the Federal Government	63,218,174	72,586,982	77,243,998	4,657,016
School Risk Management Fund	0	0	509,040	509,040
Specific Fund Reserves	135,608	5,779,678	5,147,939	(631,739)
State Shared Sales Tax	74,264,874	75,344,490	78,981,847	3,637,357
Transfers from Other Funds	437,422,953	461,769,500	467,021,177	5,251,677
Total Revenue:	1,036,593,013	1,090,967,784	1,117,058,200	26,090,416

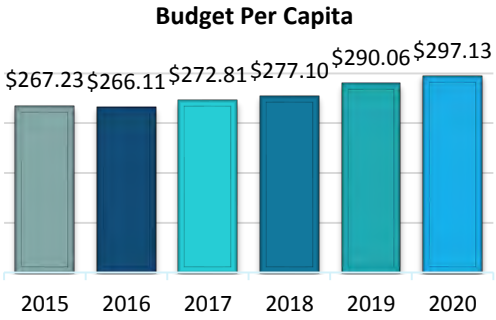

Public Education
Positions =10,412.12
Administration, Attendance, and Health
Positions =281.30
City and School Heath Insurance
Positions =6.50
Instruction
Positions =7,087.45
Operations and Maintenance
Positions =1,123.50
Pupil Transportation
Positions =693.88
School Cafeteria
Positions =527.39
School Grants
Positions =501.60
School Risk Management
Positions =4.00
School Textbook
Positions =1.50
Technology
Positions = 185.00

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 receives potable water from Norfolk's Moores Bridges 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 water and sanitary sewer operations, and the capital improvement program – in turn, these investments provide for safe and reliable services in full compliance with state and federal laws and regulations. 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 improvement 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 distribution and sanitary sewer collection system including: 8 treated and 2 raw water pump stations, 11 water storage facilities, 412 sanitary sewer pump stations, 8,671 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 126,000 calls and web service requests annually about water, sewer, storm water and waste collection services and billing, customer transactions for 141,516 accounts (i.e. account initiation, billings, payment arrangements, revenue collection), sending almost 1.5 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.

Technical Services

Includes oversight and coordination of all technical resources and application support needs within Public Utilities. This new division supports the mission through strategic planning and implementation of technology to streamline business processes and improve efficiency. This requires effective collaboration with all stakeholders and coordination of support resources.

Key Performance Measures

The graphic below illustrates how Public Utilities and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of citizens satisfied with the City's drinking water and waste water collection services	78.8%	83.9%	83.9%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of sewer stoppages	3,229	3,300	3,122	3,200	3,200
Number of sewer overflows	10	12	10	10	12
Number of FOG program inspections	920	694	779	700	780
Number of fire hydrants serviced	1,143	1,076	1,500	1,500	1,800
Water meter reading error rate per 1,000 readings	1.30%	1.33%	1.30%	1.30%	1.30%
Number of water meter readings	750,000	750,000	1,608,912	1,607,100	1,609,000
Number of water meters replaced	3,645	6,839	6,155	6,000	7,000
Percent of drinking water tests meeting or exceeding federal standards	100%	100%	100%	100%	100

Trends and Issues

→ **Norfolk Water Services Contract Extension and New Water Sales Agreement** – In November 2018, the City Council adopted an extension of the Norfolk-Virginia Beach Water Services Contract through 2060. Virginia Beach paid Norfolk $20 million upfront for the extension of the agreement. In addition, the cities entered into a Water Sales Agreement, obligating Virginia Beach to purchase 10 MGD of water at the prevailing rate from the City of Norfolk. While the contract went into effect January 1, 2019, the department absorbed the $2.4 million cost incurred for a partial year of the agreement during FY 2018-19, and deferred the rate increase associated with the annualized $4.9 million increase until FY 2019-20. A water rate increase has been included in this budget to offset annualized costs of the new Water Sales Agreement.

→ **Technical Support Division**- The department established a new Technical Services Division. In the past, technical resources were dispersed in three separate divisions in Public Utilities and reported to three separate Division Managers. This reorganization allows the department to assemble all technology-related positions into a single division and enhances optimal utilization of departmental technical resources.

→ **Rolling Stock Replacements**- In FY 2019-20, total rolling stock replacement costs are reduced by approximately $1.1 million when compared with the adopted FY 2018-19 Budget. This is due to Public Utilities having fewer vehicles that require for replacement in FY 2019-20. The Department has also started programming $400,000 to replace five portable generators annually, the oldest of which are now thirteen years old.

→ **Debt Management-** The City's debt management policies for the Water and Sewer Enterprise Fund serve as a basis for developing financial strategies for the water and sanitary sewer system based on the following guidelines: retaining working capital equal to 80% to 100% of one year's operating expense shall be pursued; debt service coverage on 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) 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. Additional information regarding the City's debt management policies can be found in the debt service section of the budget document.

Major Budget Changes

	Change	Impact
↑	Water Rate Increase $5,454,925	The Department's FY 2019-20 Operating Budget includes a water rate increase of $0.49 per thousand gallons of the water commodity rate associated with the adoption of the Norfolk Water Sales Agreement in November 2018 by City Council. This increase is needed to support the annualized cost of purchasing 10 MGD of water at the prevailing water rate from the City of Norfolk. Residents can expect an increase of approximately a $2.45 in the typical single family's water charge per month. Sanitary sewer rates will remain unchanged.

Public Utilities - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
241 Water and Sewer Fund				
Expenditures				
Director's Office	494,767	515,052	443,044	(72,008)
Engineering	9,380,454	11,041,007	8,412,040	(2,628,967)
Regulatory Management, Operations and Maintenance	0	0	4,282,200	4,282,200
Lake Gaston Facilities	2,089,090	3,327,940	3,383,019	55,079
Water Services Contract	24,811,117	29,130,000	31,673,875	2,543,875
Retiree Health Care	364,674	550,500	550,500	0
Operations Administration	5,370,048	6,265,754	6,135,784	(129,970)
Water Distribution	5,495,022	5,522,708	5,645,318	122,610
Meter Operations	4,264,038	5,017,296	4,807,677	(209,619)
Electrical Support	1,614,107	1,682,346	1,814,903	132,557
Sewer Collection	7,454,299	8,128,800	6,951,398	(1,177,402)
Sewer Pump Stations	6,867,327	7,390,881	6,691,113	(699,768)
Business Division	7,315,770	9,703,378	9,119,578	(583,800)
Technical Services	0	0	2,425,063	2,425,063
Debt Service	17,917,874	19,396,096	21,792,751	2,396,655
Reserve for Contingencies	0	1,081,340	1,860,000	778,660
Transfer to Other Funds	17,690,185	22,761,825	19,232,732	(3,529,093)
Total Expenditures	111,128,774	131,514,923	135,220,995	3,706,072
Revenues				
Local Taxes	35,102	0	0	0
Fees	129,907,404	128,751,233	132,409,869	3,658,636
Federal	936,671	948,018	936,671	(11,347)
Transfers	1,832,981	1,815,672	1,874,455	58,783
Total Revenues	132,712,158	131,514,923	135,220,995	3,706,072
General City Support	(21,583,384)	0	0	0
Total Department Expenditure	111,128,774	131,514,923	135,220,995	3,706,072
Total Department Revenue	132,712,158	131,514,923	135,220,995	3,706,072
Total General City Support	(21,583,384)	0	0	0

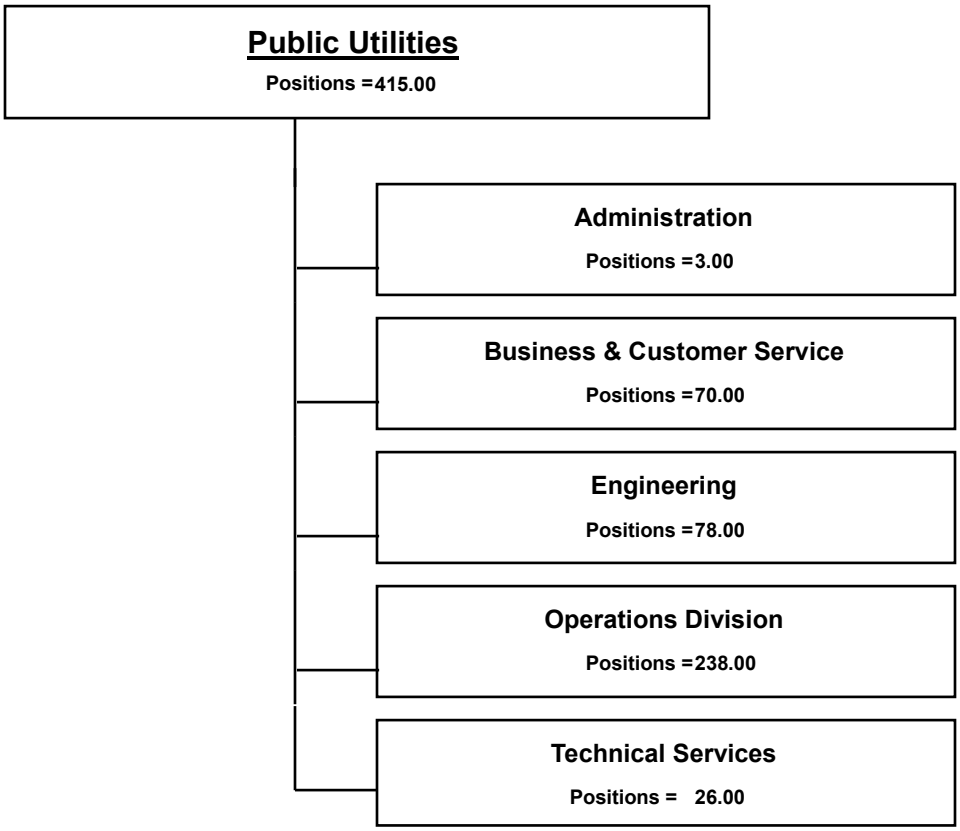
Position Summary by Program				
241 Water and Sewer Fund				
Director's Office	3.00	4.00	3.00	-1.00
Engineering	88.00	88.00	78.00	-10.00
Operations Administration	37.00	37.00	30.00	-7.00
Water Distribution	46.00	46.00	46.00	0.00
Meter Operations	38.00	35.00	28.00	-7.00
Electrical Support	19.00	19.00	19.00	0.00
Sewer Collection	62.00	62.00	64.00	2.00
Sewer Pump Stations	51.00	51.00	51.00	0.00
Business Division	73.00	73.00	70.00	-3.00
Technical Services	0.00	0.00	26.00	26.00
Total	417.00	415.00	415.00	0.00
Total Position Summary	417.00	415.00	415.00	0.00

Public Utilities - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Expenditure Category by Department				
Capital	2,306,472	3,850,065	2,321,500	(1,528,565)
Debt Service	17,917,874	19,397,596	21,792,751	2,395,155
Depreciation and Bad Debt Expense	554,853	712,800	706,860	(5,940)
Operating	43,059,173	51,545,873	57,599,739	6,053,866
Personnel	29,600,217	32,165,424	31,707,413	(458,011)
Reserves	0	1,081,340	1,860,000	778,660
Transfers	17,690,185	22,761,825	19,232,732	(3,529,093)
Total Expenditures:	111,128,774	131,514,923	135,220,995	3,706,072
Revenue Category by Department				
Charges for Services	122,031,183	123,774,644	128,081,184	4,306,540
From the Use of Money and Property	2,729,136	742,891	791,351	48,460
Miscellaneous Revenue	2,085,025	308,657	620,812	312,155
Non-Revenue Receipts	3,097,161	3,925,041	2,916,522	(1,008,519)
Revenue from the Federal Government	936,671	948,018	936,671	(11,347)
Transfers from Other Funds	1,832,981	1,815,672	1,874,455	58,783
Total Revenue:	132,712,158	131,514,923	135,220,995	3,706,072

Resource Summary Notes

A $20 million lump sum payment was paid to the City of Norfolk for the extension of the Norfolk Water Services Agreement in FY 2018-19. This payment has been excluded from the Department Resource Summary in order to allow comparability between years.


Public Utilities
Positions =415.00
Administration
Positions =3.00
Business & Customer Service
Positions =70.00
Engineering
Positions =78.00
Operations Division
Positions =238.00
Technical Services
Positions = 26.00

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.

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.

Budget Per Capita

FY 2016 and FY 2017 reflect the Multi-Modal Fund. This Fund was eliminated in FY 2018.

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 3,900 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

The graphic below illustrates how Public Works and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Improve the Transportation System

Means to Residents: Safer streets for automobile, pedestrians and bike travel
Means to Residents: More predictable/ acceptable travel times "point A to point B"

Citizen satisfaction with the flow of traffic in the city

- street system meeting the minimum physical condition rating
- Reconstruction of lane miles
- grades for transportation efficiency
- roadway resurfacing cycle
- lane miles resurfaced

Goal: Modernize City Assets and Infrastructure

Means to Residents: Decreased Flooding of Neighborhoods and Businesses

Means to Residents: Decreased cost of service due to improved maintenance over long term

Citizen satisfaction with efforts to address recurrent flooding and effects of sea level rise

Citizen satisfaction with conditions of streets in their neighborhood

- Miles of roadside ditches cleaned
- Miles of off-road ditches cleaned
- cubic yards of material dredged
- Linear feet of pipe cleaned
- cave in repairs on structures

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of citizens that are satisfied with the maintenance of existing city roads	71.3	71.3	66.3
Percent of citizens satisfied or very satisfied with the flow of traffic in the city	50.4	50.4	40.3
Percent of citizens satisfied or very satisfied with efforts to address recurrent flooding and effects of sea level rise	N/A	N/A	47.0
Percent of citizens satisfied with the condition of streets in their neighborhood	80.8	66.3	66.3

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Percent of Street Systems Meeting Minimum Physical Condition Rating	81	80	83	83	85

Number of lane miles reconstructed/repaved	8	4	4	5	4
Percent of lane miles in the two lowest grades for transportation efficiency	19	19	19	18	18
Roadway resurfacing cycle (years)	21	15	29	22	21
Ditch Cleaning Cycle (years)	12	11	12	11	11
Cubic yards of materials removed	32,172	32,816	25,143	25,000	25,000
Lake dredging cycle (years)	95	95	95	95	95
Miles of off road ditch cleaned	20.09	22.9	15	6.8	17
Miles of road side ditch cleaned	18.3	18.0	13.1	15.0	15.0
Linear feet of pipe cleaned	1,997,646	1,317,271	464,350	500,000	500,000
Cave in repairs on structures	949	753	820	750	750
Pump Station Work Orders Completed	399	331	658	400	400

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.

→ In FY 2019-20, the proposed Storm Water ERU Rate will increase from 45.8 cents per day to 49.3 cents per day. This 3.5-cent increase will result in homeowners paying an increase of $12.78 annually. The proposed budget includes a planned 3.5¢ rate increase each year from FY 2019-20 through FY 2024-25 (six years). This phased ERU increase is critical to financing the Storm Water CIP, mitigating future flooding and to support requirements of the MS4 permit.

→ The City's debt management policies for the Storm Water Enterprise Fund serve as the basis for developing financial strategies for the storm water system. City policy requires debt service coverage ratios calculated using pledged revenues must be greater than 1.15 times the maximum annual debt service. To maintain good credit ratings, Storm Water strives to maintain a goal of 1.5 times the maximum annual debt service.

→ The Proposed FY 2019-20 Waste Management budget includes a $2 fee increase from $23 per month to $25 per month for the Waste Collection fee. This fee increase is necessary to ensure the sustainment and fiscal health of the Waste Management Enterprise Fund. This increase will support the necessary level of funding required to purchase replacement vehicles for the Waste Management Fleet. The enterprise fund is still relatively new and lacking an adequate level of fund balance that is expected of enterprise funds.

Major Budget Changes

	Change	Impact
⇔	Reorganization of the Storm Water Utility Fund $ 14,294,540 FTE: 105.0	In order to maximize the use of the Equivalent Residential Unit (ERU) Rate for Storm Water Capital Improvement Projects, several divisions of Storm Water (Mosquito Control, Street Sweeping, Surface Water Regulatory Compliance and a portion of Operations) were reallocated to the City's General Fund. The total amount of this change is $14.3 million dollars including 105 FTEs, which will be offset by a proposed real estate tax increase of 1.5¢ and the redirection of the previous General Fund transfer (equal to 1¢) to the Storm Water CIP. The General Fund will retain the 2.5¢

		to support these operations moving forward. This new funding model allows for the Storm Water ERU and revenue bonds to be maximized to fully support the Storm Water CIP without general government support.
↑	Storm Water Project Management $834,547 FTE: 6.0	A total of six positons (four Engineer IIIs, one Engineer IV, and one Construction Inspector) are added to support the Storm Water Project Management and Construction and Engineering divisions of Public Works. These additional positions are necessary for management of the 33 additional projects added to the Storm Water CIP in the FY 2019-20 budget.
↑	Regulatory Compliance $811,785 FTE: 4.0	An additional four Engineer positions are added to support Storm Water Regulatory Compliance and the City's MS4 permit. The division also supports the storm water billing program, storm water utility fee adjustment program, and the Virginia Storm Water Management Program (VSMP) and Virginia Erosion and Sediment Control Program (VESCP) for Public Works Engineering Capital Improvement Projects.
↑	Vehicle Replacement $2,200,000	With the proposed rate increase of $2 monthly, $2.2 million in funding is provided for vehicle replacements for Waste Management. Maintaining currently owned assets as well as replacing those past their useful life is an important component to quality service delivery.
↑	Building Maintenance Phased Staffing $340,808 FTE: 4. 0	Four additional FTEs (1 Electrician, 1 HVAC Mechanical Engineer, 1 Painter, and 1 Plumber) are included as the final phase of staffing to enhance the Building Maintenance division and reduce to backlog of work orders and facility maintenance needs.
↑	Mechanic III $76,808 FTE 1.0	Addition of a Mechanic III to City Fleet Management to support the various vehicles and equipment serviced by the City Garage.

Public Works - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Director's Office	339,734	309,446	305,580	(3,866)
Business Center	6,963,424	7,122,447	7,361,176	238,729
Contracts	434,591	481,015	487,279	6,264
Facilities Management	1,301,248	1,493,436	1,571,596	78,160
Energy Management	201,826	208,823	212,004	3,181
Environmental Management Office	9,998	651,155	611,807	(39,348)
Real Estate	878,645	957,354	937,318	(20,036)
Engineering Program Management	1,052,873	859,604	842,305	(17,299)
Surveys	1,300,801	1,303,497	1,242,779	(60,718)
Engineering Technical Support	344,480	363,939	362,587	(1,352)
Traffic Engineering	1,417,562	1,553,635	1,537,477	(16,158)
Transportation Program and Project Management	1,433,793	1,742,962	1,708,021	(34,941)
Engineering and Construction Management Services	1,153,638	1,924,586	1,942,931	18,345
Coastal Program and Project Management	397,065	491,830	513,804	21,974
Facilities Design and Construction	782,676	818,745	826,028	7,283
Street Light Installations	129,498	510,000	510,000	0
Operations Management Support	1,074,349	1,158,562	1,123,647	(34,915)
Technical Services and Asset Management	905,699	1,979,496	2,080,788	101,292
Infrastructure Maintenance Contracts	693,968	947,079	841,218	(105,861)
Infrastructure Maintenance Support	856,027	1,008,269	1,012,407	4,138
Street Maintenance	19,239,267	15,972,440	16,646,177	673,737
Dredge Maintenance	1,561,899	1,672,734	1,797,318	124,584
Traffic Management Operations	5,091,489	5,118,754	5,073,376	(45,378)
Beach Operations	0	0	148,780	148,780
Bridge Maintenance	519,696	718,440	768,540	50,100
Beach Operations Residential Beaches	377,646	356,959	328,734	(28,225)
Building Maintenance Management and Support	7,988,898	8,637,664	8,552,941	(84,723)
Electrical	1,862,151	1,980,820	2,026,039	45,219
Heat and Air Conditioning	2,204,667	2,182,046	2,321,301	139,255
General Maintenance	3,378,191	3,585,754	3,708,798	123,044
Custodial	4,095,067	4,259,940	4,268,791	8,851
Resort Building Maintenance	475,978	611,118	525,904	(85,214)
SWU - Project Management	0	0	3,941,292	3,941,292
SWU - Street Sweeping	0	0	2,972,784	2,972,784
SWU - Construction and Engineering	0	0	2,073,375	2,073,375
SWU - Surface Water Regulatory Compliance	0	0	2,281,921	2,281,921
SWU - Mosquito Control	0	0	2,415,222	2,415,222
SWU - Operations & Maintenance	0	0	609,946	609,946
Total Expenditures	68,466,840	70,982,549	86,491,991	15,509,442
Revenues				
Fees	237,496	717,040	599,040	(118,000)
State	45,882,347	43,191,110	44,500,791	1,309,681
Transfers	2,383,988	2,403,071	2,418,071	15,000
Total Revenues	48,503,830	46,311,221	47,517,902	1,206,681
General City Support	19,963,010	24,671,328	38,974,089	14,302,761

