

# City of Virginia Beach

## FY 2021-22 Proposed Operating Budget

	ADJUSTED FY21	PROPOSED FY22	GROWTH
<b>TOTAL</b>	\$2.086 B	\$2.214 B	6.1%
<b>CITY</b>	\$1.129 B	\$1.176 B	4.2%
<b>SCHOOLS</b>	\$0.958 B	\$1.038 B	8.4%

	PROPOSED FY21	PROPOSED FY22	GROWTH
<b>TOTAL</b>	\$2.146 B	\$2.214 B	3.2%

The FY22 Budget maintains existing services.

### Notable Additions to the FY22 Budget

Stormwater BMP Crew	14
Stormwater Pipe Cleaning	7
30 Firefighters - Burton Station	30
7 EMS Paramedics - Burton Station	7
5/31 Recovery Efforts	1
Human Resources - Hillard Heintze	7
Planning Short-Term Rental/Stormwater	3
Finance - SWaM	1

The FY22 Budget adds a net total of 54.26 FTEs

### Other Focus Areas with Growing Demand:

Stormwater	Hard to Fill Positions	Hillard Heintze	Resort Management Office
14 new FTEs to support BMP crew DSC planning position to support stormwater planning 7 FTEs - pipe cleaning crew to proactively clean stormwater pipes once every 5 years	Police Department to establish Cadet Program, funded through elimination of long-term vacancies ECCS to redirect resources and work with HR to develop and improve retention initiatives	Centralization of HR efforts and functions \$2.9 million CIP Security Enhancements and consulting Counseling support services	\$1.5 million for enhanced entertainment effort 4 FTEs in Public Works for enhanced beach operations 3 FTEs in Public Works for resort street maintenance
Disparity Study	Body Worn Cameras	Short Term Rentals	General Election
Additional FTE for SWaM construction contracts and potential reorganization to centralize purchasing	Funding provided for expansion and full deployment of body worn cameras	Purchase software to improve implementation 2 additional FTEs to assist with enforcement	One Assistant Registrar to assist with absentee voting Replacement of outdated pollbooks

### Employee Compensation

**City Employees**

- 3% Merit Pay Increase - Calculated on Mid-Point of the Pay Range
- 1% Increase to the Minimum of Pay Range, 3% Increase to the Maximum of Pay Range, based on mid-point.
- No health insurance increase to employees. Employer contribution increasing 3%
- Preserved capacity to absorb portions of significant needs identified by the market salary survey. \$3 million reserve budgeted and not budgeting for attrition.

**Schools' Employees**

- 0.5% STEP increase and a 4.5% cost-of-living increase
- No health insurance increase to employees. Employer contribution increasing 3%
- Custodial positions will move up one pay grade

### Major Tax and Fee Changes

	RATE	IMPACT FY22	MEANS TO RESIDENTS
<b>Delay ERU Increase</b>	3.5¢	(\$3.1 M)	avoid \$12.78 annually
<b>Reduce Real Estate Rate</b>	1¢	(\$6.2 M)	avoid avg. of \$26 per year
<b>Extend Hotel Flat Tax</b>	\$1 per night	\$1,034,677	impacts visitors \$1 per night
<b>Short Term Rental</b>	\$200 per year	\$400,000	impact STR

### Real Estate Tax

Proposed Tax Rate = \$1.0075	\$6,238,244 per penny
City Share of 1¢ reduction	(\$3,321,864)
Schools' Share of 1¢ reduction	(\$2,916,379)

The FY22 Proposed Budget has been positioned conservatively.

Notable highlights include:

Establishment of \$20 million "Emergent Need Contingency Reserve" for unknown future events

Attrition was not used to balance the FY22 budget.

The FY22 Budget does not rely on additional funds from federal COVID-19 stimulus.

Budgeted \$500,000 in a pandemic reserve for enhanced cleaning needs and other pandemic-related unknowns