Public Works - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
151 Parks and Recreation Special Revenue Fund				
Expenditures				
Recreation Centers Building Maintenance	3,049,352	3,235,299	3,235,299	0
Total Expenditures	3,049,352	3,235,299	3,235,299	0
Revenues				
Local Taxes	3,107,644	3,235,299	3,235,299	0
Total Revenues	3,107,644	3,235,299	3,235,299	0
General City Support	(58,292)	0	0	0
152 Tourism Investment Program Fund				
Expenditures				
TIP - Recycling	90,637	102,000	102,000	0
TIP Beach Operations	2,088,370	2,239,986	2,081,337	(158,649)
TIP Resort Building Maintenance	467,190	589,031	714,791	125,760
Total Expenditures	2,646,197	2,931,017	2,898,128	(32,889)
Revenues				
Local Taxes	2,743,615	2,908,264	2,898,128	(10,136)
Fees	0	22,753	0	(22,753)
Total Revenues	2,743,615	2,931,017	2,898,128	(32,889)
General City Support	(97,418)	0	0	0
157 Sandbridge Special Service District Spec Rev Fd				
Expenditures				
Sandbridge Beach Operation	504,693	844,490	463,064	(381,426)
Total Expenditures	504,693	844,490	463,064	(381,426)
Revenues				
Local Taxes	931,392	844,490	463,064	(381,426)
Total Revenues	931,392	844,490	463,064	(381,426)
General City Support	(426,699)	0	0	0
183 Grants Consolidated Fund				
Expenditures				
Public Works - Grants	20,000	20,000	20,000	0
Total Expenditures	20,000	20,000	20,000	0
Revenues				
Federal	20,000	20,000	20,000	0
Total Revenues	20,000	20,000	20,000	0
General City Support	0	0	0	0

Public Works - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
254 Waste Management Enterprise Fund				
Expenditures				
WM Program Support	1,127,253	1,403,058	1,361,455	(41,603)
WM Bureau of Waste Disposal	14,751,433	11,519,402	10,975,515	(543,887)
WM Bureau of Waste Collection	13,691,516	13,955,553	15,234,307	1,278,754
WM Yard Debris & Hazardous Household Waste	1,534,501	2,158,492	2,346,996	188,504
WM Recycling	4,584,302	4,455,664	4,568,258	112,594
Retiree Health Insurance	137,299	173,929	173,929	0
WM Reserve for Contingencies	0	4,879	1,027,423	1,022,544
Transfer to Other Funds	3,052,247	2,986,789	2,511,239	(475,550)
Total Expenditures	38,878,552	36,657,766	38,199,122	1,541,356
Revenues				
Fees	35,368,803	35,136,766	38,149,122	3,012,356
State	42,871	45,000	50,000	5,000
Transfers	5,712,041	1,476,000	0	(1,476,000)
Total Revenues	41,123,715	36,657,766	38,199,122	1,541,356
General City Support	(2,245,163)	0	0	0
255 Storm Water Utility Enterprise Fund				
Expenditures				
SWU - Stormwater Project Management	2,645,311	3,257,741	0	(3,257,741)
SWU - Stormwater Construction and Engineering	1,668,128	1,968,520	0	(1,968,520)
SWU - Surface Water Regulatory Compliance	1,142,345	1,489,043	0	(1,489,043)
SWU - Mosquito Control	2,426,511	2,644,193	0	(2,644,193)
SWU - Street Sweeping	2,175,162	2,977,303	0	(2,977,303)
SWU - Operations and Maintenance	12,423,202	13,700,998	13,005,109	(695,889)
SWU - Inspections and Environmental Spill Response	795,204	921,837	979,592	57,755
Retiree Health Insurance	177,642	177,092	177,092	0
Debt Service	3,393,917	3,955,648	5,500,000	1,544,352
Reserve for Contingencies	0	0	1,317,201	1,317,201
Transfer to Other Funds	8,932,328	11,309,761	24,913,040	13,603,279
Total Expenditures	35,779,749	42,402,136	45,892,034	3,489,898
Revenues				
Fees	42,344,710	42,104,666	45,609,564	3,504,898
Federal	261,430	267,597	267,597	0
Transfers	29,873	29,873	14,873	(15,000)
Total Revenues	42,636,013	42,402,136	45,892,034	3,489,898
General City Support	(6,856,263)	0	0	0

Public Works - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
606 City Garage Internal Service Fund				
Expenditures				
Automotive Services	12,519,248	13,698,420	14,020,043	321,623
Motor Pool	122,967	157,876	179,887	22,011
Reserve for Contingencies	0	34,288	133,228	98,940
Total Expenditures	12,642,215	13,890,584	14,333,158	442,574
Revenues				
Fees	13,748,665	13,890,584	14,333,158	442,574
Total Revenues	13,748,665	13,890,584	14,333,158	442,574
General City Support	(1,106,450)	0	0	0
610 Capital Projects Internal Service Fund				
Expenditures				
Capital Projects - PW Energy	19,048	0	0	0
Capital Projects - Public Works	314,325	0	0	0
Total Expenditures	333,373	0	0	0
Revenues				
Fees	333,373	0	0	0
Total Revenues	333,373	0	0	0
General City Support	0	0	0	0
616 Fuels Internal Service Fund				
Expenditures				
Fuels	4,636,657	5,681,880	5,889,880	208,000
Total Expenditures	4,636,657	5,681,880	5,889,880	208,000
Revenues				
Fees	4,962,357	5,673,574	5,681,880	8,306
Fund Balance	0	8,306	208,000	199,694
Total Revenues	4,962,357	5,681,880	5,889,880	208,000
General City Support	(325,700)	0	0	0
Total Department Expenditure	166,957,627	176,645,721	197,422,676	20,776,955
Total Department Revenue	158,110,603	151,974,393	158,448,587	6,474,194
Total General City Support	8,847,024	24,671,328	38,974,089	14,302,761

Position Summary by Program

002 General Fund				
Director's Office	2.00	2.00	2.00	0.00
Business Center	9.00	9.00	11.00	2.00
Contracts	7.00	7.00	7.00	0.00
Facilities Management	14.00	14.00	14.00	0.00
Energy Management	2.00	2.00	2.00	0.00
Environmental Management Office	0.00	2.00	2.00	0.00
Real Estate	11.00	11.00	11.00	0.00
Engineering Program Management	12.00	8.00	8.00	0.00

Public Works - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
002 General Fund				
Surveys	16.00	16.00	16.00	0.00
Engineering Technical Support	3.00	3.00	3.00	0.00
Traffic Engineering	15.00	15.00	15.00	0.00
Transportation Program and Project Management	13.00	15.00	15.00	0.00
Engineering and Construction Management Services	10.00	17.00	17.00	0.00
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	13.00	13.00	13.00	0.00
Technical Services and Asset Management	9.00	9.00	9.00	0.00
Infrastructure Maintenance Contracts	7.00	9.00	9.00	0.00
Infrastructure Maintenance Support	11.88	11.88	11.00	-0.88
Street Maintenance	59.00	59.00	59.00	0.00
Dredge Maintenance	21.00	21.00	21.00	0.00
Traffic Management Operations	42.00	42.00	40.88	-1.12
Bridge Maintenance	7.00	7.00	7.00	0.00
Beach Operations Residential Beaches	4.00	4.00	4.00	0.00
Building Maintenance Management and Support	15.00	16.00	16.00	0.00
Electrical	21.00	22.00	23.00	1.00
Heat and Air Conditioning	22.00	23.00	24.00	1.00
General Maintenance	42.00	43.00	45.00	2.00
Custodial	57.00	57.00	57.00	0.00
Resort Building Maintenance	3.00	3.00	3.00	0.00
SWU - Project Management	0.00	0.00	31.00	31.00
SWU - Street Sweeping	0.00	0.00	3.00	3.00
SWU - Construction and Engineering	0.00	0.00	20.00	20.00
SWU - Surface Water Regulatory Compliance	0.00	0.00	15.00	15.00
SWU - Mosquito Control	0.00	0.00	34.00	34.00
SWU - Operations & Maintenance	0.00	0.00	12.00	12.00
Total	458.88	471.88	590.88	119.00
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	11.00	11.00	0.00
TIP Resort Building Maintenance	8.00	8.00	8.00	0.00
Total	18.00	19.00	19.00	0.00
157 Sandbridge Special Service District Spec Rev Fd				
Sandbridge Beach Operation	3.00	3.00	3.00	0.00
Total	3.00	3.00	3.00	0.00

Public Works - Departmental Resource Summary

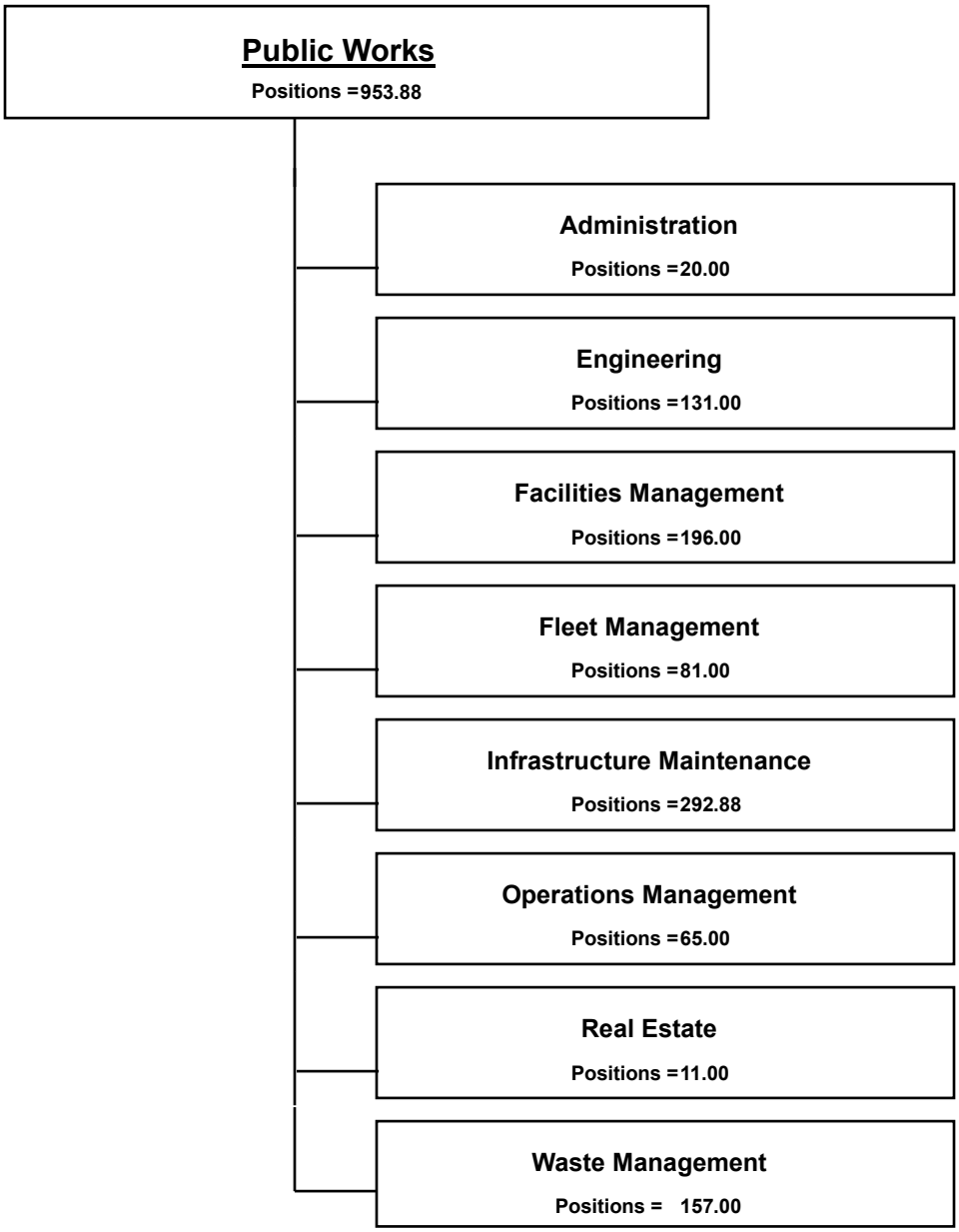
	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
254 Waste Management Enterprise Fund				
WM Program Support	14.00	14.00	14.00	0.00
WM Bureau of Waste Disposal	10.00	10.00	10.00	0.00
WM Bureau of Waste Collection	125.00	125.00	125.00	0.00
WM Yard Debris & Hazardous Household Waste	5.00	5.00	5.00	0.00
WM Recycling	3.00	3.00	3.00	0.00
Total	157.00	157.00	157.00	0.00
255 Storm Water Utility Enterprise Fund				
SWU - Operations and Maintenance	99.00	100.00	87.00	-13.00
SWU - Inspections and Environmental Spill Response	12.00	11.00	12.00	1.00
SWU - Project Management	25.00	26.00	0.00	-2600
SWU - Street Sweeping	3.00	3.00	0.00	-3.00
SWU - Construction and Engineering	19.00	19.00	0.00	-19.00
SWU - Surface Water Regulatory Compliance	11.00	11.00	0.00	-11.00
SWU - Mosquito Control	34.00	34.00	0.00	-34.00
Total	203.00	204.0 0	99.00	-105.00
606 City Garage Internal Service Fund				
Automotive Services	79.00	80.00	81.00	1.00
Total	79.00	80.00	81.00	1.00
610 Capital Projects Internal Service Fund				
Capital Projects - Public Works	3.00	0.00	0.00	0.00
Total	3.00	0.00	0.00	0.00
Total Position Summary	925.88	938.88	953.88	15.00

Expenditure Category by Department

Capital	4,319,202	4,150,368	4,899,401	749,033
Debt Service	3,393,917	3,955,648	5,500,000	1,544,352
Depreciation and Bad Debt Expense	140,630	199,991	10,000	(189,991)
Operating	83,563,882	84,880,935	86,277,427	1,396,492
Personnel	63,555,422	69,123,062	70,829,648	1,706,586
Reserves	0	39,167	2,481,921	2,442,754
Transfers	11,984,575	14,296,550	27,424,279	13,127,729
Total Expenditures:	166,957,627	176,645,721	197,422,676	20,776,955

Revenue Category by Department

Charges for Services	94,687,867	95,538,844	102,360,327	6,821,483
From the Use of Money and Property	732,300	216,500	345,114	128,614
Hotel Room Tax	3,675,006	3,752,754	2,648,183	(1,104,571)
Miscellaneous Revenue	1,436,819	1,677,039	1,542,323	(134,716)
Other Sources from the Commonwealth	45,925,218	43,236,110	44,550,791	1,314,681
Permits, Privilege Fees, and Regulatory Licenses	138,417	113,000	125,000	12,000
Real Estate	3,107,644	3,235,299	3,235,299	0
Restaurant Meal Tax	0	0	713,009	713,009
Revenue from the Federal Government	281,430	287,597	287,597	0
Specific Fund Reserves	0	8,306	208,000	199,694
Transfers from Other Funds	8,125,902	3,908,944	2,432,944	(1,476,000)
Total Revenue:	158,110,603	151,974,393	158,448,587	6,474,194


Public Works
Positions =953.88
Administration
Positions =20.00
Engineering
Positions =131.00
Facilities Management
Positions =196.00
Fleet Management
Positions =81.00
Infrastructure Maintenance
Positions =292.88
Operations Management
Positions =65.00
Real Estate
Positions =11.00
Waste Management
Positions = 157.00

SHERIFF'S OFFICE

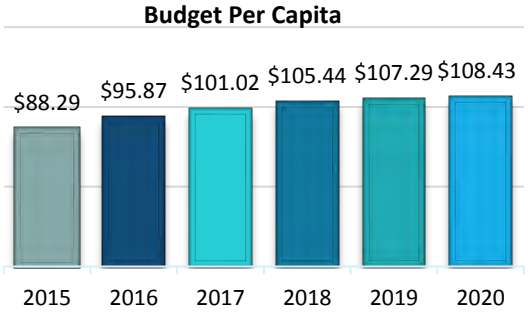
The mission of the Sheriff's Office is to provide for the public safety of the citizens of Virginia Beach through the efficient and professional operations of the Sheriff's Office as provided for in the Constitution and the Code of Virginia.

On May 14, 2019, the City Council adopted the following amendment for the Sheriff's Office Operating Budget:

- Estimated an additional $884,181 in State revenue.

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

The graphic on the following page illustrates how the Virginia Brach Sheriff's Office (VBSO) and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Be the Safest City in the Nation

Means to Residents: Feeling safe and secure within Virginia Beach --any place, anytime

Percent of Residents who agreed Virginia Beach is a safe place to live

- Civil process documents served & Arrestees processed
- Courtroom Security provided
- Daily cost per inmate for an average daily population

The table below illustrates how the Department has been performing on each of these metrics:

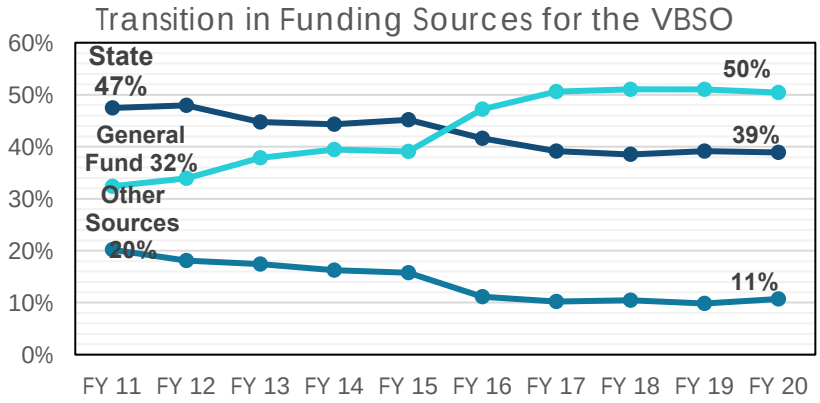
Community Outcome Measures	2016	2017	2018
Percent of Residents Who Agreed Virginia Beach is a Safe Place to Live	94.0%	94.0%	88.2%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Civil Documents Served	130,000	130,000	130,000	130,000	130,000
Arrestees Processed	19,309	20,325	19,237	20,000	20,000
Number of Courtrooms Secured	23	23	23	23	23
Daily Cost Per Inmate	$76	$85	$90	$90	$90
Average Daily Jail Population	1,396	1,347	1,362	1,420	1,450

Trends & Issues

→ **Sources of Financing for Local Jails**

Over the past decade, there has been a transition in the primary funding source for the Virginia Beach Sheriff's Office. Whereas at the start of the decade, the Commonwealth of Virginia was the largest source of the VBSO's revenue, today transfer of funds from the City General Fund is the biggest contributor to the VBSO. While the relationship of City to State funds has generally been consistent over the last few fiscal years, it is expected that the City's overall share of the VBSO funding sources will continue to rise in the next few years as the inflow of state revenue remains stagnant and unable to keep pace with the needs of the office.



→ **Inmates Medical Care**

Traditional medical care for inmates is the single largest expense item in the VBSO Operating Budget. Medical services are provided through a medical contractor and budgeted at $6 million for FY 2019-20. While this amount was flat from the year before, this contract is scheduled to expire within the year, and it is possible that the negotiation of new contract terms will result in cost increases in this contract over the next few budgets.

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.

As this is a topic of great concern, the Virginia General Assembly has now authorized the State Board of Corrections to establish minimum standards for health care services. Although the Virginia Beach Correctional Center meets the minimum standards according to the text of the legislation, it is plausible that certain practices may be altered as a result of any newfound state standards.

→ **Inmates Behavioral Health Services**

Additional costs are 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 behavioral and mental health services. The Correctional Center was not designed, nor equipped to provide the necessary health care in these areas to inmates. This results in the need to transport inmates in need of such services outside the facility for specialized treatment. Last year, roughly 10% of the overall medical contract was spent on behavior and mental health services. Further, the ratio of deputies needed to adequately supervise the inmate population in need of mental health services is often one-to-one, leaving other areas of the Correctional Center short-staffed.

As with traditional health care, the Virginia General Assembly has become concerned with the lack of uniform behavioral health services practices throughout the state. As a result, the legislature has also, through separate legislation, authorized the State Board of Corrections to determine and set minimum standards for behavioral health services. The impact of this General Assembly bill to the VBSO has yet to be determined, but is expected to carry a sizable cost in future budgets.

Major Budget Changes

	Change	Impact
↑	Overtime	When VBSO officers attend trainings, officers do so outside of normal working hours, thereby resulting in the payment of overtime. In order to allow VBSO officers to adhere to state mandated compulsory in-service training requirements, the VBSO's overtime accounts have increased.

Sheriff's Office - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
141 Sheriff's Federal & State Seized Assets SRF				
Revenues				
Fees	30	0	0	0
State	2,500	0	0	0
Total Revenues	2,530	0	0	0
General City Support	(2,530)	0	0	0
149 Sheriff's Department Special Revenue Fund				
Expenditures				
Sheriff's Office	3,143,122	3,320,461	3,111,701	(208,760)
Court Support Services	5,110,753	5,108,663	5,202,450	93,787
Correctional Operations	31,036,324	30,937,731	31,137,159	199,428
Sheriff's Care Mart	379,719	521,396	405,788	(115,608)
Centralized Booking	3,701,315	3,301,888	3,404,471	102,583
Sheriff's Workforce	1,191,224	1,198,025	1,114,040	(83,985)
Inmate Support	1,877,714	2,650,879	2,926,776	275,897
Inmate Services	340,243	671	0	(671)
Law Enforcement Training	839,871	1,605,458	2,043,432	437,974
Total Expenditures	47,620,284	48,645,172	49,345,817	700,645
Revenues				
Fees	4,859,952	4,647,608	5,129,608	482,000
State	18,464,088	19,044,683	20,085,626	1,040,943
Federal	50,018	140,000	140,000	0
Transfers	24,515,857	24,812,881	23,990,583	(822,298)
Total Revenues	47,889,915	48,645,172	49,345,817	700,645
General City Support	(269,631)	0	0	0
183 Grants Consolidated Fund				
Revenues				
Federal	7,296	0	0	0
Total Revenues	7,296	0	0	0
General City Support	(7,296)	0	0	0
Total Department Expenditure	47,620,284	48,645,172	49,345,817	700,645
Total Department Revenue	47,899,742	48,645,172	49,345,817	700,645
Total General City Support	(279,458)	0	0	0

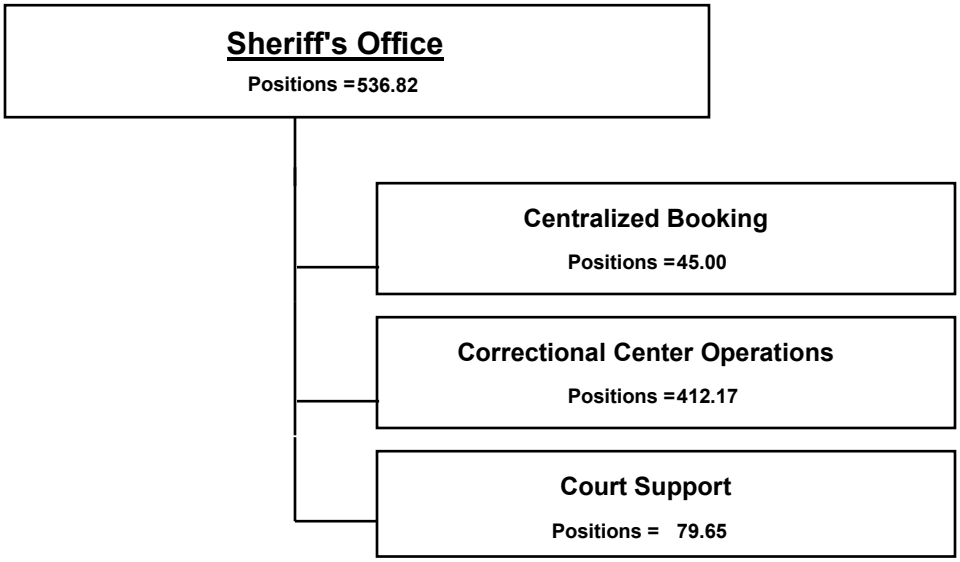
Position Summary by Program				
149 Sheriff's Department Special Revenue Fund				
Sheriff's Office	33.62	35.67	35.47	-0.20
Court Support Services	75.51	79.85	79.65	-0.20
Correctional Operations	298.49	295.70	298.90	3.20
Sheriff's Care Mart	8.80	9.60	7.80	-1.80
Centralized Booking	44.00	45.00	45.00	0.00
Sheriff's Workforce	14.00	13.00	12.00	-1.00

Sheriff's Office - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
149 Sheriff's Department Special Revenue Fund				
Inmate Support	41.00	41.00	43.00	2.00
Inmate Services	0.70	0.00	0.00	0.00
Law Enforcement Training	16.70	17.00	15.00	-2.00
Total	532.82	536.82	536.82	0.00
Total Position Summary	532.82	536.82	536.82	0.00

Expenditure Category by Department				
Capital	77,687	37,000	0	(37,000)
Operating	9,857,161	10,556,491	10,519,477	(37,014)
Personnel	37,685,437	38,051,681	38,826,340	774,659
Total Expenditures:	47,620,284	48,645,172	49,345,817	700,645

Revenue Category by Department				
Charges for Services	4,844,238	4,634,608	5,116,608	482,000
From the Use of Money and Property	12,999	11,000	11,000	0
Miscellaneous Revenue	2,744	2,000	2,000	0
Other Sources from the Commonwealth	18,466,589	19,044,683	20,085,626	1,040,943
Revenue from the Federal Government	57,314	140,000	140,000	0
Transfers from Other Funds	24,515,857	24,812,881	23,990,583	(822,298)
Total Revenue:	47,899,742	48,645,172	49,345,817	700,645

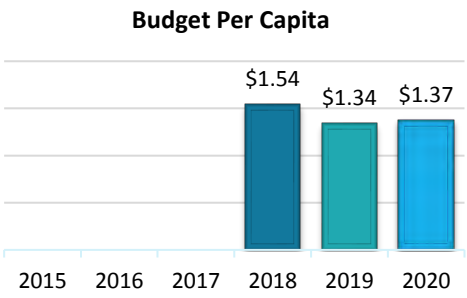

Sheriff's Office
Positions =536.82
Centralized Booking
Positions =45.00
Correctional Center Operations
Positions =412.17
Court Support
Positions = 79.65

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 various programs and services are linked to 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.
- → Innovation efforts identify opportunities to improve service delivery, monitor goals, and encourage innovative decisions through the use of data. STiR will provide specific training to employees that focuses on strategic data analysis.
- → Working closely with city departments; the office will highlight existing resiliency efforts and develop new initiatives within the community and organization.

Key Performance Measures

The graphic below illustrates how STiR and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Maintain a Financially Sustainable City Providing Excellent Services

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

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

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

Percentage of taxpayers that feel they recieve a good value for their city tax dollars

Number of employees participating in one of the STiR academies

Number of organization members using the STiR innovation spaces

Overall client satisfaction with STiR services provided to them

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percentage of Taxpayers that feel they receive a good value for their city tax dollars	80%	80%	75.2%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of employees participating in one of the STiR academies	n/a	15	35	50	100
Total number of organization members using the STiR innovation spaces.	n/a	n/a	n/a	3000	6000
Overall client satisfaction with STiR services provided to them	n/a	n/a	n/a	90%	90%

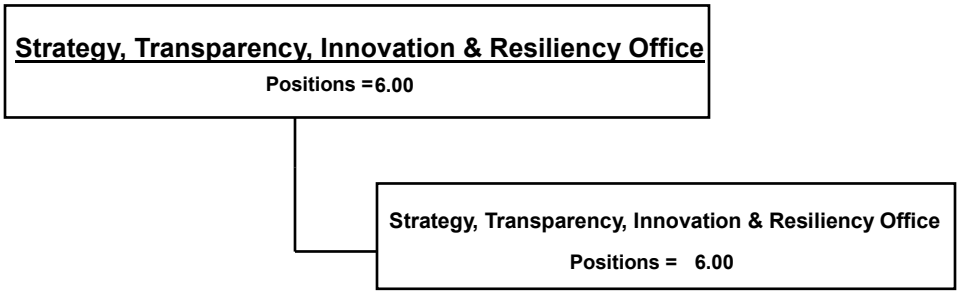
Trends & Issues

→ **Innovation Academies**
In collaboration with the Learning and Development Office, STiR and L & D staff will be certified to lead Innovation Academy experiences in Fiscal Year 2018-19. The first Innovation Academy was held in January of 2019 and led by Denver Peak Academy creator Brian Elms. A total of 24 STiR and L & D staff received process improvement training and are now qualified to lead Innovation Academies.

→ **New STiR Building**
In September 2018, STiR opened the new STiR Innovation Center in Building 21. The center provides a variety of working spaces for the organization to use for their meeting, training, and collaborative needs. Since opening the space, use of innovation rooms has more than quadrupled.

Strategy, Transparency, Innovation & Resiliency Office - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Strategy, Transparency, Innovation & Resiliency Office	485,650	606,320	624,907	18,587
Total Expenditures	485,650	606,320	624,907	18,587
General City Support	485,650	606,320	624,907	18,587
Total Department Expenditure	485,650	606,320	624,907	18,587
Total Department Revenue	0	0	0	0
Total General City Support	485,650	606,320	624,907	18,587
Position Summary by Program				
002 General Fund				
Strategy, Transparency, Innovation & Resiliency Office	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				
Operating	108,658	96,038	90,707	(5,331)
Personnel	376,991	510,282	534,200	23,918
Total Expenditures:	485,650	606,320	624,907	18,587

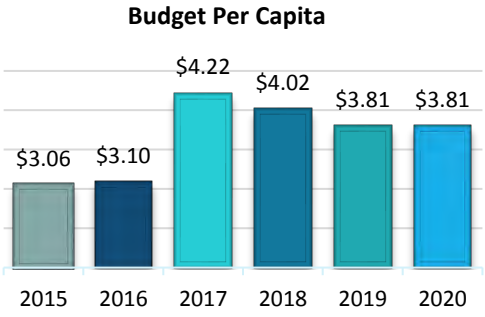

Strategy, Transparency, Innovation & Resiliency Office
Positions =6.00
Strategy, Transparency, Innovation & Resiliency Office
Positions = 6.00

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 Voter Registration & Elections Office maintains the current registration and elections process for Virginia Beach voters and supports 101 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 all public libraries, Department of Human Services, Offices of the City Treasurer, Commissioner of 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.

Key Performance Measures

The graphic below illustrates how the Voter Registration & Elections Office and the services they provide align to the overall goals of the City Council. It demonstrates the metrics the Department tracks to determine if they are meeting those goals.

Goal: Be an Inclusive Community that is Welcoming and Empowers All

Means to Resident: Easy access to government participation and services

Percent of respondents to the Citizen Survey who report they are registed to vote in the City of Virginia Beach

- Number of registered voters
- Number of registered voters per registrar
- Percent of residents voting in a local election
- Absentee numbers by mail and in person

The table below illustrates how the Department has been performing on each of these metrics:

Community Outcome Measures	2016	2017	2018
Percent of respondents to the Citizen Survey who report they are registered to vote in the City of Virginia Beach	78.8%	78.8%	93%

Departmental Performance Metrics	2016	2017	2018	2019 EST	2020 PROJ
Number of registered voters	285,491	299,292	309,533	297,205*	297,205
Number of registered voters served by each registrar	27,273	24,941	25,794	24,750	24,750
Percent of residents voting in a local election	31%	43%	55%	40%	40%
Absentee voters by mail and in person	30,050	7,491	15,232	9,500	9,500

*Approximately 13,000 inactive voters were purged from the records in 2019

Trends and Issues

→ Annual Budget Fluctuations

- The Voter Registration and Election's Operating Budget fluctuates based on election needs within any given year.

→ Upcoming Presidential Primary

- FY 2019-20 will see one election in November and one in March. In November, there may be up to 13 ballot styles. March's election will be a Presidential Primary.

→ The Office of Voter Registration Seeking New Office Space

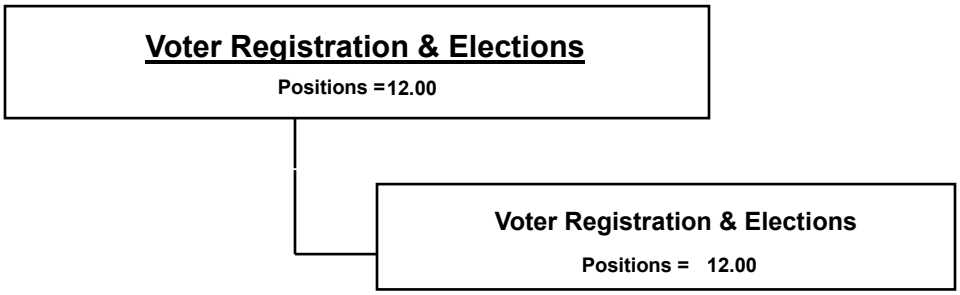
- One ongoing issue is the lack of office and warehouse space. The Office of Voter Registration and Elections is working with Facilities Management to find a suitable location that will allow the warehouse and office operations to be under one roof, instead of three. The increase in non-traditional voting, curb-side and absentee, has created a need for more easily accessible space.

→ No Excuse Absentee Voting

- With the passage of No Excuse Absentee Voting by the State, citizens will be able to vote absentee the week prior to the election without what was previously considered a valid reason. This will go into effect for elections beginning November of 2020. An increase in absentee voting is anticipated and may require additional staffing during this process.

Voter Registration & Elections - Departmental Resource Summary

	FY 2018 Actual	FY 2019 Adjusted	FY 2020 Adopted	Variance from FY 2019
Program Summary				
002 General Fund				
Expenditures				
Voter Registration & Elections	2,066,711	1,737,443	1,733,731	(3,712)
Total Expenditures	2,066,711	1,737,443	1,733,731	(3,712)
Revenues				
Fees	800	0	0	0
State	75,392	76,954	76,954	0
Total Revenues	76,192	76,954	76,954	0
General City Support	1,990,519	1,660,489	1,656,777	(3,712)
Total Department Expenditure	2,066,711	1,737,443	1,733,731	(3,712)
Total Department Revenue	76,192	76,954	76,954	0
Total General City Support	1,990,519	1,660,489	1,656,777	(3,712)
Position Summary by Program				
002 General Fund				
Voter Registration & Elections	12.00	12.00	12.00	0.00
Total	12.00	12.00	12.00	0.00
Total Position Summary	12.00	12.00	12.00	0.00
Expenditure Category by Department				
Operating	1,041,429	784,942	771,116	(13,826)
Personnel	1,025,282	952,501	962,615	10,114
Total Expenditures:	2,066,711	1,737,443	1,733,731	(3,712)
Revenue Category by Department				
Miscellaneous Revenue	800	0	0	0
Other Sources from the Commonwealth	75,392	76,954	76,954	0
Total Revenue:	76,192	76,954	76,954	0


Voter Registration & Elections
Positions =12.00
Voter Registration & Elections
Positions = 12.00

DEBT SERVICE

On May 14, 2019, the City Council adopted the following amendment to Debt Service:

- Reduced Schools debt service by $2,043,114 based on an anticipated Fall bond sale rather than a Spring bond sale.

Department Overview

Bonds, which once issued result in debt service payments, are appropriated 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:

- → Bonds 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.

Projected Debt

The total outstanding debt for the city is projected to be $1.15 billion by June 30, 2019 as summarized in the table below:

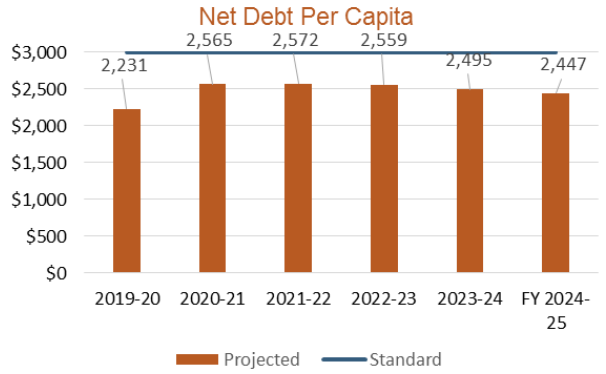
Purpose	Amount	Percent
Schools	$ 276,954,901	24%
General Government	610,749,678	53%
Utilities	262,530,000	23%
Total	**$1,150,234,579**	**100.0%**

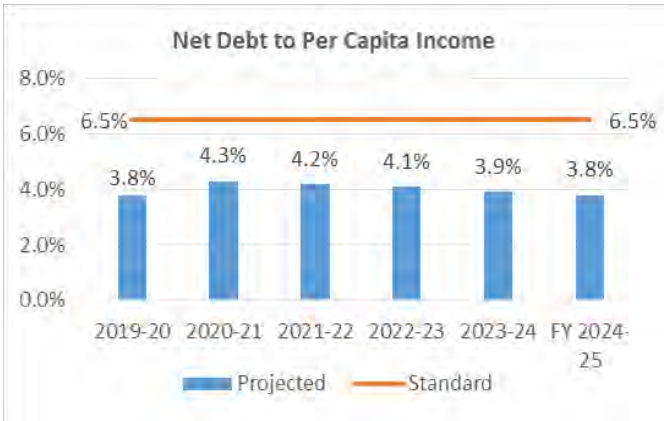
Legal Debt Limit

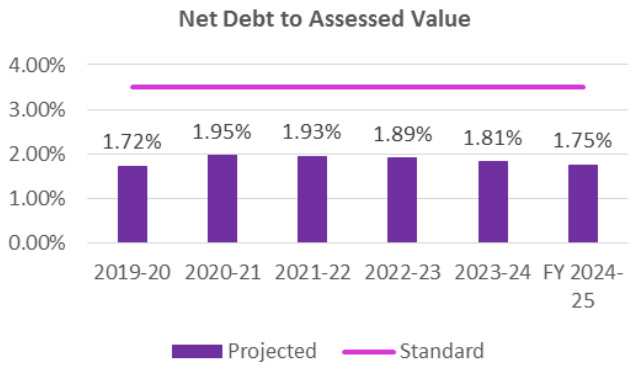
State statute imposes on cities a legal debt margin for general government debt; a limit of 10% of the assessed value of real property. Revenue bonds, such as those for utilities, are not subject to the State limit. For FY 2019-20, the city's assessed value of real property is estimated at $59.1 billion. By the end of the fiscal year, the city's projected debt amount will be 1.72% of the total assessed value.

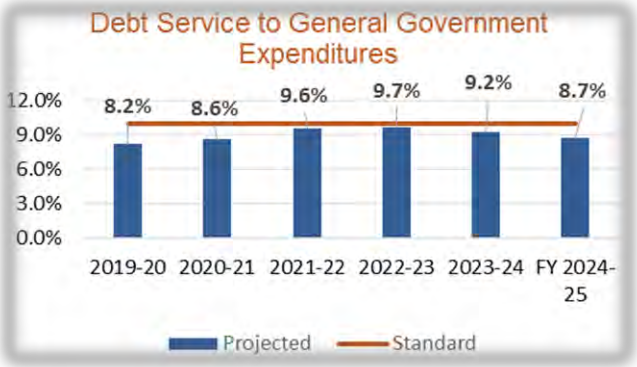
Debt Indicators

The city uses four indicators to help in its debt management. Using data from the FY 2019-20 through FY 2024-25 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 2018-19 and FY 2019-20. 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 2018-19		FY 2019-20	% Change
Schools	$	42,421,657	$	43,786,482	3.2%
General Government		95,935,217		97,384,110	1.5%
Utilities		23,353,244		27,292,751	16.9%
Total	**$**	**161,710,118**	**$**	**168,463,343**	**4.2%**

Debt Service by Fund

The following table lists the various funds in which debt service costs are budgeted.

Fund		FY 2018-19		FY 2019-20	% Change
General Fund	$	52,883,834	$	54,414,230	2.9%
School Operating Fund		42,421,657		43,786,482	3.2%
Parks and Recreation SRF		4,478,998		4,221,986	-5.7%
Tourism Investment Program		22,365,740		22,839,263	2.1%
Agricultural Reserve Program		4,845,553		4,457,539	-8.0%
Central Business District South TIF		8,193,269		8,236,511	0.5%
Open Space SRF		2,588,043		2,509,045	-3.1%
Water and Sewer Enterprise Fund		19,397,596		21,792,751	12.3%
Parking Enterprise Fund		579,780		705,536	21.7%
Storm Water Utility Enterprise Fund		3,955,648		5,500,000	39.0%
Total	**$**	**161,710,118**	**$**	**168,463,343**	**4.2%**

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.