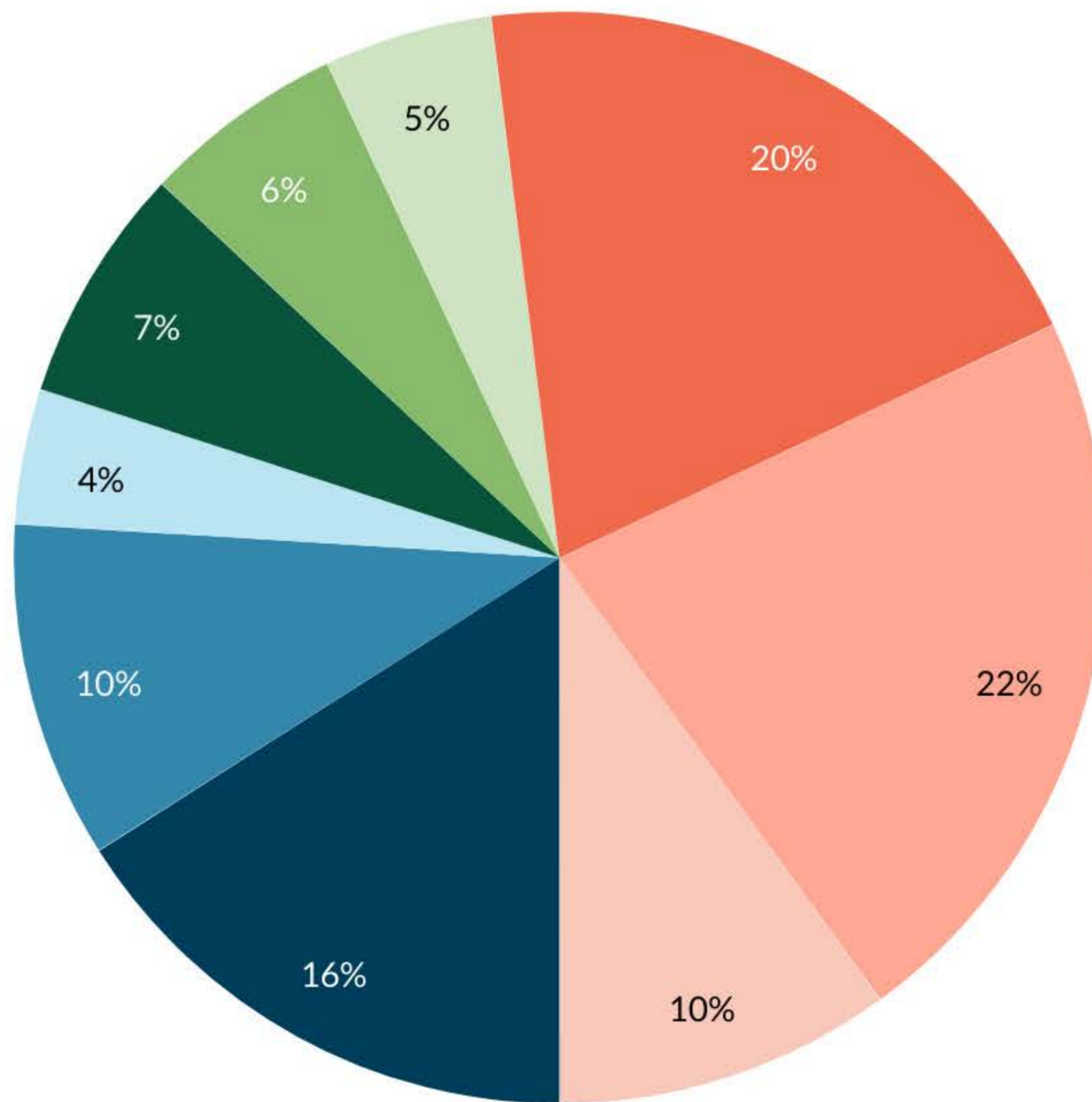




# City of Virginia Beach

## FY 2021-22 Proposed Capital Improvement Plan

The FY 2022 Proposed CIP Totals \$423,111,001



■ Schools (16%)  
 ■ Buildings (10%)  
 ■ Parks and Recreation (4%)  
 ■ Economic Development (7%)  
■ Information Technology (6%)  
 ■ Coastal (5%)  
 ■ Roadways (20%)  
 ■ Stormwater (22%)  
 ■ Water and Sewer (10%)

### Stormwater

Increased maintenance funding for Canal Management, Roadside Ditch Program and for the continuation of stormwater planning and analysis.

Established a new project to help improve organization of stormwater management and tracking of project delivery.

### Roadways

Reserves local funding to prevent construction delays resulting from reduced state funding on the following projects:

\$7.2 million budgeted for Elbow Road Phase II-B

\$7.6 million budgeted for Shore Drive Phase III

### Information Technology

Expand Oceanfront Camera program

Courtroom Technology replacement/modernization

Increases funding for cybersecurity

Provides funding in out years for creation of a 911 call center back-up site

### Economic Development

Adds \$6 million for infrastructure and Phase II of Innovation Park.

\$2.47 million for construction of permanent of 31st Beach Canopy (RAC)

### Buildings

Funding for study of courthouse parking lot security needs

Increased funding for maintenance needs at the Creeds Police Training Facility

### Schools

BF Williams Elementary School replacement - \$68.4 million

Princess Anne High School fully funded in six-year CIP totaling \$162.6 million

Bayside High School programmed funding in out years