Projection of Outstanding General Obligation Debt (Charter Bonds)

	Issue Amt.	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
General Obligation Bonds							
Beginning General Obligation Debt		542,699,434	485,343,933	432,426,299	382,701,223	337,068,131	293,622,879
Less: Principal Retirement		57,355,501	52,917,634	49,725,076	45,633,092	43,445,252	43,502,121
Ending General Obligaton Debt		485,343,933	432,426,299	382,701,223	337,068,131	293,622,879	250,120,758
Fall 2019 Issue	121,828,427	121,828,427	121,828,427	115,737,006	109,645,585	103,554,164	97,462,743
Less: Principal Retirement		-	6,091,421	6,091,421	6,091,421	6,091,421	6,091,421
Ending General Obligaton Debt		121,828,427	115,737,006	109,645,585	103,554,164	97,462,743	91,371,322
Spring 2020 Issue	-	-	-	-	-	-	-
Less: Principal Retirement			-	-	-	-	-
Ending General Obligaton Debt		-	-	-	-	-	-
Spring 2021 Issue	97,991,617		97,991,617	97,991,617	93,092,036	88,192,455	83,292,874
Less: Principal Retirement				4,899,581	4,899,581	4,899,581	4,899,581
Ending General Obligaton Debt		-	97,991,617	93,092,036	88,192,455	83,292,874	78,393,293
Spring 2022 Issue	73,866,581			73,866,581	73,866,581	70,173,252	66,479,923
Less: Principal Retirement				-	3,693,329	3,693,329	3,693,329
Ending General Obligaton Debt		-	-	73,866,581	70,173,252	66,479,923	62,786,594
Spring 2023 Issue	77,739,307				77,739,307	77,739,307	73,852,342
Less: Principal Retirement					-	3,886,965	3,886,965
Ending General Obligaton Debt		-	-	-	77,739,307	73,852,342	69,965,377
Spring 2024 Issue	70,782,857					70,782,857	70,782,857
Less: Principal Retirement						-	3,539,143
Ending General Obligaton Debt		-	-	-	-	70,782,857	67,243,714
Spring 2025 Issue	71,336,537						71,336,537
Less: Principal Retirement							-
Ending General Obligaton Debt		-	-	-	-	-	71,336,537
Total-Outstanding Gen Obligation Debt		**607,172,360**	**646,154,922**	**659,305,425**	**676,727,309**	**685,493,618**	**691,217,595**

Public Facility Bonds & 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 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Leases and Other Debt							
Beginning Outstanding Debt		297,295,000	260,790,000	225,080,000	188,495,000	152,650,000	120,385,000
Less: Principal Retirement		36,505,000	35,710,000	36,585,000	35,845,000	32,265,000	21,585,000
Ending Outstanding Debt		260,790,000	225,080,000	188,495,000	152,650,000	120,385,000	98,800,000
Fall 2019 Issue	151,784,479	151,784,479	151,784,479	144,195,255	136,606,031	129,016,807	121,427,583
Less: Principal Retirement		-	7,589,224	7,589,224	7,589,224	7,589,224	7,589,224
Ending Outstanding Debt		151,784,479	144,195,255	136,606,031	129,016,807	121,427,583	113,838,359
Spring 2020 Issue	-	-	-	-	-	-	-
Less: Principal Retirement		-	-	-	-	-	-
Ending Outstanding Debt		-	-	-	-	-	-
Spring 2021 Issue	161,723,558	-	161,723,558	161,723,558	153,637,380	145,551,202	137,465,024
Less: Principal Retirement			-	8,086,178	8,086,178	8,086,178	8,086,178
Ending Outstanding Debt		-	161,723,558	153,637,380	145,551,202	137,465,024	129,378,846
Spring 2022 Issue	47,312,751	-	-	47,312,751	47,312,751	44,947,113	42,581,475
Less: Principal Retirement				-	2,365,638	2,365,638	2,365,638
Ending Outstanding Debt		-	-	47,312,751	44,947,113	42,581,475	40,215,837
Spring 2023 Issue	35,152,905	-	-	-	35,152,905	35,152,905	33,395,260
Less: Principal Retirement		-	-	-	-	1,757,645	1,757,645
Ending Outstanding Debt		-	-	-	35,152,905	33,395,260	31,637,615
Spring 2024 Issue	18,478,515					18,478,515	18,478,515
Less: Principal Retirement						-	923,926
Ending Outstanding Debt		-	-	-	-	18,478,515	17,554,589
Spring 2025 Issue	18,978,513					-	18,978,513
Less: Principal Retirement						-	-
Ending Outstanding Debt		-	-	-	-	-	18,978,513
Total-Outstanding Leases & Other Debt		**412,574,479**	**530,998,813**	**526,051,162**	**507,318,027**	**473,732,857**	**450,403,759**

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 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Agricultural Reserve Program							
Beginning Outstanding Debt		47,710,144	47,710,144	47,710,144	45,499,078	38,549,359	37,514,998
Less: Principal Retirement		-	-	2,211,066	6,949,719	1,034,361	2,442,859
Ending Outstanding Debt		47,710,144	47,710,144	45,499,078	38,549,359	37,514,998	35,072,139
FY 2020 Installment Purchase	-	-	-	-	-	-	-
Less: Principal Retirement		-	-	-	-	-	-
Ending Outstanding Debt		-	-	-	-	-	-
FY 2021 Installment Purchase	-		-	-	-	-	-
Less: Principal Retirement			-	-	-	-	-
Ending Outstanding Debt			-	-	-	-	-
FY 2022 Installment Purchase	-			-	-	-	-
Less: Principal Retirement				-	-	-	-
Ending Outstanding Debt				-	-	-	-
FY 2023 Installment Purchase	-				-	-	-
Less: Principal Retirement					-	-	-
Ending Outstanding Debt					-	-	-
FY 2024 Installment Purchase	-					-	-
Less: Principal Retirement						-	-
Ending Outstanding Debt						-	-
FY 2025 Installment Purchase	-						-
Less: Principal Retirement							-
Ending Outstanding Debt							-
Total-Outstanding Leases & Other Debt		**47,710,144**	**47,710,144**	**45,499,078**	**38,549,359**	**37,514,998**	**35,072,139**

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

	Issue Amt.	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Water and Sewer Utility Debt							
Beginning Outstanding Debt		193,020,000	183,395,000	173,350,000	162,865,000	151,885,000	140,365,000
Less: Principal Retirement		9,625,000	10,045,000	10,485,000	10,980,000	11,520,000	12,095,000
Ending Outstanding Debt		183,395,000	173,350,000	162,865,000	151,885,000	140,365,000	128,270,000
Spring 2020 Issue	22,000,000	22,000,000	22,000,000	21,506,341	20,990,468	20,451,380	19,888,033
Less: Principal Retirement		-	493,659	515,873	539,088	563,347	588,697
Ending Outstanding Debt		22,000,000	21,506,341	20,990,468	20,451,380	19,888,033	19,299,336
Spring 2022 Issue	22,000,000	-	-	22,000,000	22,000,000	21,506,341	20,990,468
Less: Principal Retirement			-	-	493,659	515,873	539,088
Ending Outstanding Debt		-	-	-	21,506,341	20,990,468	20,451,380
Spring 2024 Issue	22,000,000	-	-	-	-	22,000,000	22,000,000
Less: Principal Retirement				-	-	-	493,659
Ending Outstanding Debt		-	-	-	-	22,000,000	21,506,341
Total-Outstanding Leases & Other Debt		**205,395,000**	**194,856,341**	**183,855,468**	**193,842,721**	**203,243,501**	**189,527,057**

	Issue Amt.	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Storm Water Utility Debt							
Beginning Outstanding Debt		69,510,000	66,985,000	64,365,000	61,645,000	58,815,000	55,865,000
Less: Principal Retirement		2,525,000	2,620,000	2,720,000	2,830,000	2,950,000	3,090,000
Ending Outstanding Debt		66,985,000	64,365,000	61,645,000	58,815,000	55,865,000	52,775,000
Spring 2021 Issue	45,000,000	-	45,000,000	45,000,000	43,990,244	42,935,049	41,832,370
Less: Principal Retirement			-	1,009,756	1,055,195	1,102,679	1,152,300
Ending Outstanding Debt		-	45,000,000	43,990,244	42,935,049	41,832,370	40,680,070
Spring 2023 Issue	45,000,000	-	-	-	45,000,000	45,000,000	43,990,244
Less: Principal Retirement				-	-	1,009,756	1,055,195
Ending Outstanding Debt		-	-	-	45,000,000	43,990,244	42,935,049
Spring 2025 Issue	45,000,000	-	-	-	-	-	45,000,000
Less: Principal Retirement				-	-	-	-
Ending Outstanding Debt		-	-	-	-	-	45,000,000
Total-Outstanding Leases & Other Debt		**66,985,000**	**109,365,000**	**105,635,244**	**146,750,049**	**141,687,614**	**181,390,119**

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 2019 is used for FY 2019-20 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 2019 FY 2019-20	Year 2 2020 FY 2020-21	Year 3 2021 FY 2021-22	Year 4 2022 FY 2022-23	Year 5 2023 FY 2023-24	Year 6 2024 FY 2024-25	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		61,009,710	52,246,841	46,979,280	49,472,046	42,750,252	43,477,121	295,935,250
New Bond Issues	Amount							
2018 Bonds (Fall 2019)	121,828,427	0	6,091,421	6,091,421	6,091,421	6,091,421	6,091,421	30,457,105
2019 Bonds (Spring 2020)	0	0	0	0	0	0	0	0
2020 Bonds (Spring 2021)	96,224,617	0	0	4,811,231	4,811,231	4,811,231	4,811,231	19,244,924
2021 Bonds (Spring 2022)	72,568,691	0	0	0	3,628,435	3,628,435	3,628,435	10,885,305
2022 Bonds (Spring 2023)	76,817,018	0	0	0	0	3,840,851	3,840,851	7,681,702
2023 Bonds (Spring 2024)	70,183,370	0	0	0	0	0	3,509,169	3,509,169
2024 Bonds (Spring 2025)	70,946,870	0	0	0	0	0	0	0
Total Estimated Principal Retirement		61,009,710	58,338,262	57,881,932	64,003,133	61,122,190	65,358,228	367,713,455
Total Bonding Limits		71,009,710	68,338,262	67,881,932	74,003,133	71,122,190	75,358,228	427,713,455
Charter Bonds Allocated		76,945,075	66,129,722	64,500,532	69,570,386	55,568,772	71,217,316	403,931,803
Total Annual Unallocated Bond Authority		(5,935,365)	2,208,540	3,381,400	4,432,747	15,553,418	4,140,912	0
Prior Year Unallocated Bond Authority		6,020,107	0	0	0	0	0	6,020,107
Cumulative Unallocated Bond Authority		84,742	2,293,282	5,674,682	10,107,429	25,660,847	29,801,759	

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.

THIS PAGE LEFT INTENTIONALLY BLANK

AN ORDINANCE MAKING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020 IN THE SUM OF $2,077,926,082 FOR OPERATIONS

WHEREAS, the City Manager has heretofore submitted an Annual Budget for the City for the fiscal year beginning July 1, 201~~8~~9, and ending June 30, 20~~19~~20, 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 $2,891,273,213 consisting of $596,017,420 in inter-fund transfers, $217,329,711 for internal service funds, and $2,077,926,082 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~~8~~9 and ending June 30, 20~~19~~20 (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, 20~~19~~20 . 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~~ 7. 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, 20~~19~~20, and estimated revenues adjusted accordingly.

Sec. ~~9~~ 8. 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~~8~~9, 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~~ 9. 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~~ 10. 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~~ 11. 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~~ 12. 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~~ 13. The Department of Economic Development is hereby authorized to pay an amount up to $1,000,000 from their FY 201~~8~~9-~~19~~20 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.~~ Furthermore, the Economic Development Department is hereby authorized to pay an amount up to an additional $1,500,000 from their FY 2018-19 Operating Budget to the Virginia Beach Economic Development Authority for the purpose of pursuing, implementing, and furthering initiatives related to attracting Bio-medical and Cybersecurity firms or businesses to the City. An amount of up to $250,000 is hereby authorized in FY 2018-19 operating budget from Non-Departmental to the VBDA to provide a 10-year, interest free loan to the Green Run/Princess Anne Little League. The purpose of this loan is to assist the League with the build out of their complex to include utilities, bathrooms, a snack bar, parking, and bleachers.~~

Sec. ~~15~~ 14. 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~~ 15. 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~~ 16. 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. 17. A salary increase of 3.0% on the pay date containing July 1, 2019 for part-time City employees and part-time employees of the Constitutional Officers is hereby provided.

Sec. 18. A salary increase of ~~2~~3.0% on the pay ~~period dating back to June 21, 2018~~ date containing July 1, 2019 for the five Constitutional Officers~~, part-time City employees, and part-time employees of the Constitutional Officers~~ is hereby provided.

Sec. 19. A ~~2~~3% merit pay increase is hereby authorized for full-time City employees with a performance feedback completed from July 1, 201~~7~~8 to June 30, 201~~8~~9 ~~and~~ that indicates overall performance meets expectations. A general pay increase of 1% will be provided for newly hired probationary employees with a 2% merit pay increase being provided on their anniversary date with a performance feedback completed from July 1, 201~~8~~9 to June 30, 20~~19~~20 that indicates overall performance meets expectations. ~~The~~ All merit pay increases authorized by this section 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 policy or administrative directive addressing bonus providing otherwise, for ~~an~~ employees who ~~is~~ are at or above the maximum of the pay range for ~~her~~ their position classification with a meet expectations performance feedback completed from July 1, 201~~7~~8 to June 30, 201~~8~~9, a lump sum bonus equal to ~~1~~3% of the midpoint for their position classification, following a payment schedule that pays one-half of the bonus ~~shall be paid~~ on the ~~first pay period after~~ pay date containing July 1, 201~~8~~9 and ~~a~~ the second half ~~bonus equal to 1% of the midpoint of her position classification shall be~~ paid on the ~~first pay period after~~ pay date containing January 1, 20~~19~~20, in lieu of the merit increase. For ~~an~~ employees, who as a result of all, or a portion, of the ~~2~~3% merit increase authorized above, will exceed the maximum of the pay range for ~~her~~ their classification, ~~she~~ they shall receive the portion of the merit pay equal to the difference between the maximum of the pay range and ~~her~~ their current salary. Any amount in excess of the difference between the ~~2~~3% merit and the maximum of the position classification shall be paid in the form of a lump sum bonus, ~~half of which will be payable on the first pay date after July 1, 2018 and the other half payable on the first pay date after January 1, 2019~~, following the prescribed payment schedule. 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 the pay date containing July 1, 2019 ~~period dating back to June 21, 2018~~ or a subsequent date for newly hired ~~probationary~~ employees, who between June 21,2018 and June 20,2019 successfully completed their probation period. The other requirements provided by City Code §§ 2-109 and 2-116 apply. To ensure accountability, the failure of a supervisor responsible for preparing the performance feedback, to complete the same prior to July 1, 201~~8~~9 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 full-time 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. 20. An amount of up to ~~$3 million dollars~~ $5,140,801 in attrition savings is hereby used to balance the FY 2019-20 budget. ~~authorized to address vertical and horizontal compression. This amount shall be offset with savings from attrition and position vacancies.~~ To accomplish this purpose, the City Manager or his designee is hereby authorized to transfer savings in salary or fringe benefit accounts among departments up to $5,140,801 ~~in any amount~~ notwithstanding other budgetary controls outlined in the ordinance.

Sec. 21 To ensure proper allocation of health insurance, the City Manager is hereby authorized to transfer health insurance between department's, in any amount notwithstanding other budgetary controls outlined in the ordinance up to the total amount budgeted for health insurance, to ensure health insurance cost align with actual expenditure.

Sec. 22 By resolution adopted by the School Board on April 9, 2019, the School Board reduced $655,372 in the School Operating Fund (115). There was also a state reduction in the amount of $227,736 in the Categorical Grants Fund (116), which was not reflected in the April 9, 2019. To balance the Categorical Grants Fund, the funding for the Categorical Grants Fund maintains the overall funding for the 116 Fund as requested by the School Board, and it reflects the reduction of funding by the state of $227,738 that is offset by a similar amount of local funding.

Sec. ~~21~~ 23. 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. This ordinance shall be effective on July 1, 201~~8~~9. The portion of Sections 17, 18, and 19 addressing the payroll period that crosses fiscal years shall be effective June 2~~1~~0, 201~~8~~9. Section 21 shall be effective immediately.

Sec. ~~23~~ 25. 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 14th day of May, 2019

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment A - Appropriations

	FY 2019-20 Adopted
002 General Fund	
Agriculture	930,931
Benefits Administration	735,538
Board of Equalization	2,980
Budget and Management Services	1,451,354
Circuit Court	1,154,854
City Attorney	4,557,406
City Auditor	938,831
City Clerk	570,326
City Manager	2,840,594
City Real Estate Assessor	3,332,487
City Treasurer	6,196,789
Clerk of the Circuit Court	3,658,384
Commissioner of the Revenue	4,829,737
Commonwealth's Attorney	9,183,377
Communications Office	1,796,015
Community Organization Grants	500,599
Computer Replacement Program	1,728,171
Convention and Visitor Bureau	10,390,900
Cultural Affairs	3,142,946
Debt Service	54,414,230
Economic Development	5,654,013
Emergency Communications and Citizen Services	10,982,909
Emergency Management	548,202
Emergency Medical Services	12,580,859
Employee Special Benefits	7,886,430
Finance	7,066,932
Fire	55,835,134
General District Court	549,071
Health	3,479,631
Housing and Neighborhood Preservation	6,273,110
Human Resources	5,102,362
Human Services	122,435,294
Independent Financial Services	164,999
Information Technology	27,408,401
Juvenile and Domestic Relations District Court	224,774
Juvenile Probation	1,530,820
Leases	4,380,800
Library	18,165,656
Magistrates	54,858
Municipal Council	663,050
Parks and Recreation	14,862,428
Planning	18,990,898
Police	102,960,533
Public Works	86,491,991
Regional Participation	2,584,135
Reserve for Contingencies	14,017,022
Revenue Reimbursements	12,334,917
Strategy, Transparency, Innovation & Resiliency Office	624,907
Transfer to Other Funds	515,971,198
Vehicle Replacements	5,357,514
Virginia Aquarium	12,271,722

Attachment A - Appropriations

		FY 2019-20 Adopted
Voter Registration & Elections		1,733,731
	Fund 002 Appropriation Totals	1,191,544,750

098 School Reserve Special Revenue Fund

Transfer to Other Funds		5,800,000
	Fund 098 Appropriation Totals	5,800,000

104 Green Run Collegiate Charter School

Education		3,913,938
	Fund 104 Appropriation Totals	3,913,938

107 School Equipment Replacement Special Revenue Fund

Reserve for Contingencies		80,000
	Fund 107 Appropriation Totals	80,000

108 School Instructional Technology Fund

Instructional Technology		200,000
	Fund 108 Appropriation Totals	200,000

109 School Vending Operations Fund

Vending		150,000
	Fund 109 Appropriation Totals	150,000

112 School Communication Tower Technology Fund

Instructional Technology		800,000
	Fund 112 Appropriation Totals	800,000

114 School Cafeteria Fund

Cafeteria		35,554,104
	Fund 114 Appropriation Totals	35,554,104

115 School Operating Fund

Debt Service		43,786,482
Education		777,015,786
Transfer to Other Funds		13,233,617
	Fund 115 Appropriation Totals	834,035,885

116 School Grants Fund

Grants		65,962,175
	Fund 116 Appropriation Totals	65,962,175

117 School Textbook Fund

Textbook		4,775,188
	Fund 117 Appropriation Totals	4,775,188

119 School Athletic Special Revenue Fund

Athletic		5,227,274
	Fund 119 Appropriation Totals	5,227,274

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment A - Appropriations

	FY 2019-20 Adopted
130 Law Library Fund	
Library	212,260
Reserve for Contingencies	4,740
Transfer to Other Funds	40,000
Fund 130 Appropriation Totals	257,000
140 Commonwealth Attorney's Fed & State Seized Assets SRF	
Commonwealth's Attorney	100,000
Fund 140 Appropriation Totals	100,000
146 State Rental Assistance Program	
Housing and Neighborhood Preservation	876,912
Reserve for Contingencies	89,354
Fund 146 Appropriation Totals	966,266
147 Federal Section 8 Program Special Revenue Fund	
Housing and Neighborhood Preservation	21,848,699
Reserve for Contingencies	38,344
Fund 147 Appropriation Totals	21,887,043
149 Sheriff's Department Special Revenue Fund	
Sheriff and Corrections	49,345,817
Fund 149 Appropriation Totals	49,345,817
151 Parks and Recreation Special Revenue Fund	
Debt Service	4,221,986
Parks and Recreation	34,372,378
Public Works	3,235,299
Reserve for Contingencies	535,106
Transfer to Other Funds	1,618,100
Fund 151 Appropriation Totals	43,982,869
152 Tourism Investment Program Fund	
Convention and Visitor Bureau	5,405,202
Cultural Affairs	75,500
Debt Service	22,839,263
Parks and Recreation	846,713
Planning	1,154,830
Public Works	2,898,128
Reserve for Contingencies	8,296,258
Transfer to Other Funds	14,873
Fund 152 Appropriation Totals	41,530,767
157 Sandbridge Special Service District Spec Rev Fd	
Public Works	463,064
Transfer to Other Funds	4,957,001
Fund 157 Appropriation Totals	5,420,065

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment A - Appropriations

	FY 2019-20 Adopted
161 Agriculture Reserve Program Special Revenue Fund	
Agriculture	220,081
Debt Service	4,457,539
Reserve for Contingencies	3,698
Transfer to Other Funds	990,000
Fund 161 Appropriation Totals	5,671,318
163 Tourism Advertising Program Special Revenue Fund	
Convention and Visitor Bureau	12,838,146
Reserve for Contingencies	29,063
Transfer to Other Funds	56,838
Fund 163 Appropriation Totals	12,924,047
166 Sandbridge Tax Increment Financing Fund	
Future C.I.P. Commitments	8,500,000
Reserve for Contingencies	268,193
Transfer to Other Funds	1,697,999
Fund 166 Appropriation Totals	10,466,192
169 Central Business District-South TIF (Twn Cntr) Fd	
Debt Service	8,236,511
Reserve for Contingencies	148,531
Transfer to Other Funds	150,000
Fund 169 Appropriation Totals	8,535,042
172 Open Space & Park Infrastructure Development & Maintenance SRF	
Debt Service	2,509,045
Parks and Recreation	429,031
Reserve for Contingencies	153,869
Transfer to Other Funds	2,500,000
Fund 172 Appropriation Totals	5,591,945
174 Town Center Special Service District	
Parks and Recreation	62,438
Town Center Special Tax District	2,141,480
Transfer to Other Funds	631,976
Fund 174 Appropriation Totals	2,835,894
180 Community Development Special Revenue Fund	
Housing and Neighborhood Preservation	1,747,612
Reserve for Contingencies	47,322
Transfer to Other Funds	128,858
Fund 180 Appropriation Totals	1,923,792
181 CD Loan and Grant Fund	
Housing and Neighborhood Preservation	824,476
Fund 181 Appropriation Totals	824,476

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment A - Appropriations

	FY 2019-20 Adopted
182 Federal Housing Assistance Grant Fund	
Housing and Neighborhood Preservation	1,195,294
Reserve for Contingencies	2,361
Fund 182 Appropriation Totals	1,197,655
183 Grants Consolidated Fund	
Commonwealth's Attorney	938,999
Emergency Communications and Citizen Services	3,000
Emergency Medical Services	375,000
Fire	1,206,009
Housing and Neighborhood Preservation	1,729,565
Human Services	1,922,471
Public Works	20,000
Transfer to Other Funds	300,000
Fund 183 Appropriation Totals	6,495,044
241 Water and Sewer Fund	
Debt Service	21,792,751
Public Utilities	92,335,512
Reserve for Contingencies	1,860,000
Transfer to Other Funds	19,232,732
Fund 241 Appropriation Totals	135,220,995
253 Parking Enterprise Fund	
Debt Service	705,536
Planning	3,753,921
Reserve for Contingencies	71,036
Transfer to Other Funds	1,108,271
Fund 253 Appropriation Totals	5,638,764
254 Waste Management Enterprise Fund	
Public Works	34,660,460
Reserve for Contingencies	1,027,423
Transfer to Other Funds	2,511,239
Fund 254 Appropriation Totals	38,199,122
255 Storm Water Utility Enterprise Fund	
Debt Service	5,500,000
Public Works	14,161,793
Reserve for Contingencies	1,317,201
Transfer to Other Funds	24,913,040
Fund 255 Appropriation Totals	45,892,034
310 Old Donation Creek Area Dredging SSD	
Reserve for Contingencies	41,636
Transfer to Other Funds	28,909
Fund 310 Appropriation Totals	70,545

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment A - Appropriations

		FY 2019-20 Adopted
311 Bayville Creek Neighborhood Dredging SSD Fund		
Transfer to Other Funds		74,522
	Fund 311 Appropriation Totals	74,522
312 Shadowlawn Area Dredging SSD		
Transfer to Other Funds		30,887
	Fund 312 Appropriation Totals	30,887
313 Chesopeian Colony Dredging SSD		
Reserve for Contingencies		215,632
	Fund 313 Appropriation Totals	215,632
314 Harbour Point Dredging SSD		
Transfer to Other Funds		27,360
	Fund 314 Appropriation Totals	27,360
315 Gills Cove Dredging SSD		
Reserve for Contingencies		13,986
	Fund 315 Appropriation Totals	13,986
316 Hurds Cove Dredging SSD		
Reserve for Contingencies		218,111
	Fund 316 Appropriation Totals	218,111
460 School General Revenue Capital Projects Fund		
School Capital Projects		721,541
	Fund 460 Appropriation Totals	721,541
540 General Government Capital Projects Fund		
Building Capital Projects		2,008,524
Coastal Capital Projects		9,024,567
Economic and Tourism Development Capital Projects		3,687,616
Information Technology Projects		13,502,417
Parks and Recreation Capital Projects		7,335,418
Roadways Capital Projects		13,255,953
	Fund 540 Appropriation Totals	48,814,495
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		22,544,151
	Fund 555 Appropriation Totals	22,544,151

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment A - Appropriations

		FY 2019-20 Adopted
606 City Garage Internal Service Fund		
Public Works		14,199,930
Reserve for Contingencies		133,228
	Fund 606 Appropriation Totals	14,333,158
607 Risk Management Internal Service Fund		
Finance		18,399,370
	Fund 607 Appropriation Totals	18,399,370
613 School Landscaping Internal Service Fund		
Parks and Recreation		4,442,908
Reserve for Contingencies		81,468
	Fund 613 Appropriation Totals	4,524,376
614 School Risk Management Fund		
School Risk Management		8,170,228
	Fund 614 Appropriation Totals	8,170,228
615 City and School Health Insurance Fund		
City and School Health Insurance		157,467,867
	Fund 615 Appropriation Totals	157,467,867
616 Fuels Internal Service Fund		
Public Works		5,889,880
	Fund 616 Appropriation Totals	5,889,880
620 Telecommunications Internal Service Fund		
Information Technology		3,110,654
Reserve for Contingencies		24,514
	Fund 620 Appropriation Totals	3,135,168
621 Subscriptions Internal Service Fund		
Information Technology		5,132,700
Reserve for Contingencies		276,964
	Fund 621 Appropriation Totals	5,409,664
908 City Beautification Fund		
Parks and Recreation		50,000
	Fund 908 Appropriation Totals	50,000
909 Library Gift Fund		
Library		96,961
	Fund 909 Appropriation Totals	96,961
910 Parking Meters - Homeless Donation Fund		
Housing and Neighborhood Preservation		1,000
	Fund 910 Appropriation Totals	1,000

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment A - Appropriations

		FY 2019-20 Adopted
911 Parks and Recreation Gift Fund		
Parks and Recreation		55,000
	Fund 911 Appropriation Totals	55,000
916 Social Services Gift Fund		
Human Services		59,850
	Fund 916 Appropriation Totals	59,850
Total Budget Appropriations		2,891,273,213
Less Internal Service Funds		217,329,711
Less Interfund Transfers		596,017,420
NET BUDGET APPROPRIATIONS		2,077,926,082

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 Proposed
002 General Fund		
Revenue From Local Sources		
Automobile License		11,652,769
Business License		51,892,052
Charges for Services		37,457,701
Cigarette Tax		10,433,892
Fines and Forfeitures		4,393,819
From the Use of Money and Property		9,674,420
General Sales Tax		66,745,446
Hotel Room Tax		7,794,883
Miscellaneous Revenue		6,824,182
Other Taxes		11,704,971
Permits, Privilege Fees, and Regulatory Licenses		5,518,791
Personal Property		163,497,601
Real Estate		558,748,264
Restaurant Meal Tax		44,608,734
Utility Tax		49,578,224
Revenue from the Commonwealth		
Other Sources from the Commonwealth		107,202,773
Revenue from the Federal Government		22,236,295
Specific Fund Reserves		6,239,587
Transfers from Other Funds		15,340,346
	Fund 002 Revenue Totals	1,191,544,750
098 School Reserve Special Revenue Fund		
Specific Fund Reserves		5,800,000
	Fund 098 Revenue Totals	5,800,000
104 Green Run Collegiate Charter School		
Transfers from Other Funds		3,913,938
	Fund 104 Revenue Totals	3,913,938
107 School Equipment Replacement Special Revenue Fund		
Specific Fund Reserves		80,000
	Fund 107 Revenue Totals	80,000
108 School Instructional Technology Fund		
Specific Fund Reserves		200,000
	Fund 108 Revenue Totals	200,000
109 School Vending Operations Fund		
Revenue From Local Sources		
Miscellaneous Revenue		144,000
Specific Fund Reserves		6,000
	Fund 109 Revenue Totals	150,000

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 Adopted
112 School Communication Tower Technology Fund		
Revenue From Local Sources		
From the Use of Money and Property		516,000
Specific Fund Reserves		284,000
	Fund 112 Revenue Totals	800,000
114 School Cafeteria Fund		
Revenue From Local Sources		
Charges for Services		11,217,029
From the Use of Money and Property		75,000
Miscellaneous Revenue		600,000
Revenue from the Commonwealth		
Other Sources from the Commonwealth		500,000
Revenue from the Federal Government		20,671,443
Specific Fund Reserves		2,490,632
	Fund 114 Revenue Totals	35,554,104
115 School Operating Fund		
Revenue From Local Sources		
Charges for Services		2,216,638
Fines and Forfeitures		250,000
From the Use of Money and Property		465,000
Miscellaneous Revenue		836,703
Revenue from the Commonwealth		
Other Sources from the Commonwealth		284,825,537
State Shared Sales Tax		78,981,847
Revenue from the Federal Government		12,672,600
Transfers from Other Funds		453,787,560
	Fund 115 Revenue Totals	834,035,885
116 School Grants Fund		
Revenue From Local Sources		
Miscellaneous Revenue		1,071,964
Revenue from the Commonwealth		
Other Sources from the Commonwealth		17,115,392
Revenue from the Federal Government		43,899,955
Transfers from Other Funds		3,874,864
	Fund 116 Revenue Totals	65,962,175
117 School Textbook Fund		
Revenue From Local Sources		
From the Use of Money and Property		29,483
Miscellaneous Revenue		27,000
Revenue from the Commonwealth		
Other Sources from the Commonwealth		3,995,902
Specific Fund Reserves		722,803
	Fund 117 Revenue Totals	4,775,188

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 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		4,723,274
	Fund 119 Revenue Totals	5,227,274
130 Law Library Fund		
Revenue From Local Sources		
Charges for Services		255,000
From the Use of Money and Property		1,650
Miscellaneous Revenue		350
	Fund 130 Revenue Totals	257,000
140 Commonwealth Attorney's Fed & State Seized Assets SRF		
Specific Fund Reserves		100,000
	Fund 140 Revenue Totals	100,000
146 State Rental Assistance Program		
Revenue from the Commonwealth		
Other Sources from the Commonwealth		966,266
	Fund 146 Revenue Totals	966,266
147 Federal Section 8 Program Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		3,733,855
Miscellaneous Revenue		2,000
Revenue from the Federal Government		18,044,601
Specific Fund Reserves		31,845
Transfers from Other Funds		74,742
	Fund 147 Revenue Totals	21,887,043
149 Sheriff's Department Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		5,116,608
From the Use of Money and Property		11,000
Miscellaneous Revenue		2,000
Revenue from the Commonwealth		
Other Sources from the Commonwealth		20,085,626
Revenue from the Federal Government		140,000
Transfers from Other Funds		23,990,583
	Fund 149 Revenue Totals	49,345,817

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 Adopted
151 Parks and Recreation Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		16,061,789
From the Use of Money and Property		1,564,354
Miscellaneous Revenue		5,400
Permits, Privilege Fees, and Regulatory Licenses		1,250
Real Estate		19,875,128
Revenue from the Commonwealth		
Other Sources from the Commonwealth		11,000
Specific Fund Reserves		27,000
Transfers from Other Funds		6,436,948
	Fund 151 Revenue Totals	43,982,869
152 Tourism Investment Program Fund		
Revenue From Local Sources		
Amusement Tax		7,019,378
Charges for Services		3,500
Cigarette Tax		745,278
From the Use of Money and Property		856,321
Hotel Room Tax		19,044,631
Miscellaneous Revenue		8,250
Permits, Privilege Fees, and Regulatory Licenses		381,904
Restaurant Meal Tax		13,471,505
	Fund 152 Revenue Totals	41,530,767
157 Sandbridge Special Service District Spec Rev Fd		
Revenue From Local Sources		
From the Use of Money and Property		7,037
Hotel Room Tax		4,165,452
Real Estate		735,502
Specific Fund Reserves		447,074
Transfers from Other Funds		65,000
	Fund 157 Revenue Totals	5,420,065
161 Agriculture Reserve Program Special Revenue Fund		
Revenue From Local Sources		
From the Use of Money and Property		143,880
Real Estate		5,146,034
Specific Fund Reserves		381,404
	Fund 161 Revenue Totals	5,671,318
163 Tourism Advertising Program Special Revenue Fund		
Revenue From Local Sources		
Charges for Services		53,000
From the Use of Money and Property		67,000
Hotel Room Tax		6,439,564
Miscellaneous Revenue		10,000
Restaurant Meal Tax		6,354,483
	Fund 163 Revenue Totals	12,924,047

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

	FY 2019-20 Adopted
166 Sandbridge Tax Increment Financing Fund	
Revenue From Local Sources	
From the Use of Money and Property	54,799
Real Estate	10,411,393
Fund 166 Revenue Totals	10,466,192
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	8,033,042
Fund 169 Revenue Totals	8,535,042
172 Open Space & Park Infrastructure Development & Maintenance SRF	
Revenue From Local Sources	
Restaurant Meal Tax	5,591,945
Fund 172 Revenue Totals	5,591,945
174 Town Center Special Service District	
Revenue From Local Sources	
Charges for Services	24,300
Fines and Forfeitures	170,000
From the Use of Money and Property	299,500
Real Estate	2,111,141
Specific Fund Reserves	80,953
Transfers from Other Funds	150,000
Fund 174 Revenue Totals	2,835,894
180 Community Development Special Revenue Fund	
Revenue from the Federal Government	1,415,924
Transfers from Other Funds	507,868
Fund 180 Revenue Totals	1,923,792
181 CD Loan and Grant Fund	
Non-Revenue Receipts	120,000
Revenue from the Federal Government	584,908
Transfers from Other Funds	119,568
Fund 181 Revenue Totals	824,476
182 Federal Housing Assistance Grant Fund	
Non-Revenue Receipts	75,000
Revenue from the Federal Government	1,122,655
Fund 182 Revenue Totals	1,197,655
183 Grants Consolidated Fund	
Revenue from the Commonwealth	
Other Sources from the Commonwealth	3,099,919
Revenue from the Federal Government	2,400,411
Transfers from Other Funds	994,714
Fund 183 Revenue Totals	6,495,044

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 Adopted
241 Water and Sewer Fund		
Non-Revenue Receipts		2,916,522
Revenue From Local Sources		
Charges for Services		128,081,184
From the Use of Money and Property		791,351
Miscellaneous Revenue		620,812
Revenue from the Federal Government		936,671
Transfers from Other Funds		1,874,455
	Fund 241 Revenue Totals	135,220,995
253 Parking Enterprise Fund		
Revenue From Local Sources		
Charges for Services		4,877,864
Fines and Forfeitures		628,900
From the Use of Money and Property		8,500
Permits, Privilege Fees, and Regulatory Licenses		55,000
Transfers from Other Funds		68,500
	Fund 253 Revenue Totals	5,638,764
254 Waste Management Enterprise Fund		
Revenue From Local Sources		
Charges for Services		37,073,799
From the Use of Money and Property		175,000
Miscellaneous Revenue		775,323
Permits, Privilege Fees, and Regulatory Licenses		125,000
Revenue from the Commonwealth		
Other Sources from the Commonwealth		50,000
	Fund 254 Revenue Totals	38,199,122
255 Storm Water Utility Enterprise Fund		
Revenue From Local Sources		
Charges for Services		45,464,564
From the Use of Money and Property		85,000
Miscellaneous Revenue		60,000
Revenue from the Federal Government		267,597
Transfers from Other Funds		14,873
	Fund 255 Revenue Totals	45,892,034
310 Old Donation Creek Area Dredging SSD		
Revenue From Local Sources		
Real Estate		70,545
	Fund 310 Revenue Totals	70,545
311 Bayville Creek Neighborhood Dredging SSD Fund		
Revenue From Local Sources		
Real Estate		74,522
	Fund 311 Revenue Totals	74,522

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 Adopted
312 Shadowlawn Area Dredging SSD		
Revenue From Local Sources		
Real Estate		29,314
Specific Fund Reserves		1,573
	Fund 312 Revenue Totals	30,887
313 Chesopeian Colony Dredging SSD		
Revenue From Local Sources		
Real Estate		215,632
	Fund 313 Revenue Totals	215,632
314 Harbour Point Dredging SSD		
Revenue From Local Sources		
Real Estate		27,360
	Fund 314 Revenue Totals	27,360
315 Gills Cove Dredging SSD		
Revenue From Local Sources		
Real Estate		13,986
	Fund 315 Revenue Totals	13,986
316 Hurds Cove Dredging SSD		
Revenue From Local Sources		
Real Estate		218,111
	Fund 316 Revenue Totals	218,111
460 School General Revenue Capital Projects Fund		
Transfers from Other Funds		721,541
	Fund 460 Revenue Totals	721,541
540 General Government Capital Projects Fund		
Transfers from Other Funds		48,814,495
	Fund 540 Revenue Totals	48,814,495
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		22,544,151
	Fund 555 Revenue Totals	22,544,151
606 City Garage Internal Service Fund		
Revenue From Local Sources		
Charges for Services		14,071,350
From the Use of Money and Property		76,808
Miscellaneous Revenue		185,000
	Fund 606 Revenue Totals	14,333,158

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 Adopted
607 Risk Management Internal Service Fund		
Revenue From Local Sources		
Charges for Services		18,061,111
From the Use of Money and Property		248,259
Specific Fund Reserves		90,000
	Fund 607 Revenue Totals	18,399,370
613 School Landscaping Internal Service Fund		
Revenue From Local Sources		
Charges for Services		4,524,376
	Fund 613 Revenue Totals	4,524,376
614 School Risk Management Fund		
Revenue From Local Sources		
Charges for Services		6,805,724
Specific Fund Reserves		1,364,504
	Fund 614 Revenue Totals	8,170,228
615 City and School Health Insurance Fund		
Revenue From Local Sources		
Miscellaneous Revenue		156,958,827
Schools Risk Management Fund		509,040
	Fund 615 Revenue Totals	157,467,867
616 Fuels Internal Service Fund		
Revenue From Local Sources		
Charges for Services		5,673,574
From the Use of Money and Property		8,306
Specific Fund Reserves		208,000
	Fund 616 Revenue Totals	5,889,880
620 Telecommunications Internal Service Fund		
Revenue From Local Sources		
Charges for Services		3,083,787
From the Use of Money and Property		15,000
Specific Fund Reserves		36,381
	Fund 620 Revenue Totals	3,135,168
621 Subscriptions Internal Service Fund		
Revenue From Local Sources		
Charges for Services		2,810,687
From the Use of Money and Property		30,425
Specific Fund Reserves		2,568,552
	Fund 621 Revenue Totals	5,409,664
908 City Beautification Fund		
Revenue From Local Sources		
Miscellaneous Revenue		50,000
	Fund 908 Revenue Totals	50,000

City of Virginia Beach, Virginia
Fiscal Year 2019-20 Budget Ordinance

Attachment B - Revenue

		FY 2019-20 Adopted
909 Library Gift Fund		
Revenue From Local Sources		
Miscellaneous Revenue		95,000
Specific Fund Reserves		1,961
	Fund 909 Revenue Totals	96,961
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		5,400
Specific Fund Reserves		54,450
	Fund 916 Revenue Totals	59,850
Total Budget Revenues		2,891,273,213
Less Internal Service Funds		217,329,711
Less Interfund Transfers		596,017,420
NET BUDGET REVENUES		2,077,926,082

AN ORDINANCE ESTABLISHING THE TAX LEVY ON REAL ESTATE FOR FISCAL YEAR 2020

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 20~~19~~20 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 ~~one dollar and twenty-five hundredths of a cent ($1.0025)~~ one dollar and one and seventy-five hundredths of a cent ($1.0175) 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. The Council directs the City Manager in the production of future budgets to provide an analysis of State funding for Schools and at such time as the State restores funding for Schools above $350M (per annum, net of School Facility Funds) the City Manager will recommend a reduction, in whole or in part, to the four 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 20~~19~~20, 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 ~~one dollar and twenty-five hundredths of a cent ($1.0025)~~ one dollar and one and seventy-five hundredths of a cent ($1.0175) 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 20~~19~~20, 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 20~~19~~20, 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 20~~19~~20, taxes on all real estate that has been classified as an energy efficient building, not exempt from taxation, at a rate of eighty~~-five~~six and ~~twenty~~seventy-five hundredths of a cent~~s~~ ($0.8~~5~~6~~2~~75) 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 20~~19~~20, 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~~-three~~four and ~~twenty~~seventy-five hundredths of a cent ($0.5~~3~~4~~2~~75) 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~~9~~20, 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 forty seven and two-tenths cents ($0.472) 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~~ twelve cents ($0.~~079~~12) 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, 2018~~8~~9.

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 14th day of May, 2019.

AN ORDINANCE ESTABLISHING THE TAX LEVY ON PERSONAL PROPERTY AND MACHINERY AND TOOLS FOR THE CALENDAR YEAR 2020

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 20~~19~~20 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 ~~49.7%~~ 49.9% 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 ~~50.3%~~ 50.1% 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 ~~49.7%~~ 49.9% 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 ~~50.3%~~ 50.1% 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 20~~19~~20 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 20~~19~~20 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)~~ one and seventy five hundredths of a cent ($1.0175) 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 20~~19~~20 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 20~~19~~20 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 20~~19~~20 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 20~~19~~20 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 20~~19~~20 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 20~~19~~20 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 20~~19~~20, 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~~7~~8 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~~7~~8, 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. Amount of Levy on Computer Equipment and Peripherals Used in a Data Center.

There shall be levied and collected for general purposes for the calendar year 20~~19~~20 taxes on all computer equipment and peripherals used in a data center as authorized in § 58.1-3506(A)(43) of the Code of Virginia at the rate of forty cents ($0.40) on each one hundred dollars ($100) of assessed valuation thereof.

Sec. 13. 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. 14. 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. 15. Effective Date.

This ordinance shall be effective January 1, 20~~19~~20.

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 14th day of May, 2019.

AN ORDINANCE TO DECLARE $8,000,000 OF FUNDING WITHIN THE SANDBRIDGE TAX INCREMENT FINANCING DISTRICT AS SURPLUS FUNDS IN THE FY 2018-19 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~~7~~8-1~~8~~9 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, 2019.

Adopted by the City Council of the City of Virginia Beach, Virginia, on the 14th day of May, 2019.

AN ORDINANCE TO ADD SECTION 31-39 TO THE CITY CODE REGARDING THE WASTE COLLECTION FEE AND TO INCREASE THE WASTE COLLECTION FEE FOR SUCH SERVICES COMMENCING JULY 1, 2019

WHEREAS, under Virginia Code § 15.2-928, the City Council of the City of Virginia Beach, Virginia, is authorized to impose fees for providing the services to its residents of collection, management, and disposal of solid waste, recyclable materials, and other refuse; and

WHEREAS, the City held a public hearings on this fee to provide public comment; and

WHEREAS, the City Council desires to have a fiscally responsible solution to solid waste collection, management, and disposal.

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

1. That Section 31-39 is hereby added to the Code of the City of Virginia Beach to read as follows:

Sec. 31-39. Waste Collection Fee; billing and collection

a. That rate(s) to be charged for access to the service of solid waste collection, management, and disposal of solid waste materials, and other refuse shall be as follows:

i. A waste collection fee of $~~23.00~~ 25.00 per month shall be charged to each occupied dwelling unit eligible for, and each participating church receiving, City trash collection services in accordance with this chapter.

b. That the billing and collection of the waste collection fee shall be pursuant to the same procedures as the collection of water and sewer utility service and stormwater management charges as described in section 37-53.

2. This ordinance and the fee increase described herein shall be effective on July 1, 2019.

Adopted by the City Council of the City of Virginia Beach, Virginia, on this 14th day of May, 2019.

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 2018~~8~~9-19~~9~~20 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 14th day of May, 2019.

AN ORDINANCE TO AMEND THE CITY CODE PERTAINING TO THE EQUIVALENT RESIDENTIAL UNIT (ERU) FEE

SECTION AMENDED: § 32.5-2

WHEREAS, City Council held a public 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 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, 2019, fifty and eight-tenth cents ($0.508) per day, effective July 1, 2020, fifty-three and three-tenth cents ($0.533) per day, effective July 1, 2021, and fifty-five and eight-tenth cents ($0.558) per day, effective July 1, 2022.~~ forty-nine and three-tenth cents ($0.493) per day, effective July 1, 2019, fifty-two and eight-tenth cents ($0.528) per day, effective July 1, 2020, fifty-six and three tenth cents ($0.563) per day, effective July 1, 2021, fifty-nine and eight tenth cents ($0.598) per day, effective July 1, 2022, sixty-three and three tenth cents ($0.633) per day, effective July 1, 2023 and sixty-six and eight tenth cents ($0.668), effective July 1, 2024.

BE IT FURTHER ORDAINED: That the effective date of this ordinance shall be July 1, 2019.

Adopted by the Council of the City of Virginia Beach, Virginia, on this 14th day of May, 2019.

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;

WHEREAS, the average increase in the value of single family residence for FY 2019-20 is 2.8%.

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 four thousand nine hundred and eighty nine dollars ($54,989) fifty six thousand five hundred and twenty nine dollars ($56,529)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 one thousand seven hundred and fifty dollars ($71,750) seventy three thousand seven hundred and fifty nine dollars ($73,759 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 ten acres) 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 ten acres) 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 - $41,966.00~~	$0.00 – 43,141.00	100%
~~$41,966.01 - $45,222.00~~	$43,141.01 – $46,488.00	80%
~~$45,222.01 - $48,478.00~~	$46,488.01 - $49,835.00	60%
~~$48,478.01 - $51,734.00~~	$49,835.01 - $53,183.00	40%
~~$51,734.01 - $54,989.00~~	$53,183.01 - $56,529.00	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, 2019.

Adopted by the City Council of the City of Virginia Beach, Virginia, on this 14th day of May, 2019.

AN ORDINANCE TO DEDICATE REVENUE FROM PARKING FEES AND FINES TO THE PARKING ENTERPRISE FUND

WHEREAS, the original Tourism and Growth Investment Special Revenue Fund ("TGIF") established February 2, 1993, dedicated fines and fees from parking tickets to the TGIF;

WHEREAS, the TGIF Fund and Major Projects Fund, as well as the dedications within each respective fund, were consolidated into the Tourism Investment Program ("TIP") Special Revenue Fund as a part of the FY 2011-12 Operating Budget;

WHEREAS, the budget ordinance for Fiscal Year 2014-15 included an ordinance that dedicated fines from increases in parking ticket rates, fees, and fines to the Parking Enterprise Fund, but left initial dedications contained within the TIP Fund;

WHEREAS, the Parking Enterprise Fund is responsible for staffing and all operational costs to provide a comprehensive parking facilities and enforcement program at the Oceanfront;

WHEREAS, the City's comprehensive parking strategy requires additional revenue for parking enforcement, infrastructure replacement, and maintenance;

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

1. That the Council hereby dedicates, subject to annual appropriation, to the Parking Enterprise Fund, the revenue generated from parking fees and fines set and established by City Code.

2. That this ordinance supersedes the previous City Council dedication of parking fees and fines to the TGIF and its successor the TIP.

3. That this ordinance shall not alter the dedication of revenue generated from parking fees and fines within the Town Center Special Service District to the Town Center Special Service District Special Revenue Fund.

BE IT FURTHER ORDAINED: That the effective date of this ordinance shall be July 1, 2019

Adopted by the Council of the City of Virginia Beach, Virginia on the 14th day of May, 2019.

AN ORDINANCE TO AMEND THE CITY CODE PERTAINING TO WATER USAGE RATE

SECTIONS AMENDED: CITY CODE §§ 37-47

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

That Sections 37-47 of the Code of the City of Virginia Beach are hereby amended and reordained, to read as follows:

Sec. 37-47. Water usage rates prescribed.

In addition to the charges provided for in section 37-46, each consumer shall pay for water usage the rate of four dollars and ~~forty-one cents ($4.41)~~ ninety cents ($4.90) per one thousand (1,000) gallons, as of July 1, 201~~0~~ 9.

BE IT FURTHER ORDAINED: That the effective date of this ordinance shall be July 1, 2019.

Adopted by the Council of the City of Virginia Beach, Virginia, on this 14th day of May, 2019.

AN ORDINANCE TO AMEND THE BOUNDARIES OF THE TOWN CENTER SPECIAL SERVICE DISTRICT

WHEREAS, the Town Center Special Service District (the "SSD") was enacted by ordinance adopted by the City Council on May 14, 2002 (Ord #2699B);

WHEREAS, the City Council has modified the boundaries of the SSD by ordinances adopted September 27, 2005 (Ord #2896N) and May 15, 2007 (Ord #2980K);

WHEREAS, after conducting a public hearing, the City Council hereby determines it would be in the best interests of the City and its citizens to expand the SSD to provide additional, more complete, and more timely services in the Town Center portion of the City

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

2. That Ordinance #2980K is hereby amended to read as follows:

2. Boundaries of District.

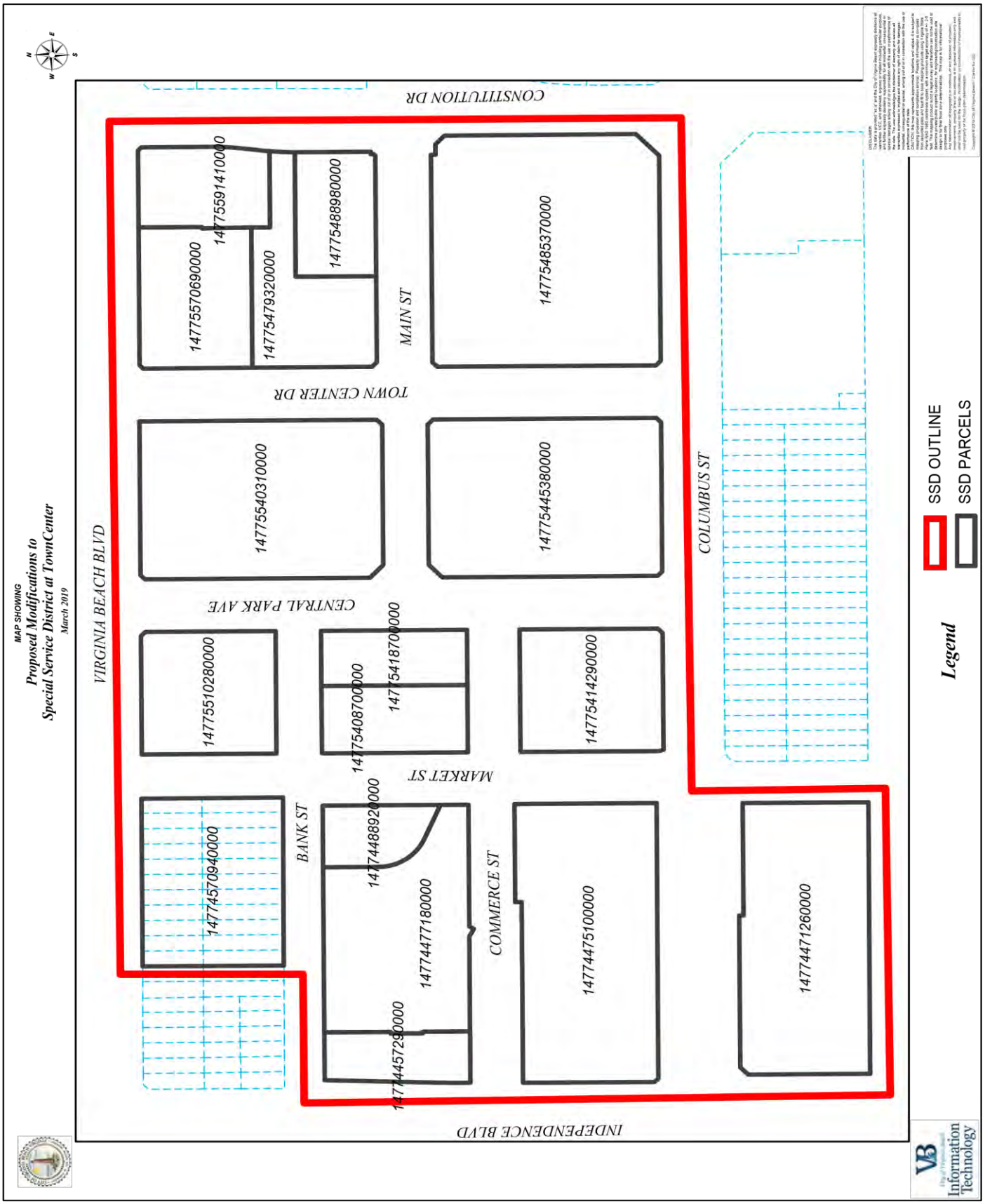
(a) ~~The District is bounded as follows: beginning at the southeast corner of the intersection of Virginia Beach Boulevard and Market Street, moving south to the southeast corner of the intersection of Bank Street and Market Street, then moving west along Bank Street to the southeast corner of the intersection of Independence Boulevard and Bank Street, then moving south along Independence Boulevard to the northeast corner of the intersection of Independence Boulevard and Southern Boulevard, then moving east along Southern Boulevard to the northeast corner of the intersection of Southern Boulevard and Market Street, then moving to the north along market Street to the northeast corner of the intersection of Columbus Street and market Street, then moving to the east along Columbus Street to the northwest corner of the intersection of Columbus Street and Constitution Drive, then moving to the north along Constitution Drive to the southwest corner of the intersection of Constitution Drive and Virginia Beach Boulevard, then to the west along Virginia Beach Blvd. to the point of beginning.~~

~~(b) Within the boundaries described above, the following area, which will not receive enhanced maintenance services, shall be excluded from the district: beginning at the northeast corner of the intersection of Columbus Street and Market Street then moving north on Market Street to the southeast corner of the intersection of Market Street and Commerce Street, then moving east on Commerce Street to the southwest corner of the intersection of Commerce Street and Central Park Avenue, then moving south on Central Park Avenue to the northwest corner of the intersection of Central Park Avenue and Columbus Street then west along Columbus Street to the point of beginning~~.

~~(c)~~ The particular boundaries of the district ~~and the excluded areas~~ are set forth in detail in the attached map. Also, attached hereto is a list of the parcels within the district. In the event of any discrepancy between the map and the list of parcels, the map shall prevail. W~~hich shall control in the event of any discrepancy between the map and description of the preceding paragraphs.~~

2. This ordinance shall be effective on July 1, 2019.

Adopted by the City Council of the City of Virginia Beach, Virginia, on this 14th day of May, 2019


MAP SHOWING
Proposed Modifications to
Special Service District at TownCenter
March 2019
CONSTITUTION DR
VIRGINIA BEACH BLVD
TOWN CENTER DR
MAIN ST
CENTRAL PARK AVE
MARKET ST
BANK ST
COMMERCE ST
COLUMBUS ST
INDEPENDENCE BLVD
14775570690000
14775591410000
14775479320000
14775488980000
14775485370000
14775540310000
14775445380000
14775510280000
14775408700000
14775418700000
14775414290000
14774570940000
14774488920000
14774477180000
14774457290000
14774475100000
14774471260000
SSD OUTLINE
SSD PARCELS
Legend
Information Technology

Town Center SSD Parcels

14774570940000
14775510280000
14775540310000
14775570690000
14775591410000
14775479320000
14775488980000
14774457290000
14774477180000
14774488920000
14775408700000
14775418700000
14774475100000
14775414290000
14775445380000
14775485370000
14774471260000

A RESOLUTION APPROVING AMENDMENTS TO THE CITY OF VIRGINIA BEACH HUMAN RESOURCES PAID TIME OFF POLICY

WHEREAS, City Code §§ 2-84(7) and 2-199(d) set forth that full-time City employees hired on or after January 1, 2014, with the exception of employees eligible for enhanced retirement benefits in hazardous duty positions, employees hired with the Virginia Retirement Service creditable service and employees hired before January 1, 2014 who opted to participated in the hybrid retirement plan, shall receive paid time off in lieu of annual and sick leave as set forth in applicable City of Virginia Beach Human Resources Policy; and

WHEREAS, the aforementioned City Code sections require all changes to the paid time off policy to be approved by City Council; and

WHEREAS, the City of Virginia Beach desires to amend the Human Resources Paid Time Off Policy accruals as set forth in the attachment hereto;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA. THAT:

The City Council approves the amendments to the Paid Time Off Policy accruals as set forth in the attachment hereto.

Adopted by the City Council of the City of Virginia Beach, Virginia, on this 14th day of May, 2019.

Hybrid Employees Paid-Time-Off (PTO)

Service Time	Monthly Accrual	Accrual Per Year		Maximum Carryover	
	Hours	Days	Hours	Days/hours on 12/31	
0 < 5	~~10~~ 11	~~15~~ 16.5	~~120~~ 132	~~15~~ 22 days	~~120~~ 176 hrs
5 < 10	~~12~~ 13	~~18~~ 19.5	~~144~~ 156	~~18~~ 25 days	~~144~~ 200 hrs
10 < 15	~~14~~ 15	~~21~~ 22.5	~~168~~ 180	~~21~~ 28 days	~~168~~ 224 hrs
15 +	~~16~~ 17	~~24~~ 25.5	~~192~~ 204	~~24~~ 31 days	~~192~~ 248 hrs

A RESOLUTION ENDORSING A PLAN TO ADDRESS HORIZONTAL PAY COMPRESSION FOR SWORN NON-SUPERVISORY PUBLIC SAFETY PERSONNEL

WHEREAS, City Council identified the reduction of salary compression as a priority and authorized the expenditure of $3 million in the FY 2018-19 Operating Budget to address both vertical and horizontal salary compression for employees; and

WHEREAS, the City Manager established a work group to study the issues related to salary compression and to make recommendations to the City Manager prior to the preparation of the City Manager's FY 2019-20 Proposed Operating Budget; and

WHEREAS, the Salary Compression and Public Safety Pay Plan Work Group delivered their recommendations and the City Manager included in the proposed budget a plan to address horizontal salary compression in the Fire Department and the Department of Emergency Medical Services to follow the plan previously implemented by the Police Department; and

WHEREAS, through the Budget process, the Council has identified an alternative policy that it supports, which is described in more detail herein;

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

The City Council hereby endorses a policy to address horizontal pay compression for sworn non-supervisory public safety personnel with the following outline of such policy:

- The policy applies to sworn non-supervisory public safety personnel who have already completed or at some future time will complete their first three (3) or six (6) years of service or have previously been promoted to and are currently within the master level as a sworn non-supervisory public safety employee.
- For employees subject to this policy, upon completion of three (3) years of employment as a sworn non-supervisory public safety employee, successful completion of certain job related professional development activities, and the successful passage of a written examination, the employee will receive a 5% career progression salary increase, upon completion of six (6) years of employment and completion of all requirements necessary for promotion to the master level, sworn non-supervisory public safety personnel will receive a 10% career progression salary increase, and upon completion of three (3) additional years of employment at the master level, non-supervisory public safety personnel will receive an additional 5% salary increase.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 14th day of May, 2019.

A RESOLUTION ENDORSING THE RECOMMENDATION OF THE SALARY COMPRESSION AND PUBLIC SAFETY PAY PLAN WORK GROUP TO ADDRESS VERTICAL COMPRESSION

WHEREAS, City Council identified the reduction of salary compression as a priority and authorized the expenditure of $3 million in the FY 2018-19 operating budget to address both vertical and horizontal salary compression for employees; and

WHEREAS, the City Manager established a work group to study the issues related to salary compression and to make recommendations to the City Manager prior to the preparation of the City Manager's FY 2019-20 Proposed Operating Budget; and

WHEREAS, the Salary Compression and Public Safety Pay Plan Work Group delivered their recommendations and the City Manager has included in the proposed budget a plan to address vertical salary compression throughout the organization; and

WHEREAS, through the Budget process, the Council has identified a policy that it supports, which is described in more detail herein;

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

The City Council hereby endorses a policy that makes the necessary salary adjustments for supervisory employees wherein the employee's salary is less than the midpoint of the applicable salary range with the following outline of such policy:

- The policy applies to full-time City employees who are in a title that requires the supervision of a permanent workforce and who supervise no less than one (1) full-time equivalent employee with a salary below the midpoint of the salary range for their position classification upon receipt of their initial salary, or salary increase upon promotion. This policy does not apply to City executive leadership including the City Manager, Deputy City Manager, Department Directors, and Deputy Directors and comparable positions.
- For employees subject to the previous bullet, the employee will receive an additional salary increase on the first pay period of the subsequent fiscal year equal to one-half of the difference between the employee's new salary once all merit or other salary adjustments are made and the midpoint of their salary range. For the first pay period of the second fiscal year following the employees promotion, an additional salary increase, inclusive of any merit or other salary adjustments, necessary to bring the employee to the midpoint of their salary range will be provided.
- For purposes of this policy, the Department of Human Resources is responsible for identifying the job descriptions that are supervisory classifications and the employees subject to the salary increase authorized by the policy.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 14th day of May, 2019.

AN ORDINANCE TO ADD SECTIONS 2-490 AND 2- 491 OF THE CITY CODE TO CREATE THE DEPARTMENT OF CULTURAL AFFAIRS AND TO SET FORTH THE FUNCTIONS THEREOF

SECTIONS ADDED: §§ 2-490 and 2-491

That Sections 2-490 and 2-491 of the Code of the City of Virginia Beach, Virginia, are hereby ordained to read as follows:

ARTICLE XXIX. - DEPARTMENT OF CULTURAL AFFAIRS

Sec. 2- 490. - Created; composition.

There is hereby created a department to be designated the department of cultural affairs which shall consist of a director of the department, and such other employees as may be authorized by the City Council.

Sec. 2- 491. - Functions.

The department of cultural affairs shall be responsible for administering and coordinating cultural activities and functions of the City including the four history museums owned and operated by the city: the Francis Land House, Thoroughgood House, Lynnhaven House, and the Princess Anne County Training School/Union Kempsville High School Museum. The department shall also be responsible for the provision of such other services as may be directed by the City Manager.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 14th day of May, 2019.

AN ORDINANCE TO AMEND SECTIONS 2-455 AND 2- 456 OF THE CITY CODE PERTAINING TO THE DEPARTMENT OF AQUARIUM, HISTORIC HOUSES AND MUSEUMS

SECTION AMENDED: §§ 2-455 and 2-456

That Sections 2-455 and 2-456 of the Code of the City of Virginia Beach, Virginia, are hereby amended and ordained to read as follows:

ARTICLE XXIV. - DEPARTMENT OF THE VIRGINIA AQUARIUM~~, HISTORIC HOUSES, AND MUSEUMS~~

Sec. 2- 455. - Created; composition.

There is hereby created a department to be designated the department of the Virginia Aquarium~~, historic houses, and museums,~~ which shall consist of a director of the department, and such other employees as may be prescribed by the Charter, or by ordinance, or by direction of the city manager.

Sec. 2- 456. - Functions.

The department of the Virginia Aquarium~~, historic houses, and museums~~ shall be responsible for administering and coordinating the activities and functions of the Virginia Aquarium & Marine Science Center and other facilities owned by the City associated with the aquarium ~~the four history museums owned and operated by the city: the Francis Land House, Thoroughgood House, Lynnhaven House, and the Princess Anne County Training School/ Union Kempsville High School Museum~~. The department shall also be responsible for the provision of such other services as may be directed by the council or the city manager.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 14th day of May, 2019.

AN ORDINANCE TO DEDICATE REVENUE FROM A 1.5 CENT REAL ESTATE TAX INCREASE TO CREATE STORM WATER DEBT CAPACITY

WHEREAS, the City Manager's Proposed Budget recommends moving Mosquito Control, Street Sweeping, Surface Water Regulatory Compliance, and Project Management to the General Fund, and this funding strategy creates capacity within the Storm Water Utility Enterprise Fund for additional revenue bond debt; and

WHEREAS, Mosquito Control, Street Sweeping, Surface Water Regulatory Compliance, and Project Management to the General Fund will be reflected in the City's budgeting and accounting system to reflect the dedication of the 1.5 cents of the real estate tax; and

WHEREAS, the City Council recognizes the need to create additional Storm Water debt capacity for flood mitigation projects;

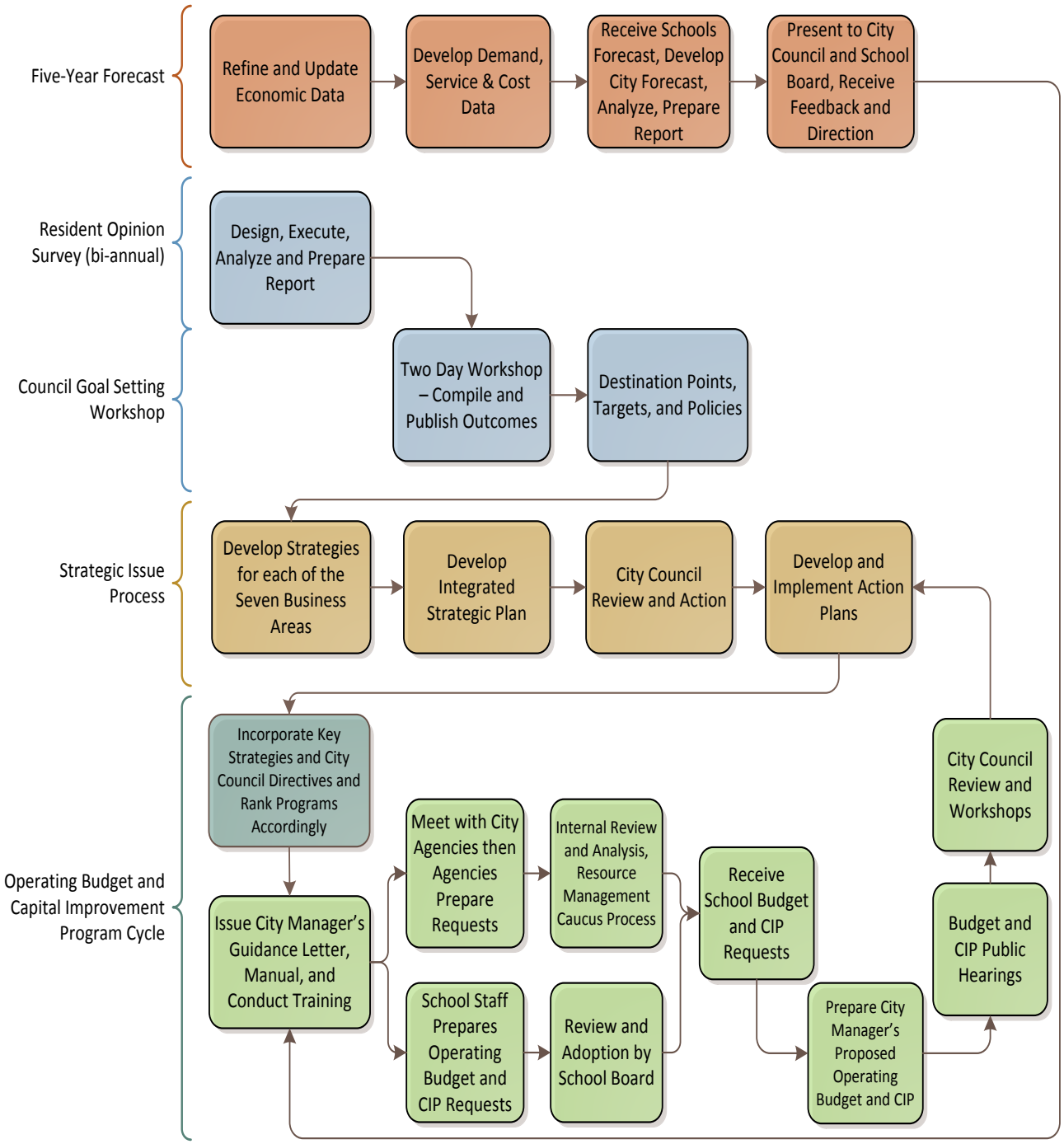
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA, THAT:

The Council hereby dedicates, subject to annual appropriation, the revenue created by the 1.5 cent increase of the real estate tax to support the movement of Mosquito Control, Street Sweeping, Surface Water Regulatory Compliance, and Project Management out of the Storm Water Utility Enterprise Fund to the General Fund, which thereby creates additional Storm Water debt capacity and allows the Council to allocate greater funding for flood relief projects.

Adopted by the City Council of the City of Virginia Beach, Virginia on this 14th day of May, 2019

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 - 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

08/01/18 - 09/30/18 – 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

10/05/18 - 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.
10/05/18 – 12/01/18 - 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

11/07/18 - CIP requests are due to the Department of Budget and Management Services.
11/21/18 – 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.
12/01/18- Department budget submissions are due to the Department of Budget and Management Services.

January

01/03/19 - 02/28/19 - 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.
01/26/19 - The CIP Caucus members meet to prioritize funding requests of capital project needs and 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.

February

02/06/19- School Superintendent submits the schools Estimate of Needs for FY 2018-19 to the School Board.

March

03/06/19 - Adoption of Schools Operating Budget and Capital Improvement Program by the School Board.
03/26/19 - Proposed Resource Management Plan is presented to the City Council.

April

04/02/19 - City Council Workshop on the Proposed Resource Management Plan.
04/09/19 - City Council Workshop on the Proposed Resource Management Plan.
04/16/19 - City Council Workshop on the Proposed Resource Management Plan.
04/23/19 - City Council Workshop on the Proposed Resource Management Plan.
04/24/19 - Public Hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.
04/30/19 - City Council Workshop on the Proposed Resource Management Plan.
04/30/19 - Public Hearing to allow citizens to make comments regarding the Proposed Resource Management Plan.

May

05/07/19 - City Council Reconciliation Workshop on the Proposed Resource Management Plan.
05/14/19 - 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 2019-20 Nonrecurring Capital Budget Appropriations

This section reflects nonrecurring capital appropriations/expenditures for FY 2019-20. Capital appropriations/expenditures include projects that are $250,000 or more. For more detailed information, reference the CIP.

Project Number	Projects	Appropriations FY 2019-20
	Buildings and Assets	
3028000	Aquarium Marsh Pavilion Enhancements	1,800,000
3056000	Public Safety Equipment Replacement Project	1,200,000
3069000	Euclid Yard Facility Replacement	225,000
3115000	Judicial Center Maintenance	70,000
3132000	Heritage Building Maintenance II	975,000
3135000	Fire Apparatus IV	3,170,000
3141000	Various Buildings HVAC Rehabilitation & Renewal IV	2,500,000
3149000	Various Buildings Rehabilitation and Renewal IV	3,100,000
3154000	Fire Training Center Improvements IV	300,000
3155000	Virginia Aquarium Renewal and Replacement III	600,000
3157000	Facilities Planning Services	250,000
3160000	Building 1 Renovations	800,000
3162000	Veterans Memorial Sustainment	150,000
3164000	Energy Performance Contracts (City) II	550,000
3165000	VA Aquarium Bldg Systems & Facility Infrastructure II	1,434,540
3166000	Building Security	125,000
3171000	Virginia Aquarium Enhancement Study	300,000
3506000	Fire Facility Rehabilitation and Renewal III	500,000
3508000	ARC Flash Mitigation	700,000
3518000	Convention Center Capital Maintenance	3,125,560
	Total Buildings and Assets Projects	**21,875,100**
	Coastal	
8011000	Various Minor Dredging Projects II	400,000
8013000	Lynnhaven Inlet Maintenance Dredging II	375,000
8015000	Beach Profile Monitoring Program II	125,000
8020000	Bay Beaches Restoration	2,000,000
8024000	Pleasure House Point Mitigation Funds	115,000
8026000	Sandbridge Beach Restoration III	6,355,000
8036000	Dredge Operations Rehab and Modifications	250,000
8402000	Replacement for Rudee Inlet Dredge	5,369,567
8405000	Sandbridge Beach Access Improvements II	300,000
8406000	Rudee Inlet Federal Dredging II	1,100,000
8407000	Rudee Inlet Outer Channel Maintenance Dredging II	1,250,000
	Total Coastal Projects	**17,639,567**

Project Number	Projects	Appropriations FY 2019-20
	Economic and Tourism Development	
9006000	Winston-Salem Avenue Improvements	1,513,400
9008000	Historic Kempsville	50,000
9030000	VA BEACH BIO Infrastructure I	186,264
9039000	17th Street Improvements - Phase I Pacific to Cypress	2,000,000
9047000	Town Center Reinvestment	150,000
9050000	Dome Site Streetscapes	4,500,000
9053000	Dome Site Entertainment Venue	28,500,000
9055000	Town Center Garage and Plaza Capital Maintenance II	352,726
9056000	Oceanfront Parking Facilities Capital Maintenance/Development II	1,350,000
9059000	Oceana & ITA Conformity & Acquisition II	1,000,000
9062000	Housing and Neighborhood Strategy	200,000
9063000	17th St Improvements II	250,000
9065000	Dome Site Parking	58,050,000
9067000	Economic Development Investment Program II	2,384,890
9081000	Strategic Growth Area Projects	375,000
9086000	Oceanfront Restrooms	250,000
9096000	Oceanfront Capital Projects Reinvestment	600,000
9500000	Virginia Beach Amphitheater Capital Maintenance	200,000
	Total Economic and Tourism Development Projects	**101,912,280**
	Information Technology	
3652000	CIT - Telecommunications Replacement II	100,000
3663000	CIT - Enterprise Scheduling and Timekeeping System	457,863
3664000	CIT - Next Generation Network	2,250,000
3693000	CIT - IT Service Continuity II	901,826
3695000	CIT - 21st Century Enterprise Resource Planning (ERP) System	7,333,835
3697000	CIT - City Software Upgrade/Replacement Plan	2,500,000
3714000	CIT - Network Infrastructure Replacement III	2,588,699
3715000	CIT - Cable Access Infrastructure Replacement II	315,000
3716000	CIT - 21st Century Enterprise Resource Planning (HCM)	500,000
3717000	CIT - Accela Sustainment	550,000
3718000	CIT - Police Radio Encryption	1,271,171
3719000	CIT - Communications Infrastructure Replacement III	2,669,931
3723000	CIT - Next Generation Content Management System	275,000
	Total Information Technology Projects	**21,713,325**

Project Number	Projects	Appropriations FY 2019-20
	Parks and Recreation	
4050000	Centerville Community Recreation Center	100,000
4064000	City Bikeways and Trails Plan Implementation II	475,000
4080000	Sportsplex/Field Hockey National Trng Ctr Rep/Reno I	726,135
4300000	Community Recreation Centers Repairs and Renovations III	2,000,000
4301000	Parks and Special Use Facilities Development/Reno III	1,462,283
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	3,284,750
4307000	Athletic Fields Lighting and Renovations III	275,000
4500000	Park Playground Renovations lll	400,000
4517000	Stumpy Lake Golf Course Contractual Obligations I	27,000
4519000	Bikeways/Trails Repairs and Renovations I	280,000
	Total Parks and Recreation Projects	**9,700,168**

Project Number	Projects	Appropriations FY 2019-20
	Roadways	
2022000	Major Bridge Rehabilitation II	1,160,000
2024000	Rural Road Improvements II	250,000
2026000	Street Reconstruction II	2,150,000
2027000	Various Cost Participation Projects II	25,000
2028000	Wetlands Mitigation Banking II	100,000
2047000	Upton Dr Extended and Dam Neck Station Improvements	900,000
2054000	Ferrell Parkway	482,750
2057000	Pleasure House Road Street Improvements Phase II	350,000
2072000	First Colonial Rd & VA. Beach Blvd. Intersection Imp.	1,805,116
2078000	Sandbridge Road-Nimmo Phase VII-A	2,000,000
2088000	West Neck Road Phase IV	2,164,843
2094000	Bus Stop Infrastructure and Accessibility Improvements	250,000
2111000	Traffic Safety Improvements IV	2,180,104
2112000	Independence Boulevard/Baxter Road Sidewalk	144,591
2117000	Shore Drive Corridor Improvements Phase III	4,687,373
2118000	Shore Drive Corridor Improvements-Phase IV	1,275,000
2119000	Providence Road Sidewalk	16,000
2125000	Indian River Road Phase VII-B	710,000
2126000	Laskin Road Phase I-A (VDOT)	13,346,409
2135000	Cleveland Street Improvements IV	1,761,000
2152000	Elbow Road Extended Phase II-B	10,857,429
2154000	General Booth Boulevard/Camp Pendleton Intersection Improvements	1,429,000
2159000	Parliament Drive Sidewalk Phase II	386,477
2160000	Citywide Street Lighting Improvements II	60,000
2183000	Traffic Calming	200,000
2184000	Rural Road Recurring Flooding, SLR & Resiliency	500,000
2188000	Sandbridge Road-Nimmo Phase VII-A SLR Resiliency Improvements	500,000
2195000	Princess Anne Road Phase VII	1,529,636
2256000	Indian River Road Phase VII-A	9,397,528
2409000	Centerville Turnpike Phase II	4,509,036
2410000	Traffic Signal Rehabilitation II	354,000
2416000	Sandbridge Road Bridge Replacement	705,014
2418000	Indian River Rd/Kempsville Rd Intersection Improvements	254,121
2419000	Centerville Turnpike Phase III	6,311,814
	Total Roadways Projects	**72,752,241**

Project Number	Projects	Appropriations FY 2019-20
	Schools	
1003000	Renovation and Replacement Energy Management/Sustainability	1,600,000
1004000	Tennis Court Renovations - Phase II	200,000
1035000	John B. Dey Elementary School Modernization	1,300,000
1043000	Thoroughgood Elementary School Replacement	3,500,000
1056000	Princess Anne Middle School Replacement	27,898,000
1107000	Princess Anne High School Replacement	4,218,000
1110000	Energy Performance Contracts - Phase II	5,000,000
1178000	Renovations and Replacements - Grounds III	1,400,000
1179000	Renovations and Replacements - HVAC III	7,471,541
1180000	Renovations and Replacements - Reroofing III	2,700,000
1182000	Renovations and Replacements - Various III	1,975,000
1185000	Elementary School Playground Equipment Replacement	250,000
	Total Schools Projects	**57,512,541**
	Sewer Utility	
6019000	Resort Area Neighborhood Revitalization	513,000
6051000	Indian River Rd. Sewer Improvements Phase VII (VDOT)	100,000
6092000	Vacuum Valve Monitoring System	500,000
6107000	Sewer Pump Repairs and Replacements	400,000
6108000	Pembroke Meadows Neighborhoods Sanitary Sewer Rehabilitation	800,000
6111000	Sanitary Sewer System Revitalization Program III	5,600,000
6151000	Landstown Yard Improvements IV	900,000
6153000	Pump Station Program VI	8,200,971
6155000	Utilities Technology Support Program	200,000
6551000	System Expansion Cost Participation Agreements III	120,000
6556000	Various Roadway & Storm Water Coordination VI	800,000
6953000	Sewer Tap Installation Program II	375,000
	Total Sewer Utility Projects	**18,508,971**

Project Number	Projects	Appropriations FY 2019-20
	Storm Water	
7005000	North Lake Holly Watershed	1,800,000
7023000	Primary System Infrastructure Improvements II	2,270,000
7024000	Southern Canal/Lead Ditch and Culvert Improvements	2,390,000
7026000	Residential Drainage Cost Participation Program II	50,000
7028000	Windsor Woods Drainage	1,668,000
7030000	Sea Level Rise/Recurrent Flooding Analysis	160,000
7042000	Surface Water Regulatory Compliance Program	2,400,000
7043000	Water Quality Cost Participation Projects II	50,000
7047000	Ashville Park Drainage Improvements Phase I	3,000,000
7053000	Lake Bradford/Lake Chubb	1,084,100
7054000	Lynnhaven River Watershed II	311,762
7059000	Lynnhaven River Basin Ecosystem Restoration Project	3,000,000
7060000	Bayville Lake Water Quality Improvement Project	1,000,000
7064000	Central Resort District - 24th Street Culvert	1,200,000
7065000	Eastern Shore Drive - Cape Henry Canal Phase II	1,800,000
7068000	Eastern Shore Drive - Lynnhaven Colony Park Pump Station	500,000
7069000	Eastern Shore Drive-Lynnhaven Drive Pump Station	2,500,000
7072000	Lynnhaven River Watershed Stormwater Projects	780,000
7077000	Windsor Woods Pump Station	500,000
7078000	Windsor Woods Tide Gate	4,500,000
7079000	42nd Street Pump Station Outfalls	4,476,522
7081000	Atlantic Ocean Watershed Stormwater Projects	500,000
7082000	BMP Maintenance Program Phase I	1,000,000
7151000	Eastern Shore Drive Drainage Phase I	160,643
7400000	Aragona Drainage Improvements	640,000
7402000	College Park and Level Green Drainage Improvements	1,000,000
7406000	Elizabeth River Watershed	400,000
7410000	Southern Rivers Watershed	700,000
7411000	Oceanfront Storm Water Facilities Maintenance	1,650,000
7412000	Storm Water Pump Station Modifications	1,250,000
7413000	Neighborhood SW Infrastructure Improvements II	811,321
7414000	Storm Water Quality Enhancements II	750,000
7415000	Lake Management II	4,947,652
7416000	SW Infrastructure Rehabilitation & Improvements II	5,750,000
	Total Storm Water Projects	**55,000,000**

Project Number	Projects	Appropriations FY 2019-20
	Water Utility	
5010000	Lake Gaston Raw Water Transmission System Rehabilitation I	1,740,000
5014000	Water Pump Repairs and Replacements	250,000
5021000	Pembroke Meadows Neighborhoods Water Rehabilitation	5,000,000
5031000	System Expansion Cost Participation Agreements III	120,000
5033000	Water Transmission System Upgrade Program II	900,000
5034000	Water Line Extension, Replacement & Rehab Program II	500,000
5148000	Elbow Road Ext. Water Improvements Phases I & II (VDOT)	750,000
5149000	Indian River Road Water Improvements Phase VII (VDOT)	100,000
5151000	Landstown Yard Improvements Phase IV	900,000
5155000	Utilities Technology Support Program	200,000
5156000	Virginia Beach Blvd Water System Improvements	350,000
5251000	Various Roadway & Storm Water Coordination VI	800,000
5953000	Water Tap Installation Program II	255,000
	Total Water Utility Projects	**11,865,000**
	Total Capital Budget	**388,479,193**

City of Virginia Beach, Virginia
Fiscal Years 2020 through 2025 Capital Improvement Program
Appropriation and Financing Plan

Appropriation/Financing	Appropriated to Date	FY 2020 Budget	Un-Appropriated Subsequent Years FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2024 Budget	FY 2025 Budget	CIP Total
Capital Improvement Program By Business Area/Category								
Capital Projects								
Buildings and Assets	182,052,181	21,875,100	27,105,821	22,736,876	15,588,821	15,764,375	30,031,317	315,154,491
Coastal	79,350,075	17,639,567	18,111,233	14,301,000	15,748,156	13,959,777	14,455,000	173,564,808
Economic and Tourism Development	165,066,859	101,912,280	25,852,993	24,169,862	5,613,183	5,557,922	5,057,922	333,231,021
Information Technology	60,875,024	21,713,325	16,893,725	21,546,540	17,573,702	12,641,731	10,452,365	161,696,412
Parks and Recreation	73,614,864	9,700,168	9,140,567	9,264,515	9,340,291	10,417,924	13,417,924	134,896,253
Roadways	453,532,541	72,752,241	54,440,698	51,038,399	51,338,441	40,281,690	26,485,496	749,869,506
Schools	156,185,000	57,512,541	41,891,000	42,391,000	37,391,000	38,391,000	39,391,000	413,152,541
Sewer Utility	66,377,767	18,508,971	19,705,000	22,545,000	27,695,000	27,545,000	24,497,500	206,874,238
Storm Water	249,816,778	55,000,000	60,000,000	70,000,000	70,000,000	70,000,000	70,000,000	644,816,778
Water Utility	45,076,718	11,865,000	16,160,000	7,680,000	8,310,000	9,060,000	10,787,500	108,939,218
Total Capital Projects	1,531,947,807	388,479,193	289,301,037	285,673,192	258,598,594	243,619,419	244,576,024	3,242,195,266
Total Capital Improvement Program	1,531,947,807	388,479,193	289,301,037	285,673,192	258,598,594	243,619,419	244,576,024	3,242,195,266
Means of Financing								
Operating Budget CIP Allocations								
ATD Local Funding	1,258,631,601	0	0	0	0	0	0	1,258,631,601
General Appropriations								
Cigarette Tax	0	2,384,890	2,325,267	2,267,136	2,210,457	2,155,196	2,155,196	13,498,142
Pay-As-You-Go - Agricultural Reserve Program	0	990,000	990,000	990,000	990,000	990,000	990,000	5,940,000
Pay-As-You-Go - Bayville Creek	0	0	0	73,000	286,000	0	0	359,000
Pay-As-You-Go - Fire Programs Fund	1,038,155	300,000	300,000	300,000	300,000	300,000	300,000	2,838,155
Pay-As-You-Go - General Fund	0	30,787,042	28,093,046	23,728,282	27,416,773	29,818,444	27,697,138	167,540,725
Pay-As-You-Go - General Fund - Chesopeian	0	0	0	0	9,787	48,846	0	58,633
Pay-As-You-Go - General Fund - Gills Cove	0	0	0	0	16,916	84,580	0	101,496
Pay-As-You-Go - General Fund - Hurds Cove	0	0	0	0	0	0	0	0
Pay-As-You-Go - General Fund - Shadowlawn	0	0	0	0	0	0	0	0
Pay-As-You-Go - Gills Cove Dredging	39,781	0	0	0	81,240	406,197	0	527,218
Pay-As-You-Go - Harbour Point Dredging	0	0	0	0	22,000	108,000	0	130,000
Pay-As-You-Go - Old Donation Creek Area Dredging	0	0	0	82,000	364,504	0	0	446,504
Pay-As-You-Go - Open Space	0	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	15,000,000
Pay-As-You-Go - Outdoor Initiative	0	2,687,283	2,762,432	2,836,380	2,912,156	2,989,789	2,989,789	17,177,829
Pay-As-You-Go - Parks & Recreation Fd - Ref.	0	1,100,000	1,200,000	1,000,000	1,000,000	1,000,000	1,000,000	6,300,000
Pay-As-You-Go - Parks and Recreation SR Fund	0	147,000	197,000	197,000	197,000	197,000	197,000	1,132,000
Pay-As-You-Go - Sandbridge SSD	3,997,388	4,957,001	4,586,138	4,739,264	4,897,582	5,061,272	5,061,272	33,299,917
Pay-As-You-Go - Sandbridge TIF	2,352,612	1,697,999	2,068,862	1,940,736	1,807,418	1,643,728	1,643,728	13,155,083
Pay-As-You-Go - Schools	0	721,541	1,000,000	1,500,000	1,500,000	2,500,000	3,500,000	10,721,541
Pay-As-You-Go - Town Center SSD	0	502,726	502,726	502,726	502,726	502,726	502,726	3,016,356
Pay-As-You-Go Chesopeian Colony	591,599	0	0	0	330,213	1,648,154	0	2,569,966
Pay-As-You-Go Hurds Cove	464,321	0	0	0	0	0	0	464,321
Pay-As-You-Go Shadowlawn	0	0	0	0	42,000	209,000	0	251,000
Storm Water Utility Fund- Pay-As-You-Go- General Fund	0	0	0	0	0	0	0	0
Tourism Investment Program	500,000	0	343,060	0	343,060	343,060	343,060	1,872,240
Parking Enterprise Fund	0	750,000	350,000	350,000	350,000	350,000	350,000	2,500,000
Storm Water Utility Fund	30,000	21,554,151	19,879,858	18,464,685	16,981,188	14,981,188	12,981,188	104,872,258
Water and Sewer Fund	12,810,000	9,000,554	9,000,000	8,000,000	8,000,000	8,000,000	8,000,001	62,810,555

City of Virginia Beach, Virginia
Fiscal Years 2020 through 2025 Capital Improvement Program
Appropriation and Financing Plan

Appropriation/Financing	Appropriated to Date	FY 2020 Budget	Un-Appropriated Subsequent Years FY 2021 Budget	FY 2022 Budget	FY 2023 Budget	FY 2024 Budget	FY 2025 Budget	CIP Total
Total Operating Budget CIP Allocations	1,280,455,457	80,080,187	76,098,389	69,471,209	73,061,020	75,837,180	70,211,098	1,725,214,540
Policy Allocation of Year Ending Balances								
Fund Balance - General Fund	0	19,224,242	24,499,715	22,857,915	15,112,182	10,550,000	10,550,000	102,794,054
Fund Balance - Other	2,072,854	1,500,000	1,000,000	1,250,000	1,250,000	1,250,000	1,250,000	9,572,854
School Special Revenue Fund	0	750,000	0	0	0	0	0	750,000
Retained Earnings - Parking Enterprise Fund	0	600,000	0	0	0	0	0	600,000
Retained Earnings - Telecommunications	754,494	100,000	0	0	0	0	0	854,494
Retained Earnings - Storm Water Utility	0	7,455,849	0	0	0	0	0	7,455,849
Retained Earnings - Water and Sewer Fund	20,240,000	8,000,000	5,000,000	5,000,001	5,000,001	5,000,000	5,000,000	53,240,002
Total Policy Allocation of Year Ending Balances	23,067,348	37,630,091	30,499,715	29,107,916	21,362,183	16,800,000	16,800,000	175,267,253
Other Sources of Funding								
Other Localities	9,500,000	0	0	0	0	0	0	9,500,000
Federal Contribution	81,805,340	11,918,496	750,012	12,845,680	12,012,794	8,673,386	5,200,000	133,205,708
State Contribution	105,922,123	8,620,116	6,347,665	9,048,738	4,692,105	5,768,346	1,300,000	141,699,093
Developer Contribution	16,626	0	0	0	0	0	0	16,626
Development Proffers	0	84,750	0	0	0	0	0	84,750
Franchise Fees	315,000	315,000	315,000	315,000	315,000	315,000	315,000	2,205,000
Reimburement - Interest Expense	2,223,549	0	0	0	0	0	0	2,223,549
Interest Income	0	0	0	0	0	0	0	0
Insurance Recovery	412,101	0	0	0	0	0	0	412,101
Lease of Properties (BRAC)	298,244	0	0	0	0	0	0	298,244
Lease of Property	294,516	98,172	98,172	98,172	98,172	98,172	98,172	883,548
Medicaid Cost Settlement	1,549,776	0	120,627	120,627	120,627	120,627	120,627	2,152,911
Medicaid-Meaningful Use	72,250	0	0	0	0	0	0	72,250
Miscellaneous Funding	0	0	0	0	0	0	0	0
Private Contribution	12,392,880	800,000	0	0	282,496	0	0	13,475,376
Sale of Equipment	2,100,000	0	0	0	0	0	0	2,100,000
Sale of Property	11,522,597	1,701,932	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	18,224,529
Total Other Sources of Funding	228,425,002	23,538,466	8,631,476	23,428,217	18,521,194	15,975,531	8,033,799	326,553,685
Debt Financing								
General Obligation Bonds	0	76,945,075	66,129,722	64,500,532	69,570,386	55,568,772	71,217,316	403,931,803
Public Facility Bonds	0	130,911,403	45,946,593	31,395,004	1,050,000	1,804,124	0	211,107,124
Storm Water Utility Bonds	0	25,000,000	39,130,142	50,545,315	52,028,812	54,028,812	56,028,812	276,761,893
Water and Sewer Bonds	0	14,373,971	22,865,000	17,224,999	23,004,999	23,605,000	22,284,999	123,358,968
Energy Performance Contract	0	0	0	0	0	0	0	0
Total Debt Financing	0	247,230,449	174,071,457	163,665,850	145,654,197	135,006,708	149,531,127	1,015,159,788
Total Means of Financing	1,531,947,807	388,479,193	289,301,037	285,673,192	258,598,594	243,619,419	244,576,024	3,242,195,266

SUMMARY OF POSITIONS BY DEPARTMENT

	Adopted Budget FY 2017-18 FTE	Adopted Budget FY 2018-19 FTE	Adjusted Budget FY 2018-19 FTE	Adopted Budget FY 2019-20 FTE	Change in FTEs From Adjusted FY 2018-19 to FY 2019-20	Change in FTEs from FY 2017-18 to FY 2019-20
Agriculture	12.50	9.00	9.00	9.00	0.00	(3.50)
Aquarium	153.61	145.93	144.40	137.25	(7.15)	(16.36)
Budget and Management Services	14.00	14.00	14.00	14.00	0.00	0.00
City Attorney	42.61	42.61	42.61	43.61	1.00	1.00
City Auditor	7.00	8.00	8.00	8.00	0.00	1.00
City Clerk	6.00	6.00	6.00	6.00	0.00	0.00
City Manager	16.50	18.00	20.00	20.00	0.00	3.50
City Real Estate Assessor	34.00	34.00	34.00	35.00	1.00	1.00
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	94.83	97.83	97.83	103.83	6.00	9.00
Communications Office	17.50	20.50	20.50	20.50	0.00	3.00
Convention and Visitors Bureau	120.28	120.28	120.28	120.28	0.00	0.00
Courts and Courts' Support	75.00	75.00	75.00	75.00	0.00	0.00
Cultural Affairs	10.68	10.68	10.80	12.75	1.95	2.07
Economic Development	19.00	20.00	20.00	21.00	1.00	2.00
Emergency Communications and Citizen Services	137.75	137.75	137.75	137.75	0.00	0.00
Emergency Medical Services	87.55	89.55	89.55	97.55	8.00	10.00
Finance	59.00	59.00	59.00	61.00	2.00	2.00
Fire	506.71	523.21	523.21	538.83	15.62	32.12
Health	9.08	9.08	9.08	7.38	(1.70)	(1.70)
Housing and Neighborhood Preservation	79.00	80.00	80.00	80.00	0.00	1.00
Human Resources	49.00	50.00	50.00	52.00	2.00	3.00
Human Services	1,144.21	1,158.20	1,177.70	1,173.05	(4.65)	28.84
Information Technology	184.00	193.00	193.00	193.00	0.00	9.00
Library	251.50	253.00	253.00	253.00	0.00	1.50
Municipal Council	11.00	11.00	11.00	11.00	0.00	0.00
Office of Emergency Management	5.00	6.00	6.00	6.00	0.00	1.00
Parks and Recreation	886.21	886.53	886.53	886.53	0.00	0.32
Planning and Community Development	134.00	138.00	137.00	141.00	4.00	7.00
Police	1,040.76	1,048.76	1,048.46	1,059.86	11.40	19.10
Public Education	10,207.77	10,333.42	10,333.42	10,412.12	78.70	204.35
Public Utilities	417.00	415.00	415.00	415.00	0.00	(2.00)
Public Works	925.88	938.88	938.88	953.88	15.00	28.00
Sheriff's Office	531.44	536.82	536.82	536.82	0.00	5.38
Strategy, Transparency, Innovation and Resiliency Office	6.00	6.00	6.00	6.00	0.00	0.00
Voter Registration and Elections	12.00	12.00	12.00	12.00	0.00	0.00
Total	**17,447.90**	**17,646.56**	**17,665.35**	**17,799.52**	**134.17**	**351.62**

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~~ 7/27/2018	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.

"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.

2.3 "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.

2.4. "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.

2.5. "Revenue Sharing Formula" refers to the method of sharing Local Tax Revenues between the City and the Schools.

2.6. "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.

2.7. "Actual Local Tax Revenues" refers to the actual collected revenues reflected in the Comprehensive Annual Financial Report (CAFR).

2.8. "School Reversion Funds" refers to unused expenditure appropriations and end of the year adjustments to the Revenue Sharing Formula revenues based on actual collections.

2.9. "Discretionary Local Match" refers to the funding level set by the Revenue Sharing Formula and the real estate tax dedication to Schools.

2.10. "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. <u>Revision to the City/School Revenue Sharing Policy:</u>

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~~ 2019 at which time it will be reviewed and considered for reauthorization.

Approved:

As to Content:	Dr. Aaron Spence School Superintendent	~~11/17/15~~ 7/27/18 Date
	~~James K. Spore~~ David L. Hansen City Manager	~~11/18/15~~ 7/27/18 Date
As to Legal Sufficiency:	Mark D. Stiles City Attorney	~~11/19/15~~ 7/27/18 Date
Approved by School Board:	~~Daniel D. Edwards~~ Beverly M. Anderson School Board Chairman	~~11/17/15~~ 7/27/18 Date
APPROVED BY CITY COUNCIL:	~~William D. Sessoms, Jr.~~ Louis R. Jones Mayor	~~11/20/15~~ 7/27/18 Date

City of Virginia Beach

OFFICE OF THE CITY MANAGER
757 385-4242
FAX 757 [illegible]
TTY 711

MUNICIPAL CENTER
[illegible]
[illegible]
VIRGINIA BEACH, VA [illegible]

July 27, 2018

The Honorable Louis R. Jones, Mayor
Members of City Council

Subject: Continuation of City / School Revenue Sharing Formula

Dear Mayor and Council Members:

The City Council policy establishing the current City / School revenue sharing formula was approved by the School Board and City Council in November of 2015. It states that the formula would remain in effect until June 30, 2018. I recently met with Superintendent Dr. Aaron Spence and after carefully considering a number of factors, we are recommending that the current funding formula be extended for one year. We are making this recommendation for three specific reasons.

First, a major election cycle falls within the current fiscal year. With eight open seats, it follows that the major discussion of the School funding formula should take place after the new City Council is established.

Second, delaying talks of any modifications to the current funding formula until FY 2019-20 will allow the process to coincide with the State biennial budget. FY 2019-20 marks the second year of the State's budget cycle. The State has already published the estimated local required Standards of Quality (SOQ) match, which is a critical component of the current formula. Having the SOQ amount known in advance is critical for budget planning. Delaying any review of the formula for a year will align the new State budget with the revised formula.

Third, with the recent federal court decision allowing the taxation of internet sales and the potential for our General Assembly to dedicate that revenue to our school divisions, we should await their deliberations. Hopefully our delegates will see the need to support teacher salaries and facility construction.

Finally, a four cents real estate dedication for the Schools was approved by City Council in FY 2012-13 during the recession to offset State budget reductions. When this dedication was established, it was tied to State funding levels. Once State revenue for the Schools exceed $350 million, the City Manager is required to recommend a reduction or complete elimination of the dedication. This threshold will most likely be exceeded for the first time in FY 2018-19. A recommendation on this major dedication should occur before a new formula is developed.

Therefore, the superintendent and I recommend that the current revenue sharing formula be extended through June 30, 2019. We also recommend that a working group with both City and School employees be established to make recommendations regarding any revisions to the revenue sharing formula before the FY 2020-21 budget process

A copy of the current revenue sharing formula, with the proposed ending term is attached.

If you have any questions, please call David Bradley at 385-8236.

Respectfully,

David L. Hansen
City Manager

cc: Dr. Aaron C. Spence, Superintendent
David A. Bradley, Director of Budget and Management Services

Total General Fund, Non-Dedicated Local Taxes:	Adopted FY 2018-19	Adopted FY 2019-20
Real Estate	537,918,638	558,748,263
Less: Schools & City Dedication	(61,178,054)	(71,129,631)
Less: Outdoor Initiative Dedication	(2,625,660)	(2,687,374)
Personal Property	159,729,356	163,497,601
Less: Public Safety Dedication	(11,214,280)	(11,398,363)
General Sales	66,621,323	66,745,446
Utility Tax	25,580,890	26,203,325
Virginia Telecommunications	23,756,947	23,374,899
Business License	48,669,429	51,892,052
Cigarette - General Fund Only	10,835,826	10,433,892
Less: EDIP & City Dedication	(3,250,748)	(3,130,168)
Hotel Room	7,699,337	7,794,883
Restaurant Meals	44,933,289	44,608,734
Automobile License	11,525,694	11,652,769
Less: City Deductions	(1,920,949)	(2,742,128)
Bank Net Capital	3,385,587	3,987,443
City Tax on Deeds	7,910,904	7,625,760
City Tax on Wills	102,618	91,768
Total Non-Dedicated Local Taxes	868,480,147	885,569,173
Less: Required SOQ Match	176,889,755	175,280,597
Remaining Non-Dedicated Local Taxes	691,590,392	710,288,576
Formula %	**34.11%**	**34.11%**
Discretionary Local Match	235,901,483	242,279,433
Dedicated 5.25 Cents of Real Estate Tax to Schools	29,329,178	30,018,534
Current Revenue Sharing Formula Revenues	**442,120,415**	**447,578,560**

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 Director/Administrator	08/17/99 Date
Approved as to Legal Sufficiency:	Leslie L. Lilley City Attorney	08/27/99 Date
Reviewed by:	James K. Spore City Manager	09/01/99 Date
Item Number: #45416	Ruth Hodges-Smith City Clerk	09/07/99 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

6.0 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.

7.0 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.

8.0 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.

9.0 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.

10.0 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 2019)

Police Officer Recruit

Locality	Min	Mid	Max	Spread	Title
Virginia Beach	**$ 42,723.20**	**N/A**	**N/A**	**N/A**	**Police Officer Recruit**
Chesapeake	$ 41,184.00	N/A	N/A	N/A	Police Officer Trainee
Suffolk	$ 40,328.00	N/A	N/A	N/A	Police Officer I
Norfolk	$ 40,000.00	N/A	N/A	N/A	Police Recruit
Portsmouth	$ 39,500.00	N/A	N/A	N/A	Police Officer Trainee
Hampton	$ 38,618.00	N/A	N/A	N/A	Police Recruit
Newport News	$ 38,325.00	N/A	N/A	N/A	Police Officer Recruit

Police Officer

Locality	Min	Mid	Max	Spread	Title
Newport News	$ 44,719.00	$ 58,871.00	$ 73,023.00	63%	Police Officer
Hampton	$ 43,297.00	$ 58,490.00	$ 73,683.00	70%	Police Officer
Suffolk	$ 44,462.00	$ 57,133.00	$ 69,804.00	57%	Police Officer II
Virginia Beach	**$ 44,886.40**	**$ 55,744.00**	**$ 66,601.60**	**48%**	**Police Officer**
Portsmouth	$ 42,500.00	$ 55,675.00	$ 68,850.00	62%	Police Officer
Chesapeake	$ 43,456.00	$ 55,584.00	$ 67,712.00	56%	Police Officer
Norfolk	$ 43,500.00	$ 53,942.00	$ 64,384.00	48%	Police Officer
*No range adjustment from last year					
**Increase $1000 at 6 months and again at 1 year.					

Firefighter Recruit

Locality	Min	Mid	Max	Spread	Title
Virginia Beach	**$ 42,723.20**	**N/A**	**N/A**	**N/A**	**Firefighter Recruit**
Newport News	$ 42,000.00	N/A	N/A	N/A	Firefighter/EMT Recruit
Chesapeake	$ 41,184.00	N/A	N/A	N/A	Firefighter/EMT Trainee
Norfolk	$ 40,000.00	N/A	N/A	N/A	Firefighter Recruit
Suffolk	$ 40,328.00	N/A	N/A	N/A	Firefighter I
Portsmouth	$ 39,500.00	N/A	N/A	N/A	Firefighter Trainee
Hampton	$ 38,618.00	N/A	N/A	N/A	Firefighter Recruit

Firefighter

Locality	Min	Mid	Max	Spread	Title
Newport News	$ 44,068.00	$ 58,545.50	$ 73,023.00	66%	Firefighter Medic
Hampton	$ 43,297.00	$ 58,490.00	$ 73,683.00	70%	Firefighter EMT
Virginia Beach	**$ 44,886.40**	**$ 55,744.00**	**$ 66,601.60**	**48%**	**Firefighter**
Portsmouth	$ 42,500.00	$ 55,675.00	$ 68,850.00	62%	Firefighter
Chesapeake	$ 43,456.00	$ 55,584.00	$ 67,712.00	56%	Firefighter EMT
Suffolk	$ 42,344.00	$ 54,412.00	$ 66,479.00	57%	Firefighter II
Norfolk	$ 41,168.00	$ 47,667.00	$ 54,166.00	32%	Firefighter-EMT
*No range adjustment from last year					
**Increase $1000 at 6 months and again at 1 year.					

Sheriff Recruit

Locality	Min	Mid	Max	Spread	Title
Norfolk	$ 33,000.00	None	None		Deputy Sheriff - Recruit
Chesapeake	$ 41,184.00	$ 52,678.50	$ 64,173.00	56%	Deputy Sheriff - Trainee
Suffolk	$ 40,328.00	$ 51,820.50	$ 63,313.00	57%	Deputy Sheriff I

Sheriff Deputy (Entry Level)

Locality	Min	Mid	Max	Spread	Title
Chesapeake	$ 43,456.00	$ 55,584.00	$ 67,712.00	56%	Deputy Sheriff
Suffolk	$ 42,344.00	$ 54,411.50	$ 66,479.00	57%	Deputy Sheriff II
Virginia Beach	**$ 41,683.20**	**$ 51,771.20**	**$ 61,859.20**	**48%**	**Deputy Sheriff**
Newport News	$ 37,120.00	$ 51,007.50	$ 64,895.00	75%	Deputy I
Norfolk	$ 35,118.00	$ 45,113.50	$ 55,109.00	57%	Deputy Sheriff
Portsmouth	$ 32,500.00	$ 40,000.00	$ 55,000.00	69%	Deputy Sheriff***
Hampton	$ 37,650.00	$ 37,650.00	$ 37,650.00	0%	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

11.0 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.

12.0 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.

13.0 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.

14.0 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.

15.0 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.
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.

Acronym	Title	Description
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.
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.

Acronym	Title	Description
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.
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.

Acronym	Title	Description
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 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	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.*

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 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.

Acronym	Title	Description
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.
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.

Acronym	Title	Description
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 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.

Acronym	Title	Description
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.
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.

Acronym	Title	Description
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.
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.